

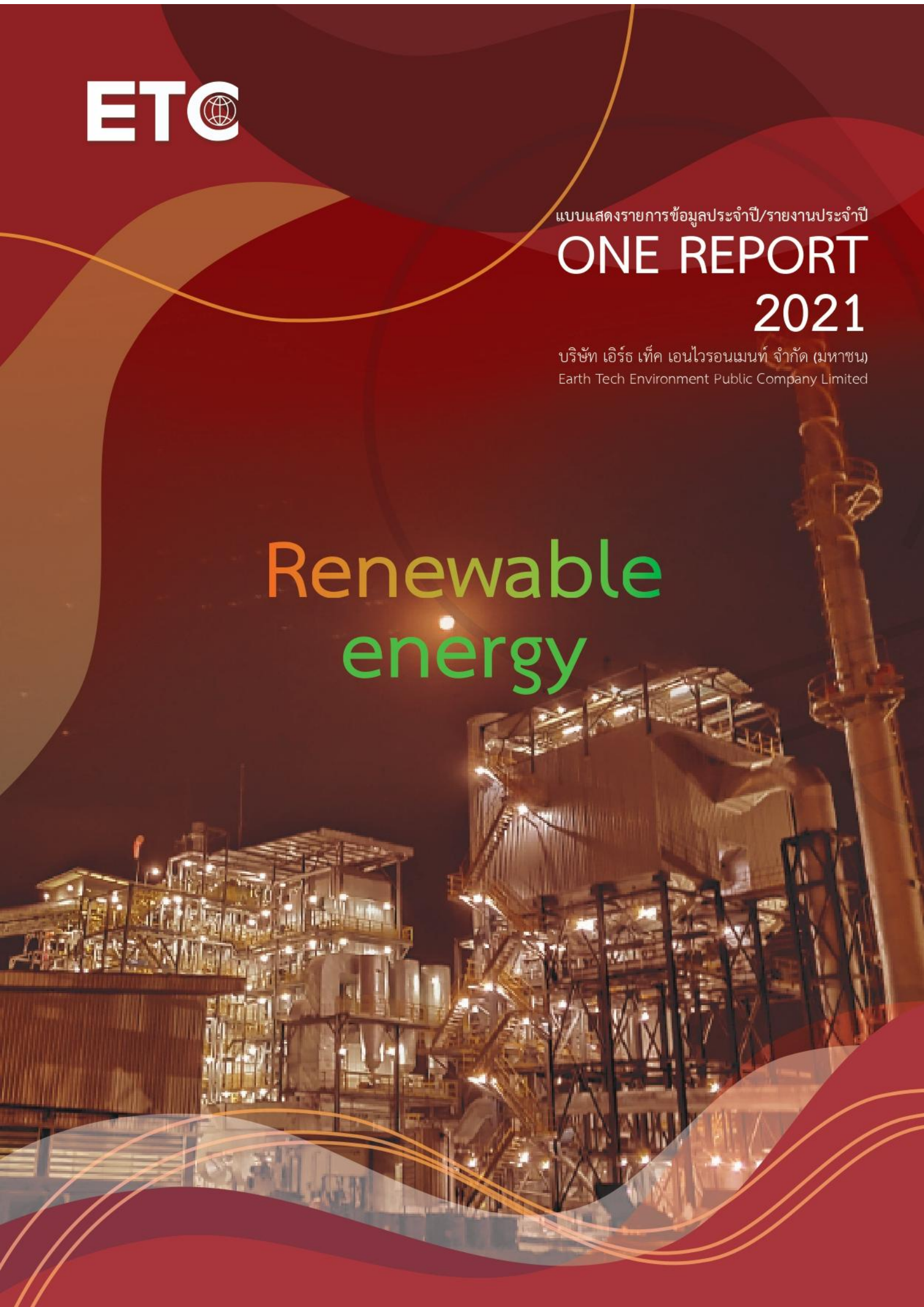


แบบแสดงรายการข้อมูลประจำปี/รายงานประจำปี

# ONE REPORT 2021

บริษัท เอิร์ธ เทคโนโลยี เอ็นไวรอนเมนต์ จำกัด (มหาชน)  
Earth Tech Environment Public Company Limited

## Renewable energy



# Table of Contents

	PAGE
Message from Chairman of the Board of Directors and Managing Director	
Key Performance	1
Part 1: Business Operation and Operating Results	3
1. Organizational structure and operation of the group of companies	4
2. Risk management	25
3. Business sustainability development	36
4. Management discussion and analysis (MD&A)	51
5. General information and other material facts	60
Part 2: Corporate Governance	
6. Corporate governance policy	63
7. Corporate governance structure and material facts related to the board, subcommittees, executives, employees and others	93
8. Report on key operating results related to corporate governance	122
9. Internal control and related party transactions	137
Part 3: Financial Statements	156
Attachments:	
Attachment 1: Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary	215
Attachment 2: Details of the directors of subsidiaries	240
Attachment 3: Details of the Heads of the Internal Audit	242
Attachment 4: Assets for business undertaking and details of asset appraisal	245
Attachment 5: Corporate governance Policy and Code of Conduct	291
Attachment 6: Report of the Audit Committee and other Sub committees' Reports	293



# สารจากประธานกรรมการและกรรมการผู้จัดการ Message from the Chairman of the Board of Directors and the Managing Director

บริษัท เอิร์ธ เทค เอ็นไวรอนเมนต์ จำกัด (มหาชน) ในฐานะผู้ผลิตกระแสไฟฟ้าจากเชื้อเพลิงกากอุตสาหกรรม หรือ SRF ยังคงมุ่งมั่นที่เป็นกำลังสำคัญในการที่ช่วยดูแลรักษาและพัฒนาสิ่งแวดล้อม สังคม และชุมชนใกล้เคียง

ให้ยั่งยืนที่สอดคล้องกับนโยบาย Bio-Circular Green Economy (BCG) ที่ทางภาครัฐกำหนดเป็นแนวทางความยั่งยืน เรามีการดำเนินงานสอดคล้องตามการกำกับดูแลกิจการที่ดี และพัฒนาความยั่งยืนขององค์กร ควบคู่ไปกับการขับเคลื่อนธุรกิจตามหลักเศรษฐกิจหมุนเวียนตลอดทั้งห่วงโซ่คุณค่า ตั้งแต่การขนส่ง การผลิต การจัดการของเสีย รวมถึงการนำกลับมาใช้ใหม่ และส่งเสริมโครงการด้านการจัดการขยะอย่างต่อเนื่อง ทั้งขยายความร่วมมือกับพันธมิตรทั้งภาค ธุรกิจและเอกชน เพื่อเพิ่มประสิทธิภาพ สร้างความตระหนักรู้ให้กับประชาชนเพิ่มมากขึ้น

แม้ว่าปี 2564 สถานการณ์การแพร่ระบาดโคโรนาไวรัส หรือ โควิด-19 ยังคงเป็นสถานการณ์ที่ต้องจับตามองอย่างใกล้ชิด เนื่องจากเชื้อไวรัสเกิดการกลายพันธุ์ได้ แต่ทางบริษัทฯ มีการกำหนดนโยบาย และมาตรการรับมืออย่างรอบคอบ โดยสถานการณ์นี้บริษัทฯ ก็ยังคงผลิตกระแสไฟฟ้าซึ่งเป็นพลังงานทดแทนได้อย่างต่อเนื่อง

ในนามของคณะกรรมการ ผู้บริหาร และพนักงานทุกคนของบริษัทฯ ขอขอบพระคุณผู้มีส่วนได้เสียทุกฝ่ายที่ช่วยเหลือและให้การสนับสนุน พร้อมทั้งแสดงความคิดเห็นที่เป็นประโยชน์ต่อการพัฒนา และปรับปรุง เพื่อช่วยเสริมสร้างให้บริษัทฯ มีการพัฒนาการในการดำเนินงานด้านต่างๆ ด้วยดีเสมอมา และหวังเป็นอย่างยิ่งว่าด้วยแรงสนับสนุนจากทุกภาคส่วนจะส่งผลให้บริษัทฯ จะก้าวไปข้างหน้าอย่างแข็งแกร่ง และเติบโตไปด้วยกันอย่างยั่งยืนในอนาคต

EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED as a generate power producer from industrial waste fuels or SRF is committed to being an important part to look after the environment and developing a societies and nearby communities to be sustainable in accordance with the government policy in the Bio-Circular Green Economy (BCG) field. As a corporate with social responsibility and sustainable approaches, We operates the business with good corporate governance and develop the sustainability of the organization along with driving business is related to the circular economy principle throughout the value chain outcomes belong to the proper organization in transportation, production, waste management including reuse and continually promote waste management projects and expanding cooperation with partners in the allies businesses and to private for increasing efficiency of ETC's business as well as a public awareness.

Even though in year 2021, the situation of the corona virus epidemic or COVID-19 is still a situation that have to be continually aware of but ETC has carefully formulated policies and counter-measures. In this situation, TETC was able to continue to produce electricity which is a renewable energy.

On behalf of the Board of Directors and the Executives of ETC, would like to thank all stakeholders for the help and supporting also the comments that are beneficial to the development and improvement in ETC's strength business and in various fields as always and sincerely. Hope that with all the support of all sectors will definitely result ETC for moving forward with the strong and sustainable together in the future.





“We operates the business with good corporate governance and develop the sustainability of the organization along with driving business is related to the circular economy principle throughout the value chain”



นายเอกรินทร์ เหลืองวิริยะ

Mr. Ekarin Luengviriya

กรรมการผู้จัดการ / Managing Director

นายอนุสรณ์ เนืองผลมาก

Mr. Anusorn Nuangpolmak

ประธานกรรมการ / Chairman of the Board



# Key performance

## Statement of financial position

(unit : million baht)

	2019	2020	2021
Total current assets	241.27	1,608.63	1,472.90
Total non-current assets	2,354.87	2,416.77	2,496.72
<b>Total assets</b>	<b>2,596.14</b>	<b>4,025.40</b>	<b>3,969.62</b>
Total current liabilities	424.32	413.99	436.23
Total non-current liabilities	1,278.33	1,042.37	770.92
<b>Total liabilities</b>	<b>1,702.65</b>	<b>1,456.35</b>	<b>1,207.15</b>
<b>Equity</b>	<b>893.49</b>	<b>2,569.04</b>	<b>2,762.47</b>

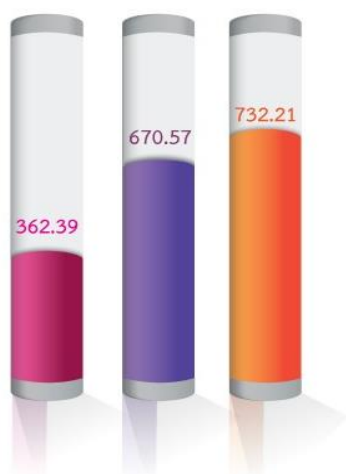
## Income Statement

(unit : million baht)

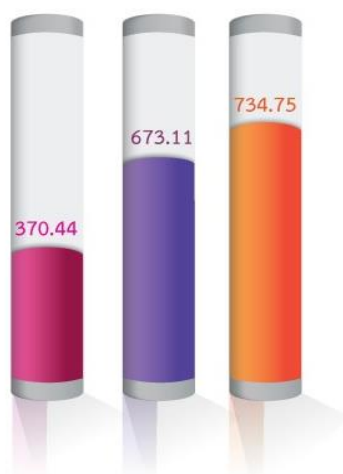
	2019	2020	2021
Revenue from electricity sales	362.39	670.57	732.21
Cost of sales and services	(176.67)	(312.99)	(390.88)
Gross profit	185.72	357.58	339.33
Gross profit margin(%)	51.25%	53.32%	46.47%
Other income	8.05	2.54	18.95
Administrative expenses	(63.95)	(56.97)	(77.28)
Executive compensation	(19.31)	(21.21)	(22.29)
Profit(loss)before finance costs and income tax	110.52	281.94	(258.71)
Financial cost	(47.82)	(80.01)	(68.59)
Income tax	(5.90)	(0.70)	2.91
Net profit(loss)	56.80	201.23	193.03
Profit(loss)sharing, in equity owned by the parent company	57.55	194.48	187.36
EBITDA	56.94	201.23	369.69
Net profit margin(%)	15.33 %	29.90%	25.77%

## Performance graph

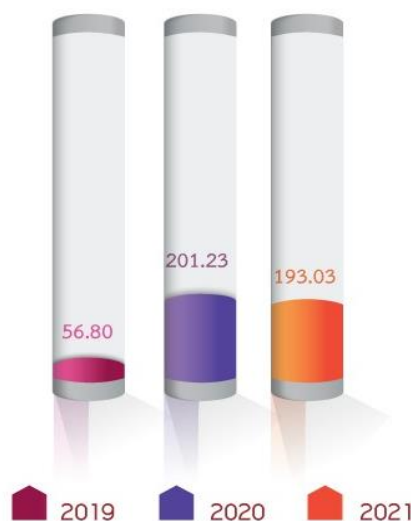
Revenue from electricity sales



Total income



Net profit



## Important financial ratios

(unit : million baht)

	2562	2563	2564
Return on equity (%)	6.57%	11.62%	7.24%
Liquidity Ratio(times)	0.57	3.89	3.38
Cash flow liquidity ratio(times)	0.40	0.87	1.15
Return on assets (%)	2.30%	6.08%	4.83%
Debt to Equity Ratio(times)	1.91	0.57	0.44
Asset turnover(times)	0.15	0.20	0.19
Debt to equity ratio(times)	0.66	0.36	0.30

## Growth rate

(unit : million baht)

	2019	2020	2021
Asset	11.01%	55.05%	(1.39%)
Debt	13.34%	(14.47%)	(17.11%)
Equity	6.81%	187.53%	7.53%
Income	13.58%	81.70%	11.30%





# Part 1

## Business Operation and Operating Results

# 1. Organizational structure and operation of the group of companies

## Policy and business overview

Currently, natural resources that can be used as fuel are constantly decreasing, such as oil, natural gas, coal. Therefore, it is very important to supply renewable resources that cannot be depleted to generate enough electricity to meet demand and drive the economy. Renewable resources include hydropower from dams, solar power, wind power, waste-to-energy, etc. However, there are quite a lot of conditions to use these renewable energy sources, including unfavorable climate conditions, high production costs, and long period of project construction. It is still necessary to support and turn to use renewable energy as much as possible for the purposes of energy security and environmental sustainability

Earth Tech Environment Public Company Limited and its affiliates established to create energy security and take care of the environment by managing waste problems at the same time without affecting society and communities, and generating electricity by using modern technology and control it efficiently.

Currently, the company operates the business of producing and distributing electricity from industrial waste and processed community waste with a capacity of 9.4 MW, and received support for the electricity purchase rate from the waste electricity-generation project (integrated waste management) in the form of Feed-in-Tariff (FiT) according to the conditions specified in the Energy Regulatory Commission's announcement on the purchase of electricity from renewable energy (excluding solar energy) during the transition from Adder to Feed-in-Tariff (FiT).

The affiliates are Recovery House Co., Ltd. (RH) and Ava Grand Energy Co., Ltd. (AVA), producing and distributing industrial waste-generated electricity according to the announcement of the Energy Regulatory Commission on special electricity purchase from industrial waste in the form of Feed-in-Tariff (FiT), and the announcement of electricity purchase from renewable energy 2015-2019, with power generation capacity 7.0 and 4.5 MW, respectively.

At present, Earth Tech Environment Public Company Limited has 3 growth strategies:

1. Implementation of the government's electricity purchase policy
2. Acquisition or merger of external electricity
3. Construction and management of power projects both inside and outside the group of companies, with a subsidiary, Earth Engineering and Construction Company Limited (EEC), responsible for the construction and management of all power plant projects.



## ปรัชญา Philosophy

LIFE FROM LIGHT, LIGHT FOR LIFE

"เราสร้างเพื่อชีวิต...เราคิดเพื่ออนาคต"

## วิสัยทัศน์ Vision

Strive to be a leader in the service of generating and distributing electricity  
by using renewable energy for maximum efficiency and benefit to the country.

มุ่งมั่นเป็นผู้นำในการให้บริการผลิตและจำหน่ายกระแสไฟฟ้า  
โดยการใช้พลังงานทดแทนให้เกิดประสิทธิภาพ และประโยชน์สูงสุดกับประเทศ

### พันธกิจ



#### Environment

บริหารจัดการทรัพยากรธรรมชาติ  
และสิ่งแวดล้อมอย่างรู้คุณค่า

Manage natural resources  
and the environment with value

#### Technology

สร้างสรรค์และพัฒนาเทคโนโลยี  
สู่ความเป็นเลิศตามมาตรฐานสากล  
Create and develop technology for  
excellence according to international  
standards

#### Community

อยู่ร่วมกับชุมชนอย่างยั่งยืน

Live with the community sustainability

### วัฒนธรรมองค์กร

#### *I-care(s)*

ร่วมดูแลสร้างสรรค์สังคมอย่างสมดุล

Take care and create a balanced society together

#### *Impartial*

รักษาผลประโยชน์และปฏิบัติต่อ ผู้มีส่วนได้เสียอย่างเป็นธรรม

Maintain benefits and treat stakeholders fairly

#### *Common interest*

ร่วมกันปฏิบัติหน้าที่โดยยึดผลประโยชน์ ขององค์กรเป็นหลัก

Jointly perform duties based on the interests of  
the organization

#### *Announce*

เปิดเผยข้อมูลอย่างโปร่งใส

Transparent disclosure

#### *Responsible*

รับผิดชอบต่อการดำเนินธุรกิจอย่างยั่งยืน

Responsible for sustainable business operations

#### *Equality*

พัฒนา เพิ่มพูนความรู้ ปฏิบัติกับพนักงานทุกระดับอย่างเท่าเทียม

Develop, increase knowledge, and treat employees  
of all levels equally

#### *Statute*

ปฏิบัติตามกฎหมายอย่างเคร่งครัด

Strictly obey the law

# Major changes and developments



Present

FTSE

- ETC Selected for inclusion in the FTSE SET Shariah Index in December 2021.

- EEC increased its authorized and issued capital from 10 MB to 100 MB to support work in external community electricity generation.

- ETC RH and AVA reached an agreement to incinerate infectious waste

ESG100 2021  
Environmental-Social-Governance  
Thaipat Institute

- ETC was ranked in the annual ESG 100 in 2021 by Thaipat Institute

Excellent CG Scoring



- ETC received an 'Excellent' score in the 2021 CGR Report of the Thai Institute of Directors.

Excellent AGM Checklist



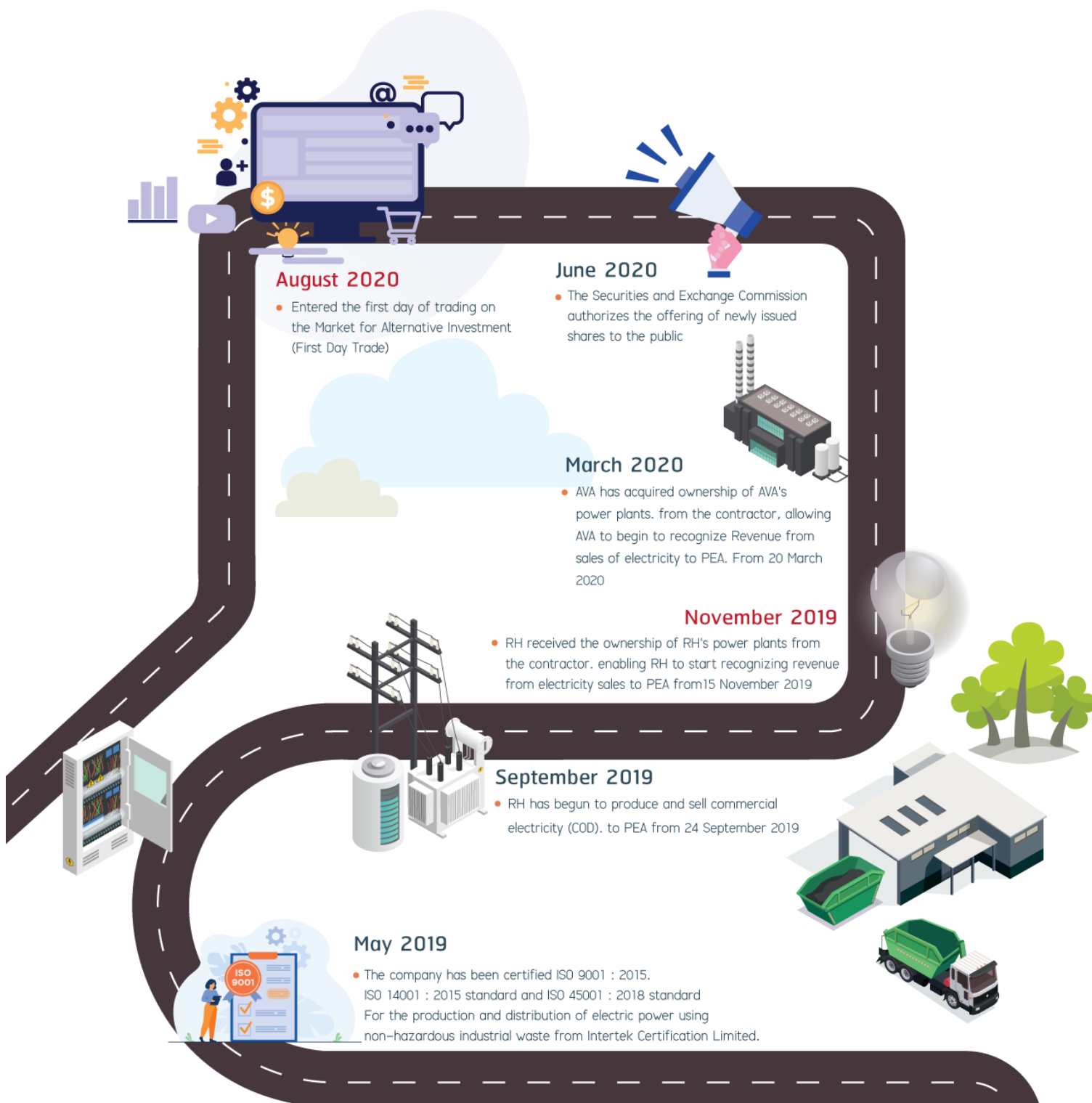
- ETC received a full score of 100, in the 'Excellent' category, in the 2021 AGM Checklist assessment of the Thai Investors Association



December 2020

- ETC informs the change in the secondary market for securities trading from the Market for Alternative Investment (MAI) to the Stock Exchange of Thailand (SET) Resource Industry Group Energy and Utilities Business Sector
- Declaration of Intent against Corruption in Memorandum of Agreement between business partners Better World Green Public Company Limited and Earth Tech Environment Public Company Limited
- Entered the first day of trading on the Market for Alternative Investment (First Day Trade)
- The Securities and Exchange Commission authorizes the offering of newly issued shares to the public





## December 2019

-  L88 moved its headquarters from the original Located at 488 Soi Ladprao 130 (Mahadthai 2), Klong Chan Subdistrict, Bang Kapi District, Bangkok, to the head office located at 88, 88/1 Moo 1, Kaeng Khoi Industrial Estate, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province
-  RH has moved its head office from its original location at 488 Soi Ladprao 130 (Mahadthai 2), Klong Chan Subdistrict, Bang Kapi District, Bangkok to the head office located at 8/888 Village No. 4, Bang Phra Khru Subdistrict, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province
-  AVA moved its head office from its original location at 488 Soi Ladprao 130 (Mahadthai 2), Klong Chan Subdistrict, Bang Kapi District, Bangkok to the head office at 100 Moo 1, Nong Lum Subdistrict, Wachirabarami District, Phichit Province
-  SIRI moved its head office from its original location at 488 Soi Ladprao 130 (Mahadthai 2), Klong Chan Subdistrict, Bang Kapi District, Bangkok to the head office at 88, 88/1 Moo 1, Kaeng Khoi Industrial Estate, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province
- AVA has started producing and distributing commercial electricity (COD) to the Provincial Electricity Authority (PEA) since 25 December 2019
- The company transformed into a public company and changed the name of the company to Earth Tech Environment Public Company Limited
- The company has changed the par value of common shares from the original 100.00 baht per share to 0.50 baht per share
- The company increased its registered capital from 820 million baht to 1,120 million baht by issuing 600 million new common shares with a par value of 0.50 baht per share for the Initial Public Offering

## Report of the Utilization of Capital Increase from IPO

### Purpose of Using the Money

Unit : Million Baht

	Estimated Amount	Balance Amount At 31 December 2021	Re-approved Balance After the Change	Period of Using
(1) Using to expand the business of ETC and ETC's subsidiaries in the future.	850.00	805.00	505.00	2022-2024
(2) Loan Reimbursement	80.00	47.00	-	-
(3) Using as working capital for the business of ETC, ETC's subsidiaries.	135.45	16.14	363.14	2022-2024
(4) Loans to BWC	60.00	30.00	30.00	2022-2023
(5) Loans to BWG	350.00	250.00	250.00	2021-2024
<b>Total</b>	<b>1,475.445</b>	<b>1,148.14</b>	<b>1,148.14</b>	

Note: The Board of Directors No. 1/2022 dated February 22, 2022 had approved of the insignificant change on the objective of IPO's utilization by reallocation of the amount of IPO Proceed



# Company information

Company name : EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED  
Stock Symbol : ETC

Company registration number : 0107562000475

## Registered and Paid-up Capitals

Registered Capital : 1,230,000,000.00 baht  
Paid-up Capital : 1,120,000,000.00 baht  
Par Value : 0.50 baht per share

## Shares Detail Common Stock

Listed Share : 2,240,000,000.00 shares  
Paid-up Stock : 2,240,000,000.00 shares  
Voting Right Ratio : 1 share with 1 vote

Nature of business : Businesses to produce and distribute  
electricity from renewable energy  
power plants

Accounting Period : 1 January – 31 December

Website : [www.etcenvi.com](http://www.etcenvi.com)

Office location : 88, 88/1, Moo 1, Ban That  
Sub-district, Kaeng Khoi  
District, Saraburi Province  
Tel. (66)3-620-0294  
Fax. (66)3-620-0295



## General information of subsidiaries



### 1) Link 88 Power Company Limited (“L88”)

English name	: Link 88 Power Company Limited
Company registration date	: 9August 2016
Company registration number	: 0105559123373
Nature of business	: Operate a business with the objective of investing in t power plant business using waste as fuel (Holding Company)
Office location	: 88, 88/1, Moo 1, Ban That Sub-district, Kaeng Khoi Dist Saraburi Province
Tel.	: (66) 3620-0294
Fax.	: (66) 3620-0295
Registered capital	: 200,000,000baht (two hundred million baht)
Issued and paid capital	: 200,000,000baht (two hundred million baht)
Par value per share	: 100 baht (one hundred baht)
Proportion that ETC holds shares	: 99.88 percent (%)



### 2) Recovery House Company Limited (“RH”)

English name	: Recovery House Company Limited
Company registration date	: 26 June 2014
Company registration number	: 0105557090265
Nature of business	: Operate the business of producing and distributing electricity by using industrial waste as fuel
Office location	: 8/888, Moo 4, Bang Phra Kru Sub-district, Nakhon Luar District, Phra Nakhon Si Ayutthaya Province
Location of power plant	: Nakhon Luang Industrial Estate Bang Phra Khru Subdis Nakhon Luang District, Phra Nakhon Si Ayutthaya Provi
Tel.	: (66) 3575-0113
Fax.	: (66) 3575-0114
Registered capital	: 200,000,000 baht (two hundred million baht)
Issued and paid capital	: 200,000,000 baht (two hundred million baht)
Par value per share	: 100 baht (one hundred baht)
Proportion that L88 holds shares	: 95 percent (%)



### 3) AVA Grand Energy Company Limited (“AVA”)

English name	: AVA Grand Energy Company Limited
Company registration date	: 17 August 2016
Company registration number	: 0105559128138
Nature of business	: Operate the business of producing and distributing electricity by using industrial waste as fuel
Office location	: 100, Moo 1, Nong Lum Subdistrict, Wachirabarami District, Phichit Province
Location of power plant	: Phichit Industrial Estate, Nong Lum Subdistrict, Wachirabarami District, Phichit Province
Tel.	: (66) 5661-9751
Fax.	: (66) 5661-9752
Registered capital	: 125,000,000 baht (one hundred twenty-five million baht)
Issued and paid capital	: 125,000,000 baht (one hundred twenty-five million baht)
Par value per share	: 10 baht (ten baht)
Proportion that ETC holds shares	: 97 percent (%)



### 4) Siri Lapha Power Company Limited (“Siri”)

English name	: Siri Lapha Power Company Limited
Company registration date	: 17 August 2016
Company registration number	: 0105559128146
Nature of business	: Currently, the business is not in operation and is preparing to submit an offer for electricity sales in the event that the Energy Regulatory Commission (“ERC”) opens a new petition and offer to sell electricity in the future.
Office location	: 88, 88/1 Moo 1, Kaeng Khoi Industrial Estate, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province
Tel.	: (66) 3620-0294
Fax.	: (66) 3620-0295
Registered capital	: 50,000,000 baht (fifty million baht)
Issued and paid capital	: 12,500,000 baht (twelve million baht)
Par value per share	: 10 baht (ten baht)
Proportion that ETC holds shares	: 97 percent (%)





### 5) Earth Engineer and Construction Company Limited (“EEC”)

English name	: Earth Engineer and Construction Company Limited
Company registration date	: 11 April 2017
Company registration number	: 0105560059039
Nature of business	: Provides engineering design services, procurement of machinery and equipment, and the construction of integrated power plants (Integrated EPC).
Office location	: Number 2728, 2730 Ladprao Road, Klong Chan Sub-district, Bangkok
Tel.	: 063-393-4779
Fax.	: -
Registered capital	: 100,000,000 baht (one hundred million baht)
Issued and paid capital	: 55,000,000 baht (fifty five million baht)
Par value per share	: 100 baht (one hundred baht)
Proportion that ETC holds shares	: 99.99 percent (%)

# Nature of Business

## Income structure

Summary of financial status and operating results of the Company and its subsidiaries

(unit: million baht)

### Statement of Financial Position

### Consolidated financial statements

Item	2019	2020	2021
Service income	362.39	670.57	730.21
Gross profit	185.72	357.58	339.33
Profit attributable to the parent company	57.73	194.48	187.36
Gross margin	51.25%	53.32%	46.47%
Profit margin attributable to parent company	15.58%	28.89%	25.01%
Total assets	2,596.14	4,025.40	3,969.62
Total liabilities	1,702.65	1,456.35	1,207.15
Equity	893.49	2,569.04	2,762.47

## Revenue structure of the Company and its subsidiaries

(unit: million baht)

### Consolidated financial statements

Income type	Operated by	2019		2020		2021	
		million baht	%	million baht	%	million baht	%
Revenue from selling electricity	ETC RH AVA	362.39	97.83	670.57	99.47	730.21	97.47
Revenue from construction		362.39	97.83	670.57	99.47	730.21	97.47
Other income *		8.05	2.17	2.54	0.38	18.95	2.53
Total income		370.44	100.00	673.11	100.00	749.16	100.00

## Product information

The Company has operated a power plant business that uses waste fuel in the form of very small power generators (“VSPP”) or less than 10 megawatts at 3 locations, which the Company has imported various machinery from abroad. The machinery uses clean technology and produce electricity using fuel from renewable sources derived from processed municipal and industrial waste, commonly referred to as SRF fuel. SRF fuel is well suited for use in combustion chamber of waste-fired power plants, which is currently the Company's first SRF-fueled power plant (“ETC 1 Project”) generating and supplying electricity to PEA following non-firm power purchase agreement, with no minimum requirement on the daily amount of electricity produced and distributed by the Company and without penalty. PEA agrees to purchase electricity with a maximum power of 8.0 MW at a voltage level of 22,000 volts for a period of 20 years from March 9, 2017, which is the Commercial Operation Date (“COD”) and receiving remuneration at the rate of FiT in accordance with the resolution of the 2nd National Energy Policy Council/ 2014 on 15 December 2014, which approved the principle of modifying measures to promote electricity production from renewable resources in the system. Adder is a Feed-in Tariff (FiT) system for other renewable energy power generation projects (except solar energy), consisting of wind power, waste biomass and biogas, and has a power purchase point at the installation point at Ban That Subdistrict, Kaeng Khoi District. Saraburi Province, where electricity is connected from the power plant of the Company and enters the system of PEA through a meter to measure the number of units of electricity sold to PEA.

The other 2 subsidiaries that have received power purchase agreements with PEA and have begun producing and distributing commercial electricity to PEA in 2019 are Recovery House Co., Ltd. (“RH”) which has an plant with installed production capacity of 7.0 MW located in NakornLuang Industrial Estate, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province, to distribute electricity to PEA at a maximum power of 5.5 MW at 22,000 volts for a period of 20 years from 24 September 2019; and AVA Grand Energy Co., Ltd. (“AVA”) with installed production capacity of 4.0 megawatts, located in Pichit Industrial Estate, Wachirabarami District Pichit Province to distribute electricity to PEA at a maximum power of 3.0 MW at 22,000 volts for a period of 20 years from 25 December 2019. Details of the Company's power plants is summarized as follows:

Compan	Location of the power plant project	Fuel type	Installed capacity (MW)	Offering capacity (MW)	COD	Power purchase agreement period from COD
ETC	Kaeng Khoi Industrial Estate, Kaeng Khoi District, Saraburi Province	Community waste and / or non-hazardous industrial waste	9.4	8.0	9 March 2017	20 years
RH	NakornLuang Industrial Estate, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	Non-hazardous industrial waste	7.0	5.5	24 September 2019	20 years
AVA	SahaRattanaNakornLuang Industrial Estate, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	Non-hazardous industrial waste	4.0	3.0	25 December 2019	20 years

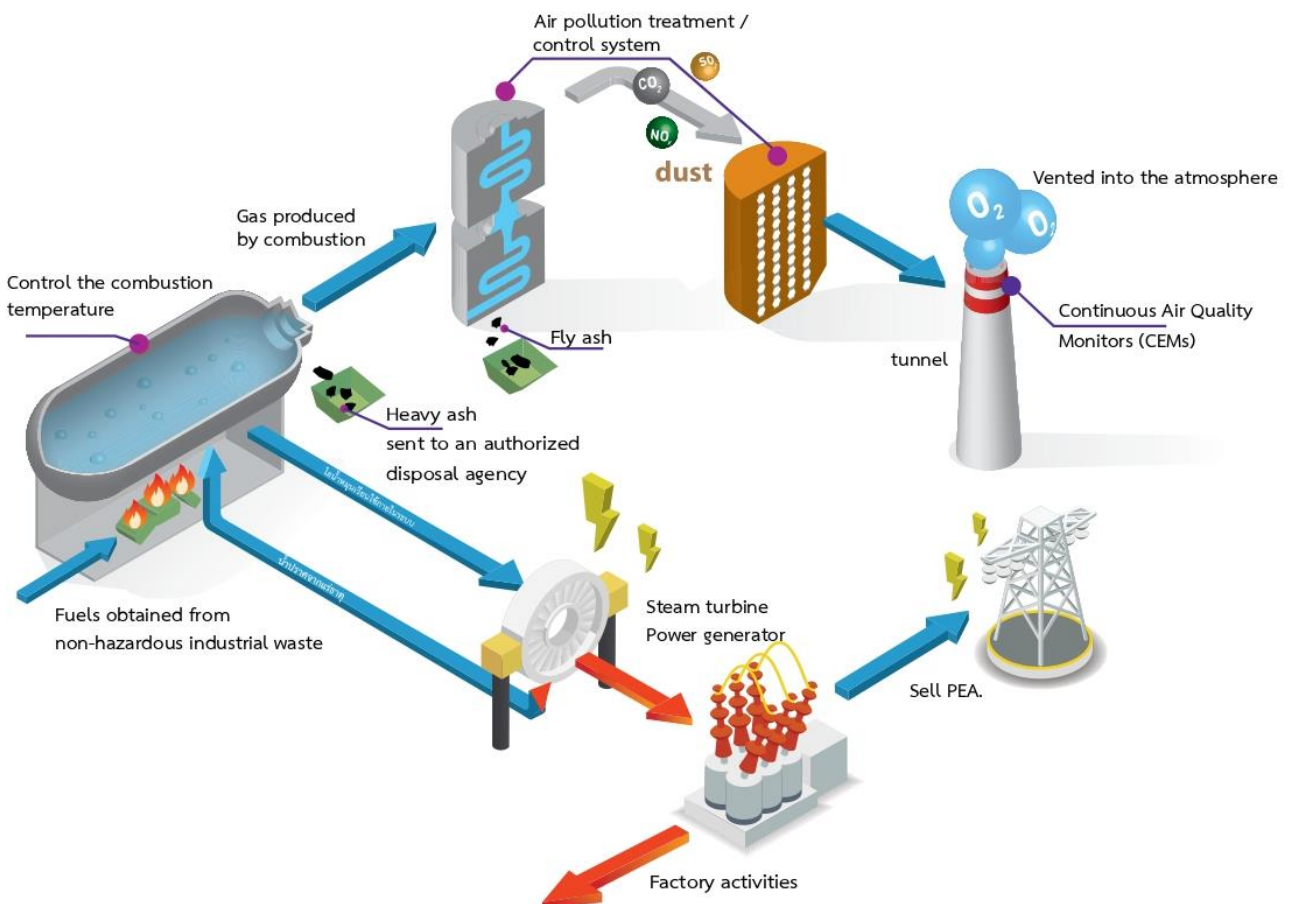


In addition, the Company also has a subsidiary, Sirilapa Power Company Limited (“SIRI”), which the Company has a policy for SIRI to bid for a new power plant that uses waste as fuel in the future, and Earth Engineering and Construction Company Co., Ltd. (“EEC”) which provides engineering design services, procurement of machinery and equipment, and the integrated power plant (Integrated EPC) construction, and power plant operations and maintenance (O&M), providing services to power plants both inside and outside the Group of Companies.

### Power generation process of the waste-fired power plants

The process of power generation of waste-fired power plants begins with raw water from the water supply system within the industrial estate through the water treatment plant to obtain demineralized water to feed into the steam generator (Boiler). SRF fuel, chopped waste up to 10 cm in size, either in lump or in bulk, as well as in plastic sheets to prevent odors or scattering of waste during transportation to the Company's power plants. SRF fuel packages are then placed on conveyor belts and the plastic packaging is shredded by machine to distribute the SRF fuel fragments on an inclined belt conveyor before it is fed into the combustion chamber by using step grate system. When the fuel steps are driven into the combustion chamber and the steps are turned over, the bottom of the unburned fuel element on the stepped sludge is turned upward. This causes the fuel parts to ignite and burn completely. In addition, adjusting the speed of the hydraulic stepping unit will help the combustion to be perfectly suitable for each type of fuel, which can be shown in the figure below.

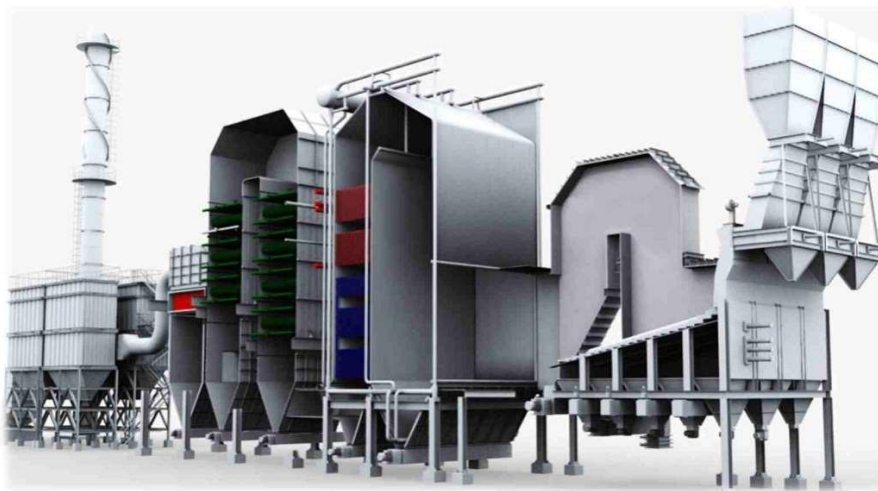
#### Power generation process of the waste-fired power plants



When the SRF fuel is completely burned and turned into ash. The nature of this ash can be divided into two types: heavy ash (bottom ash) and light ash (fly ash), in which heavy ash falls to the bottom of the combustion chamber where it is collected and stored in the ash storage tank before sending further for ash disposal. The remaining ash is burned away in hot air, also known as light ash. It is trapped by an electrostatic precipitator (ESP) and transported to the ash collection chamber before further disposal by the contractor. However, light ash contains no toxic substances and hence can be utilized, for example, landfill disposal with acidic properties to be treated with alkaline ash, etc.

During combustion it generates heat which makes the demineralized water in the boiler to be converted to superheated steam (Super Heater) which steam will rotate the blades of the steam turbine that has the same shaft axis as the generator to generate electricity and the voltage is adjusted by a transformer to the level of 22 kV in order to be able to supply electricity to the power grid under the Power Purchase Agreement with PEA. The superheated steam will then be condensed in the condenser by using cold water from the water storage tank and tower (Cooling Tower) allowing these waters to be sent back into the boiler to continue to produce steam. However, the effluent from the production process does not contain harmful toxins though it will still be treated with only chemicals or coagulants before storing them in the reservoir and forwarding to the evaporation pond to evaporate naturally, or to be reused such as for watering plants, washing the road, etc.

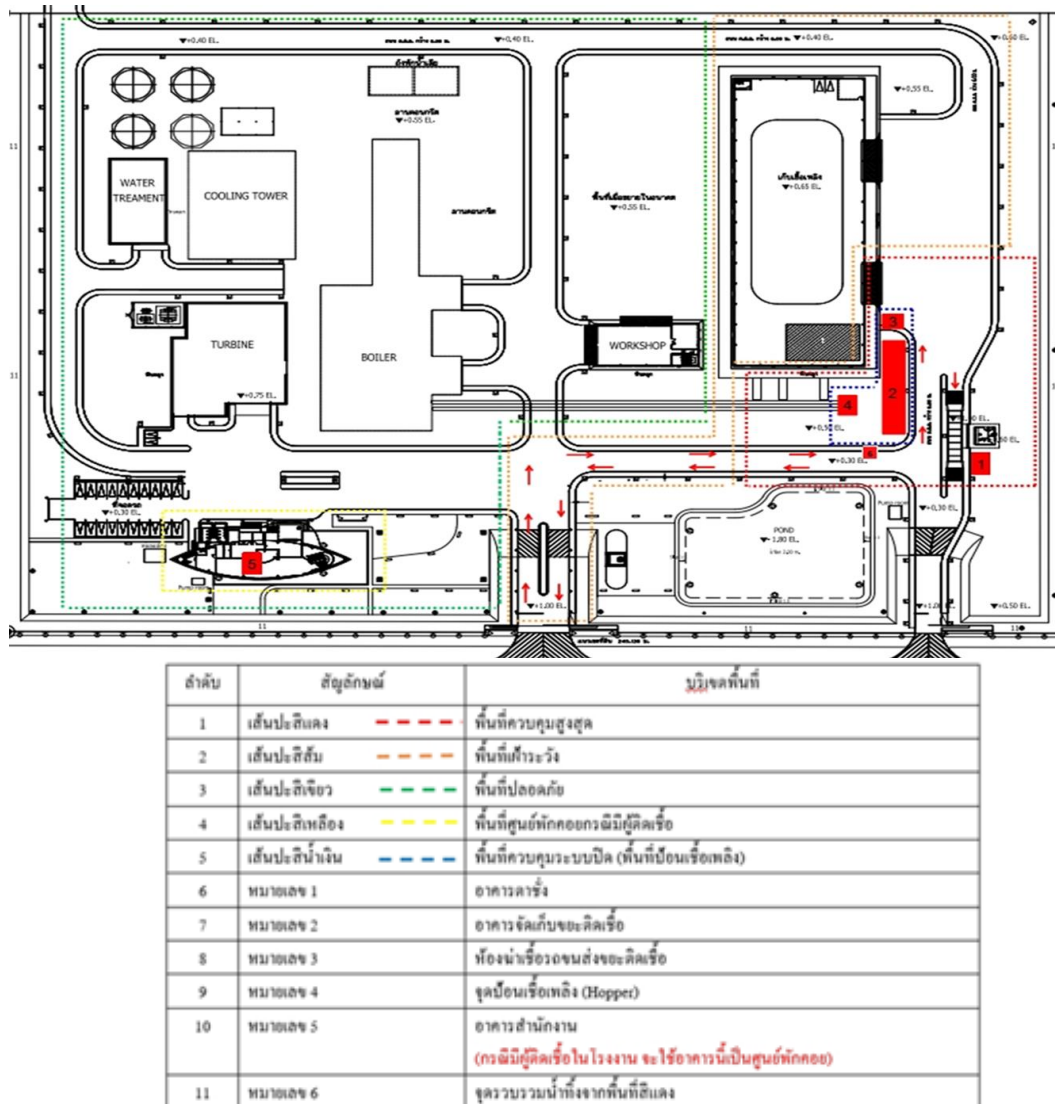
### Moving Grate Combustion Technology



### Measures on infectious waste incineration in power plants

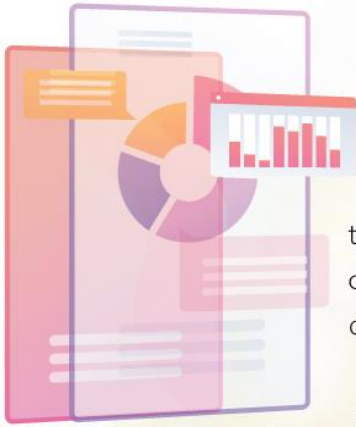
Earth Tech Energy (Public) Company Limited (the “Company”), AVA Grand Energy Company Limited, and Recovery House Company Limited (the “Subsidiary”) participated in solving problems of infectious waste incineration due to the increasing amount of infectious waste caused by the COVID-19 pandemic. It was found that during January to June, 2021, there was a total amount of 19,000 tons of infectious waste, which the existing incinerator capacity for waste disposal was insufficient. The power plants if the Company and its subsidiaries operating SRF power plants have the combustion technology with a temperature in the incineration chamber of not lower than 1,000 degrees Celsius, the effective air

pollution control system, and the properties of the incinerator, which are in accordance with the Ministry of Public Health's Notification on Infectious Waste Disposal B.E. 2545 (2002). According to the meeting for discussion on guidelines with relevant agencies including the Department of Health, Ministry of Public Health, the Industrial Estate Authority of Thailand, and the Energy Regulatory Commission, the Company and its subsidiaries were approved to receive infectious waste as fuel in incinerators and also visited the management system and risk prevention measures from relevant government agencies and community leaders residing at the area where the power plants of the Company and its subsidiaries are located.



The Company and its subsidiaries have the measures to manage the area and the incineration of infectious waste in power plants. There are strict management measures and regulations governing each zone, including procedures for receiving infectious waste before incineration in power plants and clear conditions for receiving infectious waste. In the case that the infectious waste transported to the power plant does not meet the specified conditions, it is not allowed to unload such waste and the collector and transporter will take it back to the originator.





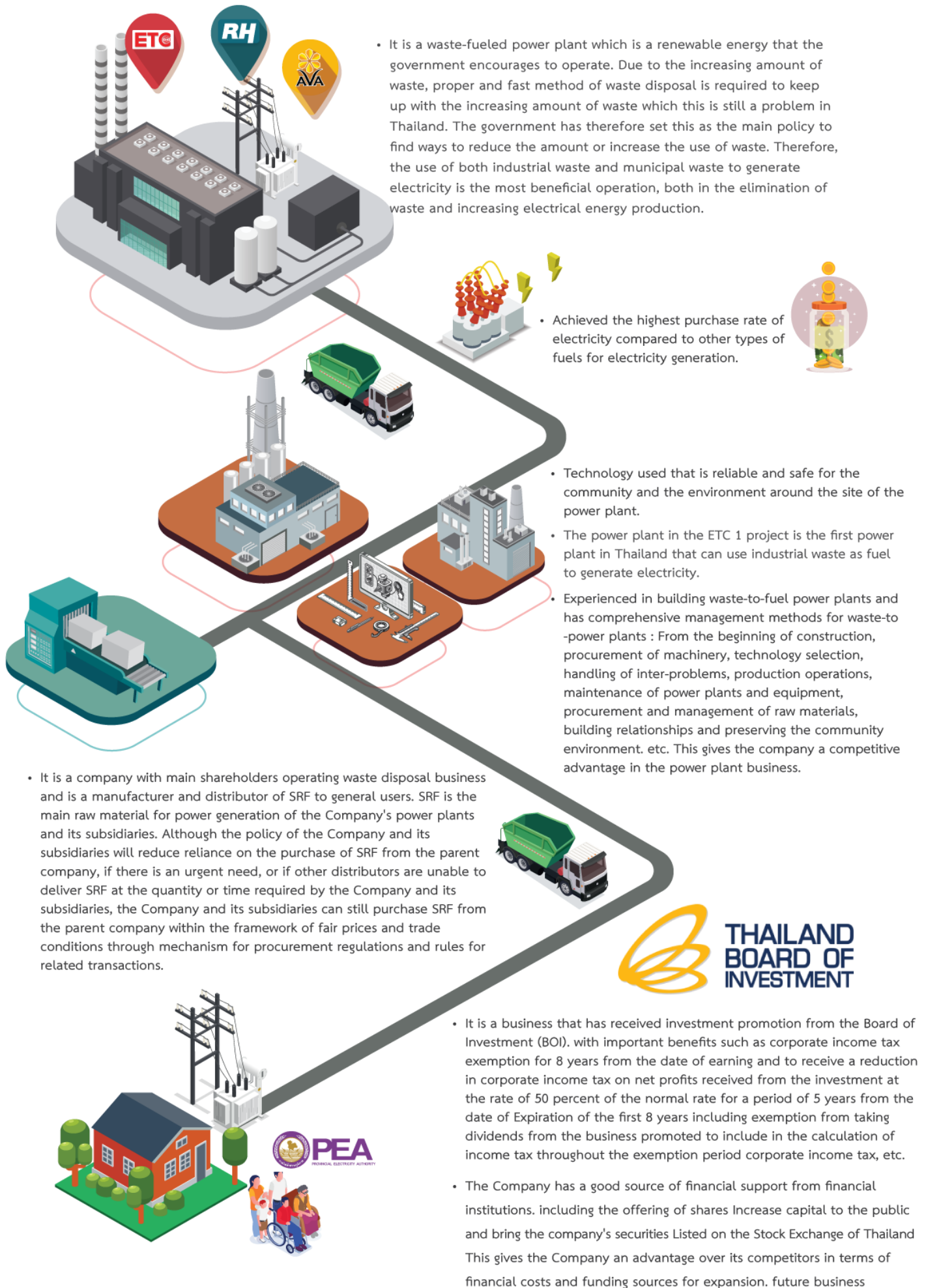
## Marketing and Competition

In 2021, the COVID-19 outbreak had affected the global economy for the second consecutive year and continues posing challenges to many organizations. Earth Tech Environmental (Public) Company Limited has adapted quickly so that businesses can be operated with competency.

The Company appropriately established the policy to handle with the Covid-19 outbreak for each level of severity and also develop the potential for electricity generation from industrial waste (SRF). The organization is committed to conducting businesses in accordance with the BCG Model policy or emphasis on Three-dimensional economics: bioeconomy, circular economy and green economy. Such policy is another important part of promoting Thailand's energy security, including the solution for the country's climate change, and reassuring stakeholders in all sectors and emphasizing on the security of implementation in accordance with safety measures and policies at the international level. In addition, Earth Tech Environment also engages in supervising and providing assistance to society continuously by delivering essential medical devices to nearby communities or scarce areas. The Company increasingly promotes employment in local areas, which distributes income to communities and also reduce the country's unemployment problem.

In recent years, the industrial sector of waste-to-energy power plants has not been so intense, as the government has not announced the purchase of waste-based electricity. However, the industrial waste-to-energy power plant business has a major pressure factor which is industrial waste fuel. As the industry sector reduces production capacity, the amount of raw materials used as fuel also decreases. The Company has carefully implemented the risk policy to support such situation, so the commercial power generation and distribution remains efficient. The Company's total revenues are not affected like other industrial sectors. It was considered the year of growth of the Company. The Company also focuses on sustainable development for the nation through industrial waste-based electricity generation and state-of-the-art environmentally friendly innovations which can help solve waste problems affecting the public and the environment by using it as fuel to generate electricity in accordance with government policies promoting the use of waste as fuel to reduce the country's waste quantity problem.

Although the waste-to-energy power plant industry in Thailand is still in the early stage, many operators are very interested in this industry. However, with many restrictions, Earth Tech Energy is still the leader in this business because it is necessary to apply advanced technology and large amount of investment and provide SRF from sufficient and consistent sources of waste raw materials. However, if the government increasingly supports waste-based electricity generation, it will also promote renewable energy that effectively reduces the long-term impact on society and environment.

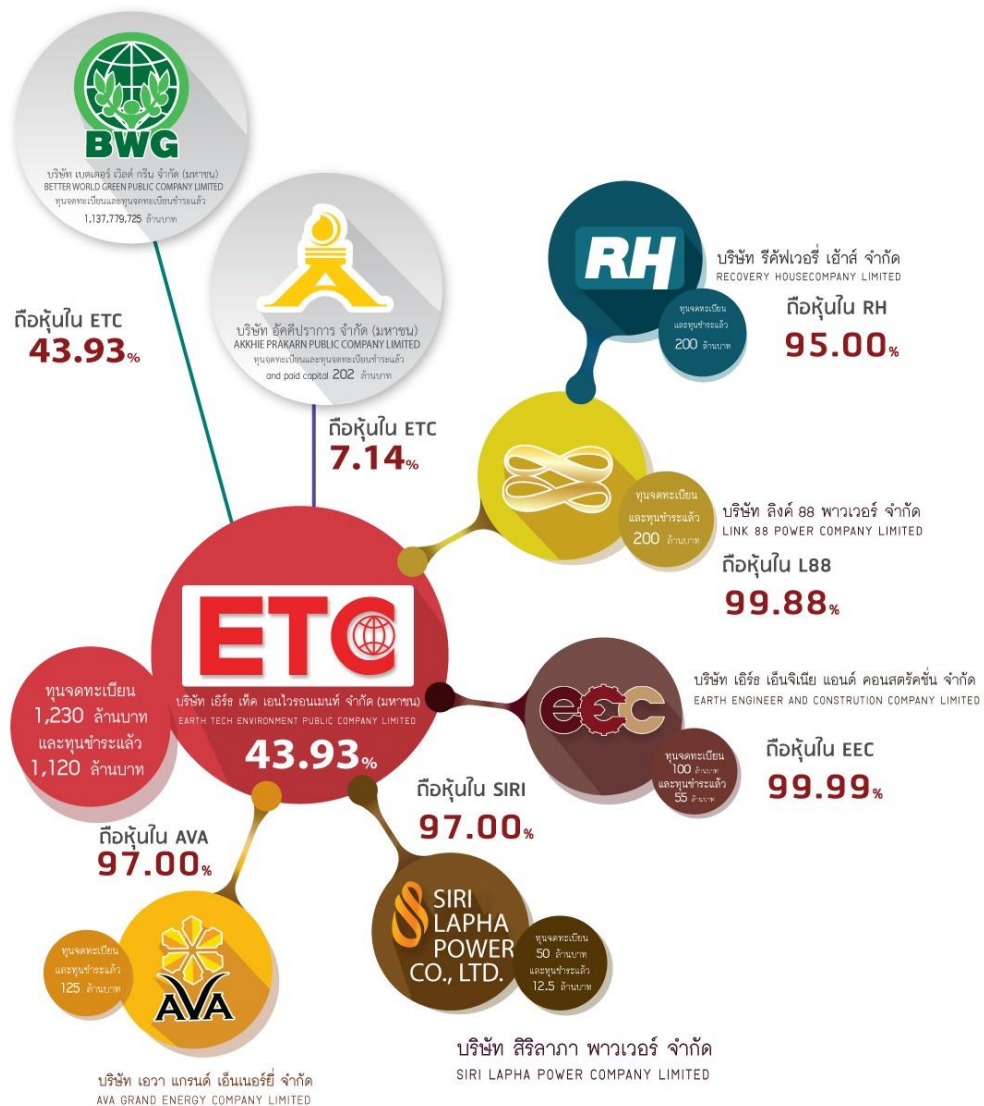


### Assets used in business undertaking

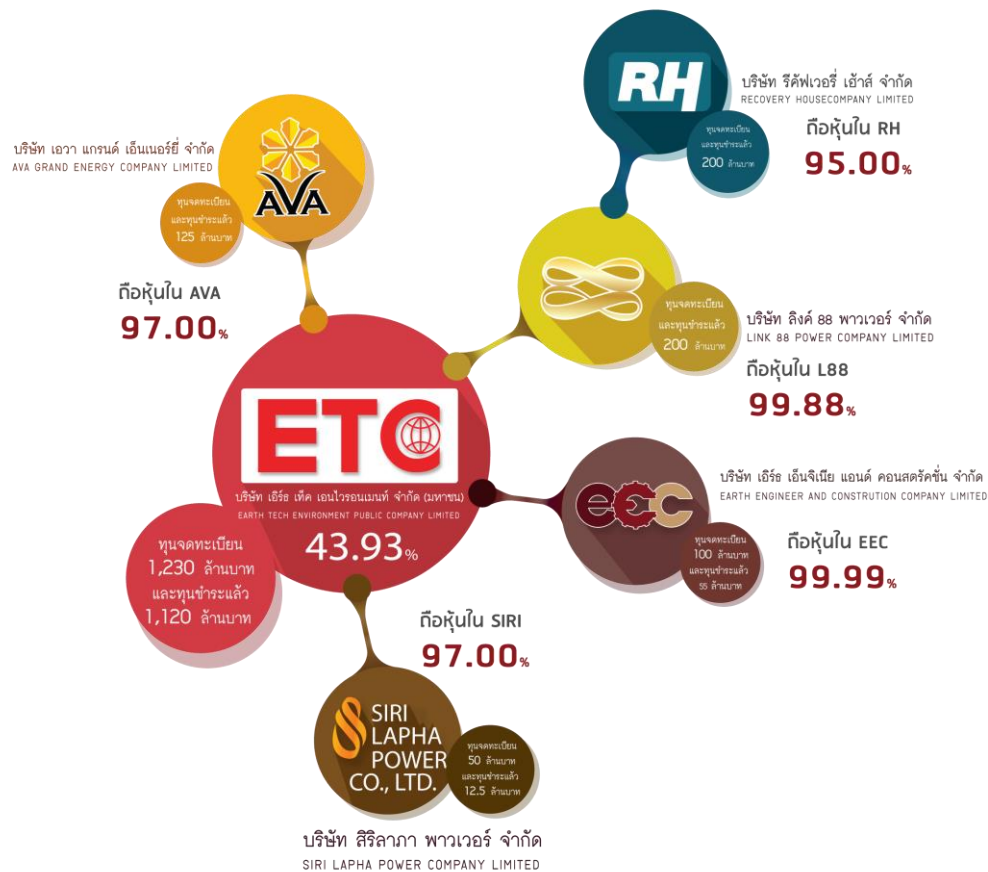
Fixed assets used in main business mainly consist of lands, land improvements and public utilities, and power plants. The net book value of the main fixed asset according to the consolidated financial statements as at December 31, 2021, and details of the operating assets are shown in Enclosure 4 of the Annual Registration Statement/Annual Report (Form 56-1 One Report).



## Shareholding Structure of the Company Group



## Relationship with major shareholders business



Earth Tech Environment Public Company Limited (the “Company” or “ETC”) currently has a power plant (“ETC Project 1”) with a capacity of 9.4 MW, located at Kaeng Khoi Industrial Estate, Kaeng Khoi District, Saraburi Province, to distribute electricity to the Provincial Electricity Authority (PEA) in a maximum power supply of 8.0 megawatts using the integrated waste management of municipal waste and industrial waste as fuel. The return is in the form of feed-in Tariff (FiT). The Company has the following subsidiaries, **AVA Grand Energy Company Limited (“AVA”)** and **Sirilapa Power Company Limited (“SIRI”)** as well as **Link 88 Power Company Limited (“L88”)**, which is the parent company of **Recovery House Company Limited (“RH”)**, operating the business of a power plant to generate and distribute electricity to the PEA. The power plant of AVA has a capacity of 4.0 megawatts, located at Pichit Industrial Estate, Wachirabarami District, Phichit Province, to supply electricity to the PEA in a maximum power supply of 3.0 MW using industrial waste as fuel. The power plant of RH has a capacity of 7.0 MW, located at Nakhon Luang Industrial Estate, Nakhon Luang District, Ayutthaya Province, to distribute electricity to the PEA in a maximum power supply of 5.5 megawatts using industrial waste as fuel.

In addition, the Company has a subsidiary, **Earth Engineering and Construction Company Limited (“EEC”)**, which operates the businesses of engineering design services, supply of machinery and equipment, integrated Engineering, Procurement and Construction (Integrated EPC), and power plant Operations & Maintenance (O&M). It provides services to power plants both inside and outside the Company Group.

## Shareholders

List of top 10 major shareholders as of 31 December 2021

No.	List of top 10 major shareholders	Number of shares	Shareholding Proportion
1	Better World Green Public Company Limited	984,000,000	43.93
2	Mr. Pakaphon Ngamlak	337,667,600	15.07
3	Akkhie Prakarn Public Company Limited	159,935,200	7.14
4	Mr. Wichai Wachiraphong	50,288,600	2.25
5	Mr.Somsak Anonglekha	27,000,000	1.21
6	MissJenjira Jeammaneeprakit	18,024,700	0.80
7	Mr.Thiti Kittipattananon	17,500,000	0.78
8	Thai NVDR Company Limited	15,300,324	0.68
9	Mr.Jarun Leetrairong	15,250,000	0.68
10	Mr. Wiwat Phithakteeratham	15,200,000	0.68
	<b>Total of the top 10 major shareholders</b>	<b>1,640,166,424</b>	<b>73.22</b>
	<b>Other shareholders</b>	<b>599,833,576</b>	<b>26.78</b>
	<b>Total number of shares</b>	<b>2,240,000,000</b>	<b>100.00</b>

## Amounts of registered capital and paid-up capital

### Registered capital and paid-up capital

(A) The Company's registered capital and paid-up capital as of 31 December 2021 are as follows:

#### Capital details

Registered capital	:	1,230,000,000.00	baht
Paid-up capital	:	1,120,000,000.00	baht
Face value	:	0.50	baht per share

#### Details of common shares

Listed shares	:	2,240,000,000.00 units
Paid-up shares	:	2,240,000,000.00 units
Voting rights	:	1 vote per 1 share unit

(B) Listed Exchange Name

**Earth Tech Environment Public Company Limited.** Is a listed company on the Stock Exchange of Thailand (SET) And the name used for trading on the stock exchange “ **ETC** ”

### Dividend Policy

The Company has a policy to pay dividends each year at the rate of not less than 50% of the net profit after deducting corporate income tax of the Company's financial statements and after deducting legal reserves and other retained earnings as specified by the Company. However, such dividend payment may be subject to change depending on financial status, operation performance, investment plan, necessity, and other suitability in the future as the Board of Directors and / or the Company's shareholders deem appropriate.

The Subsidiary Companies have a policy to pay dividends each year at the rate of not less than 50% of its net profit after deducting corporate income tax of the Subsidiary's separate financial statements and after deducting legal reserves and other retained earnings as specified by the Subsidiary. However, such dividend payment may be subject to change depending on financial status, operation performance, investment plan, necessity, and other suitability in the future as the Board of Directors of the subsidiary and / or shareholders of the subsidiary deemed appropriate.

In addition, if the Company and its subsidiaries wish to pay dividends to their shareholders, the Company and its subsidiaries must successfully pass the fund allocation test for the payment of dividends stipulated in the loan agreement, i.e., Debt Service Coverage Ratio (DSCR) and Debt to Equity Ratio (D/E Ratio), which the Company expects that it will be able to pay dividends to shareholders around 2022 onwards.



## 2. Risk Management

### Risk management policy and plan

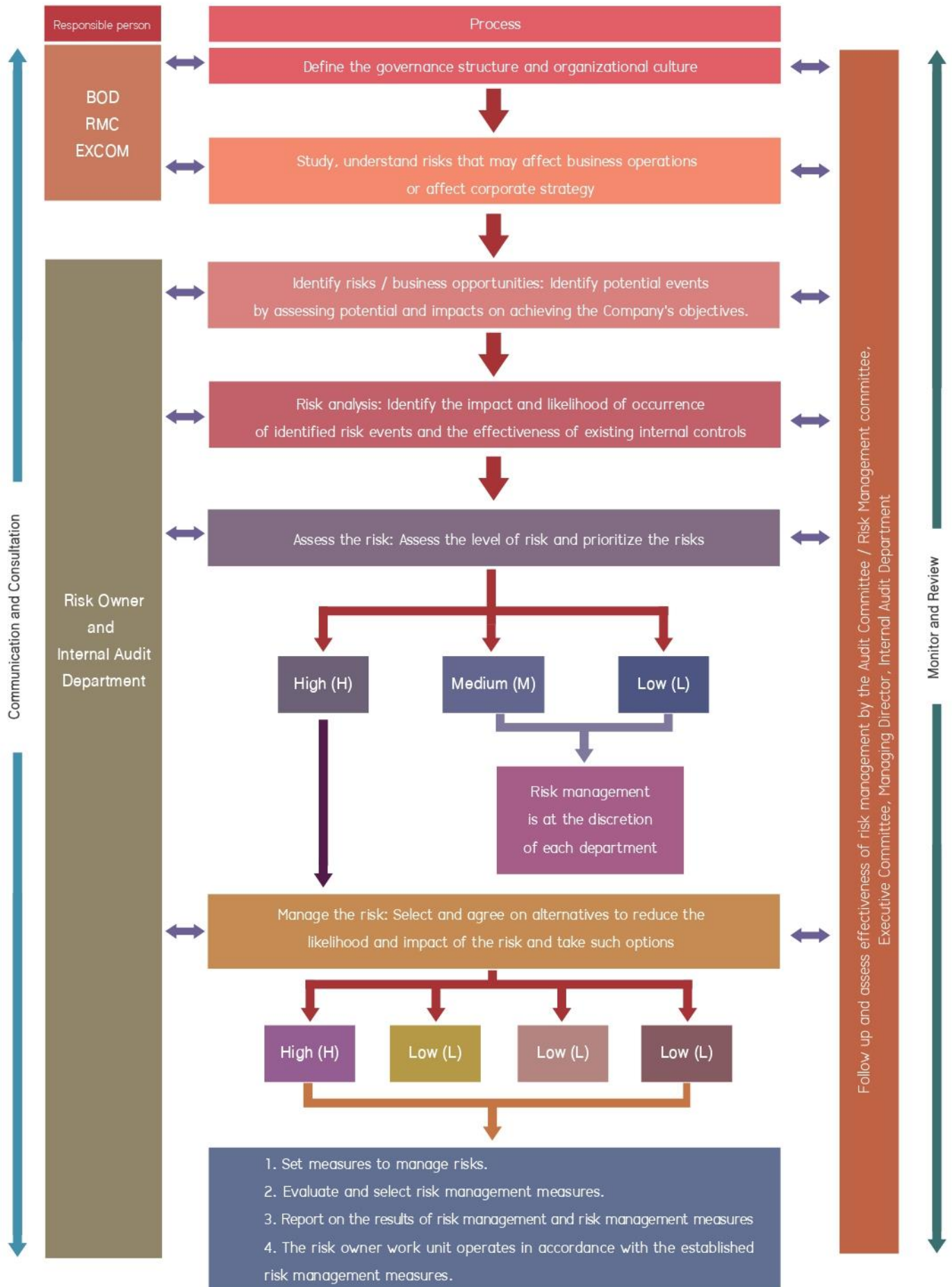
The Board of Directors has appointed a Risk Management Committee who is responsible for overseeing the risk management by formulating risk management policies, assessing and analyzing risk factors affecting the Company and its subsidiaries, both from external and internal factors to apply and control the risks of both the Company and its subsidiaries. In addition, the Company has set up a Good Corporate Governance and Corporate Social Responsibility Committee as the Company operates a business to produce electricity that uses waste fuel from both municipal waste and industrial waste. The Company therefore realizes the importance of safety in the community and the environment, which is applied in policies, strategies, goals, practices, and plans for good corporate governance for sustainable social and environmental responsibility by using internal control system as a part that will help the Company to strengthen its good corporate governance in the long term.

Today, operations of the Organization are faced with uncertainty from both internal and external factors. This creates both risk and opportunity to the organization: where the risk will have negative impact, where else the opportunity will create value for the Organization. Therefore, risk management is an important tool to help prevent, maintain, and promote the Organization's objectives and goals. In addition, risk management is a key component of good corporate governance, focusing all operational processes with transparency, efficiency, and positive impact on the corporate image and creating added value for the organization both in the short and long term.

The Company realizes the importance of systematic risk management by applying the risk management policy and the Enterprise Risk Management Framework as tool to build confidence that the Company will be able to achieve its objectives and goals set with efficiency and effectiveness.

The Company has established a risk management process in accordance with the Organizational Risk Management Framework in order to provide a systematic risk management procedure and to operate in the same direction throughout the organization. The corporate risk management process is shown in the chart

In addition, the Company has adopted risk management in accordance with ISO 9001: 2015 & ISO 14001: 2015 standard, which defines the practice for each step of the risk management process in the development of the Company's risk management process.



Note: RMC refers to the Risk Management Committee

The Company's business operation has risk factors that may come from internal and external factors. This may have an impact on the organization. For this reason, the Company realizes that Enterprise Risk Management is an integral part of good corporate governance and is the basis for achieving the objectives and goals of the Company. Therefore, it is determined to develop and give importance to the systematic risk management in accordance with the international Enterprise Risk Management Framework as well as creating added value for shareholders, employees, and other stakeholders, as well as corporate management and business development for sustainable growth.

## Risk factors on business operation

The Company has established an organizational risk management policy where personnel at all levels are involved in risk management to be at an acceptable level. The Risk Management Committee has been appointed to define the risk management framework including considering the risks and establishing important risk management measures to ensure that the Company has a mechanism for effective supervision and management in accordance with the established corporate risk management policy and risk management measures regularly.

In 2021, the Company held a meeting and analyzed the key risk factors that may affect the business operation in line with the sustainability issues as follows:

### Raw material risks

#### **Risk from SRF fuel shortage (Sewage or waste or non-hazardous materials) which is an important raw material for electricity generation**

According to the Power Purchase Agreement with PEA, the Company's power plants can use SRF from industrial waste or SRF from community waste to be used as fuel in power generation and distribution. Industrial and community waste that is used to produce SRF fuel consists of wood chips, rags, paper scraps, plastic bags and tires, etc. The waste has to be sorted and cut into smaller pieces. They are sold as SRF fuel in bulk form or conveyed sorted waste into cubes for convenient transportation and use. Due to the government's energy policy to promote more waste-to-fuel power plants in the future, with the goal of constructing 900 MW and 75 MW of municipal and industrial waste power plants respectively, by 2036 (568 MW and 44 MW of electricity generating capacity using municipal waste and industrial waste, respectively) with incentives from higher purchasing rates than electricity generation that use other types of fuel. Combined with the existing cement industry's massive use of SRF fuel, it could create competition for sourcing waste from various sources. Moreover, the Company has chance to face a shortage of quality and sufficient raw materials for use in power generation and distribution, as well as an increase in the purchase price of SRF fuel in line

with the increasing demand. This would in turn affect the Company's revenue, cost, and profit in future.

However, the Company has entered into the SRF fuel purchase agreement with Better World Green Public Company Limited (“BWG”), the Company's major shareholder, in order to comply with the daily SRF fuel consumption throughout the period according to the power purchase agreement with PEA of the 3 power plants that belongs to the Group of Companies. BWG, the parent company, is one of the largest landfill industrial waste disposal operators in Thailand capable of utilizing non-hazardous industrial waste for the generation of renewable energy. In addition, the Company has established business relationships with other SRF fuel suppliers, together with continuous and consistent planning for the use and purchase of electric generating fuels which can help reduce the risk of SRF fuel shortage of the Company.

#### **SRF Risk from the fluctuation of the SRF fuel price**

Although waste is a residual material from industrial or community use, the demand for waste as fuel for electricity generation also varies with domestic electricity demand: if the government has policy to promote construction of power plants that use more waste as fuel, or domestic electricity demand which is changing in line with economic growth rates. Inevitably, the demand for different types of fuels including SRF fuels used in power generation varies according to the above factors. Moreover, the variable cost of sales and services of the Company which is the cost of fuel can affect the cost of production and operating profit of the Company.

However, the Company has a policy to reduce the reliance on SRF fuel from BWG by establishing business relationships with other SRF fuel suppliers, enabling the Company to reduce its dependence on SRF by purchasing SRF fuel from third parties. There is a policy to reduce the risk from fluctuation of SRF fuel prices which is by establishing a SRF Fuel Purchase Agreement that clearly sets the purchase price of SRF fuel including transportation costs. In addition, the design and construction of the incinerator inside the Company's power plant can accommodate the variety of heat amount generated for different types of industrial waste and municipal waste, which can significantly reduce the dependence on specific types of waste. The company was able to plan the use of SRF fuel from a mix of different types of waste to maintain total costs and reduce the impact of the fluctuation of SRF fuel prices.

#### **Risk from the quality of SRF fuel**

The quality of SRF fuel is an important factor in power generation because SRF fuel has to have chemical properties that do not exceed the standard that can cause environmental problems and have the appropriate calorific value for use as fuel.



In the furnace, the humidity, specifically, has a direct effect on the heating value of the SRF fuel. If the SRF is humid during combustion, it will have a low calorific value. Therefore, the combustion in the kiln becomes less efficient. As a result, the production of electricity decreases. If the Company is unable to control the quality of the SRF fuel received from suppliers, SRF may reduce the efficiency of electricity generation which has a negative effect and can affect the performance of power plants.

However, the Company has set the standard of purchased SRF fuel in the Company's procurement policy to be used as a basis for procuring fuel with all distributors. Before purchasing, the Company will take the SRF from the supplier for trial use with the Company's power plants and if it is found that it does not cause any problems such as does not reduce the amount of electrical energy produced, do not damage or disrupt machinery or the kiln, or no bad smell. Then only will the Company purchase SRF from that supplier. In addition, when getting SRF to the power plant, the Company will take a sample of SRF fuel to inspect the heat value and other chemical elements in the lab. If any batch of SRF fuel does not meet the above qualifications, the Company has the right to refuse to accept all purchases or buy only some batches. The purchase price can also be adjusted according to the terms of the contract or on the sales invoice with the SRF fuel supplier other than those mentioned above. All power plants of the Group have SRF fuel storage buildings which is designed with reinforced concrete structure to protect against humidity from the outside and prevent dust or odors spreading to outside the power plant.

## Business risks

### **Risk from relying on the distribution of electricity to PEA, which is the Company's only customer**

Since all 3 power plants of the Group have only one customer, the Provincial Electricity Authority (PEA), a state enterprise that buys all the electricity generated from VSPP power plants nationwide according to the government's policy. The Company and its subsidiaries is at risk of dependence on such customers, especially in the event that the power purchase agreement is canceled or changed, which will seriously affect the operations and financial status of the Company and its subsidiaries which can be significant.

Since the power purchase agreement is a Non-Firm, the Company and its subsidiary have the right to generate and sell electricity to PEA in an amount not exceeding the amount specified in the power purchase agreement (PPA) throughout the term of approximately 20 years. However, the power purchase agreement can be canceled when one party terminates the agreement with the other party that does not comply with any of the power purchase agreements. The Company considers that the opportunity to terminate the PPA by PEA is solely due to the power plant has started producing and distributing electricity into the commercial system after the scheduled date under the Power Purchase Agreement or SCOD. At present the power plants of the Company and its subsidiaries have already produced and supplied electricity into the commercial system.

### **Risk of fire inside the factory**

At present, the power plants of the Company and its subsidiaries are thermal energy power plants that use SRF fuel by burning in the furnace system to produce steam for electricity generation. SRF is flammable. So in the event of an accident that caused spark in the SRF fuel storage or when SRF fuel is fed into the combustion chamber, or it detonates in the steam generation system, this will cause fire inside the power plant. Therefore, the Company and its subsidiaries may be at risk from fire accidents that damage machinery and buildings which consequently forces the need to stop electricity generation, which in turn will affect the revenue or increased operating expenses due to repairs.

The Company and its subsidiaries are very aware of these risks. Therefore, has the following risk protection policy

- Establish a policy for storing and backup SRF fuels in accordance with usage at least 3 days in advance during normal operation and at least 5 days during holiday seasons to limit the amount of fuel used and stored within the power plant. SRF fuel is kept inside closed system storage facility, equipped with closed circuit cameras and staffs, responsible for monitoring the condition of SRF fuel storage at all times.
- The power plants of the Company and its subsidiaries have designed a fire prevention and suppression system in accordance with the standards of the Engineering Institute of Thailand under the Royal Patronage of His Majesty the King (EIT), various ministerial regulations under the Building Control Act, B.E. 2552, Announcement of the Ministry of Industry on fire prevention and suppression 2009, etc., equipped with fire alarm system, fire extinguishers, standing pipe systems and fire hose boxes, water sprinkler system, and fire hose receiver and supply. The factory will design fire water pump with water reserve tank which can meet the maximum fire water demand in each area sufficiently. The water pump will start working automatically when the area has fire, or when the heat measuring device in any area is over the limit which the control system will automatically instruct the water pump to start.
- Organize annual training and training for employees inside the power plant together with external fire protection specialists to simulate various types of emergency situations.
- Obtain insurance for insurance type Property All Risks including Machinery Breakdown, Business Interruption Insurance, and Public Liability Insurance. The sum insured is sufficient for any risks that may occur and has a policy to provide insurance throughout the power purchase agreement of all power plants within the Group of the Company.

**Risk from relying on engineering teams**

The Company has an engineering team with a subsidiary, Earth Engineering and Construction Company Limited (EEC). EEC has engaged in engineering design services, procurement of machinery and equipment, Integrated EPC-type power plant construction, and power plant operation and maintenance (O&M) by providing services to power plants within the Group of Companies, making it necessary to rely on experienced and knowledgeable engineers, especially the engineering team that manages and maintains the power plant. If the company loses these engineering teams, it may affect the ability to manage power plants within the Company's group.

The Company realizes the importance of personnel which is an important factor in conducting such business. Therefore, a policy has been established to prevent such risks by setting a suitable salary and compensation system and providing employee benefits and incentives for them to have long-term commitment to the organization. In addition, there is a decentralized management and work duty rotation to reduce dependence on individual personnel.

**Risk from community opposition to environmental impact**

Although all power plants within the Group have passed a public and stakeholder hearing process, the use of SRF fuel produced from municipal or industrial waste can cause problems for the community. Odors or debris that may have been dropped during the transportation of SRF fuel suppliers to the Company's power plants may cause the communities around the fuel transport route or the vicinity of the power plant to be affected and complains to government agencies. In order to improve the electricity transportation and production process, the Company and its subsidiaries may face revenue interruption and increase expenses.

The Company and its subsidiaries are very aware of these risks and place great importance on conducting business with the community sustainably. Therefore, there are policies to prevent such risks, both proactive and passive, as follows.

- In the establishment of the power plant, the area is located within the industrial estate, which will have less impact on the community as the industrial estate has a systematic protection against pollution to the community and the environment and is monitored by the industrial estate officials directly.
- Construction of the Company's first power plant that uses waste as fuel is located at Kaeng Khoi Industrial Estate, Saraburi Province. It is the prototype of this type of power plant, designed to reduce environmental impact, starting with delivery of fuel waste with a covered truck, or SRF packed in plastic bags to prevent dust and odors from spreading during transportation, fuel storage in closed warehouses, transport of fuel to the combustion furnace with a closed system, and has a system for removing ash and air pollution.

- Has hired an independent expert to prepare a preliminary environmental impact assessment report to be used as a guideline for the operation and reduce environmental problems, which was approved by the Board of Directors of the Industrial Estate Authority of Thailand and reported on the environmental impact monitoring annually.
- Organize a public relations activity to educate and understand the community about waste-to-fuel power plants, including opening for visits to the Company's power plant operations, etc.

#### **The risk of impact in the event of a prolonged shutdown of the power plant**

The power plants of the Company and its subsidiaries will deteriorate from their operations over their service life, which the Company anticipates that the power plants will have to shut down in order to perform major maintenance operations for the steam turbines and boilers. There is also a regular annual maintenance process for the power plants of the Company and its subsidiaries so that it is able to generate electricity efficiently throughout the period of the power purchase agreement with PEA. If the Company's and its subsidiaries' power plants have to be shut down for a long time due to force majeure or the maintenance takes longer than expected, it may affect the Company's operating results

Although the Company has selected and used reliable and well-accepted electric power generation technology in foreign countries, the Company has planned annual maintenance of machinery in advance by hiring a subsidiary, EEC, to manage and perform maintenance of the Company's power plants. EEC's team has experience as power plant contractor and maintenance and has a team with experience in managing many power plants, in both public and private sectors. The Company also obtained insurance for Property All Risks including Machinery Breakdown, Business Interruption insurance, and Public Liability insurance which are sufficient for risks that may occur and has a policy for the procurement of said insurance throughout the period of the power purchase agreement of all power plants within the group of the Company.

#### **The risk of failing to meet the conditions of the Investment Promotion Certificate (BOI) for quality system certification**

RH and AVA are currently promoted by the Board of Investment (BOI) on condition that the Company has to obtain a quality system certificate according to ISO 9001, a management system implementation standard for the Quality assurance that can be verified through a documented system and ISO 14000, an environmental management standard. This is to be a guideline for managing environmental problems of the organization effectively, while protecting the environment, pollution prevention and business operation of an organization or other equivalent international standard within 2 years from the date of operation. If RH and AVA are unable to complete the process within the said



period, RH and AVA will be revoked the benefit of one year of corporate income tax exemption, i.e., the corporate income tax exemption reduced from 8 years to 7 years.

*At present, it is under consideration for quality system certification according to ISO 9001 and ISO 14000 standards, which are expected to be certified in the second quarter of 2022.*

#### **Risk from changes in government policies and incentives**

Due to the cost of producing electricity using waste being higher than that of other fuels or energy such as natural gas, coal, hydroelectric or solar energy, this makes the power plant that uses waste as fuel unable to compete commercially with other types of power plants. If the government does not provide adequate support and financial incentives, the private sector may not be able to construct a new waste-based power plant or may face operating liquidity problems. In the event that the government were to support a waste-based power plant too much which leads to a high return on investment, this may cause various impacts, such as competition for power purchase agreements or power plant locations, as well as competition for fuels, which results in the cost of generating waste electricity to soar. Therefore, uncertainty and changes in government policies and incentives may not be beneficial to the continued operation of waste-fired power plants in the future.

Although the aforementioned risks are external factors which are beyond the control of the Company, the three power plants the Company has received the Power Purchase Agreement with PEA and COD has been completed. Therefore, this risk does not affect the Company's power plant. The Company is confident that the government will continue to support the renewable energy industry in the future.

### **Financial risk**

#### **Risk from interest rate fluctuation**

The Company and its subsidiaries have interest-bearing liabilities, mainly including bank overdrafts and long-term borrowings from financial institutions, whereby long-term debt carries a floating interest rate in reference to the interest rate in Thai baht borrowing in the 6 months term (THBFIX + margin), so if the interest rate changes, it will result in the company having higher interest burden in line with the rising interest rate trend.

The Company has a policy to manage such risks by keeping the debt with floating interest rates at a level suitable for the nature of the Company's business operations, with the debt-to-equity ratio not exceeding 3 times. In addition, the Company being a listed company in the Stock Exchange will use the fund received from the offering of newly issued ordinary shares to the public to use in the business expansion of the Company and its subsidiaries in the future or in financial restructuring of the Company and use it as working capital in the business operation of the Company and its subsidiaries, which will reduce the impact of the Company's future interest burden to a certain extent.

## Emerging risks

### Risks from digital transformation and violation of personal information rights under the Personal Data Protection Act 2019

With the transition to the digital age, where advances in information technology and communication systems have evolved rapidly, the access, collection, use and disclosure of personal information can be easily, conveniently and quickly taken, causing damage to the owner of the data. As a result of the increasing encroachment of personal information rights, the government has to protect the privacy of the country's population as part of data security.

The Personal Data Protection Act 2019 focuses on the organization and organization to have a "standard" in the handling of personal information appropriately and sufficiently when it is necessary to request the use of personal information. This is to prevent risks that may affect confidentiality, integrity, and availability of personal information that may lead to a negative impact or damage at the individual or organization level.

The company realizes and gives importance to personal information, assigns it to relevant departments, study and understand the legal, rights and obligations of the personal data subject, the data controller, or the personal data processor on the part of the organization, including the need for collaboration from all areas of the organization where the data is taken. Personal information types ranging from name, surname, address, telephone number, email, identity card number, etc., for use in the administration within the organization in order to comply with the Personal Data Protection Act.

- The scope of the purpose of use of information, good practice, and penalties for violations and non-compliance are identified.
- Data controllers, processors and data protectors are appointed to ensure that personal data is used, correct for the purpose, not used beyond consent, or does not cause any damage to the data subject.
- Communicating to employees, customers and relevant third parties about the personal information protection practices through the Company's website in order to reduce the risk due to potential privacy breaches to the organization.

With the rapid and continuous advancement in technology, there is a potential for IT security risks or from various technology threats that may arise from system failure or from intentional identity theft. Therefore, it has been established operational guidelines for risk control and prevention by setting rules and regulations for the use of information technology systems, disaster prevention plans, information technology systems, and back-ups that serve as a guideline for the prevention and management of risks related to information security in all areas for management and employees at all levels, including ongoing internal communication to raise awareness on this matter.

**Risk from climate change**

At present, Earth Tech Environment Public Company Limited is located in Saraburi Province, so if the area has natural disasters such as flood, storm, earthquake or force majeure this may cause interruption or damage to the Group's assets, which may adversely affect the Company's operating results and financial position, reputation of the Company, or the increasing costs of compensation for damages, including greenhouse gas build-up problems and the frequent and severe natural disasters. The establishment of corporate governance and legislation to control greenhouse gas emissions has become a risk for all stakeholders to focus on.

The Company has provided all types of risk insurance including Property All Risks including Machinery Breakdown and Public Liability Insurance, which the insurance capital is sufficient for various risks that may occur, including measures to reduce the amount of greenhouse gas emissions from operating activities by cultivating awareness of employees at all levels to know the value and usage of resources and energy efficiently to contribute to the mitigation and change to the climate and restore the ecosystem under various project activities.

**Risk of Coronavirus Disease 2019 (COVID-19) Situation**

Due to the coronavirus (COVID-19) outbreak, a serious communicable disease in many countries, the situations are likely to be more severe and disperse rapidly. It is difficult to control the situation in a short time, which indirectly affects the Company's current and future business operations as well as stakeholders associated with the Company, such as employees and families of employees, business partners, shareholders, and communities and society, especially business partners who cannot import tools, machines, spare parts and equipment from partnering country sources. As a result, the Company must demonstrate its potential to respond to situations in a timely manner and provide adaptive approaches to mitigate impacts and effectively support stakeholders.

The Company has developed the business continuity plan ("BCP") to support such situation in a strict and systematic manner. The Company provides tools, machineries, spare parts and equipment from other alternative sources that can be substituted to reduce any impacts and announces the Company's coronavirus 2019 (COVID-19) preventive procedures and measures and the ad hoc health measures for proper health and safety care for executives, employees and related parties. In addition, responsible persons shall report the situation to senior executives consistently.

## 3. Business Sustainability Development

### Sustainable Development Strategies and Guidelines

Earth Tech Energy (Public) Company Limited and its subsidiaries operate the business of generating and distributing electricity from renewable power plants and the business of engineering design services for power plants, supply of power plant machinery and equipment, and construction of integrated power plant. Therefore, it is the company group that operate a truly integrated clean energy power plant business. The Company is committed to continuously developing the organization to become the leading organization in the renewable power plant industry with international standards, safety for communities, environmental friendliness, and sustainable growth and providing good and fair returns to stakeholders in all sectors by creating a culture and develop personnel of the organization to be knowledgeable and able to handle with the current and future competitions. In addition, the Company provides business strategies that create stability to the organization as follows:

**1. Organization with social responsibility and environmental friendliness that solves industrial waste problems for the nation and does not create pollution to the environment by reducing greenhouse gas emissions and waste volume from its production process**

The Company is committed to be an organization with social responsibility and environmental friendliness and can help solve waste problems that affect the public and the environment by using it as fuel to generate electricity in accordance with government policies promoting the use of waste as fuel to reduce the country's waste problem. This is an effective waste management method by turning waste into a useful resource. The Company also has the investment policy by applying clean technology and continuously improving machine performances so that it does not affect the environment, including strictly supervising and controlling environmental quality management and waste management in accordance with relevant laws and regulations and promoting the awareness of occupational health, safety and environment of employees, communities, and society continuously.

**2. Cost control management and continuous improvement of operations of power plant for the highest efficiency**

The Company is committed to enhancing the competency of power plant operations for the highest efficiency by focusing on the continuous development of innovations of electricity generation technology and electricity generation cost control management with a team of experts with knowledge and expertise of the subsidiary, Earth Engineering and Construction Company Limited (“EEC”). Such subsidiary operates the businesses of engineering design services, supply of machinery and equipment, integrated Engineering, Procurement and Construction (EPC), and power plant Operations & Maintenance (O&M). It is an important strength of the Company to control production for the highest quality and



provide state-of-the-art technologies that are safe for communities and the environment, raise standards, and comply with international standards, which are the foundation and strong power that will help the organization achieve sustainable growth potential.

### 3. Business Expansion Management

The Company focuses on expanding the business of renewable energy plants by using a wide range of renewable energy sources, including businesses of engineering design services, supply of machinery and equipment, and integrated EPC, domestically and internationally, by taking into account the financial possibilities, reasonable returns, and acceptable level of risk in order to achieve the goal of generating good operating results. The Company adopts 3 business expansion strategies as follows: preparing to participate in the renewable electricity project in accordance with the government's announced policy, seeking for alliances or mergers of power plants that are completely operated and have not been operated but have power purchase agreements, and providing services of design, construction, and supply of power plant machinery to power plants outside the Company Group as well as power plant operations & maintenance.

## Sustainability Policy

The Company is committed to operating and generating sustainable growth for the business under good corporate governance by taking into account the impact on stakeholders, society, and environment. The Company believes that business operations on the basis of sustainability are the cornerstone to strengthen the organization's stable growth. In addition, the Company improves the sustainability policy to cover key issues throughout the value chain in order to be the best practices for business operations of the organization. It covers all 3 dimensions as follows:

### Economic Dimension :

- The Company adheres to business operations with transparency, fairness and social and environmental responsibilities, including all stakeholders, in accordance with good corporate governance principles and the code of conduct.
- The policy on anti-corruption framework and corruption risk management and the internal control system stipulate duties and responsibilities, practices and requirements of operations.

### Social Dimension:

- Operations and projects are conducted with corporate social responsibility to promote the good understanding of people in the community and lead to a pleasant social coexistence and also create value for businesses and all stakeholders for better quality of life.
- The Company aims to develop the potential of employees and supervises work environment, safety, health and well-being of employees.

#### Environmental Dimension:

- Sustainable natural resource and environmental management focuses on the use of natural resources and environmental protection throughout the business operation process. The Company adopts state-of-the-art technologies and management system that provides the effective control to protect and conserve the ecosystem and environment of communities and provides security measures.
- Promoting the use of unused, non-hazardous and non-recyclable materials as fuel for electricity generation
- Complying with standards relating to safety, security, health and the environment appropriately and taking into account impacts on natural resources and environment

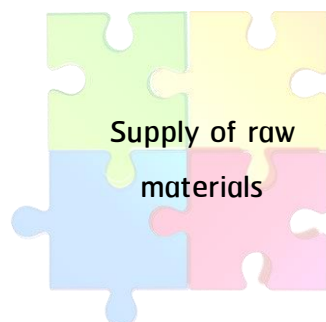
## Management of impact on stakeholders in value chain of business

### Value chain

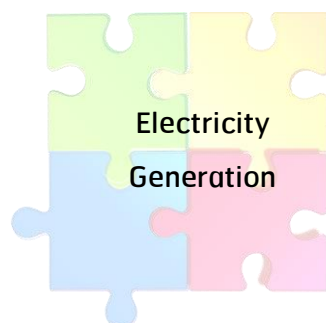
Integrated supply chain management is one of important strategies of the organization to promote sustainable business operations. As a result, the organization is committed to effectively managing the supply chain in all processes by taking into account all dimensions, including environment, society and good corporate governance principles, to meet the expectations of all stakeholders in every process throughout the supply chain.

## Value Chain

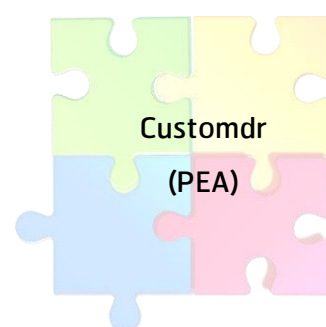
### Main Activities



- Supplying SRF used to generate electricity from several business partners; the selected business partners must have appropriate qualifications in the areas specified by the Company.
- Fuel business partners must pass an assessment on raw materials used in fuel production, including fuel quality, sufficient quantity and sustainability policy of business partners.
- Business partners must have expertise in equipment and machinery that meets the standards for SRF production.
- Business partners provides the integrated waste management system that responds to the corporate sustainability policy



- The Company's electricity generation must provide quality to meet customer expectations, such as improving the efficiency of electricity generation and distribution in conjunction with social and environmental operations.
- Operations at the power plant are supervised by the relevant authorities and performances are constantly reported in accordance with the rules and regulations.
- Emphasizing on the maintenance and repair of power plants to maintain the efficiency and production standards of plants and machineries.



- 20-year warranty for electricity delivery and electricity generation efficiency as specified in contracts
- Analyzing trends of the electrical sector to achieve development and drive business continuously
- Managing relationships to build good relationships between the organization and customers



- Surveying opinions and suggestions of electricity users in the household sector
- Supervising and monitoring potential environmental impacts
- Raising awareness of sustainable consumption
- Transparency and information disclosure

## **Supporting Activities**

### **Procurement:**

1. Procurement: Partnering companies are audited and assessed in various areas, such as business potential and policies on business operations for social, community and environmental promotion
2. Each procurement shall be transparent and fair returns shall be taken into account.

### **Technology Development:**

1. Developing innovation operating systems to increase the competency of production and operations of the organization, including social and environmental governance  
Establishing the strategy for information technology system security to carry out risk analysis and policy revision

### **Human Resources:**

1. Fairly providing employment security and employment contracts that are in accordance with labor laws
2. Equally offering opportunities to develop knowledge and capability for work

### **Community Relations:**

1. Providing hearings, such as two-way communication, discussions, information disclosure, and preparation of corporate assessments
2. Developing communities to strengthen relationships among communities, society and the Company
3. Providing educational opportunities and promoting sustainable professional skills to local people

## Economic Dimension Management

The Company has confidence in the implementation of sustainability policy (ESG) in conjunction with good corporate governance, which are the basis of business operations. The Company establishes this specific policy to be the strategy of sustainable business management in all dimensions, including economy and corporate governance, environment, and society.

### Goal:

- The Company disclosed its good governance actions in accordance with the OECD Framework (The Organization for Economic Co-operation and Development).
- Disclosing sustainability report through the Company's report for the first year

	Goal 2021	Goal 2027
Sustainability policy proportions along with other policies	100%	100%

## Risk Management

Currently, the Company's operations encounter uncertainty, which causes risk and opportunities to the Company. Risks are negative impacts while opportunities are positive impacts which can also create value for the organization. As a result, risk management is an important tool to help prevent, maintain and promote the organization to achieve its objectives and goals. In addition, risk management is an important component of good corporate governance. It focuses on operations with transparency and efficiency which create the positive impact on the image and added value creation for the organization in the short and long term.

### Goal:

- The Company provides the risk assessment and risk management plan within the organization.

	Goal 2021	Goal 2027
board meeting , monitoring and review of risks at the unit level.	100%	100%



## Anti-Corruption

The Company adheres to business operations with transparency and fairness, and social and environmental responsibilities, including all stakeholders, in accordance with good corporate governance principles and the code of conduct, which is in line with its policies and intentions. The Company is committed to combating all forms of corruption by establishing the policy on anti-corruption framework and corruption risk management and internal control system as well as clearly determining responsibilities, practices, and operational requirements of relevant parties and appropriate guidelines in writing to prevent fraud and corruption in all business activities.

### Goal:

- 0% corruption rate in the organization (no corruption)

	Goal 2021	Goal 2027
The incidence of fraud in the organization	0%	0%
All employees in the organization are aware and trained.	100%	100%
Anti-Corruption Policy		

## Engagement with Stakeholders

The Company is aware of the importance of stakeholder engagement and believes that stakeholders' opinions and suggestions will have an effect on the goal achievement of becoming a sustainable developed and growing organization and can create the highest benefits to all parties. Therefore, the Company has listened to the opinions and suggestions of stakeholders through various channels and also surveyed opinions of stakeholders in order to analyze and develop plans and guidelines for further operations.

### Goal:

- The Company has management approaches to establishing relationships with all stakeholders.

	Goal 2021	Goal 2027
Significant number of complaints from stakeholders	0	0
Significant proportion of complaints from stakeholders to be resolved	100%	100%

### Efficiency and Reliability of Power Plants

Customers expect to have electricity available for use at all times because it affects industrial production processes and the well-being of local communities. In addition, the efficiency of the power plant is a factor that the Company focuses on because it directly affects the cost of production and the cost-effectiveness of resource consumption.

**Goal:**

- The Company aims to generate high-efficiency electricity to meet customer expectations.

	Goal 2021	Goal 2027
Efficiency		
ETC	85%	90%
AVA	90%	95%
RH	90%	95%
Availability Index		
ETC	90%	95%
AVA	90%	95%
RH	90%	95%

## Sustainability Management in Social Dimension

### Supervision of Employee

The Company believes that human resources are the key for enhancing the competitiveness of the organization and the level of employee engagement. Relationships are significant for effective work. Therefore, employee care is an important part of the Company's business operations.

#### Goal :

- Employees have positive attitudes towards the Company and talk about the Company in a positive way with internal and external stakeholders.
- Employees want to work for the organization in the future and perform work happily.
- Employees want to be a part of the Company's development and have the strong engagement to the organization.

**Goal : The level of employee engagement with the organization is medium - high.**

### Fair Treatment of Labor

Employees are an important resource in driving the Company to achieve its goals, thus business value and sustainable growth is created together with happiness in work and confidence for personnel. The Company establishes the policy on employees that covers the components of management, human resource development, society, environment, ethics, and anti-corruption in order to develop and enhance the potential, competency, and appropriate behaviors for employees in accordance with corporate values responding to directions, strategies, business goals and society. During the past 4 years, the Company and its subsidiaries have not had any labor disputes in 2021. The total number of employees of the Company and its subsidiaries is 187 persons.

#### Goal :

- Employees are treated fairly in accordance with laws that stipulate that all employees shall be treated without discrimination.

### Equality

The Company respects the diverse differences of employees and treats them equally without discriminating against race, nationality, skin color, religion, gender, sexual orientation, age, including disabilities and basic human rights. It also includes fair and transparent performance assessments, equal increment of remuneration rates, and position promotion based on performances and suitability in order to support equitable treatment and respect each other without discrimination. In addition, the Company listens to different viewpoints from gender diversity to drive business towards advancement.

Goal :

- Employees are treated fairly according to the law for all employees without discrimination.

### Occupational Health and Work Environment Protection and Supervision

The Company focuses on occupational health and safety management as it recognizes the potential direct impact on the health and lifestyle of operators within the organization and the image of the organization. Therefore, the Company is committed to supervising all employees and persons relating in the operations and providing hygienic work environment with utmost safety.





**Goal : - The Company's personnel are protected in the field of occupational health. and working environment**

	Goal 2021	Goal 2027
Accidents occur during work to the point of absence from work.	0 cases	0 cases
Accidents occur during work up to death.	0 cases	0 cases

### Respect for Human Rights

The Company is aware of the importance of employees by developing human resources and treating labors fairly, which will help promote and drive the organization to achieve its business goals. In addition, the Company also concerns for the health and safety of employees, which is the basis of the Company's responsibilities, so the Company establishes the policy on human resources management to ensure that employees have a good quality of life, appropriate welfare, opportunity to develop career progression, and safe and hygienic work environment.

Goal :

	Goal 2021	Goal 2027
All business units are assessed for human rights risk.		
All business unit has a human rights risk management plan.		
Significant number of human rights complaints	0	0

## Development of Corporate Leadership and Human Resource

The Company believes that human resources are at the key and the main factor of the business operation to improve the competitiveness of the Company. The Company is committed to being the internationally recognized industry leaders. Therefore, the human resources development plan is established to enhance the organization's capabilities and create future leaders. All employees are offered the opportunity to develop their potential equally.

### Goal:

- The Company's leaders and employees are trained to develop sustainability knowledge and understanding.
- Supporting the continuous competency development of employees in the organization

	Goal 2021	Goal 2027
Employee satisfaction rate in the company	100%	100%
complaint issues	0 cases	0 cases
The accident rate in the power plant	0 cases	0 cases

## Corporate Culture

Since the Company's power plants are located in many areas and its policies support the employment of people in the communities in which the Company operates business, there is diversity in various areas, including languages, ethnicities, religions and cultures. However, the Company establishes the policy framework that is appropriately adapted to all regions and believes that building a strong corporate culture will be the key of such diversity management and strengthen its competitiveness.

### Goal:

- The level of consistency of employees' behaviors with corporate culture is more than 75%.

	Goal 2021	Goal 2027
The level of consistency of employee behavior with organizational culture	More than 75 %	More than 80 %



### Local employment and career building

The Company is committed to becoming an important part of the income distribution to Thai society through the project of sustainable career building and improvement of well-being of people in the community. The Company has the policy to support the employment of local people so that they will have sustainable income and better well-being. Another important goal is to be aware of self-esteem and ready to continue creating benefits for the society endlessly.

#### Goal :

	Goal 2021	Goal 2027
The satisfaction rate of local employees	More than 80%	More than 85%

### Community and Social Responsibility

The Company aims to be a part in mitigating, alleviating, and helping society to improve people's quality of life and build a generous society on a basis of sustainable approach by creating value and trust for stakeholders in accordance with the organization's mission. Therefore, the engagement of stakeholders is one of the issues to which the Company has always paid attention, especially the community and society, that are one of the main stakeholders.

#### Goal :

	Goal 2021	Goal 2027
There are no complaints or grievance from the community.	0	0
The complaint was resolved	100%	100%

## Sustainability Management in Environmental Dimension

### Energy Management

Today, the world, including Thailand, is increasingly promoting renewable energy as it reduces the environmental impact due to the use of natural resources, such as oil, coal, and natural gas. It can effectively reduce the amount of gas and smoke generated by combustion.

Therefore, the Company is committed to developing the business of electricity generation from industrial waste. It is not only renewable energy with high security as it is produced continuously every day and every season, but it can also reduce waste pollution and create the Circular Economy, which also responds to the government policy on Bio-Circular Green Economy (BCG) and the Company's goal of developing renewable energy from waste for Thai people and moving forward to energy stability in accordance with the sustainable environmental protection guidelines.

#### Goal :

	Performance 2021	Goal 2021
Rate of energy consumption per product unit (gigajoules/MWh)	17.77	≤ 20

### Climate Change Management

Climate change is an important international issue that the world is facing now. All countries focused on dealing with the impacts of climate change and other changes. Such impact is significantly caused by greenhouse gases accumulating in the atmosphere, resulting in the global climate change. As such, the Company as an energy producer and supplier, focuses on the issue by striving to generate electricity from waste energy, which is sustainable renewable energy, to replace the use of used natural resources that destroy more natural resources and release higher amounts of greenhouse gases possibly affecting communities around power plants. The Company's power plants have a business policy that takes into account greenhouse gas emissions in the business process. The Company is in the process of collecting greenhouse gas emission data. It is expected to report data and goals in the following year.

## Goal :

	Performance 2021	Goal 2021
direct greenhouse gas emission rates (ton of carbon dioxide equivalent)	68.64	≤70

## Solid Waste and Waste Management

Solid waste problem is an environmental problem that arises from human activities. As a result, the current amount of waste has increased based on population growth and economic growth. Solving the problem of waste overflow by using waste-to-energy method and continuously circulating it according to the guidelines on Circular Economy to achieve the zero waste is an opportunity that the Company realizes, leading to the waste solution in society while reducing negative impacts on society and environment. In addition, the Company pays attention to solid waste and waste management within the organization to reduce waste problems at the source by strictly complying with relevant laws. In addition, the Waste Management Committee was established to contribute to environmental sustainability. The Company is committed to mitigating the environmental impact caused by waste and waste disposal by setting the following goals.

## Goal :

	Performance 2021	Goal 2021
Separating of office waste for reuse	4%	7%
Reusing fly ashes and bottom ashes	20.46%	> 20%

## Water Management

Water is an important natural resource because it is essential for livelihoods and has limited volume. The water consumption volume is higher every year due to agricultural and industrial expansion, including the use of water for consumption and other activities. The Company's electricity generation uses water as an important component of its operations. As a result, the Company recognizes the importance of water management and implements the measures to allocate water consumption economically and realizing its value for the highest efficiency. Regarding the goals in 2022, the Company has guidelines for reducing water consumption in the office. However, in the production process, the Company needs to keep the same volume of water consumption in order to maintain its efficiency in the electricity generation process.

Goal :

	Performance 2021	Goal 2021
Water consumption volume per production unit(cubic meters/MWh.)	5.6	≤5.6

### Air Pollution Management

Emissions into the atmosphere are the priority issue for all countries, especially pollution from renewable energy power plants derived from the processing of municipal waste and industrial waste. Since the Company takes into account the air pollution impact management and the confidence of stakeholders, such as employees working in power plant areas as well as nearby communities and environments, the Company sets the goals for air pollution management services as follows:

Goal:

	Performance 2021	Goal 2021
Number of air pollution complaints	0	0
Emissions from the chimneys do not exceed the standard values.	100 %	100 %

*The Company prepared the Sustainability Report for the year 2021 to be used as a document for publishing business operations and corporate social responsibility. The Company's policies and performances are disclosed to demonstrate economic, social, and environmental responsibility for the development to sustainability. It is an integral part of this report, which has been published to those interested on the Company's website, [www.etcenvi.com](http://www.etcenvi.com).*

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

### Important Financial Information

#### Summary of financial position and performance

##### Audit Report Summary

2019	Audited by	Certified Public Accountant Registration No. 7305
	Ms. Kannika Vipaturat	Karin Audit Co., Ltd.
2020	Audited by	Certified Public Accountant Registration No. 7305
	Ms. Kannika Vipaturat	Karin Audit Co., Ltd.
2021	Audited by	Certified Public Accountant Registration No. 11536
	Ms. Kachamon Sunhuan	Karin Audit Co., Ltd.

The Auditor's Report for the financial statements of the Company and its subsidiaries for the year ended December 31, 2019 showed an unqualified opinion that the consolidated financial statements presented fairly, in all material respects, the financial position as at December 31, 2019, and the performance of the Company and its subsidiaries for the year then ended and the separate financial statements presented the financial position as at December 31, 2019, and the performance of the Company and its subsidiaries for the year then ended in accordance with Financial Reporting Standards.

The Auditor's Report for the financial statements of the Company and its subsidiaries for the year ended December 31, 2020 showed an unqualified opinion that the consolidated financial statements presented fairly, in all material respects, the financial position as at December 31, 2020, and the performance of the Company and its subsidiaries for the year then ended and the separate financial statements presented the financial position as at December 31, 2020, and the performance of the Company and its subsidiaries for the year then ended in accordance with Financial Reporting Standards.

The Auditor's Report for the financial statements of the Company and its subsidiaries for the year ended December 31, 2021 showed an unqualified opinion that the consolidated financial statements and the separate financial statements presented fairly, in all material respects, the consolidated financial position and the separate financial position of Earth Tech Environment (Public) Company Limited as at December 31, 2021, the consolidated performance and the separate performance, and the consolidated cashflow and the separate cashflow for the year then ended in accordance with Financial Reporting Standards.



■ Statement of Financial Position

Item	Consolidated Financial Statements					
	Audited					
	2019		2020		2021	
	Million Baht	Pro portion	Million Baht	Pro portion	Million Baht	Pro portion
<u>Assets</u>						
Cash and cash equivalents	33.75	1.30%	1,358.25	33.74%	1,167.87	29.42%
Trade receivables	103.16	3.97%	224.58	5.58%	184.51	4.65%
Other current receivables	84.92	3.27%	-	-	98.89	2.49%
Inventory	0.76	0.03%	2.17	0.05%	2.25	0.06%
Income tax assets of the current period	7.75	0.30%	5.34	0.13%	2.38	0.06%
Other Current Assets	10.93	0.42%	18.29	0.45%	17.00	0.43%
Total current assets	241.27	9.29%	1,608.63	39.96%	1,472.90	37.10%
Property, plant and equipment	-	-	203.31	5.05%	324.74	8.18%
Right-of-use assets	2,122.02	81.62%	2,073.61	51.51%	2,037.84	51.34%
Deferred tax assets	-	-	124.74	3.10%	114.01	2.87%
Other non-current assets	1.18	0.05%	0.50	0.01%	3.80	0.10%
Total non-current assets	231.67	8.91%	14.61	0.36%	16.33	0.41%
<b>Total assets</b>	<b>2,354.87</b>	<b>90.58%</b>	<b>2,416.77</b>	<b>60.04%</b>	<b>2,496.72</b>	<b>62.90%</b>
<u>Liabilities and Shareholders' Equity</u>						
Overdrafts and short-term loans from financial institutions	27.58	1.06%	12.24	0.30%	11.30	0.28%
Trade payables and other current payables	136.74	5.27%	111.48	2.77%	127.04	3.20%
Current portion of long-term liabilities	259.99	10.01%	288.76	7.17%	295.38	7.44%
Current portion of lease liabilities	-	-	1.49	0.04%	2.51	0.06%
Income tax payable	-	-	0.02	0.005%	-	-
Total current liabilities	424.31	16.34%	413.99	10.28%	436.23	10.99%
Trade payables and other non-current payables	9.72	0.37%	10.25	0.25%	32.82	0.83%
Long-term loans	1,261.03	48.57%	975.84	24.24%	679.16	17.11%
Current portion of lease liabilities-net	-	-	47.59	1.18%	48.29	1.22%
Non-current liability estimates for employee benefits	7.59	0.29%	8.72	0.22%	10.66	0.27%
Total non-current liabilities	1,278.34	49.24%	1,042.37	25.89%	770.92	19.42%
Total liabilities	1,702.65	65.58%	1,456.35	36.18%	1,207.15	30.41%

Registered Capital	1,120.00	43.08%	1,120.00	27.82%	1,230.00	30.99%
Issued and paid-up capital	820.00	31.54%	1,120.00	27.82%	1,120.00	28.21%
Retained Earnings (Loss)	-	-	8.91	0.22%	12.47	0.31%
Total Parent Company's Equity	63.04	2.43%	249.34	.19%	433.53	10.92%
Non-controlling interests	883.04	34.01%	2,551.84	63.39%	2,739.59	69.01%
Total Shareholders' Equity	10.45	0.40%	17.20	0.43%	22.88	0.58%
Total liabilities and shareholders' equity	893.49	34.42%	2,569.04	63.82%	2,762.47	69.59%

■ Comprehensive Income Statement

Item	Consolidated Financial Statements					
	Audited					
	2019		2019		2019	
	Million Baht	Proporti on	Million Baht	Proporti on	Million Baht	Proporti on
<u>Revenue</u>						
Revenue from sales and services	362.39	100.00%	670.57	100.00%	730.21	100.00%
Cost of sales and services	(176.67)	-48.75%	(312.99)	-46.68%	(390.88)	-53.53%
Gross margin	185.72	51.25%	357.58	53.32%	339.33	46.47%
Other revenues	8.05	2.22%	2.54	0.38%	18.95	2.59%
Profit before expenses	193.78	53.47%	360.12	53.50%	358.28	49.07%
<u>Expenses</u>						
Administrative expenses <sup>1 and 2</sup>	(63.95)	-17.26%	(56.97)	-8.46%	(77.28)	-10.58%
Executive Remuneration <sup>2</sup>	(19.31)	-5.21%	(21.21)	-3.15%	(22.29)	-3.08%
Total expenses	(83.25)	-22.47%	(78.18)	-11.61%	(99.57)	-13.66%
Profit (Loss) before finance costs	110.52	31.00%	281.94	41.89%	258.71	35.41%
Finance costs <sup>1</sup>	(47.82)	-12.91%	(80.01)	-11.89%	(68.59)	-9.39%
Income tax	(5.90)	-1.59%	(0.70)	-0.10%	2.92	0.40%
<b>Net Profit (Loss)</b>	<b>56.80</b>	<b>15.67%</b>	<b>201.23</b>	<b>29.90%</b>	<b>193.03</b>	<b>26.44%</b>
Equity attributable to the parent company	57.73	15.58%	194.48	28.89%	187.36	25.66%
Equity attributable to non-controlling interests	(0.93)	-0.25%	6.75	1.00%	5.67	0.78%
Items that will not be subsequently reclassified as profits or losses						
Profit (loss) from remeasurement of defined employee benefits	0.13	0.04%	0.74	0.11%	0.38	0.05%
<b>Total Comprehensive Profit (Loss)</b>	<b>56.93</b>	<b>15.37%</b>	<b>201.97</b>	<b>30.01%</b>	<b>193.42</b>	<b>26.49%</b>

■ Cash flow statement

Item (Unit: Million Baht)	Consolidated Financial Statements		
	Audited		
	2019	2020	2021
<b><u>Cash flow from operating activities</u></b>			
Profit (loss) before income tax	62.70	201.93	190.12
<b>Adjustments to reconcile profits (losses) to cash received (paid)</b>			
Interest expense	46.58	77.64	71.68
Interest income	(0.18)	(0.11)	(5.05)
(Increase) decrease in trade receivables and other current receivables	(8.06)	(40.52)	36.51
(Increase) decrease in inventory	(0.13)	(1.42)	(0.08)
(Increase) decrease in current assets	2.38	(7.36)	(0.07)
(Increase) decrease in other non-current assets)	3.40	(3.42)	0.60
(Increase) decrease in trade payables and other current payables	15.53	26.77	47.47
Depreciation and amortization	75.47	105.88	110.98
Provisions for employee benefits	2.91	1.87	1.93
Profit from land rental fee reduction under lease agreement	-	(0.32)	-
Unrealized exchange rate profit	(0.05)	(0.99)	3.76
Amortization of tax withheld	0.00	0.11	0.56
Profit on disposal of fixed assets	-	-	(0.34)
Loss on revaluation of derivatives	-	-	23.65
Total adjustment from reconciliation of loss before income tax	200.56	360.05	481.88
Cash interest income	0.18	0.11	0.16
Income tax refund	3.88	10.17	7.19
Income tax paid	(14.73)	(5.33)	(2.40)
Net cash flows from (used in) operating activities	189.89	364.99	486.83
<b><u>Cash flows from investing activities</u></b>			
Increase in restricted deposits	(27.43)	(66.59)	(121.43)
Cash paid for purchase of property, plants and equipment	-	-	0.37
Cash received from sale of equipment	(428.81)	(95.52)	(97.75)
Cash received from loans and interest to related parties	-	-	36.00
Cash paid for loans to related parties	-	-	(130.00)

Item (Unit: Million Baht)	Consolidated Financial Statements		
	Audited		
	2019	2020	2021
Cash interest income	0.11	-	
Net cash flows used in investing activities	(456.23)	(162.11)	(312.81)
<b><u>Cash flows from financing activities</u></b>			
Increase in overdrafts and short-term loans	27.58	(15.34)	(0.94)
Cash received from issuance of capital shares	-	1,473.59	-
Cash received from long-term loans from financial institutions	695.52	29.29	-
Cash paid for payment of long-term loans from financial institutions	(493.78)	(289.77)	(292.01)
Cash interest expense	(50.63)	(72.85)	(66.68)
Cash received from capital increase of subsidiaries from minority shareholders	-	-	-
Cash paid by tenant to reduce the amount of liabilities arising from the financial lease	-	(3.29)	(4.76)
Net cash from (used in) financing activities	178.68	1,121.63	364.39
Net increase (decrease) in cash and cash equivalents	(87.66)	1,324.50	(190.38)
Cash and cash equivalents at the beginning of the year	121.41	33.75	1,358.25
Cash and cash equivalents at the end of the year	33.75	1,358.25	1,167.87
<b><u>Additional cash flow statement information</u></b>			
Net cash paid for purchase of property, plants and equipment from work in progress accrued to parent company	101.53	-	-
Retention payables	(5.29)	(0.53)	1.08
Contractor payables	(62.16)	48.84	35.66
Interest recognized as property cost	5.33	(1.40)	-
		2.87	(3.47)
Payables under financial lease	-	-	(4.92)

■ Key financial ratios

Item	Consolidated Financial Statements		
	2019	2020	2021
<u>Liquidity Ratio</u>			
Liquidity ratio (times)	0.57	3.89	3.38
Current ratio (times)	0.32	3.82	3.10
Cash flow liquidity ratio (times)	1.72	0.92	1.15
Account receivable turnover ratio (times)	4.35	3.26	3.66
Average collection period (days)	82.74	110.35	98.29
Payable turnover ratio (times)	14.43	2.52	3.28
Repayment period (days)	24.95	142.75	109.84
Cash cycle (days)	(139)	(31)	(10)
<u>Profitability Ratio</u>			
Gross margin	51.25%	53.32%	46.47%
Operating margin	29.84%	41.89%	34.53%
Ratio of other revenues	2.17%	0.38%	2.59%

■ Key financial ratios

Item	Consolidated Financial Statements		
	2019	2020	2021
Cash to profit ratio	185.31%	129.46%	188.17%
Net profit margin	15.33%	29.90%	25.77%
Return on shareholders	6.57%	11.62%	7.24%
Asset turnover ratio (times)	0.15	0.20	0.19
<u>Financial Policy Ratio</u>			
Debt to Equity Ratio (times)	1.91	0.57	0.44
Interest coverage ratio (times)	5.39	5.71	7.75
Debt service coverage ratio (Cash basis) (times)	0.19	0.62	0.86
Dividend payout ratio	-	-	



Item	Consolidated Financial Statements		
	2019	2020	2021
<u>Data per share</u>			
Par value per share (Baht) <sup>1</sup>	0.50	0.50	0.50
Book Value per Share (Baht)	0.54	1.15	1.23
Net earnings per share			
- Net basic earnings per share (Baht)	0.04	0.10	0.08
Weighted average number of ordinary shares (million shares)	1,640	1,640	1,640
Number of fully diluted ordinary shares (million shares)	2,240	2,240	2,240

**Note:**

*1. Adjusting the par value to 0.50 Baht per share for comparison*

## Financial Performance for the year ended 31 December 2021

For 2021, the Company's net profit was THB 193 million that dropped by THB 8 million from its net profit for 2020, which was THB 201 million. Its net profit margin for 2021 was 26% dropped from 4% in the same period last year mainly because of key factors as follows:

### Revenue and other income

#### Sales of electricity

For the year 2021, 2020 and 2019 in the amount of 730 million baht, 670 million baht and 362 million baht, respectively. That increased by THB 60 million or 9% from the same period last year

**Other Income** For the year 2021, 2020 and 2019, the amount of 19 million baht, 2 million baht and 8 million baht, respectively, are income related to Interest received on bank deposits and interest received on intercompany loans

### Costs and expenses

**Cost from production and distribution of electricity.** For the years 2021, 2020 and 2019, the rate is 54 percent, 47 percent and 49 percent, respectively. When compared with the revenue from the sale of electricity Which are in a similar ratio each year The major expenses are raw materials, repair and maintenance costs, personnel fees, control wages, machine operation and maintenance costs. Cost of removal of ashes from burning Depreciation is the main

**Administrative costs and management compensation** It is expenses related to salaries and remunerations to employees and executives. General office expenses Utilities, certification fees, various fees

**Financial costs** for 2021 were THB 69 million that dropped by THB 11 million or 9% from the same period last year. Because in 2021, ETC, RH and AVA's power plants have lower financial costs due to loan repayments from financial institutions, resulting in a lower loan value.

## Financial position

1. **Total assets** were 3,970 million as of 31<sup>th</sup> December 2021, which dropped by 1% from THB 4,025 million as of 31<sup>st</sup> December 2020. This is mainly due to the use of money to pay off loans from financial institutions. and capital increase in subsidiaries
2. **Total liabilities** were THB 1,207 million as of 31<sup>th</sup> December 2021, which dropped by 17% from THB 1,456 million as of 31<sup>st</sup> December 2020. The decrease in the liabilities was mainly because of the repayment of long-term loans from financial institutions.
3. **Total equity** was THB 2,762 million as of 31<sup>th</sup> December 2021, which rose by 8% from THB 2,569 million as of 31<sup>st</sup> December 2020. The main reason is from the capital increase in the subsidiary (Earth Engineer and Construction Company Limited)

## Auditor's remuneration

### Audit fee

- 2019,

The Company and its subsidiaries Pay the audit fee to the auditor in the amount of 1,970,000 baht.

- 2020,

The Company and its subsidiaries Pay the audit fee to the auditor in the amount of 2,160,000 baht.

- 2020,

The Company and its subsidiaries Pay the audit fee to the auditor in the amount of 2,110,000 baht.

## 5. General information and other material facts

### General information

### Reference information

#### 1) Regulatory authority for the security issuing company

The Securities and Exchange Commission (SEC)

333 3 Vibhavadi Rangsit Rd, Chom Phon, Chatuchak, Bangkok 10900

Tel. (66) 2695-9999 Fax. (66) 2695-9660

#### 2) Listed company regulators

The Stock Exchange of Thailand (SET)

93 Ratchadaphisek Rd, Din Daeng, Bangkok 10400

Tel. (66) 2009-9000 Fax. (66) 2009-9991

#### 3) Ordinary Shares Registrar

Thailand Securities Depository Company Limited

The Stock Exchange of Thailand Building, 1st Floor, Building B

93 Ratchadaphisek Rd, Din Daeng, Bangkok 10400

Tel. (66) 2009-9000 TSD Call Center (66) 2009-9999 Fax. (66) 2009-9991

#### 4) Auditor

Karin Audit Company Limited

CAT Telecom Building, 24th Floor, 72 Charoen Krung Road, Bangrak,  
Bangkok 10500

Tel. (66) 2105-4661 Fax. (66) 2026-3760

#### Others:-

- Shareholder services provision
- Lost share certificates reporting
- Amendment of shareholder information

#### 5) Contacting Investor Service

Thailand Securities Depository Company Limited

The Stock Exchange of Thailand Building, 1st Floor, Building B

93 Ratchadaphisek Rd, Din Daeng, Bangkok 10400

Tel. (66) 2009-9000 TSD Call Center:(66) 2009-9999 Fax. (66) 2009-9991

## Legal disputes

-none-

## Secondary market

-none-



# Part 2

## Corporate Governance



## 6. Corporate Governance Policy

The Company realizes the importance of good corporate governance as an important factor in promoting the Company's operations with efficiency, transparency, competitiveness and sustainable growth, which will lead to the confidence of all stakeholders that the operation of the company is done with fairness and takes into account the best interests of all stakeholders, from employees, investors, shareholders and other stakeholders. Hence, the Board of Directors deems it appropriate to establish a corporate governance policy based on the principles and practices of good corporate governance for listed companies for the year 2017 prepared by the Securities and Exchange Commission as the organization management approach in creating confidence in the Company's operations, operated with fairness, transparency and take into account the best interests of shareholders and all stakeholders. The Company's corporate governance policy consists of 8 principles which can be summarized as follows

1. Recognize the roles and responsibilities of the Board of Directors as the corporate leader that creates sustainable value for the business
2. Define the business objectives and main goals for sustainability
3. Strengthen effective committees
4. Recruiting and developing senior executives and personnel management
5. Promote innovation and conduct business responsibly
6. Ensuring that there is an appropriate risk management and internal control system.
7. Maintain financial credibility and disclosure
8. Encourage participation and communication with shareholders

Hence, the Board of Directors has considered applying this principle in conjunction with the “Good Corporate Governance Principles for Listed Companies 2012” of the Stock Exchange of Thailand, which covers five OECD principles as follows:

### Chapter 1 Rights of Shareholders

The Company realizes the importance of shareholders as investors in securities and the owners of the Company by controlling the Company through the Board of Directors appointed by the shareholders to act on their behalf and have the right to make decisions about Important changes of the company Therefore the company has a policy to support, promote and facilitate the shareholders to exercise their rights, especially the basic rights of shareholders, which are:

- The right to buy, sell or transfer the Company's shares as required by law
- The right to receive correct, complete, sufficient, timely information in a format suitable for making decisions in order to monitor the operations, this also means that the Company cannot have policy to block or create barriers to communication between every shareholder

- The right to attend shareholders' meetings, express their opinions, make suggestions, inquire at the shareholders' meetings, and make decisions on important matters of the company
- The right to appoint and remove directors
- The right to appoint auditors and determine auditors' remuneration
- The right to receive a share of the company's profits in the form of equal dividends
- The right to receive share certificates, share transfer, share repurchase on behalf of the Company
- The right to set or amend the objectives, regulations, memorandum of association of the Company
- Other rights according to the provisions of any other applicable laws and regulations, including the Company's Articles of Association

In addition to encouraging shareholders to exercise their basic rights, the Company also takes care of and treats shareholders equally, such as providing important and up-to-date information through the website and providing shareholders to visit the business and that no action is taken that violates or infringes the rights of shareholders.

### Shareholders' meeting

The Company has set guidelines for good corporate governance for the shareholders' rights as follows:

#### 1. Treatment of shareholders prior to the general meeting of shareholders

1.1. The Company encourages and facilitates all groups of shareholders, including institutional shareholders, to exercise their rights to attend shareholders' meetings and vote fully.

1.2. The Company sends invitation letter for the shareholder meeting with information on date & time, location, agenda, objectives, reasons, and opinions of the Board of Directors for each agenda, as well as all information related to the matters that were decided at the meeting, in both Thai and English to all shareholders for acknowledgment of the details not less than 21 days in advance. Agenda to propose to the shareholders for approval are:

- Approval of Statement of Financial Position and Statement of Comprehensive Income
- Approval of the allocation of profits, rights for dividend payments and legal reserves
- Approval of the bonus payment for the committee
- Approval of Directors' remuneration
- Appointment of Directors
- Appointment of Auditors and determination of remuneration

1.3. The Company has attached Authorization Form A, Type B and Form C together with the invitation letter to the shareholders' meeting so that shareholders who are inconvenient to attend the meeting by themselves can authorize any other person or independent director at the Company to be appointed as a proxy to attend the meeting and vote on their behalf by performing the conditions specified in the Authorization form.

1.4. The Company facilitates shareholders to fully exercise their rights to attend and vote by the Company using the Company's meeting room No. 88,88 / 1, Moo 1, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province as the meeting venue is spacious enough for shareholders and easy access to the meeting, as well as providing snacks and drinks to accommodate the meeting attendees sufficiently.

## **2. Treatment of shareholders at the Annual General Meeting of Shareholders**

2.1 The company provides sufficient personnel and technology devices for the shareholders' meeting, including examining the registration documents, attending the meeting, counting the votes, and showing the voting results of each agenda so that the meeting can proceed. The company allows shareholders to register at least one hour before the meeting time and also allows shareholders who wish to attend the meeting even after the time of registration can vote in agendas that are under consideration and have not yet been voted on and constitute a quorum since the agenda that attended the meeting onwards.

2.2 The Company grants shareholders the right to vote of one vote per one share. For the convenience of voting and vote counting, the Company has prepared separate ballots for each agenda for voting, especially the agenda for appointment of directors. The Company provides shareholders with the right to vote for appointment of individual directors as well as providing opportunities for shareholders to volunteer as witness to the vote counting and arrange for a legal advisor to audit the vote counting for transparency in voting and vote counting and disclose to the meeting and record in the minutes of the meeting.

2.3 At the start of the meeting, the Chairman of the Board of Directors, Chairman of every sub-committees, all directors, managing director and Chief Executive Officer and high-level executives of the Company attend the shareholders' meeting by giving importance to the meeting of shareholders. The Company also invited the auditors to attend the meeting in order to provide information or answer questions of the shareholders fully. Representatives from outside agencies observe the meeting, such as representatives of volunteers on the protection of shareholders' rights from the Thai Investors Association to inquire about various information at the meeting. Before the commencement of the meeting, the Chairman of the Board, acting as the chairman of the meeting, assigns the officer to clarify all criteria related to the meeting, such as voting, etc.

2.4 The meeting proceeded in accordance with the agenda as informed in the meeting invitation letter sent to shareholders in advance without changing the sequence of such agenda and there was no request for the meeting to consider matters other than those specified in the meeting notice. The Company has no policy to add additional agenda items to the meeting without prior notice to shareholders.

For directors who have interests in any agenda, the Company will state the interests of directors in the invitation letter and in the meeting. If any director has interests or being involved in considering any agenda, the chairman of the meeting will inform the meeting before considering such agenda, the directors who have interests will not attend the meeting on the agenda.

2.5. The Chairman of the Board, who is the chairman of the meeting, allocated sufficient time and conducts the meeting appropriately and transparently, including allocating time and allowing shareholders to express opinions and ask questions appropriately, and the secretary of the meeting clearly and comprehensively recorded issues, questions, and answers. In addition, for each agenda item, the resolution of the meeting and the voting results were divided into the number of votes for approval, disagreement, abstention, and invalid ballot. In addition, the meeting was recorded on tape and posted on the Company's website after the meeting date for the shareholders who did not attend the meeting or those interested in the general public to view the Company's shareholders meeting in accordance with the laws and regulations related and the Articles of Association of the Company

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

3.1 The Company disclosed the resolutions of the shareholders' meeting together with the voting results not in the evening of the meeting by notifying them through the electronic information dissemination system of the SET and disclosed on the Company's website.

3.2 The Company has recorded the minutes of the meeting in both Thai and English versions which are correct and complete for the shareholders to be able to review by recording the names and positions of the directors attending the meeting, voting methods, shareholders' opinions, words and clarification of the Directors.

3.3 After the shareholders' meeting has resolved to pay dividends The Company has notified the resolution of the meeting, including details of the dividend payment to the shareholders through the information dissemination system of the Stock Exchange of Thailand and coordinated with the Securities Depository Company Limited to ensure that shareholders receive right of dividend that is correct and complete. The company has set the closing date of the register book for the right to receive dividends at least 5 working days after the shareholders' meeting approves, in accordance with the principles suggested by the Stock Exchange of Thailand.

3.4 Take into account the suggestions and opinions received from the shareholders and the auditors in evaluating the meeting results for consideration and finding solutions / improvements for the continual improvement of the shareholders' meeting.

*In 2021, the Company received an assessment of the quality of the 2021 Annual General Meeting of Shareholders conducted by the Thai Investors Association with a score of 100%.*

## Chapter 2 Equitable Treatment of Shareholders

The Company will treat all shareholders equally regardless of gender, age, race, nationality, religion, beliefs, political views, or disability. And even if the shareholders are unable to attend the meeting for any inconvenience, shareholders are entitled to authorize other persons to attend the meeting on their behalf, with the following guidelines.

### 1. Equal treatment

1.1. In the shareholders' meeting, the Company has a policy to preserve the rights of all shareholders, that is, not to add additional agenda items to the meeting without notifying other shareholders in advance so that the shareholders have an opportunity to study the information of the agenda before voting. All shareholders of the Company are entitled to vote according to the number of shares held, each share has one vote, and no share has special rights that restrict the rights of other shareholders.

1.2. The Board of Directors provides opportunities for small shareholders to propose agenda items for the annual shareholders' meeting as well as to nominate qualified persons to be directors.

1.3. For transparency and accountability, the Company has arranged for the use of ballot papers in every agenda, including an opportunity for shareholders to appoint individual directors.

1.4. The Company grants shareholders equal voting rights of one vote for one share, which is the only type of share that the Company issues to its shareholders. A majority vote shall be taken as a resolution of the shareholders' meeting.

1.5. Provide opportunities for inconvenient shareholders to attend the meeting by themselves, whereby shareholders can authorize others, or any independent director as proposed by the Company, in which the Company will grant and treat one authorized as such as he's a shareholder. The Company facilitates the shareholders who are unable to attend the meeting by themselves by submitting the authorization form as specified by the Department of Business Development, Ministry of Commerce, which is a form that specifies detailed items attached to the invitation letter for the shareholders' meeting in both Thai and English versions at least 21 days in advance of the meeting date, so that he authorized person would not have any problems in attending the meeting. The Company has indicated in detail regarding the meeting, including schedule, agendas, and also procedures, documentation and proofs required to grant authorization are shown in the meeting invitation letter and the Company's website.

1.6. As the majority of the shareholders who attended the general meeting of shareholders were Thai, the shareholders' meeting was conducted in Thai. But for the benefit of communicating and facilitating foreign shareholders, the company has prepared documents in 2 languages, Thai and English, such as the invitation letter of the shareholders' meeting, proxy, minutes of the shareholders' meeting, annual reports, and also set up the Company's website in 2 languages to provide publicity services to interested shareholders.

1.7. The Company sends the meeting invitation letter together with supporting documents for various agendas to shareholders at least 21 days in advance of the meeting date and publish details

about the meeting, meeting schedule and agenda published on the Company's website more than 30 in advance of the meeting day.

1.8. The Company does not stipulate conditions or rules that require document certification by government agencies or other rules that cause difficulties for shareholders in appointing proxies, and the Company has facilitated the service of stamping duty in Authorization form to the proxies who attend the meeting and arrange the photocopying service staff to attach and verify the document's validity without charge at registration points to reduce the burden of procuring duty stamp and photocopying of shareholders' documents. Registration is accepted 1 hour before the meeting time.

## **2. Measures to prevent the use of inside information of the Company and conflicts of interest**

The company has set guidelines for the preservation and prevention of the use of inside information in the code of conduct of directors and the code of conduct of employees in order to prevent the use of inside information for the benefit of oneself and others in the wrong way, which is to take advantage of shareholders or other persons, or causing damage to shareholders as a whole, with the following important principles

2.1 The Company maintains inside information as well as has measures to prevent in the event that directors and executives use inside information for improper benefits for themselves or others, which is to take advantage of other shareholders, such as by using Inside information, the use of inside information to disclose to persons related to directors and executives, causing damage to the shareholders as a whole, etc. The issue of safeguarding the Company's interests and confidentiality is in the policy manual and Regulations and regulations of the company and the trading of securities of the company, the use of insider information and conflicts of interest are included in the Code of Conduct.

The Company prohibits directors, executives, employees and related persons from trading the Company's securities before the financial statements or inside information are disclosed to the public and should wait at least 24 hours after disclosure to the public. It is also prohibited from disclosing such material information to other persons. In this regard, the Company has set up a disciplinary penalty for any violation of the use of inside information for personal gain. A warning is a written notice of cutting wages, unpaid temporary vacation or dismissal from work, which the punishment is based on the intent of the act and the seriousness of the offense.

2.2. The Company provides information to directors and executives on duties that executives have to report their holding of securities in the Company and the penalties under the Securities and Exchange Act B.E. 2535 and the regulations of the Stock Exchange of Thailand. In the event that directors or executives trade in the Company's securities, they must report their securities holdings in the Company, or of their spouse and underage children under Section 59 of the Securities and Exchange Act B.E. 2535 within 3 business days to the Office of the Securities and Exchange Commission for further publication to the public.

2.3. The Board of Directors has set guidelines to prevent interested or involved directors or executives from participating in the decision-making process in considering the transactions between the Company and those stakeholders or having any other involvement. At every meeting of the board of



directors, the chairman of the board will inform any director who has interests in that matter to the meeting and that director will not have the right to vote on such agenda

2.4. Guidelines regarding the use of inside information for wrongdoing are set in the Business Ethics and Code of Conduct.

2.5. The Company has measures and procedures for approving related-party transactions as required by law and in accordance with the standards set by the Capital Market Supervisory Board and the Stock Exchange of Thailand on "Rules for Entering into Connected Transactions" which are regulations approved by the Board of Directors for connected transactions that require approval from the shareholders' meeting prior to entering the transaction. The Company will disclose information on connected transactions whereby such matters were included in the invitation letter, such as names and relationships of connected persons, nature of the transaction, pricing policy and value of the transaction, reasons for entering the transaction, as well as opinions of the Board of Directors and the independent financial advisor, etc.

2.6. The Company does not have a business group structure that conducts related transactions in a manner that may have conflicts of interest.

### 3. Disclosure of Interest Information

The Company has established guidelines on disclosure of interests of directors and executives for transparency and prevention of conflicts of interest as follows:

3.1. Directors are required to notify the Company without delay when directors and family members are involved in or are shareholders in any business that may have interests or conflict with the Company, have direct or indirect interests in the contract. In any case that the Company makes or holds securities in the Company or its affiliates, directors and management who have interests must refrain from participating in discussions, giving opinions or voting for approval on such transactions.

3.2. Directors and executives are required to report their holdings of the Company's securities at every meeting of the Board of Directors. In the said agenda, directors informed of the directors, executives, as well as their spouses and children who are under the age of majority, and also other relevant persons under Section 258 of the Securities and Exchange Act.

1992: Has the duty to prepare and disseminate report on securities holding as well as report on changes in securities holding within 3 business days every time there is a purchase, sale, transfer or acceptance of transfer of securities within 3 days, which can be reported via electronic system at ([www.sec.or.th](http://www.sec.or.th)) from the date of purchase, sale, transfer or acceptance of transfer of such securities according to the SEC's announcement.

*In 2021, the Company did not receive any complaints about the disrespect of the fundamental rights of shareholders. The Company treated shareholders equally and did not find the use of the Company's inside information to*

## Chapter 3 Role of Stakeholders

The Company and the Board of Directors are aware of the rights of all groups of stakeholders. The Company has complied with the corporate governance policy and code of conduct as well as other related policies in order for the Company's business to operate well, to be stable, to build confidence and to promote cooperation among stakeholders. It also has interests in various groups, including shareholders, employees, customers, business partners, creditors, competitors, as well as the community, society and environment as a whole, in accordance with their roles and duties, responding to fair benefits to all parties and also in support with anti-corruption which the Company realizes and is aware of such responsibility is the heart of sustainable development as follows:

**1. Shareholder:** The Company performs its duties to its shareholders with honesty and fairness, manages the business for prosperity, stability and generates appropriate returns to the shareholders. Information is disclosed to shareholders equally, regularly and completely. In addition, shareholders were given opportunities to express their opinions and suggestions as well as propose agenda or person to serve as a director at the shareholders' meeting.

**2. Employees and workers:** To comply with applicable laws and standards and treat employees and workers fairly and respect human rights, including: the determination of fair compensation and benefits, the provision of welfare in accordance with the law or more as appropriate, health care and safety at work, training, educating, developing potential and promoting advancement, and opening opportunities for employees to develop their skills in other areas.

**3. Customer:** Comply with all applicable laws and standards, taking into account the reliable quality of service at an affordable and safe level, as well as unauthorized non-disclosure of customer information in accordance with the corporate social responsibility policy in dealing with customers and the Code of Conduct for Customer Responsibility

**4. Business partners:** There is a procurement process and fair contract or agreement conditions that help knowledge, develop potential and enhance the ability to produce and provide services to meet standards, clarify and supervise trade partners to respect human rights and treat their own workers with fairness, social and environmental responsibility, including monitoring, auditing and evaluating trade partners for sustainable development of business operations.

**5. Creditor:** Strictly abide by the contract or the agreed conditions, including the obligations and liabilities that may arise in the event of failure to comply with any of the conditions or cause an event of default, in which the creditors must be informed without concealment of facts in order to jointly consider reasonable solutions. The company will operate its business with efficiency and effectiveness in order to achieve sustainable growth and stable financial status and to build creditors' confidence.

**6. Community, Society and Environment:** The Company operates its business by taking part in responsibility towards the community and society by giving importance to the compliance with various standards related to safety, security, sanitation, and environment properly and taking into account the impact on natural resources and environment.

**7. Government agencies, regulatory agencies:** Strictly abide by laws, rules, regulations and regulations of government agencies, relevant regulators.

**8. Fair competition:** Operate business in an open, transparent manner and does not create unfair competitive advantages.

**9. Mass media:** Any information about the Company or media interviews must be based on truthfulness, accuracy, and care in accordance with the Company's Code of Conduct which those who are not involved or are not authorized to provide information or interview to the press or to the public in any way or refer to the Group in any way that may affect the reputation and business of the group of Companies.

**10. Safety, occupational health and environment:** The Company realizes that the management of safety, occupational health and working environment is very important in conducting business successfully and sustainably, as well as to maintain a safe working environment. In consideration for employees, customers as well as related persons, the Company has established a policy on safety, occupational health and working environment according to the guidelines:

- Safety, occupational health, and maintenance of the working environment are the duties of all employees and at all levels to work together to ensure the safety of both life and property
- To undertake safety, occupational health and work environment in accordance with laws, regulations and other requirements related to the Company's business operations.
- Establish regulations and action plans on safety, occupational health, and work environment as well as regular reviews, assessments and follow-up as well as establishing measures to prevent and control risks that may cause losses due to accidents, injuries or illnesses from improper operation and other possible malfunctions.
- Promote and support the performance of personnel from harm to life, body, mind and health.
- Publicize, communicate, and disseminate information on safety, occupational health and working environment to the Company's personnel and stakeholders related to the Company's operations appropriately.

**11. Environmental conservation and efficient use of resources:** The Company promotes the efficient use of resources for maximum benefit by taking into account the environmental impact and systematically formulating measures to prevent and mitigate the impacts that may arise.

**12. Respect for human rights:** The Board of Directors, executives and employees at all levels adhere to the principles of human rights together, promoting the treatment of all with respect, fairness, respect for human dignity, equality, and respect for rights, liberties, and equality of individuals without discrimination on the basis of race, nationality, place of origin, religion, sex, age, skin color, language, creed, education, race, disability, political opinion, economic status, participation in groups or any other social status unrelated to working or any other matter.

**13. Non-infringement of intellectual property:** The Company has a policy and guideline not to infringe on intellectual property or copyright by requiring every director, executive and employee of the Company to comply with the code of conduct for intellectual property or copyright.

**14. Anti-fraud and corruption:** Comply with relevant laws and standards, provide an anti-corruption and anti-corruption policy, and announce such policies to the public, and encourage other

companies and trading partners to recognize the importance and support their operations. In terms of anti-fraud and corruption, the Company has provided communication channels with various stakeholders.

Person who can file a complaint

Employees, relevant officers or third parties who have seen or know clues, including persons affected by the Company's business operations or from the performance of duties of the Company's directors, executives and employees who violate or fail to comply with the law and rules, Government regulations, or principles of corporate governance, business ethics, policies and regulations of the Company, including acts that may indicate corruption, the Company encourages the whistleblower to disclose their identity and provide sufficient clear evidence.

Channels for reporting complaints And the whereabouts of wrongdoing and corruption

The Company has assigned the Chairman of the Investigation Committee to accept matters, whistleblowing, or complaints on actions that may cause suspicion of bribery and corruption that occur directly or indirectly to the Company, where the complainant must specify details of the matter to report clues or complaints, or evidence or information sufficient for investigation, including the name, address and telephone number that can be contacted through the following channels

1. Notified via the company's online media channels [www.etcenvi.com](http://www.etcenvi.com)
2. Notify by phone 036-200294  
(Human Resource Management Department)
3. Notify by post, address the envelope or submit directly to
  - Chairman of the Audit Committee
  - Managing Director
  - Company Secretary
  - Internal Audit Executive

At Earth Tech Environment Public Company Limited

88,88 / 1 Moo 1, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province

In the event that the whistleblower or the complainant has a complaint related to the Board of Directors, all sub-committees and senior management request that you submit a complaint to the chairman of the Audit Committee directly.

*In 2021, the company has not received any complaints relating to any wrongdoing or improper*

## Chapter 4 Disclosure and Transparency

The Company realizes the importance of disclosing information that is complete, accurate, timely, equal, including providing facts that demonstrate the true business and financial status of the Company for stakeholders to use as information in decision-making. Disclosure of information is an indicator of transparency in operations which is an important factor in building investors' confidence in

honesty and as a mechanism for monitoring the operations, disclosure of information and developing communication channels for stakeholders to gain access to information.

1. The Company's key information consists of financial and non-financial information. Financial disclosures, particularly in the financial statements, have been reviewed / audited by an accountant to ensure they are fairly accurate in accordance with accounting principles that are generally accepted and approved by the Audit Committee / Board of Directors prior to disclosure to the shareholders. The Board of Directors reports their responsibility for financial reports along with the annual report of the Audit Committee as well. In addition, the Company has disclosed the related transactions in the annual registration statement (Form 56-1 one report) etc.

2. The company can submit financial reports both quarterly and annually for the year 2021 within the time specified by the SEC and the Stock Exchange of Thailand. The Company places great emphasis on preparing financial statements in accordance with generally accepted accounting standards by selecting appropriate accounting policies and adhering to them regularly. The Company is strict in delivering financial statements and financial reports in a timely manner required by law. The Company's financial statements were unconditionally certified by an auditor, never had a record of being ordered by the SEC to amend the financial statements, and never delayed the submission of financial reports.

3. The Company prepares the management's explanation and analysis by explaining the analysis of the financial status, operating results, significant changes, as well as the factors that cause or affect the financial position and the operating results of the Company and forward to the SEC and the Stock Exchange of Thailand together with the submission of financial statements every quarter and published on the Company's website. This is to serve as a supplementary information for the quarterly financial statements disclosure in order for investors to be informed and to better understand the changes that have occurred on the financial status and operating results of the Company in each quarter.

4. The Company has presented the report of the Board of Directors' responsibility for the financial report together with the auditor's report in the annual report.

5. The Company discloses the audit fee and other services provided by the auditor in the annual registration statement (Form 56-1). In the annual report for the year 2021, the Company has provided the auditor Karin Audit Co., Ltd. is the Company's auditors who are knowledgeable, professional, independent and approved by the SEC, with the Company's financial statements certified unconditionally and correct as it should; or in essence, in accordance with generally accepted accounting principles and has been approved by the Audit Committee / Board of Directors before disclosure to the shareholders with the auditors' remuneration as follows:

5.1. The Company and its subsidiaries paid audit fees to Karin Audit Company Limited totaling 2,110,000 baht comprising consolidated financial statements 250,000 baht / Earth Tech Environment Public Company Limited amount 430,000 Baht / Ava Grand Energy Company Limited, amount 300,000 Baht / Link 88 Power Company Limited, amount 190,000 Baht / Recover House Company Limited, amount 310,000 Baht / Earth Engineering and Construction Co., Ltd. amount 470,000 baht / Sirilapa Power Co., Ltd. amount 160,000 baht )

The companies that are the auditing firm and the selected auditors are independent, have no relationship or any interest with the Company, management, major shareholders or their related persons.

5.2. Other service fees

--Not available--

6. The Company discloses the roles and responsibilities of the Board of Directors and sub-committees, the number of meetings and the number of meetings of each director in the year 2021, as well as ongoing training and professional knowledge development, and disclose the remuneration of directors according to the resolution of the shareholders' meeting and high-level executives in the One report (Form 56-1) as well.

7. The company discloses the profile of all directors in the annual report Form 56-1 and on the Company's website by specifying full name-last name, age, position, education history, training, work experience, number and percentage of shareholding in the company. Directors of other companies are clearly separated into topics of listed companies and other companies, date of appointment as directors, as well as family relationship between management.

8. The directors' remuneration reflects the duties and responsibilities of each director; however, the Company pays remuneration to directors in 2021 according to the rates approved by the 2021 Annual General Meeting of Shareholders.

In this regard, the Company has disclosed the amount and type of remuneration that each director receives from the Company individually in the Annual Report and Form 56-1 under the heading of "Management Structure" and has published it on the Company's website.

9. In 2021, the Company pays senior management compensation in accordance with the Company's policy to pay remuneration by reflecting the duties and responsibilities of each senior management and at an appropriate rate by comparing it with the type of business and disclosed detailed compensation in terms of the nature and amount of compensation which are included in the Annual Report and Form 56-1.

10. The Company has set a policy for directors and top management to submit a copy of the Company's securities holding report if there is a change in the securities holding (Form 5 9 ) to the Company within the same period as the submission to the SEC Office for the Company to keep as evidence and report to the Board of Directors on a regular basis. Directors and senior management must notify the Company Secretary at least 1 business day prior to the date of entering into the securities trading transaction.

The Company has disclosed the changes in the Company's securities holding of directors and top management by showing the number of shares held at the beginning of the year, the number of changes during the year and the number of shares at the end of the year in the annual report.

11. Various information of the company which is disclosed to the public, shareholders, and investors according to the specified criteria through channels of the Stock Exchange of Thailand, in which the Company also discloses important information of the Company in both Thai and English via the website. The Company's website includes regular updates on:

- Vision and Mission



- Names and powers and duties of the Board of Directors, sub-committees, management
- Organizational structure
- Company group structure, top 10 shareholders
- Financial statements, reports on the financial position and operating results of the Company
- Annual Report (Form 56-2) that can be downloaded.
- Invitation letter to the shareholders' meeting and any other relevant documents, including the minutes of the shareholders' meeting
- Company regulations and company certificates
- Company's corporate governance policy, business ethics, anti-corruption policy and other policies of the company.
- Investor relations information, etc.

12. The Company realizes that the Company's information, both related to financial statements and non-financial, affects the decision-making process of the Company's investors and stakeholders. Hence, the Company ensures that all information is completely true, reliable, consistent, timely and in accordance with the criteria set by the Office of the SEC and the SET. The Company has assigned the Company Secretary Department to be the center for disclosure of important information to investors and supervises the financial reporting process as well as important information that affects the Company's securities prices such as financial statements, performance presentations, and various information. The information is disclosed to the public through the Stock Exchange of Thailand ([www.setlink.set.or.th](http://www.setlink.set.or.th)) to investors in order to receive regular and complete information. The company presents the Company's operating results and information announcement to investors, shareholders, and related persons, both directly and indirectly.

In the event that investors and related parties have questions and want to inquire, they can contact for information at Investor Relations Phone: (+66) 36 209 294, (+66) 36 200 295, (+66) 2 012 7888 #714 E-mail: [ir@e-tech.co.th](mailto:ir@e-tech.co.th) or

[www.etcenvi.com](http://www.etcenvi.com)

*In 2021, the Company has submitted quarterly and annual financial reports within the period of time and in accordance with the regulations set forth by the Stock Exchange of Thailand and has not been notified by the Office of the Main Commission and the Stock Exchange of Thailand for a correction to be prepared.*

*In 2021, the Company has organized Opportunity Day activities: Listed companies meet investors Financial Statement Q2/2021 on August 6, 2021 to provide opportunities for investors. and those who are interested can access the company's information directly*

## Chapter 5 Responsibilities of the Board

The Board of Directors consists of people who have knowledge, expertise and experience that can benefit the Company as well. The Board of Directors is appointed by the shareholders to oversee the Company's operation guidelines, appoint management to be in charge of business operations, appoint sub-committees to be responsible for all sub-committees, and to appoint a company secretary, to be in charge of the operation, meeting and legal practice. The Company has clearly separated roles, duties and responsibilities between the Board of Directors and the management. *(Details of the scope, powers, duties and responsibilities of the Board of Directors, etc. can be found at the "Management Structure")*

### Board of Directors

1. As of December 31, 2021, the Board of Directors consists of 9 persons who are qualified, knowledgeable, diverse experiences and have special abilities that benefit the Company. The number of directors is appropriate and adequate for the size and type of business of the Company, with non-executive directors having experience in the core business in which the Company operates. The structure of the Board of Directors consists of

- (1) Directors with participation in management (Executive Directors) 2 persons
- (2) Non-executive director (Non-Executive Directors) 7 persons, of which

There are 4 independent directors or equivalent to 1 in 4 of the total number of directors. The company has disclosed the board structure, authority, duty, criteria for recruiting, important information of each director such as first-last name, position, date of appointment as director, and biography of each director can be found in the One Report and Form 56-1 and the Company's website at [www.etcenvi.com](http://www.etcenvi.com)

2. The Board of Directors is diverse, with skills consistent with the Company's business strategy through preparation of the Board Skills Matrix, and has diversity in education history, experience without limiting any differences. Detailed profiles of the directors' is under topic "Board of Directors and Executives".

3. Independent directors are 1 in 4 of all directors. Currently there are 4 independent directors.

4. The company has 1 female independent director.

5. No director or senior management of the Company is or has been an employee or partner of an external audit firm that has served the Company in the past 2 years.

6. The Chairman of the Board of Directors is not the same person as the Managing Director. The duties and responsibilities of the Chairman of the Board are in accordance with the law. The authority of the Managing Director is clearly defined, and the powers and duties of the Chairman of the Board and the Managing Director are disclosed under the Topic "Management Structure" in the Annual Report and Form 56-1 published on the Company's website

7. The company assigns corporate departments for the Internal Audit Department to report directly to the Audit Committee, who will consider the penalty to the Chief of Internal Audit.

The Company has disclosed the name and profile of the Head of Internal Audit in the Form 56-1 one report which has been published on the Company's website.

8. The Company has a company secretary who provides legal advice and rules that the board must know and performs duties in overseeing the activities of the board as well as coordinating the implementation of the board resolutions. The company secretary has passed training courses related to the performance of duties of the company secretary.

The company has disclosed the duties and responsibilities of the company secretary, educational background, work experience and training courses related to the performance of the company secretary in the Form 56-1 one report which is published on the Company's website.

9. The Board of Directors has also appointed various committees to perform specific duties and propose matters to the Board of Directors for consideration or acknowledgment. Each committee has the scope of authority and duties as specified in the powers and duties of each committee (Details of the scope, powers, duties and responsibilities of each committee can be found at "Management structure") including

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Corporate Governance and Corporate Social Responsibility (CG & CSR)
- Executive Committee

#### **Term of Office of Directors**

1. Directors hold office for a term of 3 years and can be re-elected as a new director. There are also no restrictions on the age of the directors but has to take into account the ability to perform duties.

2. The term of office of a director is in accordance with the Articles of Association of the Company, and at every annual general meeting, directors must vacate office in the amount of one-third of the number of directors. Those who vacate office may be reelected to continue the position.

3. In the event that the director's position is vacant due to reasons other than the termination of the said term, the Board of Directors shall pass a resolution with a vote of not less than three-fourths of the remaining directors to elect any person having qualifications and not being under the prohibitions under Section 68 Public Limited Act, B.E. 2535 to be a replacement director at the next board meeting. The substitute director may hold office for the remaining term of the director he replaces.

4. Independent directors have a term of office for not more than 3 consecutive terms or not more than 9 years, whichever is longer. However, if the Board of Directors thinks it is necessary to request that the independent director who has held the position for 3 consecutive terms or 9 years to continue the position, the Board of Directors of the Company may extend the term of office of the independent director further.

#### **Senior Executive Succession Plan**

The Board of Directors realizes and understands the importance of human resources very much. Therefore, the Nomination and Compensation Committee has set up a succession plan for the Chief Executive Officer and senior management from the department manager level upwards, and report

directly to the Chief Executive Officer (CEO) of the Company according to the specified criteria, including reviewing the said plan annually.

#### **Policies and procedures for directorship in other companies for directors and executives**

The Board of Directors gives great importance to the efficiency of the performance of duties of the directors so that they can devote their time to corporate governance of the company fully. Therefore, it is a policy to limit the number of companies that directors and executives can hold director positions in other listed companies, whereby directors and executives can hold director positions in no more than 5 other listed companies. At present, there are no directors who hold positions of directors of the Company exceeding the stipulated criteria.

#### **Supervision of Subsidiary Operations**

To supervise the operations of subsidiaries and associated companies, ETC, as a shareholder, sent representatives to participate in the performance of duties as well as to coordinate business cooperation between the sub-companies. The ETC representative must be a person who has been approved by the Company's management or approved by the Board of Directors to take a position of director in a subsidiary. However, in the case of a director appointed as a representative, it consists of persons from the Board of Directors, management or third parties with knowledge and understanding of the business and able to provide management guidelines that are beneficial to the company.

#### **Leadership and vision**

The committee is involved in setting the vision, mission, strategy, including goals and business plans In both the short and long term, the vision, mission, strategy and business plan are reviewed annually. In addition, the committee sets indicators to measure the success of the organization's performance in each area, both in terms of growth and finance, as well as establishing important work systems such as internal control systems and risk management systems. Follow up on the performance of the management was done by requiring the Managing Director to submit a report on a quarterly basis to review the Company's operations efficiency.

#### **Corporate Governance Policy**

The Company has set up a written corporate governance policy, whereby the Board of Directors has regularly reviewed the policy and its implementation. In addition, after the Company's ordinary shares are listed on the Stock Exchange of Thailand, the Company will comply with the rules and regulations as prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand, wherein the corporate governance report will be disclosed in the One report (Form 5 6 -1 ) and published at [www.etcenvi.com](http://www.etcenvi.com) which includes the following governance areas.

**Anti-Bribery and Corruption Policy**

The company is committed to preventing and is against corruption in all forms, either directly or indirectly, and to enable business operations that may be at risk of corruption to be considered and treated carefully. The Company has therefore formulated a written anti-bribery and corruption policy, requiring the Company and its subsidiaries to comply with the anti-bribery and corruption policy in order to push and maintain the corporate culture by adhering to that “Corruption is unacceptable in transactions with both the public and private sectors”, which the Company has published in [www.etcenvi.com](http://www.etcenvi.com)

**Business ethics**

The Board of Directors has established a code of conduct as a guideline and good practice for directors, executives, and employees to adhere to as a guideline in performing duties according to the Company's mission with honesty and fairness for the sake of the Company, stakeholders of all groups, the public and society, in which this includes establishing a system for monitoring the implementation of the said guidelines on a regular basis. In this regard, the Company has organized training to inform employees in order to continuously acknowledge the compliance of the business ethics. Directors, executives, and employees of the Company are obliged to strictly comply with the code of conduct and encouraging subordinates to comply with the specified code of conduct and behave as a good example in order to encourage employees to comply. The Company has published the Code of Conduct in the Code of Conduct. [www.etcenvi.com](http://www.etcenvi.com)

**Internal control and audit system**

The Board of Directors give great importance to the internal control system that is adequate and appropriate at all levels of operation by establishing clear written duties, responsibilities and authorities of management and employees. In order to create a balance and check between each other, the use of the Company's assets is monitored for the real benefit, as well as providing an accurate and timely financial reporting system. The Audit Committee is responsible for reviewing the appropriate internal control and internal audit systems.

The company uses outsource services by appointing the company Zentara Grand Audit Company Limited (“Zentara”) to act as the auditor of the Company's internal control system. Zentara has assigned Ms.Thanaporn Tiengsuthisakul to be the main responsible person in performing the duties of the internal control system auditor of the Company because Ms. Thanaporn Tiengsuthisakul has suitable qualifications, knowledgeable, has extensive experience in the field of internal control audits for a long time, regularly attend training in related courses, including directing audit results to the Audit Committee, making the internal audit independent and can be fully checked and balanced.

### **Appointment and Remuneration of the Auditor**

The Audit Committee is responsible for selecting, nominating, appointing, and removing independent persons to act as the Company's auditors and propose auditors' remuneration. The Board of Directors will present to the shareholders' meeting for approval. The Board of Directors and the Audit Committee are of the opinion that Karin Audit Company Limited has professional expertise, independence and impartiality, experience in auditing work, continuity in auditing and knowing the Company's information and Affiliated companies very well. In 2021, the Annual General Meeting of Shareholders approved the audit fees of the Company and its subsidiaries totaling **2,110,000 baht**, consisting of

- Consolidated financial statements of amount 250,000 baht
- Earth Tech Environment Public Company Limited of amount 430,000 baht
- Audit fee for subsidiaries
  - Ava Grand Energy Company Limited of amount 300,000 baht
  - Link 88 Power Company Limited of amount 190,000 baht
  - Recovery House Company Limited of amount 310,000 baht
  - Earth Engineer and Construction Company Limited of amount 470,000 baht
  - Sirilapa Power Company Limited of amount 160,000 baht
  - Other services --Not available--

In this regard, the Company which is the auditing firm and the selected auditors are independent and do not have any relationship or interest with the Company, management, major shareholders or related persons.

### **Risk management**

The Board of Directors has set clear business goals and performance can be measured, with the management comparing the actual performance with the established goals on a regular basis, with internal and external risk factors assessments to analyze the causative factors and formulate measures to monitor incidents that cause risk factors, risk mitigation measures, as well as assign relevant departments to regularly monitor such risks and report progress to supervisors.

### **Conflict of interest**

The board has a policy on the prevention of conflicts of interest on the principle that any decisions in conducting business activities must be made in the best interests of the company, and actions that create conflicts of interest should be avoided. By requiring those who are involved or have an interest in the items to be considered, they must notify the Company of their relationship or stake in the said transaction and must not participate in the decision-making and have no power in approving the transaction

If there is a transaction that may cause a conflict of interest that is not a normal business operation or is in accordance with general commercial conditions, it must be presented to the Board of



Directors meeting for approval by the Board of Directors for examination and carefully consider the suitability to propose to the Board of Directors 'meeting and or the shareholders' meeting (as the case may be). The company must comply with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. It will also be disclosed in the notes to the financial statements, One reports Form 56-1) as well.

#### **Fraud control**

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

1. Preventive measures include organizing an organizational chart suitable for business control and administration, establishing a written code of ethics and promoting compliance with the code of conduct, establishing a good internal control system, and evaluating the results of internal control for each work unit.
2. The conduct of an audit involves assigning supervisors at each level to prevent and detect fraud and operational errors. In addition, there is an internal audit unit independent of top management to assist in the audit of regulatory compliance and auditing of various alert signals.
3. To provide fairness by investigating corruption for the justice of the alleged culprit and prescribing appropriate protection for the whistleblower.

#### **The Board of Directors report**

The Board of Directors is responsible for important business operations and corporate governance, the Company's consolidated financial statements, and publicly available financial information in the annual report and annual report. Such finance will be in accordance with generally accepted accounting standards in Thailand and audited by a certified public accountant licensed by the Securities and Exchange Commission. By selecting the appropriate accounting policy and adhering to it regularly, careful judgment and the best estimate are used in the preparation, as well as sufficient disclosure of important information in the notes to the financial statements. This is to maintain an effective internal control system to reasonably assure that all accounting records are accurate and complete, and to prevent materially fraud or unusual conduct.

In this regard, the Board of Directors has appointed an Audit Committee consisting of independent and non-executive directors to oversee the quality of financial reports and the internal control system and appointed a Risk Management Committee which it consists of independent directors and high-level executives who are in charge of considering risks in the Company's work systems.

#### **Preventing the use of inside information for executives' benefits**

The Company realizes the importance of using the Company's inside information for personal gain, which is set out in the Corporate Governance Policy and the Business Ethics Manual and the Company's working practices not to use inside information that they know and may seek benefits from that information before it is publicly disclosed to the general public by establishing an insider information

prevention policy and guidelines for directors, executives and employees in relation to the acquisition or disposal of the Company's securities as a measure. This serves to prevent the misuse of inside information (Insider Trading) of related persons, which are directors, executives and employees in departments related to the Company's information, including their spouses and underage children, or adopted children, as follows:

1. When there will be an acquisition or disposition of the Company's securities, the Company's directors and executives must notify at least one business day in advance before the transaction date using the Acquisition of Securities Form (Pre-59 Form) in advance and sent to the Company Secretary Department to keep as evidence before making such transactions and there will be a summary of the Pre-59 report to the Board of Directors meeting every year. Then, upon the acquisition or disposition of the Company's securities, a report on the change in holding of the Company's securities (Form 59) must be made electronically and notified to the SEC within 3 days from the date of the transaction so that the SEC can disclose the change in holding of such securities through the SEC's website. Thus, the investors can monitor the movement of such person's securities held in position or status that may know allow them to obtain or receive inside information of the Company and may take advantage of it before it is generally disclosed.

2. Directors, executives, and employees who have access or possession of inside information will be informed not to acquire or dispose of the Company's securities during the period prior to the publication of the financial statements according to the specified time. Person who has access to or possesses inside information (Insider List) includes but not limited to executive directors, employees, or individuals who have the prospect to know inside information and may profit from it before it is made public. Those who meet the above criteria are prohibited from undertaking acquisition or disposition of the Company's securities during the period of insider information or other information that may affect the stock price, including during the 30 days prior to the disclosure of the Company's financial statements to the SET and 1 day after disclosure.

3. It is prohibited to use inside information that has yet to be disclosed to the public or the Stock Exchange of Thailand to wrongfully benefit oneself or related parties, which this act is takes advantage of other shareholders.

4. Inform directors and executives on their duties to report securities holdings of theirs, spouses, and underage children to the Securities and Exchange Commission and the Stock Exchange of Thailand.

5. The company imposes disciplinary penalties for any violation of the use of inside information for personal gain, starting with a written warning, wage cutting, suspension from work, or dismissal, which the punishment will be considered based on intent of the action and the seriousness of the offense.

*In the year 2021, there were no offenses committed by directors, executive directors, top management, and employees involved in the use of inside information.*

**Compliance with other good corporate governance principles**

The SEC and the Securities and Exchange Commission have campaigned and promoted listed companies to realize the benefits of good corporate governance. The Company has foreseen and gives importance to the development of the Company's operating guidelines. In order to be consistent with the principles of good corporate governance throughout the year, the Board of Directors' Meeting has acknowledged the principles of good corporate governance for listed companies for the year 2017 (Corporate Governance Code) of the Office of the SEC. In addition, to the aforementioned principles, good corporate governance principles for listed companies in 2012 have been applied in accordance with the Company's business, in order to provide good long-term performance, create reliability for shareholders and stakeholders, as well as creating sustainable value for the business.

**Corporate Social Responsibility****Overview of Policy**

Although the Company operates the business of generating and distributing electricity from unused and non-hazardous combined waste by performing the management to create the most efficiency and cost-effectiveness and focusing on the benefits of recycling it as renewable energy and the strengthening of energy security for the nation, the corporate social responsibility is also the foundation of the concept that the Company is always aware of. The Company believes that the business and society must coexist in a mutually beneficial way. Therefore, the Company has always focused on corporate social responsibility since its establishment so that the organization can grow sustainably along with the morality and ethics of its operations, including, responsibility for the community, society and environment as well as related stakeholders. The Company establishes the corporate social responsibility policy as a framework for operation in various areas based on transparent and fair operations under good governance principles in order to achieve the sustainable business operations and ensure the well-being of Thai society with the philosophy, "We build for life...we think for the future". Directors, executives, employees, and all related parties have been informed of the policy and adhere to the following practices in order to achieve such goals:

**Operation and Preparation of Reports****Operation****(1) Fair business operations**

The Company is aware of the importance of reusing municipal waste and industrial waste and is committed to being a good model for the electricity generating business that uses waste as fuel. The policy is established to conduct business honestly, morally, and ethically. The Company develops the business to grow and create appropriate returns for the investment of shareholders continuously and sustainably and the interests of all stakeholders fairly and equally. The Company's growth will continue along with the improvement of the quality of life of employees, communities, and society. The guidelines are set out as follows:

- Complying with contracts, agreements or conditions made with business partners and creditors so that the creditors are confident in the Company's financial positions and solvency; in the case of failure to do so, negotiations with business partners and creditors shall be made in advance in order to mutually find solutions and prevent damages.
- Establishing good business relationships and strictly complying with covenants with all business partners, creditors, shareholders and stakeholders on the basis of fair and equal support to both parties
- Not requesting for any benefits from business partners in return for their work and not accepting or offering dishonest and unfair benefits to business partners, creditors, including persons with common interests, in order to follow the intent of business partners which is against the Company's normal practices
- Reporting accurate, complete and timely financial information to all stakeholders, including creditors, business partners and all shareholders through the channels of the Stock Exchange of Thailand regularly and in accordance with regulations, notifications, and related rules
- Behaving and treating a commercial competitor within the framework of good and fair business competition.
- Not seeking confidential information of commercial competitors in a dishonest or inappropriate way, not disclose the confidentiality or commercial information of commercial competitors to any third parties, not damage the reputation of commercial competitors by making malicious accusations without the truth
- Adhering to the business's sustainable growth with fairness and integrity based on good governance principles to maximize the benefits of all stakeholders

## **(2) Anti-Corruption**

The Company focuses on preventing the involvement in corruption, which means "all actions that are unlawful or intended to avoid the law or violate the generally accepted standards of moral conduct in order to obtain profits, preferences or privileges or for personal gains or benefits of the Company". The Company's anti-corruption policy covers all businesses and transactions in all countries and all relevant authorities. It prohibits all forms of corruption that are the actions of directors, executives, and employees of the Company and its subsidiaries, associates, other companies controlled by the Company or a third party related to the Company. It includes offering, promising, soliciting, demanding, giving or accepting bribes, or acts of corrupt behavior. Therefore, the Company establishes a written policy which was approved by the resolutions of the Board of Directors' Meeting No. 4/ 2562 on November 9, 2019. Such policy was revised and updated by the resolutions of the Board of Directors' Meeting No. 4/2564 on November 10, 2021, which covers anti-corruption, so that all directors, executives and employees understand the ethical standards adopted by the Company for business operations. The Company also strictly monitors the compliance with such ethics. These relevant guidelines can be summarized as follows:

- The Company clearly defines the term of anti-corruption. It covers various matters, such as bribery, traditional offering, political assistance, charitable donations, offering of items or other benefits. The definition of individuals is also defined, such as government officials, organizations, juristic persons, or individuals, etc.
- The Company determines duties and responsibilities in such policies to employees at all levels from the upper to lower levels. The Managing Director is assigned to be the policy maker who establishes communication guidelines in the organization and the annual review of appropriateness of the policy to suit the changes of businesses, rules, regulations and requirements of laws. The policy is presented to the Audit Committee to review its completeness and appropriateness. The Internal Audit Department is responsible for monitoring and supervising the compliance with policy of employees at all levels and sectors in order to report to the Audit Committee. Executives at each level are responsible for ensuring that their subordinates are aware of and understand the Company's anti-corruption policy.
- Communication guidelines are clearly defined by posting the announcement at the head office and branch office and publishing on the Company's website. There is a channel for whistleblowing through the comment box placed in front of the Company's office and the Email on the Company's website.
- Employees at all levels, executives, managing director, directors and all sub-committees must comply with anti-bribery and anti-corruption policy and code of conduct without engaging in any giving/accepting of bribes to/from public and private officials. They shall not neglect or ignore when witnessing any acts deemed to be corruption and must notify the supervisor. The Company will provide fairness and protection to employees who inform or provide cooperation in reporting corruption related to the Company.
- Charitable donations and sponsorships for returning benefits to society as well as publicity of the organization's image without expecting for business results in return shall be made only on behalf of the Company. It must be a foundation organization, charitable organizations, temples, hospitals, medical facility or social organization that are reliable, can be verified and must go through the procedures in accordance with the Company's regulations and issue receipts only on behalf of the Company.
- Risk assessments shall be conducted which are the foundation of anti-bribery and anti-corruption measures. Therefore, employees and executives shall have an understanding of the Company's business processes that may be at risk from bribery and corruption in order to assess risks and establish any risk prevention approaches to be at a controllable level. Such approaches must be reviewed annually.
- Channels for whistleblowing or corruption complaints are provided through the Company's address, telephone: Tel. 036-200-294 (Human Resources Management Department), mail with an attention to the Chairman of the Audit Committee, Internal Audit Department, Managing Director, Company Secretary, or Email: [audit@e-tech.co.th](mailto:audit@e-tech.co.th) on the Company's website.

- Disciplinary action is established for employees who violate policies, including supervisors who ignore wrongdoing or acknowledge wrongdoing but do not take correct action. Disciplinary penalties are imposed in accordance with the Company's operational regulations. The maximum penalty is dismissal. The penalty for intermediaries, business representatives, product/service distributors, or contractors of the Company who violate the guidelines in accordance with such policies or provide inaccurate information when the Company's investigators inquire about actions possibly against the Company's policies may be the termination of contracts.

### **(3) Consumer Responsibility**

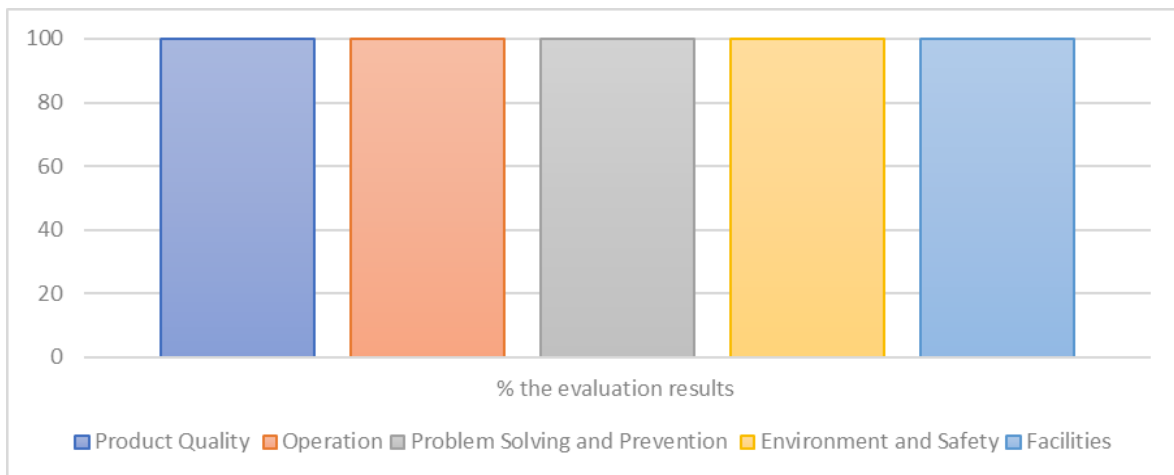
The Company has a role and responsibility as an electricity producer using waste as fuel for distributing to the Provincial Electricity Authority (PEA). The Company is committing to complying with the terms or conditions contained in the Power Purchase Agreement (PPA) and relevant rules of government agencies with integrity and ensuring the quality and stability of electricity, safety of the power generation system as well as social and environmental friendliness to the community, which does not cause problems to the country's electricity generating system. Therefore, the Company recognizes the importance of customer satisfaction towards the success of the business. The guidelines are defined as follows:

- Striving to create customer satisfaction and confidence by providing quality services with accuracy, rapidness, and integrity as well as being responsible for maintaining the interests of customers
- Complying with contracts, agreements or conditions made with customers; in the case of failure to do so, customers shall be notified in advance in order to mutually find solutions and prevent damages.
- Providing a complaint system to communicate with customers about the quality of service and respond and take action quickly, including providing customers with accurate, adequate and timely information about the service
- Focusing on maintaining the confidentiality of customers and not exploiting it for personal gains or benefits of related parties

## Results of Customer Satisfaction Monitoring Assessment for the Year 2021

The main goal of quality management system development leading to the sustainable success of the Company is to ensure customer satisfaction in the Company's products or services. As a result, it is essential that the Company must have a process to monitor and measure customer satisfaction systematically and effectively. Information regarding customer satisfaction collected by the Company will be used to improve strategies, products, processes, and attributes that will benefit customers and consistent with the Company's objectives. Such improvement will help build trust and customer engagement with the Company in a sustainable manner.

In 2021, the Company conducted the satisfaction survey in 5 areas of service. It was found that the evaluation results were satisfactory at the “maximum” level, accounting for 100%.



#### (4) Fair labor practices

The Company realizes the importance of employees. By developing human resources and treating labor fairly, this will help promote and motivate the organization to achieve its business goals. In addition, the Company is concerned with the health and safety of employees, which is the basis of the Company's responsibility. The Company has therefore established a human resource management policy to take care of employees to have a good quality of life, have appropriate welfare, have the opportunity to develop career advancement as well as to have a safe and hygienic working condition with the following practice guidelines:

- Treat all employees equally in accordance with the principles of human rights strictly, which is the foundation of human resource development as part of the operations that all directors, executives, and employees of the Company must follow.
- Provide reasonable compensation based on knowledge, competence, responsibility, and performance of each employee by considering appointments and transfers, as well as fair rewards and sanctions.



- Provide benefits and welfare that employees should receive from the company such as, vacation, overtime payment, medical expenses, various types of loans, etc.
- Give priority and opportunity to develop the potential of employees thoroughly and regularly by promoting knowledge development and advancement for employees, supporting or promoting activities to connect employees and employees and between employees and the organization.
- Train and instill in employees awareness and care in their work with safety and risk arising from operations as well as environmental responsibility, encouraging all employees to participate in activities or projects, occupational health, safety and the Company's working environment.
- Comply with laws and environmental, safety and health requirements by establishing methods to prevent and reduce pollution caused by production processes as well as the use of natural resources for maximum benefit and efficiency.
- Support and promote a safe and hygienic work environment by establishing preventive measures and equipment to prevent hazards during the work of employees and to solve problems from work on a regular basis and take action to prevent accidents, disease, or workplace disasters.
- Listen to opinions and suggestions from employees at all levels equally and equitably. all employees have the right to complain in the event of unfairness by following the appropriate and fair process of filing for complaints and determining the resolution
- However, in the event of an offense or disciplinary action and an investigation must be taken for punishment, as the case may be, it will be carried out by the Investigation Committee only to ensure fairness.

#### **(5) Community and Social Development Operations**

The Company Group operates the business of generating and distributing electricity using non-hazardous waste or unused materials as fuel based on the principles of environmentally friendly business operations and sustainable communities. It focuses on the operations under the system of preventing and reducing environmental impacts and the safety to communities in order to strengthen positive attitudes and acceptance from the community. As the Company Group's power plants are the part of the development of communities and society in the future, the Company supports public interest activities for communities and society while encouraging employees to participate in volunteer work and public interest activities with the community as well as developing community and social environments for better well-being and harmonious coexistence. The Company promotes participation in strengthening the community, including the promotion of scholarships of employees' children and surrounding communities and any projects to strengthen and develop communities. In addition, the Company also provides communication and public relations for social and environmental projects or activities with communities, society, and stakeholders, and allows stakeholders to participate in such projects or activities as deemed appropriate. However, the company is committed to being the role model of society in terms of sustainable business operations with the corporate social responsibility policy as follows:

- Promoting the engagement with communities, supporting custom and traditions, including good values and local wisdom of people in communities, such as "One important Day, Creating Community" activity
- Enhancing knowledge and understanding that benefits communities, government agencies, private sector, and interested parties by offering them opportunities to visit and study the electricity generation from renewable energy in ETC Together Learning project and displaying pollution measurement result on the signs in front of the power plant throughout 24 hours and installing pollution detection systems on the chimneys of power plants, which data is linked and reported to the Industrial Estate Authority of Thailand
- Promoting social activities and participating in strengthening communities and society, including the promotion of education and human resource development, promotion of employment, and arrangement of community development projects, such as "Chumchon Ton Kid" Project, "ETC Dream to the Future (Scholarship Support)", etc.
- Continuously cultivating the awareness of social and environmental responsibility of the Company and employees at all levels and requiring RDF suppliers to provide a closed transport system that covers fuel tightly to prevent debris from littering the roads during transportation and limit the number of daily transport trips.
- Providing cooperation and supervising the strict compliance with the intent of laws and related regulations
- Providing a quick and effective response to situations affecting the environment and the community caused by the Company Group's operations by providing full cooperation with government officials and related agencies
- Returning a part of profits for activities that will contribute to society and the environment regularly and participating in the development of the local economy to grow together with the Company Group's businesses
- Providing a grievance system for matters possibly affecting communities, performing the investigation to find the cause, taking corrective action, and notifying the performance to complainants in a timely manner
- Not supporting any activity that is a threat to society or good morals and/or promotes mischief

#### **(6) Environmental Protection**

Although the business of electricity generation using waste as fuel can help protect the environment sustainably, the Company continues showing corporate social responsibility by focusing on the environment, including noise, effluent, and air releasing from vents, in order to prevent damages and conserve the ecosystem and environment of the community. The Company also provides security measures and encourages the use of unused and non-hazardous and non-recyclable materials as fuel for electricity generation. However, the Company has taken steps and implemented to reduce the environmental impacts by selecting and using the reliable and environmentally friendly incinerator

system and focusing on the proper compliance with standards relating to safety, security, health, and environment and taking into account the impacts on natural resources and the environment as follows:

- Conducting businesses by considering environmental conservation and safety management standards, including compliance with laws or regulations relating to environment, such as compliance with Environmental Impact Assessment (EIA) report of the Industrial Estate Authority of Thailand and the Initial Environmental Examination (IEE) report
- Promoting and providing knowledge to employees at all levels of the Company to use it as a common approach to develop and supervise social and environmental responsibility throughout the organization
- Controlling, preventing, and reducing pollution caused by the Company's operations in order to create good environment for communities and society without taking any action that damages natural resources and the environment beyond the legal limit, such as installation of complete fuel combustion system with the heat up to 850 – 900 degrees Celsius and oxygenation to remove dioxin compounds which is a cancer-causing substance, and providing the state-of-the-art air treatment and purification system, including bag filter and wet scrubber, to trap and prevent dust released from the chimneys of the power plants
- Improving the interior and surroundings of the plant to be a Green Plant
- Promoting the campaign to use resources in the organization economically for the highest benefits, developing the environmental management system in the organization, focusing on the environmental management system in the organization so that environmental performance can be maintained and improved in accordance with international standards; Continuous Emission Monitoring System (CEMs) is installed to measure the combustion efficiency. Pollution measurement results are displayed on the signs in front of power plants throughout 24 hours. Pollution detection system is installed on the chimneys of power plants, which data is linked and reported to the Industrial Estate Authority of Thailand.
- Aiming to create an environmentally friendly society, focusing on environmental issues that affect communities to protect ecosystems of communities
- Promoting activities of natural resources and environmental conservation in a manner of raising awareness of the cost-effective use of resources, such as water, electricity, paper, etc., and providing accurate knowledge and understanding relating to environmental conservation to employees as well as exchanging knowledge and experiences with other agencies to support and improve the operations and management of the environment within the organization
- Managing industrial waste and transforming it into renewable energy in order to reduce waste volume and solve waste problems sustainably while supporting the development of technologies and innovations in the production sector that generates savings and energy efficiency

## **(7) Preparation of Reports**

The Company has the policy to summarize the corporate social responsibility performances and report them to the Board of Directors annually to provide a framework for operations, budgets and suitability for the Company's operations, which will be disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

#### **(8) Activities for Benefits of Society and Environment (after process)**

The Company and its subsidiaries have continuously organized activities for the benefits of society and the environment, which can be summarized as follows:

##### **A. Earth Tech Environmental (Public) Company Limited (“ETC”)**

ETC's power plant, located at Kaeng Khoi Industrial Estate, Saraburi province, has taken into account social and environmental responsibility by adopting the Company's policy and guidelines to treat communities, society and the environment in order to return benefits to society and create good and community-friendly environment to the community, such as establishing Ban That Sub-district Development Division and organizing activities for communities.

##### **B. AVA Grand Energy Company Limited (“AVA”)**

AVA's power plant, located at Phichit Industrial Estate, Nong Lum Sub-district, Wachirabarami District, Phichit Province has taken into account the same social and environmental responsibility as the Company by adopting the Company's policy and guidelines to treat communities, society and the environment in order to return benefits to society and create good and community-friendly environment to the community.

##### **C. Recovery House Company Limited (“RH”)**

RH's power plant, located at Saharatana Nakorn Industrial Estate, Bong Phra Kru Sub-district, Nakhon Luang District, Ayutthaya Province, has taken into account the same social and environmental responsibility as the Company by adopting the Company's policy and guidelines to treat communities, society and the environment in order to return benefits to society and create good and community-friendly environment to the community.



## Awards of the Company and its subsidiaries

The Company and its subsidiaries receive standard certificates and awards from various institutions. The details are as follows:



- ETC received the honorable certificate from the Industrial Estate Authority of Thailand in the Project of Public Participation Promotion in Supervision of Factories (White Flag Green Star) for the year 2020 (awarded in 2021), according to the assessment of the Factory Assessment Committee, at the "Excellent Level".

- ETC was ranked in the annual ESG 100 in 2021 by Thaipat Institute



- ETC received a full score of 100, in the 'Excellent' category, in the 2021 AGM Checklist assessment of the Thai Investors Association.



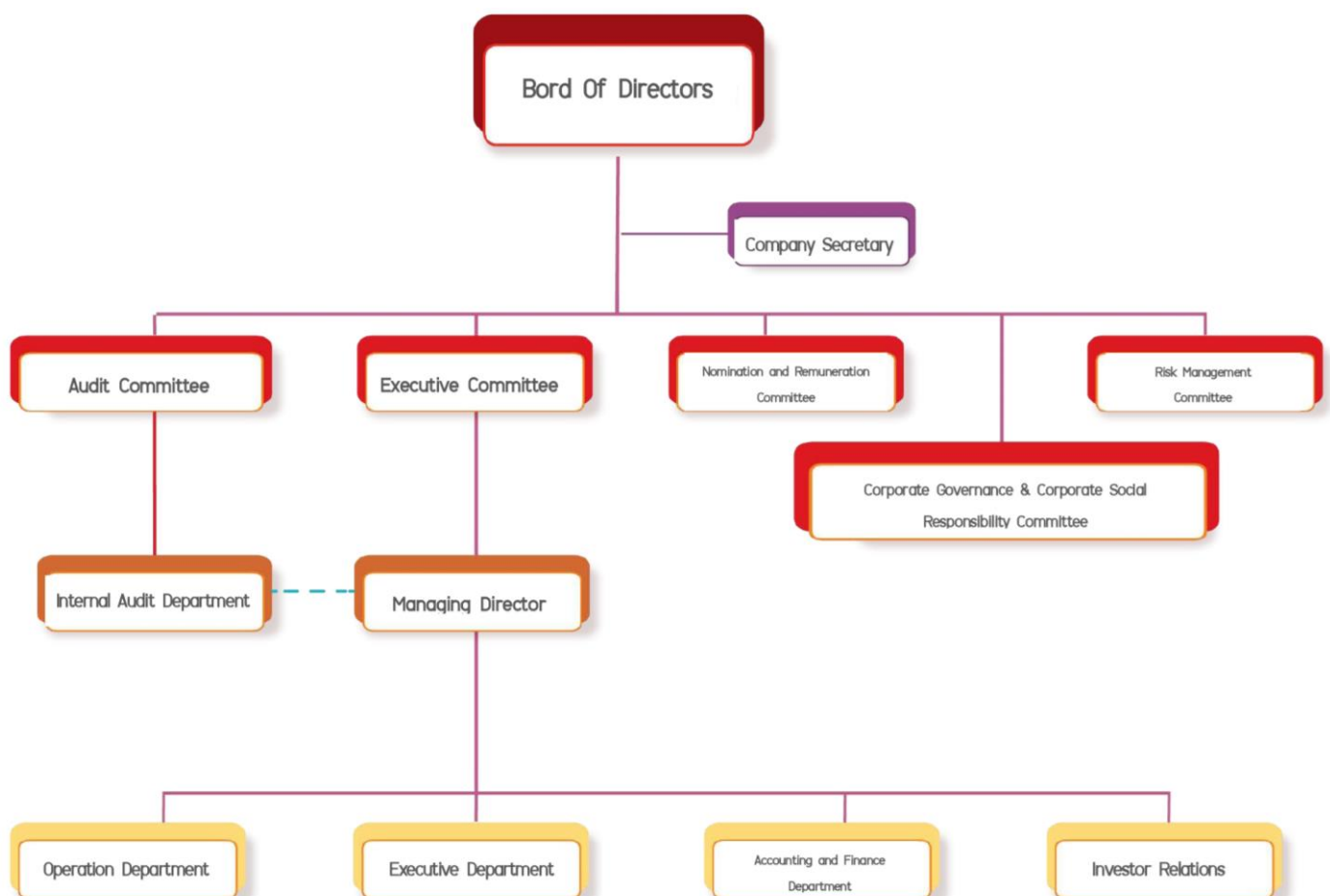
- ETC received an 'Excellent' score in the 2021 CGR Report of the Thai Institute of Directors.

- Selected for inclusion in the FTSE SET Shariah Index in December 2021.



## 7. Corporate governance structure and significant information related to the Board of Directors, subcommittees, executives, employees and others

### 7.1 Corporate Governance Structure





## 7.2 Information on the Board of Directors

The Company's organizational structure consists of the Board of Directors and 5 sub-committees, namely the Audit Committee, Executive Committee, Nomination and Remuneration Committee, Risk Management Committee, and Corporate Governance & Corporate Social Responsibility Committee. The structure of the Board of Directors consists of not less than 3 independent directors and not less than one third of the total number of directors of the Company. All independent directors and audit committee members meet all the required qualifications under Section 68 of the Public Limited Companies Act B.E. 2535.

As of December 31, 2021, the Board of Directors consists of 9 directors as follows

	Name-Surname		Position	Date of Appointment
1.	Mr. Anusorn	Nuengpolmak	Chairman of the Board/ Independent Director	9 November 2019
2.	Dr. Pallapa	Ruangrong	Director	9 November 2019
3.	Ms. Kanyapan	Buranarom	Independent Director / Chairman of the Audit Committee	9 November 2019
4.	Mr. Bantoon	Manpakdee	Independent Director / Audit Committee	9 November 2019
5.	Mr. Borwornsit	Sornsilp	Independent Director / Audit Committee	9 November 2019
6.	Mr. Ekarin	Luengviriya	Director	9 November 2019
7.	Mr. Suwat	Luengviriya	Director	9 November 2019
8.	Mr. Supawat	Khunworavinij	Director	9 November 2019
9.	Mr. Suthat	Boonyaudomsart	Director	9 November 2019

Mrs. Ananya Netjaru is the Company Secretary and Secretary of the Board of Directors.

### Director who has authority to sign to affiliate the Company

The authorized Directors are Mr. Ekarin Luengviriya, Mr. Supawat Khunworavinij, or Mrs. Pallapa Ruangrong, signed by two of these three Directors jointly along with the Company's seal.

### Definition

#### **Executive director:**

Directors who hold executive positions and are involved in the Company's regular management

#### **Non-executive director:**

Directors who do not hold executive positions and are not involved in the regular management of the Company and may or may not be independent directors.

#### **Independent Director:**



Independent directors or external directors and are not involved in the day-to-day management and are not major shareholders of the Company. They must also be independent from the majority shareholder or group of major shareholders or other stakeholder groups.

#### Sub-committees are consisted of

List of sub-committee Board	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance & Corporate Social Responsibility Committee
1. Mr. Anusorn Nuengpolmak				
2. Dr. Pallapa Ruangrong	-	-	-	-
3. Ms. Kanyapan Buranarom	President	Committee	Committee	President
4. Mr. Bantoon Manpakdee	Committee	President	Committee	Committee
5. Mr. Borwornsit Sornsilp	Committee	Committee	President	Committee
6. Mr. Ekarin Luengviriya		Committee	Committee	Committee
7. Mr. Suwat Luengviriya	-	-	-	-
8. Mr. Supawat Khunworavinij			Committee	Committee
9. Mr. Suthat Boonyaudomsart	-	-	-	-

#### Appointment and Removal of Company Directors

The Company's Regulation specifies the guidelines for the appointment, removal, or vacation of office of the Company's directors, which can be summarized as follows:

1. The shareholders' meeting elects directors of not less than 5 individuals and the directors not less than half of the total number of directors. Each director must be a resident in the Kingdom and the Company's directors must be a qualified person as required by the Law.

2. Shareholder meeting serves to appoint the committee by votes of the majority in accordance with the following criteria:

- The election of directors will be chosen individually
- Each shareholder has one vote equal to one share per one vote
- Each shareholder has votes equal to the number of shares held with one share equaling to one vote
- Each shareholder is required to use the votes of all present individuals to appoint directors.
- Persons who receive the most favorable votes in descending order but not exceeding the number of positions elected at that time shall be elected as directors
- In the event that the elected individuals have equal votes for the last order, the chairman of the meeting shall have the casting vote.

3. At every annual general meeting of the Company, one-third of the number of directors shall resign. If the number of directors is not divided into three parts, the number closest to one third, but not more than one-third of the total number of directors.

4. The directors to retire in the first and second years after the registration of the company shall be drawn randomly to determine who will retire. In the following years, the director who has been in office the longest shall retire, and the retiring committee may be re-elected.

5. A member shall vacate office upon death, submitting a resignation letter before the due date, court issues an order to dismiss the member, or the meeting resolves to remove the member from office, or disqualified due to lack in qualifications as specified in the regulations.

6. If the office of the committee members is vacant for reasons other than the expiration of the term, the remaining board of directors shall select a person who has qualifications and is not under any of the exclusions specified to be a member in the next meeting of the Committee, unless that the term has remaining duration of less than two months, with a vote of not less than three-fourths of the remaining directors and the person who is appointed as the replacement director shall hold office for the remaining term of the director whom he or she replaces.

*The Company provides the opportunity for the sub-shareholders to propose a list of experts to be elected as directors in advance to the annual general meeting of shareholders according to the criteria for nominating directors of the Company. in the year 2021, no sub-shareholders nominated*

#### **Regulations and criteria**

1. The Board of Directors consist of at least 5 directors and not less than half of the directors must have residency in the Kingdom of Thailand.
  - Executive Directors and / or
  - Non-Executive Director and
  - Non-executive directors who are independent directors in the proportion of not less than one-third of the total directors and not less than 3 persons, with independent directors and related persons holding shares not exceeding one percent of the issued and paid-up registered capital of the company and related companies
2. All directors must meet the qualifications in accordance with Section 68 of the Public Limited Companies Act B.E. 2535 and the Announcement of the Securities and Exchange Commission and / or the Announcement of the Capital Market Supervisory Board.
3. Independent directors consist of various persons who have qualifications in accordance with the Announcement of the Securities and Exchange Commission and / or the Stock Exchange of Thailand, including having appropriate experience and being a person with good judgment, free from prejudice, fair performance. This may include persons from any occupational field approved by the Nomination and Compensation Committee which is appointed by the Board of Directors

that he has appropriate qualifications to be proposed for consideration for his first-time director of the Company.

At present, the Board of Directors has 9 persons, consisting of 2 executive directors and 7 non-executive directors. There are 3 directors who are representatives of shareholders and 4 directors qualified as independent directors and 4 independent directors, resulting in a balance of management power in overseeing the Company's operations, to be transparent, and able to protect the interests of the shareholders as a whole.

#### **Director Nomination Policy**

The company weighs in more to people who are knowledgeable, experienced, have a good work history and have leadership and vision, including having morality and ethics as well as having a positive attitude towards the organization. Those who are able to devote sufficient time for the benefit of the Company's operations is also crucial. The Company also takes into account the diversity in the board structure to consider the necessary skills that are still lacking in order to determine the properties of the director who are to be nominated, including the qualifications that are appropriate and consistent with the composition and structure of directors according to the Company's business strategy.

#### **The formal and transparent criteria and methods for nominating directors are as follows:**

1. Nomination and Remuneration Committee serves in the recruitment of qualified persons and propose to the Board of Directors for consideration of appointment, or propose to seek approval to appoint at the shareholders' meeting in accordance with the Company's regulations
2. Nomination and Remuneration Committee will review the skills and characteristics of the directors and overall characteristics of the Board of Directors compared with current and future business direction and strategy by creating a Board Skill Matrix to set the criteria for nominating required directors annually. In that review the Nominating and Compensation Committee has to also consider diversity both in terms of skills, experience, knowledge and expertise, independence, nationality, age and gender of the director to be appointed.
3. Nomination and Remuneration Committee will screen and examine the names of persons to be nominated as directors with relevant departments that they are qualified persons and do not have untrustworthy characteristics.
4. It is the right of all shareholders equally to nominate other persons for consideration in which the Company has set guidelines for nominating and announcing through the news system of the Stock Exchange of Thailand.
5. Each shareholder has votes equal to the number of shares held with one share equaling to one vote and will use an individual election method.
6. In considering the nomination of existing directors for another term, the Nomination and Remuneration Committee will consider various factors including performance results, attendance history and participation in meetings, and support in the Company board's activities.

7. The appointment of directors is in accordance with the regulations of the Company and the requirements of the relevant laws. Therefore, it must be transparent and clear.

#### Company Board Diversity Policy

The Company is well aware of the diversity of the Board of Directors and that it is one of the important factors in enhancing the efficiency in decision making and the work of the Board of Directors. The said variety is not limited to sex, but also age, educational history, professional experience, skills, and knowledge Therefore, in the selection and appointment of the Company's directors, it will be based on knowledge and ability and also the set criteria for selection, which also takes into account benefits of the diversity.

**Board Skill Matrix**

Name - Surname	Position	Independent Director	Female Director	Business Administration/International Business Administration/Management	Finance/Banking/Capital	Energy/Environment	Industrial/Mechanical/Civil/Chemical	Accounting/Auditing/Internal Auditing	Civil and Commercial Law/Criminal Law/International Law/General Law	Mass Communication/Journals/Politics/Gov	Information technology
1. Mr. Anusorn Nuengpolmak	chairman of the board	/		/	/		/			/	
2. Dr. Pallapa Ruangrong	Vice Chairman of the board		/	/	/	/		/		/	
3. Ms. Kanyapan Buranarom	Vice Chairman of the board	/	/					/			
4. Mr. Bantoon Manpakdee	Director	/							/		
5. Mr. Borwornsit	Director	/		/	/			/	/		
6. Mr. Ekarin Luengviriya	Director			/	/	/				/	
7. Mr. Suwat Luengviriya	Director			/	/	/			/	/	/
8. Mr. Supawat Khunworavinij	Director			/		/	/				
9. Mr. Suthat Boonyaudomsart	Director			/	/			/	/		/

**Power, duties and responsibilities of the Board of Directors**

The Board of Directors has the power, duties, and responsibilities to manage the Company in accordance with the law, objectives and regulations of the Company, as well as the resolutions of the shareholders meeting in law, which can be summarized as follows:

1. Perform duties in accordance with the law, objectives, and regulations of the company, as well as the resolutions of the shareholders' meeting with honesty and care to protect the interests of the company.
2. Define policies, goals, work plans, business strategies and annual budgets.
3. To control, supervise, and ensure that the management is in accordance with the established policies and budgets efficiently.
4. Have the power to review and approve the policy guidelines and operational plans for large-scale investment projects of the Company as proposed by the sub-committees or the management.
5. Has the power to appoint, assign or recommend the sub-committees or working groups to consider or perform any matter as the Board of Directors deems appropriate.
6. Ensuring that the Company has an effective internal control system and internal audit, as well as risk management and reliability of financial reports, with the internal audit department as a monitor and joint operation, and coordinate with the Audit Committee.
7. To prepare the annual report of the Board of Directors and be responsible for the preparation and disclosure of the financial statements showing the financial status and operating results of the past year for proposing to the shareholders' meeting.
8. Arrange an annual general meeting of shareholders within 4 months from the end of the fiscal year of the Company.
9. Has a duty to supervise the Company to comply with the law on stock exchange and regulations of the stock exchange such as connected transactions and the purchase or sale of important assets in accordance with the regulations of the Capital Market Supervisory Board or the Stock Exchange of Thailand or the laws related to the Company's business, etc.
10. Be responsible to the shareholders and operate in the best interests of the shareholders and disclose accurate, complete, standard and transparent information to investors.
11. To review the management structure, continuous monitoring of the operating results to be in accordance with the plan and budget, as well as to regularly monitor the operation and performance of the sub-committees and / or the management to ensure effective company business operation.
12. Directors must not operate a business of the same nature and in competition with the business of the Company, or be a partner in an ordinary partnership or be a partner with unlimited liability in a limited partnership, or be a director of a private company or other company conducting business in a condition of the same nature and is in competition with the business of

the Company whether done for one's own benefit or for the benefit of others, unless had priorly informed in the shareholders' meeting before the appointment.

13. Directors must notify the Company without delay if they have a direct or indirect interest in a contract made by the Company or hold an increase or decrease in shares or debentures in the Company or its affiliates.
14. Have the power to consider and approve any matters necessary and related to the Company or deemed appropriate for the benefit of the Company.
15. Appoint one or more directors or other persons for any act on behalf of the Board of Directors. In this regard, such delegate must not have the power to approve such person or person who may have a conflict ("Persons with conflicts" shall have the meaning as specified in the announcement of the Securities and Exchange Commission) has stake or may have a conflict of interest in any other manner with the Company or its subsidiaries, except for the following matters, only after obtaining approval from the shareholders' meeting:
  - a. Matter that the law requires a resolution of the shareholders' meeting
  - b. Any transaction in which a director has interests and is subject to the law or regulations of the Stock Exchange of Thailand which requires approval from the shareholders' meeting
  - c. In addition, in the following cases, approval from the Board of Directors' meeting and shareholders' meeting with votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote
    - i. Sale or transfer of all or significant parts of the Company's business to another person
    - ii. Acquisition or acceptance of transfer of business of other companies to the Company
    - iii. Making, amending, or terminating the lease of all or significant parts of the Company's business
    - iv. Assigning other people to manage the business of the Company or merger with others for the purpose of sharing profit and loss.
    - v. Issuance of new shares to pay creditors of the Company under the Debt-to-Equity Conversion Scheme
    - vi. Reduction of the Company's registered capital by reducing the number of shares or reducing the share value
    - vii. Capital increase, capital reduction, debenture issuance, merger or dissolution of the Company
    - viii. Any other matters as required by law

In this regard, a director has a stake or conflict of interest with the company or subsidiary in any matter has no right to vote on that matter.

In addition, the Board of Directors has the scope of duties to supervise the Company to comply with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, such as connected transaction, acquisition or disposition of assets in accordance with the regulations of the Securities Exchange of Thailand or according to the announcement of the Securities and Exchange Commission, the Capital Market Supervisory Board or the law relating to the Company's business.

#### **Roles and duties of the Chairman of the Board**

1. The Chairman of the Board is not an executive director and is not the same person as the Managing Director and has no relationship with the management.
2. Allocate sufficient time in the meeting for the Board of Directors to allow directors to discuss issues in management and corporate governance, or prudently and efficiently conduct the nominations of subjects to the meeting agenda, promote independent judgment and invite management to provide necessary information in support of decision making.
3. Support, assist and guide the business operations of the management through the Managing Director, but will not interfere with the routine or day-to-day business that the Management is responsible for.
4. To chair the Board of Directors 'and shareholders' meetings of the Company
5. To be the casting vote in the event that the Board of Directors' meeting has voting with equal number of votes.
6. Responsible for the Board's leadership in overseeing the administration of the Executive Committee and other committees to achieve the objectives of the defined programs.

#### **Approval power of the Board of Directors**

The Board of Directors has the power to approve various matters of the Company in accordance with the scope of duties established by the law, the Company's regulations, the Charter of the Board of Directors and the resolutions of the shareholders' meeting, including setting and reviewing the vision, strategy, financial goals, risks, plans and budgets, approve statements of financial position and performance of the Company. and approve any transactions or actions that have a significant impact on the Company's financial position, liability, business conduct and reputation.

#### **Separation of authority**

The company clearly separates roles, duties and responsibilities between the Board of Directors and the management as follows:

##### **1. Separation of duties of the Board of Directors and the management**

**Board of Directors** is responsible for overseeing the operations of the Company in accordance with the laws and regulations of the Company, resolutions of the shareholders' meeting, and corporate governance policy of the company, In regulating, directors must exercise discretion in making business decisions and act in their reasonable beliefs that will be in the best interests of the company and shareholders.



**Management** is responsible for the successful implementation of the Company's strategy and objectives, as well as the management of the company's day-to-day operations.

## **2. Separation of the Chairman of the Board of Directors And Managing Director**

**Chairman of the Board of Directors and Managing Director** must be of competent person

having experience and appropriate qualifications, and not being the same person in order to have a balance of power by separating supervisory and administrative duties.

**Chairman of the Board of Directors** Must be a non-executive director, be the leader of the board of directors, and act as the chairman of the board of directors 'meetings and shareholders' meetings.

**Managing Director** is the head and leader of the management team of the Company whom has responsibility to the Board of Directors for managing the Company in accordance with the strategic direction and budget approved by the Board of Directors to achieve the goals, with the scope of powers and duties under the laws, objectives and regulations of the Company, as well as the Board's resolutions and resolutions in shareholder meeting.

However, the Board of Directors still has the duty to supervise and review to improve and develop appropriate practices in accordance with the ever-changing environmental situation in order to build confidence in the management system that is efficient, transparent and accountable, as well as responding to shareholders and all stakeholders for sustainable benefits.

## **7.3 Information on subcommittees**

The Board of Directors has appointed four sub-committees to assist in the governance of the Company as follows:

### **1. Audit Committee**

The Board of Directors appoints the Audit Committee to assist the Board of Directors in performing their duties and responsibilities in reviewing the quality and reliability of the accounting system, audit system, internal control system as well as the Company's financial reporting process.

In the year 2021, there were 4 Audit Committee meetings, considering the following matters:

1. Consider and review the completeness, accuracy and reliability of the financial reports.
2. To review connected transactions or transactions that may have conflicts of interest.
3. Consider the sufficiency of the internal control system, supervision of internal audit work and anti-corruption
4. Review the risk management.
5. Review legal and regulatory compliance
6. Consider selection of auditors and determination of remuneration
7. Consider, select, and appoint an internal auditor

The Audit Committee as of December 31, 2021 has 3 members as follows:

Name-Surname			Position
1.	Ms. Kanyapan	Buranarom	Chairman of the Audit Committee and Independent Director
2.	Mr. Bantoon	Manpakdee	Audit Committee and Independent Director
3.	Mr. Borwornsit	Sornsilp	Audit Committee and Independent Director

Ms. Wachirapon Natejaru is the secretary of the Audit Committee and Ms. Thanaporn Tiengsuthisakool of Zentara Grand Audit Company Limited is the head of the Company's internal audit department.

#### **Characteristics and criteria**

1. The Audit Committee consists of at least 3 independent directors who have qualifications in accordance with the criteria specified in the Notification of the Securities and Exchange Commission. (SEC) and appointed by the Board of Directors.
2. The appointed audit committee members consist of members who have sufficient knowledge and experience in accounting, finance and law to be able to perform the duty of reviewing the reliability of the financial statements and the internal control system.

In this regard, the Board of Directors' Meeting No. 4/2019 held on November 9, 2019 resolved to determine the powers, duties and responsibilities of the Audit Committee with details as follows:

#### **Authority and responsibility Of the Audit Committee**

1. To review that the Company has accurate and adequate financial reporting.
2. Review to ensure that the Company has appropriate and efficient internal control and internal audit systems, and to consider the independence of the internal audit unit, as well as to approve the appointment, transfer, and termination of the head for Internal audit unit or any other unit responsible for internal audit.
3. To review the Company's compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand and the laws related to the Company's business.
4. Review and discuss with management about the company's material risks and the measures the management has taken to monitor and control such risks.
5. Consider, select, and propose to appoint an independent person to act as the Company's auditor and propose such person's remuneration as well as to attend meeting with the auditor without the management's attendance at least once a year.
6. To consider connected transactions or transactions that may lead to conflicts of interest in accordance with the laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable and are of the utmost benefit to the Company.
7. Prepare the Audit Committee's report and disclose in the Company's annual report, which must be signed by the Chairman of the Audit Committee and must contain at least the following information:

- A) Opinion on the accuracy, completeness, and creditability of the Company's financial reports
  - B) Opinion on the adequacy of the Company's internal control system
  - C) Opinions on the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand or any law related to the Company's business.
  - D) Opinion on the suitability of the auditor.
  - E) Opinions on transactions that may lead to conflicts of interest.
  - F) The number of audit committee meetings and the attendance of each audit committee's meeting
  - G) Opinions or overall observations received by the Audit Committee in their performance of their duties according to the charter
  - H) Other items that the shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.
8. The audit committee may seek independent opinions from any professional advisor when it deems necessary at the expense of the Company.
9. To perform any other act as assigned by the Board of Directors with the approval of the Audit Committee. In the performance of duties of the Audit Committee, there is a direct responsibility to the Board of Directors and the Board of Directors remains responsible for the Company's operations to third parties.

In the event that the audit committee's duties are changed, the Company shall notify the resolution of the change of duties and prepare a list and scope of work of the audit committee that has changed in accordance with the form prescribed by the Stock Exchange of Thailand and submit to the SET within 3 business days from the date of such change in accordance with the regulations of the Stock Exchange of Thailand concerning reporting through electronic media.

In the performance of duties of the Audit Committee, if the Audit Committee finds or suspects that any of the following transactions or actions have a material effect on the Company's financial position and performance, the Audit Committee shall report to the Board of Directors for rectification within the time the Audit Committee deems appropriate.

- 1) Transactions that cause conflicts of interest
- 2) Fraud or unusual or material defect in the internal control system.
- 3) Violation of the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or any law related to the Company's business.

If the Company's Board of Directors or management fails to make amendments within the period of time under paragraph one, one of the audit committee members may report that there is a transaction or an action under the first paragraph to the Office of the SEC. or the stock exchange.

### **3.2 Nomination and Remuneration Committee**

In order to comply with the principles of good corporate governance and best practices for directors of listed companies of the Stock Exchange, the Board of Directors has appointed the Nomination and Remuneration Committee to nominate and consider remuneration for Company Directors and

Executives to be transparent, fair and in accordance with the policies set out in the Nomination and Remuneration Committee Charter.

The Nominating and Compensation Committee has set a meeting at least twice a year and must have at least one director who has knowledge, competence, or expertise in human resource management and to consider the remuneration. There were 2 meetings which considered the following matters:

- Selection of Company Directors and Directors in various sub-committees.
- Considering the remuneration of the Company's Directors
- Performance appraisal considerations.
- An annual review of various policies related to nomination and remuneration in order to ensure that such policies are always appropriate to the circumstances and operations of the Company.

The Nomination and Remuneration Committee as of December 31, 2021 consists of 4 members:

Name-surname			Position
1.	Mr. Bantoon	Manpakdee	Chairman of the Nomination and Remuneration Committee
2.	Mr. Borwornsit	Sornsilp	Member of the Nomination and Remuneration Committee
3.	Ms. Kanyapan	Buranarom	Member of the Nomination and Remuneration Committee
4.	Mr. Ekarin	Luengviriya	Member of the Nomination and Remuneration Committee

Ms. Wachiraporn Natejaru is the secretary of the Nomination and Remuneration Committee.

#### **Characteristics and criteria**

1. The Board of Directors appoints the Nomination and Remuneration Committee, consisting of not more than 4 directors, which must have more than half of the independent directors. There must be at least one director who has knowledge, abilities, or expertise in the field of operations or personnel management by requiring the chairman of the Nomination and Remuneration Committee to be an independent director.
2. Able to devote sufficient time to perform tasks.

#### **Power, duties and responsibilities of the Nomination and Remuneration Committee**

1. Consider the structure, composition, and qualifications of the Company's directors.
2. Define the human resource vision and strategy and the management development plan of the group company.
3. Ensuring that the size and composition of the Board of Directors is appropriate for the organization, including adjustments to be in line with the changing environment.
4. To formulate policies, rules, procedures, and processes that are clear, transparent, appropriate and beneficial to the organization in the selection, removal or termination of directors and high-

ranking executives of the Company, to propose to the Company's Board of Directors for approval so that the Company has a Board of Directors, Executive management with the appropriate qualifications, knowledge and experience in the Company's operations to be efficient and successful.

5. Establish effective guidelines, criteria, methods and processes for evaluating the performance of the Board of Directors and senior management by comparing with the annual goals related to the business plan that have been jointly defined in order to consider the adjustment of annual return by taking into account the duties, responsibilities and risks involved, as well as giving importance to the long-term increase in equity in consideration of the evaluation.
6. To formulate compensation policies and strategies, including salaries, meeting allowances, allowances, bonuses or other types of benefits, including the amount of compensation and other benefits, to directors and top executives of the company for submission to the Board of Directors for consideration and approval with clear, transparent and appropriate criteria for their duties and responsibilities and based on performance in order to induce, retain and motivate personnel with the desired high potential and qualifications.
7. Provide a succession plan for key management positions and have regular reviews assessing the importance of recruiting and developing positions in order to have a successor to management positions with knowledge, abilities, experience and other qualifications that meet the needs and benefits of the Organization, and for efficiency, productivity and growth of the Company.
8. Selecting and nominating qualified persons to serve as directors and top management of the company, by inviting specialists to participate in the recruitment process as needed at the Company's expense.
9. Disclose various types of remuneration policies, including the amount of directors' remuneration, in the Company's annual report.
10. Evaluate the performance of the Nomination and Remuneration Committee and report to the Board of Directors for the year.
11. Perform any other duties as assigned by the Board of Directors.

### 3.3. Risk Management Committee

The Board of Directors appoints the Risk Management Committee, which consists of not more than 5 directors, with at least one director having knowledge and expertise in risk management.

In the year 2021, the Risk Management Committee held 2 meetings, which considered the following matters:

1. Consider risk management processes and plans to ensure that the risk management and internal management are effective and efficient, or that the risk level can be reduced to an acceptable level and appropriate to the changing environment. In addition, internal management budgets are used to reduce risks appropriately.

2. Consider the significant risks in detail according to the Enterprise Risk Management Framework, provide useful recommendations and follow up on the performance to mitigate that risk.
3. Encourage all departments to take part in the risk management of the organization. In addition, practitioners and risk-owning departments have risk factors assessed to assist in the prioritization of each type of risk and formulate a consistent risk management strategy.

The Risk Management Committee as of December 31, 2021 consists of 5 members as follows:

Name-surname			Position
1.	Mr. Borwornsit	Sornsilp	Chairman of the Risk Management Committee
2.	Mr. Bantoon	Manpakdee	Risk Management Committee
3.	Ms. Kanyapan	Buranarom	Risk Management Committee
4.	Mr. Ekarin	Luengviriya	Risk Management Committee
5.	Mr. Supawat	Khunworavinij	Risk Management Committee

Ms. Wachiraporn Natejaru is the secretary of the Risk Management Committee

#### **Characteristics and criteria**

1. Board of Directors appoints the Risk Management Committee, consisting of not more than 5 directors or high-level executives from various departments, requiring the Chairman of the Risk Management Committee to be an independent director and has expertise in risk management.
2. Able to devote sufficient time to perform tasks

#### **Power, duties and responsibilities of the Nomination and Remuneration Committee**

1. Review and propose risk management policy and acceptable risks to the Board for approval.
2. Supervise the development and implementation of the organization-wide risk management framework.
3. Review risk management reports to monitor critical risks and ensure that the organization has adequate and appropriate risk management.
4. To present the overall risks of the Company, including the sufficiency of the internal control system for managing various important risks to the Board of Directors.
5. Giving advice to the Company on risk management work and considering correcting various information. Related to the development of risk management systems
6. To have the power to appoint a working group for assessing and monitoring the risks of the company.
7. Other matters as assigned by the Board of Directors regarding risk management

### 3.4 Corporate Governance & Corporate Social Responsibility Committee

The Corporate Governance & Corporate Social Responsibility Committee is appointed to oversee the performance of good corporate governance, business ethics, sustainability management and social, community and environmental stewardship operations. The committee is comprised of more than half of the independent directors and the chairman of the corporate governance committee. The Corporate Governance & Corporate Social Responsibility are independent directors with 5 members.

In the year 2021, we have performed the duties and responsibilities assigned by the Board of Directors and in accordance with the Charter of the Corporate Governance & Corporate Social Responsibility Committee and the regulations of the Stock Exchange of Thailand. The Corporate Governance & Corporate Social Responsibility Committee held two meetings, which considered the following matters:

1. Review the policies and procedures of good corporate governance and corporate social and environmental responsibility in accordance with the good corporate governance practices for listed companies in 2017 (Corporate Governance Code: “CG Code”) issued by the Office of the Securities and Exchange Commission. Securities and Exchange Commission (SEC) to develop a mechanism for corporate governance to achieve its objectives to create good long-term operating results and to create sustainable value for the business.
2. Consider and approve the implementation of the Company's policies, strategies, action plans for good corporate governance & Corporate Social Responsibility, with a focus on promoting and developing the quality of life in the community, youth capacity development, promote and encourage employees to contribute to society through various projects such as the establishment of the Ban That Subdistrict Development Division and organizing various activities for the community.

The Corporate Governance & Corporate Social Responsibility Committee as of 31 December 2021 consists of 5 members as follows:

Name-Surname		Position	
1.	Ms. Kanyapan	Buranarom	Chairman of the Corporate Governance & Corporate Social Responsibility Committee
2.	Mr. Borwornsit	Sornsilp	Member of the Corporate Governance & Corporate Social Responsibility Committee
3.	Mr. Bantoon	Manpakdee	Member of the Corporate Governance & Corporate Social Responsibility Committee
4.	Mr. Ekarin	Luengviriya	Member of the Corporate Governance & Corporate Social Responsibility Committee
5.	Mr. Supawat	Khunworavinij	Member of the Corporate Governance & Corporate Social Responsibility Committee

Mrs. Ananya Netjaru is the secretary of the Corporate Governance and Social Responsibility Committee.



**Characteristics and criteria**

1. The Board of Directors appoints the Good Corporate Governance & Corporate Social Responsibility Committee consisting of not more than 5 directors and determines the Chairman of the Corporate Governance & Corporate Social Responsibility Committee as an independent director.
2. Chairman of the Corporate Governance & Corporate Social Responsibility Committee is not the Chairman of the Board of Directors.
3. Being a person with leadership, vision, experience as well as being a person of morality and ethics and able to express opinions independently.
4. Be able to devote sufficient time to the performance of the corporate governance and social and environmental responsibility committee performance.
5. A line-of-work executive responsible for good corporate governance and social and environmental responsibility, or an assigned executive who serves as the secretary of the corporate governance and social and environmental responsibility committee.

**Power, duties and responsibilities of the Corporate Governance and Good Corporate Governance Committee and Corporate Social Responsibility**

1. Consider and approve policies, strategies, goals, practices, and plans for good corporate governance & Corporate Social Responsibility and propose them to the Board for consideration and approval.
2. Promote the participation of the board of directors, executives and the employees in good corporate governance activities, and corporate social and environmental responsibility.
3. Ensuring compliance with the policies and / or regulations related to good corporate governance and corporate social and environmental responsibility.
4. Follow up and report the performance to the Board regularly after every meeting of good corporate governance & Corporate Social Responsibility.
5. Regularly review and propose improvements to the policy and practice of good corporate governance & Corporate Social Responsibility as appropriate and make recommendations to the Board for continuous improvement.
6. Perform any other duties in relation to good corporate governance & Corporate Social Responsibility as assigned by the Board of Directors.
7. Disclose information about good corporate governance and corporate social and environmental responsibility to stakeholders and the public.

## Executive Committee

Executive Committee December 31, 2021 has 5 persons as follows

Name-Surname		Position
1. Mr. Ekarin	Luengviriya	Chief Executive Officer
2. Mr. Supawat	Khunworavinij	Executive Director
3. Mr. Sumet	Laokham	Executive Director
4. Ms. Wachirapon	Natejaru	Executive Director
5. Ms. Pimchanok	Arurotawattana	Executive Director

Mrs. Ananya Netjaru is acting as secretary.

### Characteristics and criteria

1. The Board of Directors appoints an Executive Committee consisting of a number of qualified directors and executives with the number of Executive Directors as deemed appropriate by the Board of Directors.
2. The Board of Directors may elect a member of the Executive Committee to be the Chairman of the Executive Committee and the Board of Directors may elect one or more Executive Directors as the Executive Vice Chairman.
3. The Executive Committee must have qualifications and not be prohibited under the Public Limited Company Act, Securities and Exchange Law and any other relevant laws.
4. The Chief Executive Officer may be the same person as the Managing Director.
5. The chairman of the board must not be the same person as the chairman of the executive committee.
6. The Chairman of the Executive Committee appoints the Secretary to the Executive Committee.

### Power, duties and responsibilities of the Executive Committee

1. Prepare and submit business policies, goals, operational plans, business strategies and annual budgets for approval to the Board of Directors.
2. Establish business plans, budgets, and management powers of the company for approval from the Board of Directors.
3. Supervise the Company's business operations in accordance with the business policies, goals, operational plans, business strategies and budgets approved by the Board.
4. Has the power to approve the expenditures of funds for investment or operations, borrowing or requesting any credit from financial institutions, lending money, as well as being a guarantor for normal business transactions of the Company; and it is for the benefit of the operation according to the Company's objectives for those mentioned to be within the limit not exceeding 200

million baht. Such action must be subject to the notification of the Stock Exchange of Thailand, the Securities and Exchange Commission, the Capital Market Supervisory Board, or any other laws on related matters.

5. Determine the organizational structure and management authority covering the details of the selection, hiring, relocation, training and termination of employees of the company who are executives or high-level executives by assigning the Company's managing director as the person who has the authority on behalf of the company to sign the employment contract.
6. Supervise and approve matters related to the Company's operations and may appoint or assign any person or persons to act on behalf of the Executive Committee as it deems appropriate, and the Executive Committee may cancel, change or amend such powers.
7. Has authority to appoint advisors in various areas necessary for the operation of the company or to comply with the relevant laws.
8. Perform any other duties assigned by the Board of Directors.
9. To have the power to approve expenses for the purchase of tools, machinery, office equipment and furniture in the amount not exceeding 2 million baht as specified in the approval authority manual.
10. Has the power to consider and approve the purchase of SOLID RECOVERED FUEL (SRF), which is normal business, in the amount not exceeding 5 million baht as specified in the approval authority manual.
11. Appoint or assign any person or persons to act on behalf of the Executive Committee as they deem appropriate and the Executive Committee can cancel, revoke, change or amend such powers.

In this regard, the approval of the Executive Committee does not include the approval of transactions in which the Executive Committee or persons who may have conflicts, interests, or may have conflicts of interest in any other manner with the Company and / or its subsidiaries (if any ). This includes the items required to obtain approval from the shareholders on the connected transaction and the acquisition or disposition of important assets of the Company and / or its subsidiaries (if any) in order to comply with the requirements of the Company. Stock Exchange, the Securities and Exchange Commission, or any law related to the Company's business.

## 7.4 Information on executives



As of December 31, 2021, the Company has 6 executives as follows:

Name-Surname		Position
1. Mr. Ekarin	Luengviriya	Managing Director
2. Mr. Supawat	Khunworavinij	Executive Director
3. Mr. Sumet	Laokham	Operations Manager
4. Ms. Pimchanok	Arunrotwatthana	Executive Manager
5. Ms. Wachirapon	Netjaru	Accounting and Finance Manager
6. Ms. Tippawan	Pimsen	Accountant

### Scope of duties and responsibilities

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

1. Supervise and give advice In the daily operations and management of the company.
2. To perform or perform duties in accordance with the policies, operational plans and budgets as approved by the Board of Directors.
3. Be the authority to conduct any business in order to comply with the objectives, policies, regulations, agreements, orders, as well as the resolutions of the Board of Directors and / or the resolutions of the shareholders' meetings of the Company.

4. Has the power to issue orders, regulations, announcements, and records in order to perform operations in accordance with the policy and the interests of the company and to maintain work discipline within the organization.

5. Follow up and evaluate the performance of the company on a daily basis in order to prepare and prevent risks that may arise both external and internal factors.

6. To have the power to give approval for the juristic act in connection with the normal business operation of the company, such as trading, procurement of raw materials for production, expenses for normal transaction, investment, procurement or disposal of tools, assets and services for the benefit of the company according to the details of the administrative authorization authority approved by the Board of Directors, including the sub-mandate of the above actions to facilitate the operational flexibility of the Company. company

7. Has the power to act and represent the Company to third parties in the businesses involved, necessary and in normal commercial transactions for the benefit of the Company.

8. Operate the Company's businesses in accordance with the good corporate governance principles set by the Board of Directors as a guideline.

9. Must not operate a business or participate in a business that has the same nature and is in competition with the business of the Company, whether doing it for one's own benefit or for the benefit of others unless the administrator has been informed, considered and agreed to operate that business.

10. Holding a director position in other companies or any other position in a managing director's business organization must first be approved by the board of directors, while the management from the director or higher must be approved by the managing director prior. If holding a position of a representative director of a joint venture company it must be approved by the Board of Directors.

11. Senior management, which includes the first four executive-level positions after the managing director, who hold the equivalent position of every fourth executive-level position, and in here shall include a holder of Management level positions in accounting or finance that are department manager or higher must refrain from trading securities at least 1 month prior to the announcement of financial statements and at least 3 days after the announcement of financial statements; and they must report securities holdings of their spouses and underage children held in the Company and affiliated companies and must notify the Company without delay in the event of having a direct or indirectly interest in any agreement entered into by the Company during the fiscal year and holding shares or debentures in the Company and its affiliates.

12. Perform any other duties as assigned by the Board of Directors from time to time.

The authority to undertake any juristic act that may cause a conflict of interest between a director, manager or a person having a conflict of interest with the Company or its subsidiaries as prescribed in the law and announcement of the Securities and Exchange Commission or the Securities and Exchange Commission, or the Stock Exchange of Thailand is not within the scope of the Managing Director's jurisdiction to consider and vote on such juristic acts, either by their own discretion or to assign other persons to act on their own behalf in such cases, the Board of Directors and / or the Shareholder

meeting (depending on the case) as stipulated in the Articles of Association of the Company and in accordance with the laws.

### **Roles, duties and responsibilities of the Managing Director**

The Managing Director of the Company has been assigned by the Board of Directors to perform normal business operations of the Company by strictly managing the work according to the plans and budgets approved by the Board of Directors., and for the best interests to the Company. The shareholders will not do any business that has a stake or conflict of interest with the Company and its group companies.

1. Management of the company According to the business plan and business strategy approved by the Board of Directors.
2. Review the corporate culture of the company to support the vision, mission and strategy of the company.
3. To regularly prepare and submit reports on the Company's operations to the Board of Directors, including any other reports as required by the Board of Directors.
4. Provide information related to the Company's activities to the Board of Directors, including other information required by the Board of Directors.
5. Sub-power and / or assign other persons to perform specific tasks on their behalf, within the scope of the regulations, requirements or orders set by the Board of Directors and / or the Company.
6. Represent the company in dealing with outsiders
7. Perform other duties as assigned by the Board of Directors.

### **Performance evaluation of the managing director**

Non-executive directors are responsible for conducting an annual assessment of the managing director's performance, in which each year the Board of Directors will measure the performance of the Managing Director for the past year. The Managing Director must present the results for operations in areas such as business management guidelines, organizational development, together with presenting the current management results in terms of achievements and obstacles, including the ability to expand business opportunities and competition, policies on social and environmental aspects, and the response to various government policies, etc.

## **7.5 Employees**

Employees are a valuable and important resource to drive the Company to achieve its goals. To create business value and sustainable growth together with happiness at work and confidence in personnel, the Company establishes policies on employee that cover any components, including management, human resources development, society, environment, ethics, and anti-corruption in order to aim for developing and encouraging employees' potentials, competencies and behaviors to be in line with corporate values that meet the direction, strategies, business goals and society.

The Company recognizes the fair management of personnel, so the personnel management policy is planned and prepared to be a framework for operations of employees in the organization, which will create the highest benefit to the Company.

### **Policy on Remuneration and Welfare of Employees**

#### **Performance Evaluation**

The Company provides the employee performance evaluation. Such performance evaluation is divided into the evaluation of works and the evaluation of employees' competencies. The criteria are as follows:

- Evaluation of works is conducted once a year, which must be completed before the last day of the year.
- The results of the employee performance evaluation shall be used to consider the following matters:
  - Promotion to appoint skillful employees to be responsible for higher levels of work s
  - Annual salary increment to return the favor for performances of the previous year
  - Development of career and work progression to develop employees' competencies
  - Planning the succession plan to prepare individuals to hold higher positions

#### **Training and Development**

The Company is aware of the importance of training and personnel development in order to enhance knowledge and competencies of employees so that they can work to keep pace with the changes and in accordance with the Company's strategies. The guidelines are as follows:

- Employee training must be prepared as an annual training plan which must be in consistent with the Company's business plan.
- Employee training and development is the duty that must be performed together as follows:
  - The Company has the goal to train and develop employees by assigning the human resources section to perform such operations. The Company defines the guideline how many trainings each employee should receive per year.
  - Supervisor is responsible for allowing subordinates to receive regular trainings and development based on the training plan.
  - Employees must be eager to develop and improve themselves according to the development plan in order to keep up with the changing missions.
- Employee training and development consists of two parts: training on job tasks and training on management and other organizational behaviors, which varies based on situations and necessities.



### **Remuneration Management**

The Company has an important goal in managing remuneration and benefits of employees according to their positions and duties. Remuneration and benefits must be determined at a level that can compete with other organizations. To attract skillful persons to join the Company and motivate existing employees to perform better works, the following policies are established:

- For paying remuneration and providing benefits based on positions and duties, the Company will consider two components as follows:
  - Accuracy or internal suitability, where remuneration is determined based on the value of work, which varies depending on the nature of the job; The value of work evaluates the job responsibilities according to the details of the job description defined in the Job Description form.
  - Accuracy or external suitability where remuneration is determined based on comparable rates of external organization and the economic situations of the country shall be considered.
- The Company must define a class-based remuneration range based on considerations under the abovementioned item and should consider the appropriateness of such remuneration range at least once a year.
- The Company will increase remuneration of employees based on the assessable performances. It shall be paid according to performance principles, which are based on moral principles and capabilities to provide fair returns.
- Annual remuneration increment shall be conducted once a year.
- The approval of the annual remuneration adjustment shall be in accordance with the approval authority set out in the Operating Authority Manual.

### **Welfare**

Welfare and benefits are one of the matters that the Company offers to employees in addition to regular remuneration (salary) in order to motivate them which will lead to increasing productivity of employees. Therefore, the following policies are established:

- To determine whether benefits and welfare on a particular matter should be provided, the Company will consider on the basis of whether such welfare and benefits can increase the quality of life for many employees and whether it is the common matter performed by external organizations
- Regarding welfare and benefit management, guidelines and procedures from the relevant regulations and directives shall be considered, including the Human Resource Management Practices Manual.
- The Company provides welfare to employees according to the document “Welfare of Earth Tech Energy (Public) Company Limited”.

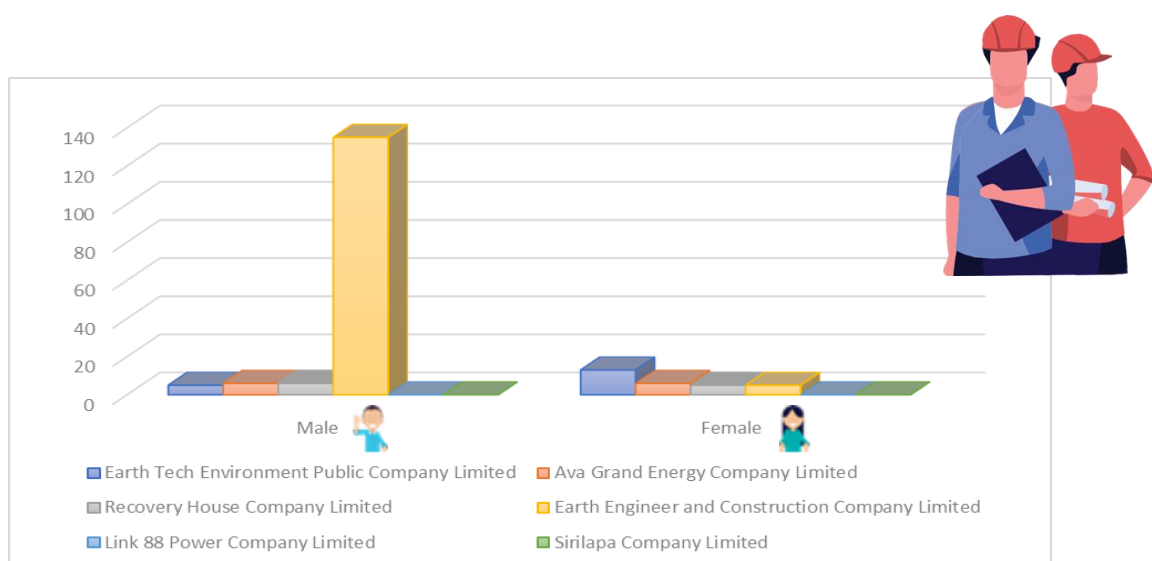
### Work Welfare

The Company recognizes the welfare and occupational safety of operating employees. The policies are established as follows:

- The Company will oversee and protect the welfare of employees by providing a good and safe work environment without harm to life and health. All supervisors and employees must have the awareness of safety and contribute to enhancing occupational safety.
- In the event that an employee must perform the duties that are risky in any way, the Company will provide assistance and protection as necessary to minimize the chances of such risk.
- In the event that an employee suffers from the danger of performing the duties until he/she is ill, lost of organs, or disabled, the Company will provide full assistance within a level that does not fall below the framework of regulations or applicable laws for medical treatment or rehabilitation in accordance with the doctor's instructions.
- In the event that an employee is damaged or sued resulting from the operation in good faith as assigned by the Company, the Company will assist to compensate for the damage and mitigate any troubles suffered by the employee from such incident. The Company will provide assistance as best as possible in any matter as deemed necessary although the employee has retired from employee status.

In the past three years, the Company and its subsidiaries have not had any labor disputes.

In 2021, the Company has no significant change in the number of employees, with the number of employees of the Company and its subsidiaries (excluding senior management) totaling 181 people.



### Fair compensation and benefits

The company has provided equal care to employees with appropriate and fair compensation and welfare, where first the salary is based on educational qualifications and positions. After that, according to the performance appraisal system with open and clearly directed evaluation form and criteria, employees will receive salary, bonus, overtime pay, holiday pay, employee compensation fund, professional fees, allowances, and work uniforms. Welfares that the Company provide to all employees are of equal and in the same standard to create fairness throughout the organization. Some of the welfares provided to all employees are welfare for disaster relief, accident insurance, annual health checkup benefits, financial death assistance, maternity benefits, and provident funds to provide stability and financial security for employees after their employment or retirement.

### Employees' compensation (salary and bonus) in 2020-2021

Details	For the year 2020	For the year 2021
Total salary	4,244,629 baht	5,176,882 baht
Total bonus	153,768 baht	324,293 baht
Provident fund contributions	93,476 baht	137,420 baht
Total	4,491,873 baht	5,638,595 baht

### Human resource development policy

The Company realizes the importance of human resources training and development in order to enhance the knowledge and capability of the employees and be able to carry out their work to keep pace with the changes and in accordance with the Company's and the Company's strategy. Therefore, annual training plans are prepared which are consistent with and appropriate to the business plan, with surveying on the training needs of personnel at all levels. The training and development of employees will consist of training on with functional work and training in management and other organizational behavior. The company will provide training both inside and outside the organization and have a policy of sending to both domestic and international training.

The Company realizes that employees are essential resources for the Company's success and growth in business. The Company, therefore, is committed to the development of employees' potential clearly, systematically and continuously by establishing policies, strategies, goals, and indicators for employee development in accordance with the direction and strategy of the Company's business operations. The Company has also strengthened and developed employees' potential to be able to support the continuous expansion of the Group's business by preparing personnel at all levels, including the readiness of personnel to take up important positions in the future with the tools that Various training such as internal and external training, training by working on work rotation, etc.

The Company has developed employees to have knowledge and skills suitable for their current job positions, as well as developing employees to have potential in both professional skills and leadership in order to prepare them for career advancement for employees to grow together along with the organization, which the Company has provided the following trainings for employees:

1. Internal training courses, including training on prevention and suppression of infection or the danger that may be caused by infectious waste. Training to enhance skills in using forklifts correctly and daily maintenance. First aid training, training requirements ISO 9001:2015, ISO 14001:2015, ISO45001:2018, etc.

2. External training courses include training for air pollution treatment system controllers. Training the safety committee Occupational health training and working environment GRI Standards Certified Training for supervisors, safety officers in professional work, etc.

3. Staff training with average of 11.65 hours per person or 1.39 hours per year.



## 7.6 Other significant information

### Company Secretary

The Board of Directors, is had been consider and approved for the appointment of Mrs. Ananya Netjaru to be the Company Secretary starting from November 9, 2019. The scope, authority, duties and responsibilities. Details appear in Attachment 3.

### Internal Audit

The Company's internal auditor is Ms. Thanaporn Tiengsuthisakul. who is an internal auditor at the company hired Zentara Grand Audit Company Limited to perform such duties Details appear in Attachment 3.

### Investor Relations

If shareholders want more information You can contact for information

#### Investor Relations

#### Earth Tech Environment Public Company Limited

Head office: 88, 88/1 Moo 1, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province  
18110 Thailand

Phone: (+66) 36 209 294, (+66) 36 200 295, (+66) 2 012 7888 #714

E-mail address: [ir@e-tech.co.th](mailto:ir@e-tech.co.th) or [www.etcenvi.com](http://www.etcenvi.com)

**Appointment and Consideration of Auditor Remuneration**

Directors. To consider and propose to the shareholders on the agenda for the appointment of the auditors in addition, if there is a case where it is deemed appropriate to terminate the employment of the auditor. The audit committee will then consider and propose to the board.

In the Annual General Meeting of Shareholders on 22 April 2021, the shareholders considered and resolved to approve the appointment of an auditor from Karin Audit Company Limited to be the Company's auditor for the year 2021 as follows:

- |   |                                 |       |        |
|---|---------------------------------|-------|--------|
| 1. Ms.Kannika wipanurat   | Certified Public Accountant No. | 7305  | and/or |
| 2. Mr.Jirote Sirirorote   | Certified Public Accountant No. | 5113  | and/or |
| 3. Ms.Nonglak Pattanabandith  | Certified Public Accountant No. | 4713  | and/or |
| 4. Mrs.Sumana Senivongse  | Certified Public Accountant No. | 5897  | and/or |
| 5. Mr.Komin Linnphrachaya   | Certified Public Accountant No. | 3675  | and/or |
| 6. Mr.Mongkol Laoworapong   | Certified Public Accountant No. | 4722  | and/or |
| 7. Ms.Kojchamon Sunhuan   | Certified Public Accountant No. | 11536 | and/or |
| 8. Other certified public accountants assigned by Karin Audit Company Limited |                                 |       |        |

**Auditor of the subsidiary**

- |  |                                 |       |        |
|--|---------------------------------|-------|--------|
| 1. Mr.Jadesada Hungsapruet   | Certified Public Accountant No. | 3759  | and/or |
| 2. Mr.Worapol Wiriakulapong  | Certified Public Accountant No. | 11181 | and/or |
| 3. Mr.Poj Atsawasantichai  | Certified Public Accountant No. | 4891  | and/or |
| 4. Mr.Wichian Proongpanish   | Certified Public Accountant No. | 5851  | and/or |
| 5. Mr.supoj Mahantachaisakol   | Certified Public Accountant No. | 12794 | and/or |
| 6. Ms.Kanwarat Saksriborworn   | Certified Public Accountant No. | 13273 | and/or |
| 7. Mr.Somchai Lertyongyuth   | Certified Public Accountant No. | 13314 | and/or |
| 8. Ms.Bongkotrat Suamsiri  | Certified Public Accountant No. | 13512 | and/or |
| 9. Mr.Thanathip raksatienpab   | Certified Public Accountant No. | 13646 | and/or |
| 10. Other certified public accountants assigned by Karin Audit Company Limited |                                 |       |        |

The audit fee for the company and its subsidiaries in the amount not exceeding 2,110,000 baht per year (two million one hundred and ten thousand baht only).

However, the auditors according to the list proposed above Qualifications that are not contrary to the regulations of the Stock Exchange of Thailand of Thailand has no relationship and no interest in the Company, its subsidiaries / executives / major shareholders. or those related to such persons in a manner that will affect the independent performance of duties in any way.

Therefore, they are independent in auditing and expressing their opinions on the Company's financial statements. and subsidiary.

## 8. Report on key operating results on corporate governance

### Meeting of the Board of Directors

1. The Company holds a regular meeting of the Board of Directors once a quarter and the Board of Directors is required to regularly attend the Board of Directors' meetings to acknowledge and take part in making decisions on the Company's business operations and set an official Board Meeting date in advance. In this regard, the directors can set aside time to attend the meeting. However, additional meetings may be called if there is special agenda, requiring approval from the directors, or consider matters of urgent importance.

2. The Chairman and the Managing Director jointly set the meeting agendas and consider the meeting agendas by allowing each director to propose various matters for consideration in the meeting agenda.

3. The company secretary is responsible for delivering the meeting invitation letter that clearly specifies the agenda and supporting documents 7 days in advance. Before the meeting date so that the committee has sufficient time to study the information prior to the meeting, unless it is urgent, the documents may be delivered later.

4. The Company Secretary ensures that the minutes of the meeting are recorded accurately and completely, which contain details such as names of directors attending and absentee meeting, summarizing important matters and issues discussed, including recording of opinions of each director and board resolutions. In this regard, the shareholders can be examined in accordance with the law which the Company has kept the report together with the meeting documents in a systematic manner and can be searched.

5. All directors have sufficient information to make decisions and make decisions.

6. The chairman conducts meetings with sufficient time for the management to present information and for the board to exercise prudent judgment and to provide full and open discussions for directors.

7. In some meetings, senior management may also attend to provide additional information in a directly related position, as well as obtain direct knowledge of the policy so that it can be effectively implemented.

8. In each meeting, questions of the management were raised and judgments were exercised independently and transparently, taking into account the interests of shareholders and stakeholders fairly and Directors who have a significant stake in the matter considered must leave the meeting room during the consideration of such matters. Adequate time was allocated for the meeting to allow directors to discuss problems and solutions, and related executives were also invited to attend the meeting in the



agenda proposed to provide additional information if there was an issue, ask questions, and is an opportunity to get to know the top executives for the consideration of succession plans.

9. It is considered the duty of every directors to attend every Board of Directors' meeting with exception for urgent matters.

10. In the agenda of voting in the board of directors' meeting, a resolution of the majority vote shall be counted with one director having rights to one vote. Directors with direct or indirect interest on the matter involved are not to attend the meeting and / or exercise their right to vote on that matter; and if the voting has equal result, the chairman of the meeting will have one more vote.

11. The Company has set the minimum number of quorums in the board of directors meeting to vote in the board meeting not less than two-thirds of the total number of directors.

In 2021, the Company held 5 board meetings, which are appropriate to the duties and responsibilities of the board of directors and the company's business operations. In the past year, there was one meeting of the Non-Executive Committee in order to allow the non-executive directors to exchange views and consider various issues related to the Company's business and matters of interest.

In 2021, the directors attend the meetings of the Board of Directors and various committees, which can be summarized as follows

Name-Surname		Number of meetings attended					
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance & Corporate Social Responsibility Committee (CG & CSR)	Annual General Meeting of Shareholders 2021 (AGM)
1.	Mr. Anusorn	4/4					1/1
2.	Dr. Pallapa	4/4					1/1
3.	Ms. Kanyapan	4/4	4/4	2/2	2/2	2/2	1/1
4.	Mr. Bantoon	4/4	4/4	2/2	2/2	2/2	1/1
5.	Mr. Borwornsit	4/4	4/4	2/2	2/2	2/2	1/1
6.	Mr. Ekarin	4/4		2/2	2/2	2/2	1/1
7.	Mr. Suwat	4/4					1/1
8.	Mr. Supawat	4/4			2/2	2/2	1/1
9.	Mr. Suthat	4/4					1/1

## Self-assessment of the Board of Directors

The Company has a policy to arrange for the Board of Directors to conduct an annual performance evaluation with opinion that the effectiveness of the Board of Directors is a critical factor to the Company's success. Performance evaluation is an important policy with objective to help the Board of Directors, each director, and each sub-committee to review their performance in the past year as well as help improve the performance of the entire Board of Directors, directors and sub-committees to be more effective by evaluating the performance of the board into two categories as follows:

### 1) Evaluating the performance of the entire Board of Directors by assessing various aspects:

- 1) Structure and qualifications of the Board
- 2) Roles, duties, and responsibilities of the board
- 3) Strategy formulation
- 4) Supervision
- 5) Board meetings
- 6) Performance of duties of directors
- 7) Relationship with the Management
- 8) Directors' self-development and management development

### 2) Evaluation of the performance of individual committees by assessing the following aspects:

- 1) Readiness of Directors
- 2) Independence
- 3) Corporate governance
- 4) Directorship and qualifications
- 5) Risk management and internal control
- 6) Ensuring that there is no conflict of interest
- 7) Monitoring of financial and operational reports
- 8) Board meetings
- 9) Others

## Performance evaluation of the sub-committees

The Board of Directors organizes an annual performance assessment of the sub-committees such as the Audit Committee, the Nomination and Compensation Committee, the Risk Management Committee, the Corporate Governance & Corporate Social Responsibility Committee to be used as a framework for auditing the performance during the past year so that it can be corrected and for improved performance.

**The process and criteria for performance evaluation are as follows:**

1. The Nominating and Compensation Committee reviews the performance appraisal form annually through the submission by the company secretary to ensure that the group performance appraisal form and the individual self-assessment are available, and also to ensure correctness, completeness and in accordance with appropriate criteria for self-Assessment in which the Company has used the performance appraisal form of the Stock Exchange of Thailand as a guideline for evaluation.
2. The company secretary will collect all performance assessments, summarize the scores and present them to the Nomination and Remuneration Committee.
3. The Nomination and Compensation Committee will present the results of the entire assessment to the Board of Directors for consideration and use as a guideline for further development of the Board's administration and to develop the potential of individual directors.

**performance evaluation results**

	committee members (%)	Individual (%)
Company Directors	99%	99%
Sub-committee		
- Audit Committee	99%	97.57%
- Nomination and Remuneration Committee	98.95%	98.18%
- Risk Management Committee	98.95%	98.18%
- Corporate Governance & Corporate Social Responsibility Committee (CG & CSR)	98.95%	97.30%

*In this regard, the 2021 assessment results can be concluded that each committee has performed its duties completely and efficiently.*

**Development of Directors and Management**

1. The Company promotes and facilitates training and education for the Board of Directors and all employees in order to continuously improve their operations.
2. The Board of Directors has provided a manual for "Good Corporate Governance Policy" in order to inform the Board of Directors on important criteria regarding the Board of Directors and various committees as well as important policies and information about the Company. In addition, this enables the Board of Directors to perform the role of corporate governance more effectively.

3. For new directors, the Company organizes an orientation for directors to have knowledge and understanding of the Company's business and related rules and to meet with service providers so that directors can inquire about insights into the Company's business operations. As well as encouraging new directors to attend director training courses of the Thai Institute of Directors Association and other relevant institutions.

## Board of Directors Training

The Company encourages the Board of Directors to study and train further to increase their knowledge and understanding of the principles of good corporate governance, rules, regulations, as well as the roles and duties of the Board of Directors in managing the work efficiently and with ethics. The company secretary will discuss with each director to develop training and knowledge development programs to suit individual needs. In 2021, there are committees to attend training such as

- Ms.Kanyapan Buranaarom (engagement quality control reviewer: “EQCR”) and Monitoring
- Mr.Borwornsit Sornsilp M&A trend and direction and important issues to consider and M&A strategy
- Mr.Ekarin Luengviriya Ethical Leadership Program (ELP)
- Mr.Suthat Boonyaudomsart Corruption Risk and Control Workshop (CRC)

including attending seminars on other topics of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission as well.

### Orientation for new directors

Newly appointed directors are required to attend a corporate orientation prior to performing their duties. The aim of attending this orientation is to help new directors be aware of the management, nature of business and corporate governance practices of the company, with company secretaries and executives from various departments will give lectures to provide clarification for acknowledgment. The Company has set to give a lecture and present the Company's business overview to the new directors in the following topics.

- Operating framework (Laws, regulations, regulations)
- Operations and activity information
- Key project
- Enterprise development business development
- Good corporate governance
- Social responsibility

## List of changes in securities holding of directors in 2021

The Company has notified the Board of Directors and the Company's management regarding the duty of reporting securities holdings of the Company by themselves, spouses, and underage children, to the Securities and Exchange Commission (SEC) within 30 days from the date of appointment as a director or executive, and every time there is changes to holding of said securities within 3 working days (electronic reporting via [www.sec.or.th](http://www.sec.or.th)) from the date of purchase, sale, transfer or acceptance of transfer of such securities according to the SEC's notification

The Board and Management holding "ETC" securities as of 31 December 2021 are as follows:

Name-Surname	Amount held		เพิ่ม (ลด)
	As of 31 December 2020	As of 31 December 2021	
<u>Company Directors and Executives</u>			
1. Mr. Anusorn Nuangpolmak	-	-	-
2. Ms. Kanyapan Buranarom	1,250	50	(1,200)
3. Mr. Bantoon Manpakdee	-	-	-
4. Mr. Borwornsit Sornsilp	-	-	-
5. Mr. Ekarin Luengviriya	-	-	-
6. Mr. Suwat Luengviriya	-	-	-
7. Mr. Supawat Khunworavinij	164,000	164,000	-
8. Mr. Suthat Boonyaudomsart	31,250	31,250	-
9. Ms. Pallapa Ruangrong	-	-	-
10. Ms. Wachiraporn Natejaru	164,000	164,000	-
11. Mr. Sumet Laokham	-	-	-
12. Ms.Phimchanok Arunrotwatthana	-	-	-
13. Miss Tippawan Pimsen	-	-	-

## Nomination and Appointment of Directors and Top Executives

### Selection of Company Directors

The Company will consider the preliminary qualifications and select company directors according to the qualifications under Section 68 of the Public Limited Companies Act. 2535 and according to the relevant notifications of the Securities and Exchange Commission according to the regulations stipulated by law, as well as taking into account other factors such as knowledge, competence, experience related to the business and the benefits to business operations of the Company, etc. With the following rules and procedures:

1. The Company's directors must perform their duties in accordance with the law, objectives, and articles of association of the Company, as well as the resolutions of the shareholders' meeting.
2. The Board of Directors consists of not less than 5 directors and not less than half of the total number of directors must have residence in the Kingdom and must have qualifications as specified by law.
3. The Board of Directors must consist of at least one-third of the total number of independent directors and at least 3 members and have at least three members of the Audit Committee who have all the qualifications in accordance with the qualifications of independent directors and audit committee members in accordance with the Announcement of the Capital Market Supervisory Board No. 39/2559 Re: Application and Approval for Offer for Sale of Newly Issued Shares.
4. Directors may not operate a business that is of the same nature and is in competition with the business of the Company or becomes a partner or director in other juristic persons having the same nature and in competition with the Company's business, whether they do for their own benefit or benefits of other persons unless notified to the shareholders' meeting prior to a resolution to appoint.
5. Directors must notify the Company without delay if they have an interest in any contract or activity that the Company enters into, either directly or indirectly, or hold additional or decreased debentures in the Company or its affiliates.
6. At every annual general meeting of shareholders, one third of the directors shall retire from office. If the number of directors cannot be divided into three parts, the number nearest to One third of the members who have been in office the longest shall vacate the office. Those who vacate the office may be re-elected.
7. Before every annual general meeting of shareholders, the Company will provide an opportunity for shareholders to propose a list of candidates who will replace the retired directors by rotation, and the Company Secretary will compile such names and present to the Board of Directors for consideration of qualifications in accordance with the relevant rules and select suitable names for further submission to the shareholders' meeting for approval.
8. The shareholders' meeting appoints the directors in accordance with the following rules and procedures:



- A shareholder has votes equal to the number of shares he holds, with one share equal to one vote
  - Each shareholder may use his existing votes to elect one or more persons to be directors. In the event that multiple persons are elected as directors, the votes cannot be split among any person
  - Persons who receive the most favorable votes in descending order but not exceeding the number of positions elected at that time shall be elected as directors. In the event that the elected individuals have equal votes which leads to the excess of number of directors required or to be elected, the chairman of the meeting shall have the casting vote
9. In the event that the position of the director is vacant for any reason other than the expiration of the term the Board of Directors may select a person who has qualifications and does not have prohibited characteristics under the Public Limited Companies Act, and the Securities and Exchange Act whom he will act as a replacement director at the next board meeting, unless the term of such director is less than two months. The person who serves as the said director in his place may be in the position of director only for the remaining term of the director whom he or she replaces. The aforementioned resolution of the Board must consist of not less than three-fourths of the votes of the remaining directors.
10. The shareholders' meeting may pass a resolution removing any director from office prior to the expiration of the term with a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and having shares in total not less than one-half of the number of shares held by shareholders who attend the meeting and have the right to vote.

#### **Selection of the Audit Committee**

The Audit Committee consists of at least 3 independent directors with a term of office for a term of 3 years. The Board of Directors or the shareholders' meeting appoints independent directors to be the audit committee. The Company has a policy to nominate an audit committee / independent director in accordance with the Announcement of the Capital Market Supervisory Board No. 39/2559 Re: Application and Approval for Offer for Sale of Newly Issued Shares, which must have the following qualifications:

1. Holding shares not more than one percent of the total number of shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company, including shares held by related persons of the audit committee as well.
2. Not being or having ever been a director who takes part in management, employee, staff, advisor who receives regular salary or controlling person of the Company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or controlling person of the Company, unless they have been exempted from the aforementioned criteria at least two years before the date of submission of the application for permission to the SEC Office, or the day before

the appointment as audit committee members. Such prohibited criteria exclude cases where the audit committee used to be a government official or advisor to a government agency who is a major shareholder or the Company's controlling person.

3. Not being a person having a blood relationship or by legal registration in a manner of parent, spouse, sibling, and child, including spouse of children of other directors, management, major shareholders, controlling persons, or a person to be nominated as a director, executive or controlling person of the Company or its subsidiaries
4. Not or has ever had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company in a manner that may hinder his independent judgment, including not being or used to being a significant shareholder or controlling person of a person having a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company, unless the nature of The aforementioned is not less than 2 years before the date of submission of the application to the SEC Office, or before the date of appointment as an audit committee member

In this regard, the aforementioned business relationship includes normal business transactions, lease or rental of real estate, transactions relating to assets or services, or providing or receiving financial assistance by receiving or Lending, guaranteeing, providing assets as collateral, liabilities, including other similar circumstances resulting in the Company or its counterparties having an obligation to pay to the other party from 3% of the net tangible assets of the Company or from 20 million baht or more, whichever is lower. Such debt load calculation shall be in accordance with the method for calculating the value of connected transactions under the Announcement of the Capital Market Supervisory Board on Rules on Connected Transactions mutatis mutandis, but the consideration of such debt burden shall take into count total debt obligations incurred during one year prior to the date of having a business relationship with the same person.

5. Neither nor was Auditor of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company and not a significant shareholder, controlling person or partner of the auditing firm which comprises of auditor of the Company. the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company, except where it has ceased to have such criteria for at least two years prior to the date of submission of the application for further approval to the SEC office, or before the date of appointment as an audit committee member.
6. Not be or used to be a professional service provider, including providing legal advisory or financial advisory services, receiving a service fee of more than 2 million baht per year from the Company, parent company, subsidiary company, associated company. , major shareholder, or a controlling person of the company, and not a shareholder, a controlling person, or a partner of a professional service provider Unless they have been discharged from the aforementioned characteristics at least two years prior to the date of submission of the application to the SEC.
7. Not being a director who has been appointed as a representative of the Company's directors, major shareholders or shareholders who are related to the Company's major shareholders.

8. Do not operate a business of the same nature and in a significant competition with the business of the Company or its subsidiaries, or not being a significant partner in a partnership or being a director in employee management, employee, advisor who receives regular salary, or holds more than one percent of the total number of voting shares of another company operating a business of the same nature and in significant competition with the business of the Company or sub-companies.
9. Not having any other characteristics that make him incapable of expressing independent opinions with regard to the Company's operations.
10. Not being a director who has been assigned by the board to make decisions on the operations of the company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or controlling person of the company.
11. Not a director of the parent company, subsidiary, or subsidiary of the same level (only listed companies)
12. Have sufficient knowledge and experience to be able to serve as an audit committee member. There must be at least one audit committee member who has sufficient knowledge and experience in accounting and / or finance to be able to perform the duty of reviewing the reliability of the financial statements.

As for the rules and procedures for the appointment of members of the audit committee are in accordance with the rules and procedures for appointing a director of the company, an audit committee member who vacates office upon the expiration of the term may be re-appointed. In the event that the position of the audit committee is vacant for any reason other than the expiration of the term, the board of directors or the shareholders' meeting shall appoint a qualified person to be a member of the audit committee so that the number of audit committees has reached the number specified by the company board of directors. The substitute member of the Audit Committee may hold office for the remaining term of the member of the Audit Committee whom he or she replaces, and the Company must notify the SET as soon as the Audit Committee member resigns or is resigned before the end of his term.

#### **Selection of the Risk Management Committee**

The Board of Directors appoints the Risk Management Committee, which consists of not more than five directors or senior management from various departments. The Chairman of the Risk Management Committee must be an independent director and must have a qualified director and has at least one director who has knowledge and expertise in risk management and able to devote sufficient time to perform their duties and has a term of three years in the position to perform risk management policies and propose to the Board of Directors for consideration in on risk management in various areas such as liquidity risk, operational risk, or other risks that are significant to the Company, etc., including setting strategies, risk management plan and framework to comply with the established risk management policy, which can be effectively analyzed, assessed, measured and monitored for the risk management process.

**Selection of the Nomination and Remuneration Committee**

The Board of Directors appoints the Nomination and Remuneration Committee, which consists of not more than 4 directors, which must have more than half of the independent directors and at least one director who has knowledge, abilities, or expertise in the field of operations and personnel management by requiring the chairman of the Nomination and Remuneration Committee to be an independent director and hold office for a term of 3 years in order to perform the duty of recruiting and presenting the names of persons who are qualified for serving as members of the Board, directors, and directors of various sub-committees (if any), as well as review the performance, qualifications and suitability of the retired directors and deserve to be re-elected to propose to the Board of Directors for approval and propose to the Board of Directors and to seek approval at the shareholders' meeting to appoint directors and / or directors of various sub-committees (if necessary), as well as to consider and propose opinions to the Board of Directors for their approval on the remuneration structure, the Board of Directors and sub-committees (if any) and to propose to the shareholders' meeting for approval of the annual remuneration of directors. In addition, it is responsible for considering, recruiting, determining qualifications and suitability, as well as determining the remuneration structure and conditions in hiring a person who will serve as the Managing Director of the Company.

**Selection of good corporate governance & Corporate Social Responsibility committee members**

The Board of Directors appoints the Corporate Governance & Corporate Social Responsibility Committee (CG & CSR), which consists of not more than five directors, with a term of 3 years each. Directors for Corporate Governance & Corporate Social Responsibility (CG & CSR) must be independent directors and the Committee is responsible for ensuring that the Company's business operations are transparent, fair and accountable to all stakeholders to build confidence to the public as well as for the Company to manage the organization to grow and create value for all groups of stakeholders sustainably and in accordance with the principles of good corporate governance.

**Executive Committee**

The Board of Directors appoints the executive directors by selecting from the Company's directors or senior executives who can manage matters related to the normal operation, business and management of the company and can formulate policies, business plans, budget, management structure, administration, including the audit and monitoring of the Company's performance in accordance with the policies set by the Board of Directors

**Executive**

The Board of Directors selects qualified persons who are knowledgeable, competent, and suitable for the managing director position. While recruiting the next high-level executive, the Managing Director considers the qualifications and suitability of experienced personnel, and the managerial knowledge in the relevant fields to hold senior management positions in each of their line of work.

## Remuneration for Directors and Executives

The Company has a policy to pay motivated directors and executives at an appropriate level, taking into account the appropriateness of the type of business, the relevance to the Company's performance, in line with the general market conditions (Market Norm) and the same industry, including the suitability of duties and responsibilities, with the Nomination and Remuneration Committee to determine necessary and appropriate remuneration in monetary form to the Executive Committee and Sub-Committees and presented to the Board of Directors meeting for approval

### Policy on remuneration for the Board of Directors / Managing Director / Management

#### **Board remuneration**

The Company takes into account the suitability of the duties and responsibilities assigned and can be comparable with the listed companies in the Stock Exchange of Thailand in similar industries and businesses, and ensuring such remuneration is sufficient to motivate the directors to achieve their duties in achieving the goals and business directions set by the Company, with a transparent process to build confidence for the shareholders.

#### **Managing Director's remuneration**

The Managing Director's remuneration will be considered annually in accordance with the principles and policies set by the Nomination and Remuneration Committee for both short term and long term such as salary, annual bonus and compensation, and long-term incentives, which must be aligned with financial performance and meeting long-term strategic objectives, management development, as well as considering the company's business expansion and profitability of the Company.

#### **Executive compensation**

Executives' remuneration is considered annually by the Managing Director, in accordance with the principles and policies set forth by the Nomination and Remuneration Committee.

#### **Directors' remuneration**

The Nominating and Compensation Committee has determined fair and reasonable remuneration for directors in line with the responsibilities of the directors, the Company's financial status, and compared to listed companies in the industry and businesses. The remuneration is similar to the average of listed companies from the survey report on the remuneration of directors of listed companies of the Thai Institute of Directors Association.

The directors' remuneration has been approved by the 2021 Annual General Meeting of Shareholders on 22 April 2021 as follows:

**1. Remuneration for meeting allowance**

Meeting allowances of Directors and Audit Committee members have monetary compensation as follows:

- Meeting allowances for the Company's directors are paid on an annual basis at the following rates:
  - Chairman of the Board 20,000 baht / meeting
  - Company Directors 10,000 baht / time
- Meeting allowance for the Audit Committee Payable on a monthly basis rate of:
  - Chairman of the Audit Committee 20,000 baht / time
  - Audit Committee 10,000 baht / time

**2. Other remuneration of directors**

—Not available—

Details of individual directors' remuneration in the form of meeting allowances for the year 2021 are as follows:

List of person	For the year 2021 (Baht)	
	Director	Audit Committee
1. Mr.Anusorn Nuengpolmak	80,000	-
2. Dr.Pallapa Ruangrong	40,000	
3. Ms.Kanyapan Buranarom	40,000	80,000
4. Mr.Bantoon Manpakdee	40,000	40,000
5. Mr.Borwornsit Sornsilp	40,000	40,000
6. Mr.Ekarin Luengviriya	40,000	-
7. Mr.Suwat Luengviriya	40,000	-
8. Mr.Supawat Khunworavinij	40,000	-
9. Mr.Suthat Boonyaudomsart	40,000	-

### Company's management

Executives' remuneration is the total remuneration of the management team, managing director, managing director and accountants in 2021 total amount of 7,373,767 baht which are as follows:

Item	2020	2021
Salary	6,598,503	6,811,410
Bonus	65,275	195,000
Provident fund contributions	323,208	341,857
Social Security fund	31,500	25,500
Total	7,018,486	7,373,767

### Report on Performance of Duties of Audit Committee in the Previous Year

In 2021, four Audit Committee's meetings were held to consider the following matters:

1. Considering the completeness, accuracy, and reliability of financial reports
2. Considering connected transactions or transactions that may have conflicts of interest
3. Considering and evaluating the adequacy of the internal control system, anti-bribery and anti-corruption and supervision of **internal audits**
4. Considering risk management
5. Considering the selection of auditors and the determination of remuneration
6. Considering compliance with laws
7. Considering and reviewing any matters in accordance with the requirements and regulations

### Report on Performance of Duties of Other Sub-committees

In 2021, the Company fully disclosed meeting information and reports on performance of duties of the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Corporate Governance and Corporate Social and Environmental Responsibility (CG&CSR) Committee. The details are shown in "Enclosure 6".



## 9. Internal control and related party transactions

### 9.1 Internal control

#### Summary of Opinions of the Board of Directors

*The good internal control system can prevent and minimize any risks or damages that may occur to the organization.* The Company has adopted good corporate governance principles as a guideline for overseeing the Company's operations.

The Board of Directors assigned the Audit Committee to review, monitor, evaluate and report performances to the Board of Directors on a regular basis.

At the meeting, the Board of Directors considered the internal control system of the Management that had been considered by the Audit Committee and agreed that the Company had appropriate and sufficient internal control system to ensure that the operation was in accordance with the goals, objectives, laws, and relevant requirements effectively. The Company has provided sufficient personnel to operate the system effectively and focused on the internal control continuously. In addition, there is the adequate internal control system for monitoring the operations of subsidiaries to protect the assets of the Company and its subsidiaries from being used unlawfully or without authority by directors or executives, including transactions with persons with potential conflicts and connected parties. For internal controls on other matters, the Board of Directors considered that the Company had sufficient internal controls as well. In the previous year, the Audit Committee and the Board of Directors had not received any reports of material deficiencies from auditors and the Internal Audit Department.

In addition, the Company's auditor, Ms. Kodchamol Sunhuan, Certified Public Accountant Registration No. 11536, who reviewed the quarterly financial statements and audited the financial statements for the year 2021 ended December 31, 2021, did not express opinions that the Company had any material deficiencies regarding the internal control system in the Auditor 's Report.

In addition, the Company places importance on the following five elements for internal control:

#### 1. Control Environment

The Board of Directors and executives support the organizational culture that focuses on supervising the Company's business operations in accordance with the vision and mission, having a good internal control environment and facilitating the operations as follows:

- Set a vision Mission and business goals are clearly defined as guidelines for the management and employees, and are followed up regularly in order to achieve the goals, taking into account fairness to trade partners and co-investors for the benefit of the Company in the long term
- The company has organized the organizational structure to be appropriate, able to facilitate the management to operate efficiently to support the growth of the business and improve when the environment changes, with written authorization of duties and responsibilities as specified, Key Performance Indicator (KPI) to guide employees' performance and track performance against goals, and review annual goals for employees to know their roles, authorities and responsibilities.
- Establishing written corporate governance policy, business ethics, and anti-bribery and corruption policy for directors, executives and employees of the Company and its subsidiaries to strictly adhere to provisions of sanctions, channels for receiving complaints, and protection against whistleblowers, which are aimed at promoting values and corporate culture, with hope that all employees will jointly monitor or make complaints when encountering improper behavior with aim of developing the Organization towards sustainability
- Establish written policies and procedures for human resource development, including the process of planning and managing the overall workforce of the company, both short-term and long-term, as well as review the staffing rate to be in line with the business direction

## 2. Risk Assessment

The Board of Directors and the management give importance to risk management to build confidence in leading the organization to both short-term and long-term goals in order to supervise the Company's risk management to be at an acceptable level, with management guidelines as follows

- The Company has appointed the Risk Management Committee to supervise and promote the development of risk management and overall risk assessment of the Company, especially the risks related to the risk management issues related to "ESG": Environmental, Social, and Governance, which is the basis for driving the organization towards the success of its sustainable goals, taking into account opportunities and impacts, as well as establishing measures to manage the risks at an acceptable level and to achieve maximum efficiency, including assessing the risks that arise in the future to reduce the impacts that may occur in the future
- The Company realizes the importance of risk assessment as tool to foretell signs that may cause damage to the Company. Therefore, the Company has conducted internal and external risk assessments, including risk factors beyond the control of the Company. In this regard, the Company has set up risk management measures in order to reduce the impact that may occur to the organization and to regularly review the risk management measures
- At the same time, for all departments under the management standard system, the Company has established organizational context determination and business risk assessments to determine methods / guidelines for defining the organizational context, stakeholders and business risk assessment. The

results of the business risk assessment were considered to determine the measures to control the risks at each level and lead to the appropriate and effective risk management of the organization

### 3. Control Activities

The Company has established a controlling entity which will reduce the risk of not meeting the Company's objectives to an acceptable level as follows:

- The Company realizes the importance of internal control system in order to achieve efficiency in the operation, whereby the Company has set the duties and powers of the executives and operators to control and supervise the use of the Company's assets for the benefit of the Company. There is a separation of duties and the monitoring, control, and evaluation from each other to create an appropriate balance and check, as well as to apply appropriate technology in the operation process
- The Company has a policy to consider and approve transactions, take into account the best interests of the Company, and consider them as they are of transactions with third parties.
- The Company has established regulations, policies, requirements, and operating manuals in writing by clearly defining the scope of powers, duties of personnel at each level and operating procedures in order to guide the operation and review the performance to be in accordance with the rules, policies, requirements and operating manuals on a regular basis

### 4. Information & Communication

The Company places great importance on the quality of information technology and communication systems which is an important part of supporting the internal control to be able to operate efficiently with guidelines for information system management and information communication as follows:

- The company has set a level of confidentiality of information, guidelines for the storage of important documents and control documents, as well as information supporting both internal and external operations in order to be complete, correct, sufficient for the operation and prompt for quick use
- The Company requires the development of its information system on a regular basis in order to ensure that the operations work properly and in order to facilitate the performance of the management and employees concerned. The Company gives importance to accuracy, reliability, and timeliness of the information, especially the information for use in decision making on various matters in an accurate and timely manner. The Company has provided communication channels both inside and outside the organization that are systematic and efficient. In addition, accounting information has been recorded in accordance with generally accepted accounting standards and regularly recorded accounting information. In terms of information submitted to the Board of Directors and the shareholders of the Company, they will be delivered in advance of the meeting to have sufficient information to make a decision

## 5. Monitoring Activities

The Company has the process to monitor and evaluate the adequacy of internal control and establish guidelines for improvement to ensure the Company's effective and efficient internal control system as follows:

- The Company provides the effective information system so that the Board of Directors and executives can accurately and timely monitor information and also review, evaluate, suggest and revise business plans. In addition, the internal control system is audited by Zentara Grand Audit Co., Ltd., which conducts continuous audits of operations throughout the year. The internal control system is audited regularly in accordance with the annual audit plan and reported directly to the Audit Committee. The past audit results have shown no material deficiencies to the internal control system. Zentara Grand Audit Co., Ltd. is responsible for ensuring that the Company's main operations and key financial activities are carried out effectively under the established guidelines and rules and regulations of the relevant government agencies.
- The Company has been certified for the Quality Management System Standard (ISO 9001 : 2015), Environmental Management System Standard (ISO 14001: 2015), and Occupational Health and Safety (ISO 45001 : 2018) by the Intertek Certification Institute, which is also the part of the internal control system. The Internal Audit team has monitored it according to certified standards administered by QMR appointed by the Managing Director. Such auditor must undergo IA system training in order to inspect the operations of any departments. If there is any problem from the results or it does not meet the required standards, such agency will receive the CAR (Corrective Action Request) and such matter shall be reinspected. Any issues in the audit will be presented at the Management Reviewed meeting, presiding over by the Managing Director. Continuous recording and follow-up shall be conducted. Intertek, the external agencies certifying the system, undergoes the monitoring once a year to confirm that the Company maintain the certified system management standards.

## 9.2 Connected transactions

## Relationship

The Company has related transactions with persons who may have conflicts, such as directors, shareholders executives and related companies, which are companies with persons who may have conflicts of interest, have relationships with directors, executives and shareholders of that company, which can be summarized as follows:

Individuals / entities who may have conflicts	Relationship
Better World Green Public Company Limited ("BWG")	<ul style="list-style-type: none"> <li>• To engage in the business of providing sewage management and management services, wastewater treatment, and improving sewage quality for alternative fuels.</li> <li>• There are 2 common directors with the Company, namely Mr. Suwat Luengviriya and Mr. Suthat Boonyaudomsart</li> <li>• Is the major shareholder of the Company holding 60.00% of paid-up capital</li> <li>• Mr. Suwat Luengviriya is related to Mr. Ekarin Luengviriya, director and managing director of ETC, whom he is a brother</li> </ul>
Better World Transport Company Limited ("BWT")	<ul style="list-style-type: none"> <li>• Business transportation</li> <li>• There are 2 common directors with the Company, namely Mr. Suwat Luengviriya and Mr. Suthat Boonyaudomsart</li> <li>• There is a common major shareholder: Better World Green Public Company Limited which holds 99.99% of the paid-up capital</li> <li>• Ms. Kamala Luengviriya is the director of BWT, and is related to Mr. Ekarin Luengviriya, director and managing director of ETC whom she is his sister, and also related to Mr. Suwat Luengviriya, director and managing director of BWG, whom she is his sister</li> </ul>
Akkhie Prakarn Public Company Limited ("AKP")	<ul style="list-style-type: none"> <li>• To engage in the business of incineration of waste and all kinds of waste materials</li> <li>• There are 2 common directors with the Company, namely Mr. Suwat Luengviriya and Mr. Suthat Boonyaudomsart</li> <li>• There is a common major shareholder with the Company: Better World Green Public Company Limited holds 43.93% of paid-up capital.</li> <li>• Is a shareholder of the Company holding 7.14% of paid-up capital</li> <li>• Mr. Wanchai Luengviriya is the director and managing director of AKP, and is related to Mr. Ekarin Luengviriya, director and managing director of ETC, whom is his brother; and is related to Mr. Suwat Luengviriya, director and managing director of BWG, whom is his brother</li> </ul>

Related transactions of the Company  
and its subsidiaries and persons with potential  
conflicts as at December 31, 2019, 2020 and 2021  
are as follows:

Earth Tech Environment (Public) Company Limited ETC						
Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Revenue from disposal of infectious waste	BME	-	-	0.18	0.18	- It is the operation to dispose infectious waste during the Covid-19 outbreak. The disposal fee is 1,000 Baht per ton. (Quotation is effective on October 1, 2021). This is to help reduce the risk of transmission of infection using heat for disposal.
Revenue from document processing	RH	-	0.24	0.24	0.06	- The Company entered into an employment contract with ETC on January 1, 2020, to process and manage various documents. The processing fee is 20,000 Baht per month, which will be charged annually in the amount of 240,000 Baht per year. The wage is specified in the contract.
	AVA	-	0.24	0.24	0.06	- The Company entered into an employment contract with ETC on January 1, 2020, to process and manage various documents. The processing fee is 20,000 Baht per month, which will be charged annually in the amount of 240,000 Baht per year. The wage is specified in the contract.
	EEC	0.18	0.24	0.24	0.06	- The Company entered into an employment contract with ETC on April 1, 2020, to process and manage various documents. The processing fee is 20,000 Baht per month, which will be charged annually in the amount of 240,000 Baht per year. The wage is specified in the contract.



Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Cost of ash disposal	BWG.	3.85	3.56	15.15	6.02	<p>The Company hired BWG, the operator with expertise in integrated industrial waste disposal, to carry out the industrial waste disposal (ashes and other wastes) arising from the combustion of RDF as required by laws. However, since BWG can use the Company's ashes to dispose other industrial wastes, BWG charges ash disposal service fee according to the freight cost at a fixed rate per trip in the amount of 4,000 Baht/trip (approximately 16-20 tons per trip) for trailers and 2,500 Baht/trip (approximately 8-10 tons per trip) for non-trailer vehicles. It is the rate comparable to the freight rate charged by the BWG Group to a third party. The service fee for disposal of other types of industrial waste is charged at the rate of 1,000 Baht, which is the same rate charged by the BWG Group to a third party as well. In June, 2021, BWG quoted the increment of disposal fee to 1,000 Baht per ton because BWG could not utilize the Company's ashes and increased the freight cost to 3,500 Baht per trip and 5,500 Baht (the price of a non-trailer vehicle and a trailer, respectively) due to the increase in fuel costs from 25 Baht per liter to 28 Baht per liter.</p>



Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Cost of RDF purchase	BWG.	15.53	18.24	34.09	9.19	<p>- The Company purchased Refuse-derived fuel (RDF), which uses non-hazardous industrial waste as raw material, from BWG to be used as fuel for the Company's electricity generation. The Fuel Purchase Agreement on July 3, 2015, specified the purchase price inclusive of the freight cost at 500 Baht per ton. The fuel price will increase at a rate of 2% per annum throughout the contract term. However, in May, 2018, the Company and BWG agreed to postpone the price increase at a rate of 2% per annum until the end of 2019. Such transaction is the normal course business. The trading price inclusive of the freight cost is comparable to the trading price inclusive of the freight cost of other distributors.</p>
Cost of O&M Service fee	EEC	15.60	16.16	16.55	4.14	<p>- The Company entered into an employment contract with ETC on June 1, 2017, to supervise the electricity generation system and maintenance (O&amp;M). The Company paid 1.3 million Baht per month. Such wage is calculated from the method of man month, which EEC has the total of 56 employees, including operating costs and welfares. Such wage is specified in the contract.</p>

Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Loan receivables (100 million)	BWG.	-	-	68.04	-	- The Company provided the loan to BWG in the amount of 350 million Baht. The loan agreement was made on May 4, 2021, at an interest rate of 7% per annum and the principal shall be repaid every quarter for a period of 3 years starting from the date of borrowing.
Interest received on loans	BWG.			4.24	1.52	
Loan receivables (60 million)	BWC			30.00	10.00	- The Company provided the loan to BWG in the amount of 60 million Baht. The loan agreement was made on July 1, 2021, at an interest rate of 6% per annum and the principal and interest shall be repaid within 3 years starting from the date of borrowing.
Interest received on loans	BWC			0.65	0.40	

Earth Engineer and Construction Company Limited EEC						
Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Revenue from O&M Service fee	ETC	15.60	16.16	16.55	4.14	- The Company entered into an employment contract with ETC on June 1, 2017, to supervise the electricity generation system and maintenance (O&M). The Company paid 1.3 million Baht per month. Such wage is calculated from the method of man month, which EEC has the total of 56 employees, including operating costs and welfares. Such wage is specified in the contract.
	RH	4.80	14.40	14.40	3.60	- The Company entered into an employment contract with EEC on September 1, 2018, to supervise the electricity generation system and maintenance (O&M). The Company paid 1.2 million Baht per month. Such wage is specified in the contract.
	AVA	0.80	9.60	9.60	2.40	- The Company entered into an employment contract with EEC on September 10, 2018, to supervise the electricity generation system and maintenance (O&M). The Company paid 800,000 Baht per month. Such wage is specified in the contract.
Cost of document processing	ETC	0.18	0.24	0.24	0.06	- The Company entered into an employment contract with ETC on April 1, 2020 to process and manage various documents. The processing fee is 20,000 Baht per month, which will be charged annually in the amount of 240,000 Baht per year. The wage is specified in the contract.

Recovery House Company Limited RH						
Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Revenue from disposal of infectious waste	BME	-	-	0.09	0.09	- It is the operation to dispose infectious waste during the Covid-19 outbreak. The disposal fee is 1,000 Baht per ton. (Quotation is effective on October 1, 2021). This is to help reduce the risk of transmission of infection using heat for disposal.
Freight Cost	BWT	-	0.01	3.69	2.95	- The Company hired BWT's vehicles to transport waste (ashes) for disposal. The contract of industrial waste transportation was made on July 1, 20221 (with the quotation dated September 1, 2021, and the service fee rate of 10,000 Baht and 13,000 Baht for a single roll off vehicle and trailer, respectively).
Cost of RDF purchase	BWG.	2.86	19.73	26.69	9.14	- The Company purchased Refuse-derived fuel (RDF), which uses non-hazardous industrial waste as raw material, from BWG to be use as fuel for the Company's electricity generation. The Fuel Purchase Agreement on July 3, 2015, specified the purchase price inclusive of the freight cost at 550 Baht per ton. The fuel price will increase at a rate of 2% per annum throughout the contract term. Such transaction is the normal course business. The trading price inclusive of the freight cost is comparable to the trading price inclusive of the freight cost of other distributors.



Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Cost of ash disposal	BWG	0.98	7.10	6.88	-	<p>- The Company hired BWG, the operator with expertise in integrated industrial waste disposal, to carry out the industrial waste disposal (ashes and other wastes) arising from the combustion of RDF as required by laws. The rate was 10,000 Baht per ton (excluding the freight cost) and the freight rate for trailers was 7,600 Baht/trip and 4,500 Baht/trip for non-trailer vehicles. It is the same rate charged by the BWG Group to a third party. However, since BWG can use the Company's ashes to dispose other industrial wastes, BWG charges ash disposal service fee according to the freight cost at a fixed rate per trip in the amount of 7,600 Baht/trip (approximately 16-20 tons per trip) for trailers and 4,500 Baht/trip (approximately 8-10 tons per trip) for non-trailer vehicles. It is the rate comparable to the freight rate charged by the BWG Group to a third party. (Effective from February 1, 2020)</p> <p>In June, BWG quoted the increment of disposal fee to 1,000 Baht per ton because BWG could not utilize the Company's ashes.</p>

Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Cost of document processing	ETC	-	-	0.24	0.06	- The Company entered into an employment contract with ETC on January 1, 2020 to process and manage various documents. The processing fee is 20,000 Baht per month, which will be charged annually in the amount of 240,000 Baht per year. The wage is specified in the contract.
Cost of O&M Service fee	EEC	4.80	14.40	14.40	3.60	- The Company entered into an employment contract with EEC on September 1, 2018, to supervise the electricity generation system and maintenance (O&M). The Company paid 1.2 million Baht per month. Such wage is specified in the contract.

## AVA Grand Energy Company Limited AVA

Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Revenue from disposal of infectious waste	BME	-	-	0.02	0.02	- It is the operation to dispose infectious waste during the Covid-19 outbreak. The disposal fee is 1,000 Baht per ton. (Quotation is effective on October 1, 2021). This is to help reduce the risk of transmission of infection using heat for disposal.
Cost of document processing	ETC	-	0.24	0.24	0.06	- The Company entered into an employment contract with ETC on January 1, 2020, to process and manage various documents. The processing fee is 20,000 Baht per month, which will be charged annually in the amount of 240,000 Baht per year. The wage is specified in the contract.
Cost of O&M Service fee	EEC	0.80	9.60	9.60	2.40	- The Company entered into an employment contract with EEC on September 10, 2018, to supervise the electricity generation system and maintenance (O&M). The Company paid 800,000 Baht per month. Such wage is specified in the contract.
Cost of RDF Purchase	BWG	-	16.20	27.01	8.78	- The Company purchased Refuse-derived fuel (RDF), which uses non-hazardous industrial waste as raw material, from BWG to be use as fuel for the Company's electricity generation. The Fuel Purchase Agreement on November 1, 2017, specified the purchase price inclusive of the freight cost at 900 Baht per ton. The fuel price will increase at a rate of 2% per annum throughout the contract term. Such transaction is the normal course business. The trading price inclusive of the freight cost is comparable to the trading price inclusive of the freight cost of other distributors.

Related Transactions	Related Companies	Value (Million Baht)				Reasonableness of Transaction
		2019	2020	2021	Q4/2021	
Cost of ash disposal	BWG		5.65	10.14	4.52	<p>- The Company hired BWG, the operator with expertise in integrated industrial waste disposal, to carry out the industrial waste disposal (ashes and other wastes) arising from the combustion of RDF as required by laws. The rate was 10,000 Baht per ton (excluding the freight cost) and the freight rate was 10,000 Baht/trip (for non-trailer vehicle) and 15,000 Baht/trip (for trailer). It is the same rate charged by the BWG Group to a third party. However, since BWG can use the Company's ashes to dispose other industrial wastes, BWG charges ash disposal service fee according to the freight cost at a fixed rate per trip in the amount of 15,000 Baht/trip (approximately 16-20 tons per trip) for trailers and 10,000 Baht/trip (approximately 8-10 tons per trip) for non-trailer vehicles. It is the rate comparable to the freight rate charged by the BWG Group to a third party. (Effective from June 1, 2020)</p> <p>In September, 2021, BWG quoted the increment of disposal fee to 1,000 Baht per ton because BWG could not utilize the Company's ashes.</p>



## Measures or procedures for approving related transactions

The Board of Directors has assigned the Audit Committee to supervise the entering into a connected transaction and disclosing information about connected transactions with persons who may have conflicts of interest or connected transactions of the Company as appropriate and in accordance with the criteria set forth by the Capital Market Supervisory Board, Securities and Exchange Law, regulations, announcement, orders, or regulations of the Stock Exchange of Thailand established, along with to comply with the requirements for information disclosure, connected transactions and the acquisition or disposal of assets of the Company follow the accounting standards set by the Federation of Accounting Professions.

The Company's policy of conducting inter-company transactions can be classified by type of transactions as follows.

- Normal business transactions and normal business support transactions with general commercial terms such as waste disposal service, purchase of SRF fuel, and use of SRF fuel transportation services produced by third parties, etc. The Company has set up a policy for conducting related transactions. There are various conditions according to the nature of normal trade operations at market prices which can be compared with prices incurred with third parties and strictly comply with the agreed agreements, along with setting prices and conditions of various transactions clearly, fairly, and not causing a transfer of benefits. In this regard, the Internal Audit Department or the Financial Accounting Department will review the information and prepare reports for the Audit Committee to consider and give opinions on the appropriateness of the price and the reasonableness of the transactions on a quarterly basis.
- For normal business transactions and normal business support transactions which do not have general trade conditions and other inter-company transactions, the Company has a policy for the Audit Committee to consider and give opinions regarding the reasonableness and necessity of the transaction before entering the transaction and must comply with the laws on securities and exchange, regulations, announcements, orders or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand. This includes complying with the requirements on disclosure of information on connected transaction, acquisition, or disposition of important assets of the Company, or other information relating to giving/receiving financial assistance such as guarantees for loans from financial institutions and the use of credit lines in the contract of guarantees, etc. In the event that the Audit Committee does not have any expertise in considering any connected transactions, the Company will have independent experts to give opinions on such related transactions to be used in decision-making by the Audit Committee, the Board of Directors or the shareholders, as the case may be.

In addition, the connected transactions that may occur in the future, the directors of the Company and its subsidiaries Directors must comply with the regulations established and directors must not approve any transactions that they or persons who may have conflicts of interest in any other manner with the Company and subsidiaries, and reported for the Board of Directors to consider. The Company and its subsidiaries will disclose the connected transactions in the notes to the financial statements audited by the Company's auditor, including the Company's registration statement (Form 56-1) and the annual report. However, in making connected transactions that may occur in the future, the directors must comply with the regulations established and directors must not approve any transactions that they or persons who may have a conflict of interest in any other manner with the Company and must inform of their relationship and details of the said transaction for the Board of Directors to consider.

### **Policy or trends in related transactions in the future**

In the future, if the company has a need to make connected transactions with individuals who may have conflicts of interest, the Company will stipulate the conditions in accordance with the normal operation nature and with market prices comparable with conditions or prices incurred with the same type of business that the Company does with third parties. The BWG group companies, such as BWG and BWT, are the operators, but the Company and its subsidiaries are still obliged to compare the prices and commercial terms of third parties with the prices and commercial terms of the BWG group companies such as waste elimination service fees, purchase of SRF fuel, SRF fuel transportation services that are produced and sold by third parties before deciding to enter into such transactions.

The Company has a policy for the Audit Committee to compare the purchase price of SRF from other fuel suppliers and BWG to be appropriate with the market price at that time on a quarterly basis, whereby the Executive Director has to compare the fuel purchase price from BWG as specified in the fuel purchase agreement, to be compared with the asking price (freight clearly separated) of at least 2 other distributors. The ETC Group can now order SRF from BWG at market price. If, in the future, BWG's SRF trading price is comparable to that of a third party, it appears that BWG's SRF trading price is higher than the market price, the ETC Group will instead purchase SRF fuel with a third party and the Accounting and Finance Managers shall make the SRF trading report to be presented to the Audit Committee for monitoring the implementation of the above policy each quarter. In addition to price, for the purchase of SRF. other factors must be considered in the purchase decision, such as SRF quality, transportation distance and long-term business relationship.

In addition, the Company will allow the Audit Committee to give opinion on the price, the remuneration rate, as well as the necessity and appropriateness of such connected transactions. In the event that the Audit Committee does not have expertise in considering possible connected transactions, the Company will consider independent appraisers, specialized independent experts or the Company's auditors to provide opinions on the Company's operations on making such connected transactions for the Audit Committee to use in decision-making and to give opinions to the Board of Directors or shareholders, as the case may be. The Company will disclose the connected transactions in the notes to the financial statements audited by the Company's auditors and will disclose such transactions in the annual registration statement (Form 56-1) One report in accordance with the rules and laws governing securities and exchange, and rules, announcements, orders or regulations of the Stock Exchange of Thailand.

For connected transactions that may occur in the future, the directors must comply with the regulations established and must not approve any transactions that they or persons who may have a conflict of interest in any other manner with the Company and must disclose them to the Board of Directors for consideration. the Company has to comply with the law on securities and exchange, and rules, announcements, orders or regulations of the Stock Exchange of Thailand, including complying with the requirements related to the disclosure of information on connected transactions and the acquisition or disposition of assets of the Group, and in accordance with the accounting standards set by the Association of Accountants strictly. In addition, the Company will not enter into any connected transactions with related companies that are within normal business operations with the Company.



# Part 3

## Financial Statements

## Report of the Board of Directors' Responsibility for Financial Reports

The Board of Directors is responsible for the financial statements of Earth Tech Environment (Public) Company Limited and the consolidated financial statements of Earth Tech Environment (Public) Company Limited and its subsidiaries, including financial information shown in the annual report. Such financial statements are prepared in accordance with the generally accepted accounting standards by adopting the appropriate accounting policy and implementing it regularly and using discretion carefully and the best estimation in the preparation. In addition, sufficient important information is transparently disclosed in the notes to the financial statements for the benefit of shareholders and general investors.

The Board of Directors provides the good corporate governance and maintains the risk management system and the internal control system to ensure that accounting information is recorded correctly, completely, timely and sufficiently to maintain assets as well as prevents significant corruption or irregular operations.

In this regard, the Board of Directors appoint an Audit Committee consisting of independent directors to oversee and review the reliability and accuracy of financial reports, including assess the internal control system, internal audits, and risk management system to be efficient as well as consider the disclosure of related transactions. The opinions of the Audit Committee regarding this matter are shown in the Audit Committee's Report, which is included in the annual report.

The Company's financial statements and the consolidated financial statements of the Company and its subsidiaries have been audited by the auditors of Karin Audit Company Limited. Regarding the audit, the Board of Directors has supported information and documents so that the auditors can perform the audit and express opinions according to the audit standards. The auditors' opinions are shown in the Audit Committee's Report, which is included in the annual report.

The Board of Directors is of the opinion that the Company's overall internal control system is satisfactory, and it can reasonably assure that the financial statements of Earth Tech Environment (Public) Company Limited and the consolidated financial statements of Earth Tech Environment (Public) Company Limited and its subsidiaries for the year ended December 31, 2021, are accurate and reliable in accordance with generally accepted accounting principles and applicable laws and regulations.



(Mr. Anusorn Nuangpolmak)  
Chairman of the Board



(Mr. Ekarin Luengviriya)  
Managing Director

## Independent Auditor's Report

To the Shareholders of Earth Tech Environment Public Company Limited

### Opinion

I have audited the financial statements of Earth Tech Environment Public Company Limited and its subsidiaries, which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Earth Tech Environment Public Company Limited and its subsidiaries as at December 31, 2021, their financial performance and cash flows for year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the consolidated financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

- 2 -

**Impairment of Property, Plant and Equipment****Risk**

As at December 31, 2021, the Group had a net book value of property, plant and equipment, according to the note to financial statements no. 9, of Baht 2,037.84 million, representing 51 % of total asset. The recoverable amount of property, plant and equipment depends on changes in economic conditions and future market conditions that may result in indications of impairment of property, plant and equipment. The Group set a process for identifying indications and testing for impairment according to financial reporting standards. I considered this as the key audit matter because the value of property, plant and equipment is material to the consolidated financial statements and the process of identification and testing of impairment involves management's judgment in estimating cash flows in the financial statements.

**Risk Responses of Auditor**

My audit procedures responded to the risk referred to above are as follows:

- Observed and reviewed report of non-operating or damaged assets.
- Reviewed value-in-used of assets evaluation by conducting reasonableness analysis of future income projection and expenses information. Assessed assumptions and methods used by experts for value-in-use of assets evaluation, including assessment of professional competency of experts.
- Auditing appropriateness of qualification and independence of independent valuer and objective to assess value.
- Test calculation of the impairment by comparison with carrying amount and recoverable amount from independent valuer assessed by comparison market price and replacement cost value.

The Group assess the impairment of property, plant and equipment and adequately of the disclosures in notes to financial statement.

**Other Matter**

The financial statement of Earth Tech Environment Public Company Limited which comprise the Consolidated statement of financial position and separate statement of financial position as at December 31, 2020, and the related consolidated and separate statement of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, presented as comparative information, were audited by another auditor in my firm whose report dated on February 24, 2021, expressed an unqualified opinion.



- 3 -

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

\*\*\*\*\*/4

- 4 -

- Identify and assess the risks of material misstatement of the consolidated 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.
- Identify and assess the risks of material misstatement of the consolidated 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 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

- 5 -

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Ms.Kojchamon Sunhuan



(Ms.Kojchamon Sunhuan)

Certified Public Accountant

Registration No. 11536

Karin Audit Company Limited

Bangkok

February 22, 2022

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED  
AND SUBSIDIARIES  
FINANCIAL CONSOLIDATED AND SEPARATE STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
AND INDEPENDENT AUDITOR'S REPORT**

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2021**

		(Unit : Baht)			
Notes	Consolidated		Separate		
	2021	2020	2021	2020	
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	1,167,870,735	1,358,251,113	1,146,767,135	1,332,378,065
Trade and other current receivables	7	184,508,303	224,579,327	57,720,150	54,822,180
Short-term loans and accrued interest to related parties	5.2	30,654,247	-	92,563,890	58,489,644
Current portion of long-term loans and accrued interest to related parties	5.2	68,237,809	-	68,237,809	-
Inventories		2,249,422	2,174,301	728,375	792,485
Current tax assets		2,379,062	5,334,888	64,692	21,600
Other current assets		17,003,016	18,292,607	5,819,463	6,134,377
<b>Total current assets</b>		<b>1,472,902,594</b>	<b>1,608,632,236</b>	<b>1,371,901,514</b>	<b>1,452,638,351</b>
<b>Non-current assets</b>					
Restricted deposits with banks	14	324,736,758	203,306,838	124,119,428	113,433,954
Investments in subsidiaries	8	-	-	388,130,600	343,134,200
Property, plant and equipment	9	2,037,835,161	2,073,607,927	1,154,264,209	1,149,413,177
Right of use assets	10	114,009,894	124,738,000	60,039,869	64,445,077
Deferred tax assets	11	3,804,581	503,004	2,791,638	-
Other non-current assets		16,330,790	14,609,291	6,924,560	5,225,000
<b>Total non-current assets</b>		<b>2,496,717,184</b>	<b>2,416,765,060</b>	<b>1,736,270,304</b>	<b>1,675,651,408</b>
<b>Total assets</b>		<b>3,969,619,778</b>	<b>4,025,397,296</b>	<b>3,108,171,818</b>	<b>3,128,289,759</b>

The accompanying notes are an integral part of the financial statements.

## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2021

		(Unit : Baht)			
		Consolidated		Separate	
	Notes	2021	2020	2021	2020
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	13	11,300,000	12,240,000	9,000,000	-
Trade and other current payables	12	127,036,358	111,476,126	72,087,021	25,119,523
Current portion of long-term loan	13	295,383,915	288,761,508	165,623,010	159,552,297
Current portion of lease liabilities	14	2,510,689	1,490,428	1,338,788	479,654
Current income tax payable		-	19,284	-	-
<b>Total current liabilities</b>		<b>436,230,962</b>	<b>413,987,346</b>	<b>248,048,819</b>	<b>185,151,474</b>
<b>Non-current liabilities</b>					
Trade and other non-current payables		32,819,600	10,247,290	11,381,162	3,000,000
Long-term loans	13	679,160,018	975,836,707	174,959,305	341,960,571
Lease liabilities - net of current portion	14	48,288,466	47,559,138	32,300,265	30,399,036
Non-current provisions for employee benefit	15	10,655,618	8,722,015	5,722,725	5,269,286
<b>Total non-current liabilities</b>		<b>770,923,702</b>	<b>1,042,365,150</b>	<b>224,363,457</b>	<b>380,628,893</b>
<b>Total liabilities</b>		<b>1,207,154,664</b>	<b>1,456,352,496</b>	<b>472,412,276</b>	<b>565,780,367</b>
<b>Shareholders' equity</b>					
<b>Share capital</b>					
<b>Authorized share capital</b>					
Ordinary shares 2,460,000,000 shares, Baht 0.50 par value	16	1,230,000,000		1,230,000,000	
Ordinary shares 2,240,000,000 shares, Baht 0.50 par value			1,120,000,000		1,120,000,000
<b>Issued and paid-up share capital</b>					
Ordinary shares 2,240,000,000 shares, Baht 0.50 par value		1,120,000,000	1,120,000,000	1,120,000,000	1,120,000,000
Premium on share capital		1,173,586,385	1,173,586,385	1,173,586,385	1,173,586,385
<b>Retained earnings</b>					
Appropriated - other reserves	17	12,472,273	8,911,480	12,472,273	8,911,480
Unappropriated		433,530,411	249,344,999	329,700,884	260,011,527
<b>Total equity attributable to owners of the Company</b>		<b>2,739,589,069</b>	<b>2,551,842,864</b>	<b>2,635,759,542</b>	<b>2,562,509,392</b>
Non-controlling interests		22,876,045	17,201,936	-	-
<b>Total shareholder's equity</b>		<b>2,762,465,114</b>	<b>2,569,044,800</b>	<b>2,635,759,542</b>	<b>2,562,509,392</b>
<b>Total liabilities and shareholders' equity</b>		<b>3,969,619,778</b>	<b>4,025,397,296</b>	<b>3,108,171,818</b>	<b>3,128,289,759</b>

The accompanying notes are an integral part of the financial statements.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

(Unit : Baht)					
		Consolidated		Separate	
	Notes	2021	2020	2021	2020
Revenues from sale and services		730,211,189	670,566,772	301,800,874	287,605,394
Cost of sale and services		(390,877,775)	(312,987,676)	(176,425,560)	(151,739,174)
<b>Gross profit</b>		<b>339,333,414</b>	<b>357,579,096</b>	<b>125,375,314</b>	<b>135,866,220</b>
Other income		18,945,191	2,537,353	10,511,325	2,458,113
<b>Profit before expenses</b>		<b>358,278,605</b>	<b>360,116,449</b>	<b>135,886,639</b>	<b>138,324,333</b>
Administrative expenses		(77,279,606)	(56,972,680)	(32,097,788)	(17,957,387)
Management benefit expenses		(22,289,015)	(21,206,398)	(8,461,578)	(8,053,601)
Finance costs		(68,594,847)	(80,011,636)	(24,868,760)	(32,820,267)
<b>Total expenses</b>		<b>(168,163,468)</b>	<b>(158,190,714)</b>	<b>(65,428,126)</b>	<b>(58,831,255)</b>
<b>Profit before income tax expense</b>		<b>190,115,137</b>	<b>201,925,735</b>	<b>70,458,513</b>	<b>79,493,078</b>
Income tax (expenses) revenue		2,916,976	(696,930)	2,404,437	-
<b>Net profit for the year</b>		<b>193,032,113</b>	<b>201,228,805</b>	<b>72,862,950</b>	<b>79,493,078</b>
<b>Other comprehensive income for the year</b>					
<b>Items that will never be reclassified to profit or loss subsequently :</b>					
Gain on remeasurement of defined benefit plan		384,601	737,645	387,200	626,117
<b>Net comprehensive income for the year</b>		<b>193,416,714</b>	<b>201,966,450</b>	<b>73,250,150</b>	<b>80,119,195</b>
<b>Profit attributable to</b>					
Owners of the Company		187,361,604	194,478,197	72,862,950	79,493,078
Non-controlling interests		5,670,509	6,750,608	-	-
		<b>193,032,113</b>	<b>201,228,805</b>	<b>72,862,950</b>	<b>79,493,078</b>
<b>Total comprehensive income attributable to</b>					
Owners of the Company		187,746,205	195,215,842	73,250,150	80,119,195
Non-controlling interests		5,670,509	6,750,608	-	-
		<b>193,416,714</b>	<b>201,966,450</b>	<b>73,250,150</b>	<b>80,119,195</b>
<b>Profit per share</b>					
Basic earning per share (Baht per share)		<b>0.08</b>	<b>0.10</b>	<b>0.03</b>	<b>0.04</b>
Weighted average number of ordinary shares (Shares)		<b>2,240,000,000</b>	<b>1,871,147,541</b>	<b>2,240,000,000</b>	<b>1,871,147,541</b>

The accompanying notes are an integral part of the financial statements.



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Consolidated										(Unit : Baht)
	Owners of the Company					Other components of					
	Retained earnings		shareholder's equity			Total equity					
			Gains (losses) on			attributable to					
			remeasurements of			owner's of the					
			defined benefit plans			Company		Non-controlling			
Notes	Issued and paid share capital	Premium on share capital	Appropriated Other reserves	Unappropriated					interests	Total	
Balance as at January 1, 2020	820,000,000	-	4,936,826	58,103,811	-	-	883,040,637	10,451,328	-	893,491,965	
Capital increase	300,000,000	1,173,586,385	-	-	-	-	1,473,586,385	-	-	1,473,586,385	
Appropriated legal reserve	-	-	3,974,654	(3,974,654)	-	-	-	-	-	-	
Comprehensive income for the year	-	-	-	194,478,197	737,645	737,645	195,215,842	6,750,608	-	201,966,450	
Transferred to retained earnings	-	-	-	737,645	(737,645)	-	-	-	-	-	
Ending balance as at December 31, 2020	1,120,000,000	1,173,586,385	8,911,480	249,344,999	-	-	2,551,842,864	17,201,936	-	2,569,044,800	
Capital increase subsidiaries	-	-	-	-	-	-	-	3,600	-	3,600	
Appropriated legal reserve	-	-	3,560,793	(3,560,793)	-	-	-	-	-	-	
Comprehensive income for the year	-	-	-	187,361,604	384,601	384,601	187,746,205	5,670,509	-	193,416,714	
Transferred to retained earnings	-	-	-	384,601	(384,601)	-	-	-	-	-	
Ending balance as at December 31, 2021	1,120,000,000	1,173,586,385	12,472,273	433,530,411	-	-	2,739,589,069	22,876,045	-	2,762,465,114	

The accompanying notes are an integral part of these financial statements.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Separate							(Unit : Baht)	
	Notes	Issued and paid share capital	Premium on share capital	Retained earnings		Other components of shareholders' equity		Total
				Appropriated	Unappropriated	Gains (losses) on	remeasurements of defined benefit plans	
Balance as at January 1, 2020		820,000,000	-	4,936,826	183,866,986	-	-	1,008,803,812
Capital increase		300,000,000	1,173,586,385	-	-	-	-	1,473,586,385
Appropriated legal reserve	18	-	-	3,974,654	(3,974,654)	-	-	-
Comprehensive income for the year		-	-	-	79,493,078	626,117	626,117	80,119,195
Transferred to retained earnings		-	-	-	626,117	(626,117)	-	-
Ending balance as at December 31, 2020		1,120,000,000	1,173,586,385	8,911,480	260,011,527	-	-	2,562,509,392
Appropriated legal reserve	18	-	-	3,560,793	(3,560,793)	-	-	-
Comprehensive income for the year		-	-	-	72,862,950	387,200	387,200	73,250,150
Transferred to retained earnings		-	-	-	387,200	(387,200)	-	-
Ending balance as at December 31, 2021		1,120,000,000	1,173,586,385	12,472,273	329,700,884	-	-	2,635,759,542

The accompanying notes are an integral part of these financial statements.

## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

## FOR THE YEAR ENDED DECEMBER 31, 2021

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Cash flows from operating activities</b>				
<b>Profit before income tax expense</b>	<b>190,115,137</b>	<b>201,925,735</b>	<b>70,458,513</b>	<b>79,493,078</b>
<b>Items to reconcile profit before income tax expense to</b>				
<b>cash received (disbursement) from operating activities</b>				
Interest expense	71,677,092	77,638,109	24,110,144	32,820,267
Interest income	(5,047,715)	(112,003)	(8,373,193)	(1,553,691)
Trade and other current receivables (increase) decrease	36,509,580	(40,520,601)	(2,897,970)	3,673,468
Inventories (increase) decrease	(75,120)	(1,417,252)	64,110	(393,821)
Other current assets (increase) decrease	(66,841)	(7,360,252)	314,913	24,583
Other non-current assets (increase) decrease	600,000	(3,420,750)	-	(4,800,750)
Trade and other current payables increase	47,467,494	26,769,444	22,967,498	8,138,593
Depreciation and amortization	110,982,755	105,875,249	63,937,303	63,283,124
Reserve of provisions for employee benefit	1,933,603	1,870,394	453,439	476,784
Written-off withholding tax	556,484	109,293	-	108,693
Loss on amortization of fixed assets	160,000	-	160,000	-
Gain on disposals of fixed assets	(341,095)	-	(333,548)	-
Profit from the reduction of lease liabilities	-	(323,381)	-	(172,735)
Unrealised (gain) loss on exchange	3,757,075	(988,790)	-	-
Loss on derivative instruments	23,651,710	-	6,581,160	-
<b>Total items to reconcile profit before income tax expense</b>	<b>481,880,159</b>	<b>360,045,195</b>	<b>177,442,369</b>	<b>181,097,593</b>
<b>Net cash provided by (used in) operating activities</b>				
Cash received from interest	155,660	112,003	61,138	64,047
Cash received from refundable withholding tax	7,187,807	10,166,086	-	-
Cash paid for income tax expense	(2,398,388)	(5,334,888)	(64,692)	(21,600)
<b>Net cash provided by operating activities</b>	<b>486,825,238</b>	<b>364,988,396</b>	<b>177,438,815</b>	<b>181,140,040</b>
<b>Cash flows from investing activities</b>				
Increase in restricted deposits with banks	(121,429,920)	(66,590,702)	(10,685,474)	(4,262,919)
Cash received from disposals of property, plant and equipment	369,159	-	341,122	-
Cash paid for purchases of property, plant and equipment	(97,752,219)	(95,516,033)	(36,954,208)	(58,113,130)
Cash received from borrowing and interest to related parties	36,000,000	-	36,000,000	-
Cash paid for borrowing to related parties	(130,000,000)	-	(130,000,000)	(57,000,000)
<b>Net cash used in investing activities</b>	<b>(312,812,980)</b>	<b>(162,106,735)</b>	<b>(141,298,560)</b>	<b>(119,376,049)</b>

The accompanying notes are an integral part of the financial statements.

EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2021

	(Unit : Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Cash flows from financing activities</b>				
Cash received (paid) from bank overdrafts and short-term loans	(940,000)	(15,343,332)	9,000,000	(15,969,635)
Cash received from long-term loan from financial institutions	-	29,288,447	-	-
Cash paid of capital share in subsidiaries	-	-	(44,996,400)	-
Cash received in non-controlling interests	3,600	-	-	-
Repayment of long-term loan form financial institutions	(292,012,000)	(289,770,122)	(159,700,000)	(152,100,000)
Cash received from increase in share capital	-	1,473,586,385	-	1,473,586,385
Cash paid for interest expense	(66,682,957)	(72,848,189)	(23,590,684)	(33,359,576)
Payment of lease payable	(4,761,279)	(3,294,799)	(2,464,101)	(1,593,100)
<b>Net cash provided by (used in) financing activities</b>	<b>(364,392,636)</b>	<b>1,121,618,390</b>	<b>(221,751,185)</b>	<b>1,270,564,074</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(190,380,378)</b>	<b>1,324,500,051</b>	<b>(185,610,930)</b>	<b>1,332,328,065</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,358,251,113</b>	<b>33,751,062</b>	<b>1,332,378,065</b>	<b>50,000</b>
<b>Cash and cash equivalents at ending of year</b>	<b>1,167,870,735</b>	<b>1,358,251,113</b>	<b>1,146,767,135</b>	<b>1,332,378,065</b>

Supplemental disclosures of cash flows information :

Net cash payments for purchases of property, plant and equipment

- Accrued construction in progress in subsidiaries	-	-	(24,000,000)	-
- Subcontract payable	35,664,339	48,838,884	-	-
- Retention payable	1,079,400	(532,257)	(1,800,000)	(3,000,000)
- Capitalized interest as cost of Asset	-	(1,403,155)	-	-
- Hire purchase payable	(3,474,451)	2,867,243	(3,474,451)	1,717,336
- Tranferred from other non current assets	(4,917,876)	-	-	-

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****1. General information****1.1 Company information**

The Company has been registered to be a limited company on January 9, 2004, in the Earth Tech Environment Company Limited and registered change the name to "Earth Tech Environment Public Company Limited" on December 13, 2019. On August 18, 2020, ETC's securities to be traded on SET. The Company principal businesses are generation and distribution of electricity from industrial waste. On March 9, 2017, the Company started commercial operation (COD) to the Provincial Electricity Authority (PEA). The registered address of the Company is located at 88,88/1 Moo 1, Ban That Subdistrict, Kaeng Khoi District, Saraburi.

The parent company is Better World Green Public Company Limited with 43.93% shareholding. Akkhie Prakam Public Company Limited (a subsidiary of Better World Green Public Company Limited) acquired its ordinary shares at 7.14% of share capital from other former shareholders.

**2. Basis for preparation of the consolidated financial statements**

- a) The consolidated financial statements include the financial statements of Earth Tech Environment Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Type of business	Location	Percentage of shareholding	
			2021	2020
<b>Direct - Subsidiary :</b>				
Ava Grand Energy Company Limited	Generation and distribution of electricity from industrial waste	Phichit	97.00	97.00
Siri Lapha Power * Company Limited	Generation and distribution of electricity from industrial waste	Saraburi	97.00	97.00
Link 88 Power Company Limited	Holding Recovery House Company Limited	Saraburi	99.88	99.88
Earth Engineer and Construction Company Limited	Service on integrated engineering, procurement and construction (“Integrated EPC”)	Bangkok	99.99	99.99
<b>Indirect - Subsidiary :</b>				
Recovery House Company Limited (Held by Link 88 Power Company Limited)	Generation and distribution of electricity from industrial waste	Phra Nakhon Si Ayutthaya	95.00	95.00

\* Not yet started its business operations



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as applied to the Company.
- e) Material balances and transactions amongst the Group are eliminated in the preparation of the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position.

**3. Basis of preparation of financial statements and significant accounting policies**

**3.1 Basis of preparation of the financial statements**

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****3.2 New financial reporting standards****a) financial reporting standards that became effective in the current year**

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

**b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group is currently assessing the impact of adoption of such standard.

**3.3 Significant accounting policies****3.3.1 Revenues recognition**

Revenue under the Power Sale Agreements (PEA). The Group recognises from sale of electricity are according to the unit of measurement electrical under condition in contract as agreed with PEA. The revenue from sale of electricity recognised at a point in time when the controls over the products are transferred at destinations as stated in the agreements. The revenue from sale are recognised based on transaction price net of output tax, rebates and discounts.

Revenue from construction is recognized by the percentage of completion which is based on the proportion of actual costs to the total estimated costs by considering the effects to the most recent estimates of total costs, coupled with the consideration of the physical completion estimated by the engineer.

The recognized revenue which is not yet due per the contracts has been presented under the caption of "Unbilled trade accounts receivable" in the statement of financial position. The amounts recognized as contract assets are reclassified to other receivables when the Company's right to consideration is unconditional. The obligation to provide to a customer for which the Company has received from the customer is presented under the caption of "Unearned Income" in the statement of financial position. Contract liabilities are recognized as revenue when the Company perform under the contract.



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021**

Services income is recognized when the service has been provided to customers by considering the success stage of the work in determining the timing of delivery of controls to assess whether income is recognized at certain times or over a period of time.

Rental income is recognized over the rental period.

Interest income is recognized as interest accrues based on the effective rate method.

Costs of construction are recognized in accordance with the percentage of work completed based on total estimated costs. provision for anticipated losses on costs of rendering of services is made in the accounts in full when the possibility of loss is ascertained. differences between the estimated costs and the actual costs are recognised as work in progress or current liabilities in the statement of financial position.

Other income and expenses are recorded on an accrual basis.

**3.3.2 Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand and deposits at financial institutions with original maturity within three months.

**3.3.3 Accounts receivable**

Accounts receivable are presented at net realizable value.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at its present value.

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognised in profit or loss within administrative expenses.

**3.3.4 Inventory**

Fuel from industrial waste are stated at the lower of cost or net realisable value.

Cost is calculated using the weighted average method.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the fuel.

**3.3.5 Investments in subsidiaries**

Investments in subsidiaries are recorded at cost net of allowance for decline in value (if any).

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**3.3.6 Property, plants and equipment**

Land is stated at cost less provision for impairment of assets (if any). Plants and equipment are stated at cost less accumulated depreciation and provision for impairment of assets (if any).

The Company and subsidiaries depreciates its equipment on a straight - line method over the estimated useful lives of the assets as follows:

	<u>Useful lives (Years)</u>
Buildings and structures	10-25
Machinery and equipment	20
Furniture, and equipment	5
Computer and accessories	5-10
Tools	5-10
Vehicle	5

No depreciation is made for land and work in process and machinery under installation.

**3.3.7 Impairment of non-financial assets**

The Group have determined the impairment of assets if there is indicator that the carrying amount of asset exceeds its recoverable amount.

In case that the book value of an asset exceeds its net realizable value, the Group will recognize as impairment loss in the statements of income for the period. The Group will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment.

**3.3.8 Leases**

**The Company as a lessee**

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Land improvements under leased are amortized using the straight-line method throughout the contract period.

**Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

**Short-term leases and Leases of low-value assets**

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

**3.3.9 Employee benefits**

**Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

**Post-employment benefits**

Defined contribution plans

The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognized as expenses when incurred.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021**Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognized immediately in other comprehensive income.

Past service costs are recognised in the income statement on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bond

**3.3.10 Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.



## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### 3.3.11 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing net profit (loss) for the year by weighted average number of ordinary shares issue and paid up during the year.

#### 3.3.12 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to trade receivables.

##### Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

##### Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021**

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Opened – End Fund and derivative measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derivatives

Derivatives are recognized initially at fair value, attributable transaction costs are recognized in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognized immediately in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

The Group measures expected credit losses (ECLs) that result from default events that are possible within the next 12-months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

For trade receivables, the Group applies a simplified approach in calculating ECLs. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment. Impairment loss is recognized in profit or loss under the account. "Administrative expenses"

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**3.3.13 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****4. Significant accounting judgments and estimates**

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

Impairment of assets

The Group performs impairment reviews in respect of assets whenever events or changes in circumstances indicate that an asset may be impaired. The company determines the devaluation of such assets based on net realizable value. The determination of what is devaluation requires the management to exercise judgment.

Impairment of investments

The Group and subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment.

Depreciation

In calculating depreciation of plant and equipment, the management estimates useful lives and salvage values of the plant and equipment and reviews estimated useful lives and salvage values if there are any changes.

**5. Transactions with related person and parties**

Portion of accounting transactions as assets, liabilities, revenues and expenses arose from transactions with below related parties, which are linked to the Company by common shareholders or directors.

Companies	Relationship
Better World Green Public Company Limited	Parent company
Better Waste Care Company Limited	Related company (common shareholders and/or directors)
Better World Transport Company Limited	Related company (common shareholders and/or directors)
Be Green Development Company Limited	Related company (common shareholders and/or directors)
Better ME Company Limited	Related company (common shareholders and/or directors)
Akkhie Prakarn Public Company Limited	Related company (common shareholders and/or directors)
Ava Grand Energy Company Limited	Subsidiary
Siri Lapha Power Company Limited	Subsidiary
Link 88 Power Company Limited	Subsidiary
Earth Engineer and Construction Company Limited	Subsidiary
Recovery House Company Limited	Subsidiary

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**5.1 Transactions income and expense for the year ended December 31, 2021 and 2020 are as follows:**

(Unit : Thousand Baht)					
Type of transactions / companies	Pricing	Consolidated		Separate	
	Policies	2021	2020	2021	2020
<b>Revenue</b>					
<b>Interest income</b>	(3)				
Better World Green Public Company Limited		4,238	-	4,238	-
Better Waste Care Company Limited		654	-	654	-
Ava Grand Energy Company Company Limited		-	-	3,420	1,490
Total interest income		4,892	-	8,312	1,490
<b>Income from management fee</b>					
<b>Income from management fee</b>	(2)				
Earth Engineer and Construction Company Limited		-	-	240	240
Ava Grand Energy Company Company Limited		-	-	240	240
Recovery House Company Limited		-	-	240	240
Total income from management fee		-	-	720	720
<b>Other income</b>					
<b>Other income</b>	(1)				
Akkhie Prakarn Public Company Limited		231	-	231	-
Better Waste Care Company Limited		2	-	2	-
Better Me Company Limited		206	-	185	-
Total other income		439	-	418	-
<b>Cost and Expense</b>					
<b>Cost of industrial waste</b>	(1)				
Better World Green Public Company Limited		32,172	16,313	15,153	3,564
<b>Cost of fuel purchase</b>					
<b>Cost of fuel purchase</b>	(1)				
Better World Green Public Company Limited		87,792	54,486	34,094	18,237

## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

(Unit : Thousand Baht)					
Type of transactions / companies	Pricing Policies	Consolidated		Separate	
		2021	2020	2021	2020
<b>Transportation Cost</b>	(1)				
Better World Transport Company Limited		3,700	-	8	-
<b>Engineering service cost</b>	(2)				
Earth Engineer and Construction Company Limited		-	-	16,555	16,157
<b>Construction cost</b>	(2)				
Better World Green Public Company Limited		-	4,448	-	-
<b>Key management personnel compensations</b>					
Short-term benefits		21,379	20,208	8,099	7,600
Benefits after leaving work for Employee benefits		910	934	363	388
Total		22,289	21,142	8,462	7,988

Pricing policy

- (1) Market price
- (2) Contract price
- (3) MLR shall not be lower than lender company

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**5.2 Significant transactions in statements of financial position as at December 31, 2021 and 2020 are as follows:**

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Trade and other current receivables to related parties</b>				
<b>Other current receivables</b>				
Better Waste Care Company Limited	2	-	2	-
Better Me Company Limited	290	-	172	-
Total other current receivables	292	-	174	-
Total trade and other current receivables to related parties	292	-	174	-
<b>Short - term loans and accrued interest to related parties</b>				
Ava Grand Energy Company Limited	-	-	61,910	58,490
Better Waste Care Company Limited	30,654	-	30,654	-
Total	30,654	-	92,564	58,490
<b>Long-term loans and accrued interest to related parties</b>				
Better World Green Public Company Limited				
Long-term loans	68,238	-	68,238	-
Total	68,238	-	68,238	-
Less current portion	(68,238)	-	(68,238)	-
Net	-	-	-	-
<b>Trade and other non - current payables to related parties</b>				
<b>Trade payables</b>				
Better World Green Public Company Limited	69,822	30,679	30,969	11,070
Better World Transport Company Limited	1,976	-	-	-
Earth Engineer and Construction Company Limited	-	-	28,821	2,952
Total trade payables	71,798	30,679	59,790	14,022
Total trade and other current payables to related parties	71,798	30,679	59,790	14,022

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<b>Trade and other non - current payables to related parties</b>				
<b>Other non - current payables</b>				
Earth Engineer and Construction Company Limited	-	-	4,800	3,000
Total other non - current payables	-	-	4,800	3,000
Total trade and other non - current payables to related parties	-	-	4,800	3,000

During the year ended December 31, 2021, the movement of Short-term loans and accrued interest to a related party is as follows:

	(Unit : Thousand Baht)			
	Separate			
	As at January 1, 2021	Increase	Decrease	As at December 31, 2021
<b>Short-term loans and accrued interest to related party</b>				
Ava Grand Energy Company Limited				
Principal	57,000	-	-	57,000
Accrued interest	1,490	3,420	-	4,910
Total	58,490	3,420	-	61,910
Better Waste Care Company Limited				
Principal	-	30,000	-	30,000
Accrued interest	-	654	-	654
Total	-	30,654	-	30,654
Total Short-term loans and accrued interest to related party	58,490	34,074	-	92,564

Short-term loan from a related party to Ava Grand Energy Company Limited charged interest at 6% per annum. Short-term of the loans is due at call and the lender must inform at least 90 days.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

Short-term loan from a related party to Better Waste Care Company Limited charged interest at 6% per annum. Credit line Baht 60 million. Short-term of the loans is due at call with a maximum period of not more than 3 years.

During the year ended December 31, 2021, the movement of Long-term loans and interest receivable to a related party is as follows :

	(Unit : Thousand Baht)			
	Separate financial statements			
	As at January 1, 2021	Increase	Decrease	As at December 31, 2021
<b>Long-term loans and accrued interest to related party</b>				
Better World Green Public Company Limited				
Principal	-	100,000	(31,762)	68,238
Interest receivable	-	4,238	(4,238)	-
Total Long-term loans and accrued interest to related party	-	104,238	(36,000)	68,238

Long-term loan to Better World Green Public Company Limited ("Parent Company") has total amount of 350 million Baht and charged interest at 7% per annum. Long-term of the loans is due at Long-term loan and interest is to be payment received in quarterly installments, beginning on the last day of quarter since the quarter of the drawdown onwards.

**5.3 Important intercompany agreements**

**A) Fuel purchase agreement from industrial waste (RDF)**

The Company and subsidiaries entered into a contract to purchase fuel from industrial waste (RDF) with the parent company (Better World Green Public Company Limited) for 20 years from the date of commercial electricity distribution (COD), which the Parent company has assured to produce and delivery RDF fuel to the Company and its subsidiaries by the following details.

Company	Contract signing date	Assured Production Quantity
Earth Tech Environment Company Public Limited	July 3, 2015	Not less than 250 tons per day
Ava Grand Energy Company Limited	November 1, 2017	Not less than 100 tons per day
Recovery House Company Limited	November 1, 2017	Not less than 170 tons per day



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****B) Management and maintenance agreement**

The company and two subsidiaries entered into a contract to manage the power plants with a subsidiary company. To manage and maintain the power plant as follows:

Name of Company	Objective	Rate (Baht)	Period of Contract
Earth Tech Environment Company Public Limited	Management and maintenance of power plant	1,379,570	June 1, 2020 – May 31, 2023
Ava Grand Energy Company Limited	Management and maintenance of a waste fuel power plant with a capacity of 4 MW.	800,000	The contract is valid for 3 years from the date of commercial production and distribution (COD).
Recovery House Company Limited	Management and maintenance of a waste fuel power plant with a capacity of 7 MW.	1,200,000	The contract is valid for 3 years from the date of commercial production and distribution (COD).

C) The Company hired a subsidiary to construct machinery and power plant with a contract value of Baht 120 million.

D) On May 14, 2021, the Company has prepared a memorandum on the subject “Preparation for the Waste to Energy Project, Sakaeo Industrial Estate” with Better World Green Public Company Limited (“Parent Company”). As a result, the Company will pay for expenses to the parent company according to the amount already paid by the parent company. The Company has obligations regarding the reservation under the land lease reservation agreement with the Industrial Estate Authority of Thailand (IEAT) and the expenses for the modified EIA for the project. Total budget is not more than Baht 20 million. The agreement has been approved by resolution of the Board of Directors Meeting No. 2/2021 held on May 11, 2021.



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**6. Cash and cash equivalents**

As at December 31, 2021 and 2020 the Company has Cash and cash equivalents as follows :

	(Unit : Thousand Baht )			
	Consolidated		Separate	
	2021	2020	2021	2020
Cash	150	150	50	50
Deposit at banks				
- Saving account	13,903	5,283	-	-
- Current account	1,153,818	1,352,818	1,146,717	1,332,328
Total	1,167,871	1,358,251	1,146,767	1,332,378

**7. Trade and other current receivables**

As at December 31, 2021 and 2020 the Company has Trade and other current receivables as follows :

	(Unit : Thousand Baht )			
	Consolidated		Separate	
	2021	2020	2021	2020
Trade receivables - unbilled	58,144	66,647	17,839	29,293
Trade receivable	70,374	83,595	31,579	17,996
Total trade receivable	128,518	150,242	49,418	47,289
Other current receivables;				
Refundable value added tax	49,665	66,286	3,572	5,731
Other receivable to related parties				
(Note 5.2)	292	-	174	-
Other receivable	6,033	8,051	4,556	1,802
Total other current receivables	55,990	74,337	8,302	7,533
Total trade and other current receivables	184,508	224,579	57,720	54,822
The aging of accounts and notes receivable are as follows:				
Within due	70,374	83,595	31,579	17,996
Total	70,374	83,595	31,579	17,996

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****8. Investments in subsidiaries**

As at December 31, 2021 and 2020 the Company has Investments in subsidiaries as follows :

(Unit : Thousand Baht)								
Companies	Separate						Dividend for the	
	Paid-up share capital		% Of holding		At cost		year ended	
	2021	2020	2021	2020	2021	2020	December 31,	
							2021	2020
Ava Grand Energy Company Limited	125,000	125,000	97.00	97.00	121,250	121,250	-	-
Siri Lapha Power Company Limited	12,500	12,500	97.00	97.00	12,125	12,125	-	-
Link 88 Power Company Limited	200,000	200,000	99.88	99.88	199,760	199,760	-	-
Earth Engineer and Construction Company Limited	55,000	10,000	99.99	99.99	54,996	9,999	-	-
Total investments in subsidiaries					388,131	343,134	-	-

Details of non-wholly owned subsidiaries which have material non-controlling interests as at December 31, 2021 and 2020, are as follows;

(Unit : Thousand Baht)								
Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
	(Percentage)	(Percentage)						
Recovery House Company Limited	5.00	5.00	18,481	13,545	4,937	6,063	-	-

On October 16, 2021, the extraordinary shareholders' meeting No.1/2564 of Earth Engineer and Construction Company Limited passed a resolution to approve the capital increase from Baht 10 million to Baht 100 million by issuing 900,000 ordinary shares at Baht 100 par value.

On October 20, 2021, Earth Engineer and Construction Company Limited has a called up the increased share capital of Baht 45 million. divided into 900,000 common shares at Bath 50 per value. And registered the increase in paid-up capital with the Ministry of Commerce on November 1, 2021.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**9. Property, plant and equipment**

For the year ended December 31, 2021 and 2020 the movements are as follows:

	(Unit : Thousand Baht )				
	Consolidated				
	Balance As at January 1, 2021	Additions	Disposals	Transfer In/ (Out)	Balance As at December 31, 2021
<u>At cost</u>					
Land and land improvement	215,003	-	-	-	215,003
Buildings and structures	1,028,262	1,936	-	16,070	1,046,268
Machinery and equipment	995,273	5,798	-	91,065	1,092,136
Furniture and office equipment	4,444	65	(702)	-	3,807
Computer and accessories	3,967	284	-	-	4,251
Tools	24,726	4,397	-	-	29,123
Vehicles	8,293	4,629	(1,710)	-	11,212
Work in progress - power plants from waste	55,005	52,290	(160)	(107,135)	-
<b>Total</b>	<b>2,334,973</b>	<b>69,399</b>	<b>(2,572)</b>	<b>-</b>	<b>2,401,800</b>
<u>Accumulated depreciation</u>					
Buildings and structures	(125,935)	(49,203)	-	-	(175,138)
Machinery and equipment	(114,658)	(47,818)	-	-	(162,476)
Furniture and office equipment	(2,750)	(731)	673	-	(2,808)
Computer and accessories	(1,580)	(584)	-	-	(2,164)
Tools	(13,356)	(5,216)	-	-	(18,572)
Vehicle	(3,086)	(1,431)	1,710	-	(2,807)
<b>Total</b>	<b>(261,365)</b>	<b>(104,983)</b>	<b>2,383</b>	<b>-</b>	<b>(363,965)</b>
<b>Net</b>	<b>2,073,608</b>				<b>2,037,835</b>
<b>Allocate depreciation</b>					
Cost of sales					102,240
Administrative expenses					2,743
Depreciation for the year					104,983

## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

	(Unit : Thousand Baht )				
	Consolidated				
	Balance As at January 1, 2020	Additions	Disposals	Transfer In/ (Out)	Balance As at December 31, 2020
<u>At cost</u>					
Land and land improvement	215,003	-	-	-	215,003
Buildings and structures	851,193	604	-	176,465	1,028,262
Machinery and equipment	824,930	606	-	169,737	995,273
Furniture and office equipment	4,079	365	-	-	4,444
Computer and accessories	2,853	1,114	-	-	3,967
Tools	23,608	1,118	-	-	24,726
Vehicles	4,392	3,901	-	-	8,293
Work in progress - power plants from waste	357,378	43,829	-	(346,202)	55,005
Total	2,283,436	51,537	-	-	2,334,973
<u>Accumulated depreciation</u>					
Buildings and structures	(78,444)	(47,491)	-	-	(125,935)
Machinery and equipment	(68,935)	(45,723)	-	-	(114,658)
Furniture and office equipment	(1,901)	(849)	-	-	(2,750)
Computer and accessories	(984)	(596)	-	-	(1,580)
Tools	(8,538)	(4,818)	-	-	(13,356)
Vehicle	(2,616)	(470)	-	-	(3,086)
Total	(161,418)	(99,947)	-	-	(261,365)
Net	2,122,018				2,073,608
<b>Allocate depreciation</b>					
Cost of sales					98,033
Administrative expenses					1,914
Depreciation for the year					99,947

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

	(Unit : Thousand Baht )				
	Separate				
	Balance As at January 1, 2021	Additions	Disposals	Transfer In/ (Out)	Balance As at December 31, 2021
<u>At cost</u>					
Land and land improvement	113,676	-	-	-	113,676
Buildings and structures	614,982	500	-	18,000	633,482
Machinery and equipment	553,585	225	-	102,000	655,810
Furniture and office equipment	2,698	37	(637)	-	2,098
Computer and accessories	1,640	253	-	-	1,893
Tools	15,026	585	-	-	15,611
Vehicle	4,870	4,629	(1,710)	-	7,789
Work in progress - power plants					
from waste	60,160	60,000	(160)	(120,000)	-
Total	1,366,637	66,229	(2,507)	-	1,430,359
<u>Accumulated depreciation</u>					
Buildings and structures	(107,169)	(30,190)	-	-	(137,359)
Machinery and equipment	(93,906)	(26,645)	-	-	(120,551)
Furniture and office equipment	(2,048)	(387)	629	-	(1,806)
Computer and accessories	(950)	(198)	-	-	(1,148)
Tools	(10,607)	(3,044)	-	-	(13,651)
Vehicle	(2,544)	(746)	1,710	-	(1,580)
Total	(217,224)	(61,210)	2,339	-	(276,095)
Net	1,149,413				1,154,264
<b>Allocate depreciation</b>					
Cost of sales					59,879
Administrative expenses					1,331
Depreciation for the year					61,210

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

(Unit : Thousand Baht )

	Separate				
	Balance				Balance
	As at				As at
	January 1,	Additions	Disposals	Transfer In/	December 31,
	2020			(Out)	2020
<u>At cost</u>					
Land and land improvement	113,676	-	-	-	113,676
Buildings and structures	614,982	-	-	-	614,982
Machinery and equipment	553,585	-	-	-	553,585
Furniture and office equipment	2,651	47	-	-	2,698
Computer and accessories	1,218	422	-	-	1,640
Tools	14,965	61	-	-	15,026
Vehicle	2,534	2,336	-	-	4,870
Work in progress - power plants					
from waste	160	60,000	-	-	60,160
Total	1,303,771	62,866	-	-	1,366,637
<u>Accumulated depreciation</u>					
Buildings and structures	(77,024)	(30,145)	-	-	(107,169)
Machinery and equipment	(67,289)	(26,617)	-	-	(93,906)
Furniture and office equipment	(1,529)	(519)	-	-	(2,048)
Computer and accessories	(723)	(227)	-	-	(950)
Tools	(7,656)	(2,951)	-	-	(10,607)
Vehicle	(2,451)	(93)	-	-	(2,544)
Total	(156,672)	(60,552)	-	-	(217,224)
Net	1,147,099				1,149,413
<b>Allocate depreciation</b>					
Cost of sales					59,713
Administrative expenses					839
Depreciation for the year					60,552



## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS

#### DECEMBER 31, 2021

As at December 31, 2021 and 2020, the Company and subsidiaries has a portion of Baht 7.58 million and Baht 3.11 million, respectively (Separate: Baht 7.58 million and Baht 3.11 million, respectively) are in use but fully depreciated.

As at December 31, 2021 and 2020, the Company and subsidiaries has certain parcels of land with amount of Baht 190.11 million and Baht 190.11 million, respectively (Separate: Baht 88.91 million and Baht 88.91 million, respectively), and a part of buildings and machineries have been mortgaged as collateral for loan facilities from local banks (Note 13).

As at December 31, 2021 and 2020, the Company and subsidiaries have a portion of vehicles totaling Baht 4.63 million and Baht 3.90 million, respectively. under hires purchase agreements (Separate: Baht 4.63 million and Baht 2.34 respectively).

For the year ended December 31, 2020, the Company recognized finance costs as cost of construction in progress amount of Bath 5.03 million.

#### 10. Right-of-use assets

Movements of the right-of-use assets account during for the year ended December 31, 2021 are summarised below:

	(Unit : Thousand Baht )	
	Consolidated	Separate
Net book value as at January 1, 2021	124,738	64,445
Transfer in/(Transfer out)	(4,731)	(1,678)
Depreciation for the year :		
Land reclamation	(3,553)	(1,480)
Right of use asset	(2,444)	(1,247)
<b>Net book value as at December 31, 2021</b>	<b>114,010</b>	<b>60,040</b>

#### 11. Deferred tax assets

As at December 31, 2021 and 2020 the components of deferred tax asset do not recognize are as follows:

	(Unit : Thousand Baht )			
	Consolidated		Separate	
	2021	2020	2021	2020
Total	3,805	503	2,792	-
Set off of tax	-	-	-	-
<b>Net deferred tax assets</b>	<b>3,805</b>	<b>503</b>	<b>2,792</b>	<b>-</b>



## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

Movements in total deferred tax assets and liabilities during the year were as follows:

	(Unit : Thousand Baht)				
	Consolidated				
	(Charged) / credited to:				
	As at January 1, 2021	Gains or loss	Other comprehensive income	shareholder's equity	As at December 31, 2021
<b>Deferred tax assets</b>					
Lease liabilities	8	349	-	-	357
Obligation employee benefits	495	1,252	385	-	2,132
Trade and other non-current payables	-	1,316	-	-	1,316
Total	503	2,917	385	-	3,805

	(Unit : Thousand Baht)				
	Consolidated				
	(Charged) / credited to:				
	As at January 1, 2020	Gains or loss	Other comprehensive income	shareholder's equity	As at December 31, 2020
<b>Deferred tax assets</b>					
Lease liabilities	-	8	-	-	8
Obligation employee benefits	317	178	-	-	495
Accumulated loss not exceed 5 accounting periods	864	(864)	-	-	-
Total	1,181	(678)	-	-	503

	(Unit : Thousand Baht)				
	Separate				
	(Charged) / credited to:				
	As at January 1, 2021	Gains or loss	Other comprehensive income	shareholder's equity	As at December 31, 2021
<b>Deferred tax assets</b>					
Lease liabilities	-	331	-	-	331
Obligation employee benefits	-	758	387	-	1,145
Trade and other non-current payables	-	1,316	-	-	1,316
Total	-	2,405	387	-	2,792

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

Deferred tax asset on temporary differences is not recognised is as follows:

	(Unit : Thousand Baht )			
	Consolidated		Separate	
	2021	2020	2021	2020
Obligation employee's long term benefits	-	1,249	-	1,054
Accumulated loss not exceed				
5 accounting periods	24,057	21,853	-	4,588
Net deferred tax assets	24,057	23,102	-	5,642

As at December 31, 2021 and 2020, The Company and subsidiaries has deductible temporary differences totaling Baht 24.06 million and 23.10 million, respectively (As at December 31, 2020 Separate Baht 5.64 million). On which deferred tax assets have not been recognized as the Company's management considers that there is uncertainty whether the Company will have sufficient future taxable income to utilize such items and or they might not be used to offset taxable income in the future.

**12. Trade and other current payables**

As at December 31, 2021 and 2020 the Company has trade and other current payables as follow:

	(Unit : Thousand Baht )			
	Consolidated		Separate	
	2021	2020	2021	2020
Trade and other current payables to				
related parties (Note 5.2)	71,798	30,679	59,790	14,022
Subcontract payable	19,163	51,070	-	-
Trade payable	17,156	15,142	7,136	6,704
Other current payables	18,919	14,585	5,161	4,394
Net	127,036	111,476	72,087	25,120

**13. Long-term loans**

As at December 31, 2021 and 2020 the Company has long - term loans as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Long-term loans	983,177	1,275,894	341,887	504,142
<u>Less</u> Deferred front end fee	(8,633)	(11,295)	(1,305)	(2,629)
Total	974,544	1,264,599	340,582	501,513
<u>Less</u> Current portion due within				
one year	(295,384)	(288,762)	(165,623)	(159,552)

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021**

Net	<u>679,160</u>	<u>975,837</u>	<u>174,959</u>	<u>341,961</u>
-----	----------------	----------------	----------------	----------------

The Company and subsidiaries has paid the front end fee as above approximately Baht 25.91 million (Separate Baht 12.50 million), which will have recognized as financial costs on the effective rate method over the loan term.

For the year end December 31, 2021, the movement of long-term loan is as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
Balance as at January 1, 2021	1,264,599	501,513
Increase	-	-
Repay	(290,055)	(160,931)
Balance as at December 31, 2021	<u>974,544</u>	<u>340,582</u>

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

The Company had entered into loan agreements with two commercial banks for granting credit facilities for development of Waste-to-Energy RDF Power Plant Project. The granted credit facilities have details as follows:

	Credit line (Million Baht)	Interest rate
Overdrafts	10	MOR-0.5%
Short-term loans	30	MLR-0.5%
Long-term loans	1,000	THBFIX 3 month plus 3% p.a. and Fixed Rate 5.38% - 5.40% p.a.
Letter of guarantees	5	2% p.a.

The credit line is Baht 1,000 million, the Company has to repay quarterly installment at the rate 2.74% - 4.64% of loan for 26 installments and the first repayment commencing in September 2017.

Under the loan agreement, there are restrictions on the use of funds. And maintaining important financial ratios as follows :

Deposit with restrictions on use has essential conditions. In the deposit account received from the Provincial Electricity Authority, which the company have to deposit into the Revenue Account and will be allocated for payment in the following order

1. Transfer into the operating account due for monthly payment according to the approved annual budget.
2. Transfer to the Debt Service Accurate Account (DSAA) as required to pay for debt repayment (repayments of principal and interest to the bank and the amount to be paid under the risk insurance contract).
3. Transfer into Debt Service Reserve Account (DSRA) as required to reserve for the next repayment.
4. Transfer to Major Maintenance Reserve Account (MMRA) as needed for maintenance.
5. Excess cash can be transferred after the above allocation to invest in approved investments.
6. The company can transfer the remaining excess cash to the account for allocation according to the Distribution test. For example, dividend payment to shareholders. (by the condition does not default, the outstanding debt account has the specified account amount, the reserve account has the amount in the specified account, the large maintenance reserve account has the specified account amount. And DSCR repayment ratio not less than 1.30 : 1).

Financial ratios that the company must maintain are as follows

1. The debt-to-equity ratio of the company at the end of every fiscal year must not exceed 2:1 calculated from the annual financial statements.
2. Debt service coverage ratio (DSCR) at the end of every year end must not be less than 1.15 : 1 by calculating from the company's annual financial statements.

These loans are secured by the mortgage of land and construction, buildings, machineries and equipment, the pledge of deposits of the project and are guaranteed by the parent company with no charge between companies (Note 9).

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****Subsidiary:**

On September 17, 2018, the subsidiaries had entered into loan agreements with two commercial banks for granting credit facilities for development of Waste-to-Energy RDF Power Plant Project. The granted credit facilities have details as bellows:

	Credit line (Million Baht)	Interest rate
Overdrafts	20	MOR-0.5%
Short-term loans	44	MLR-0.5%
Long-term loans	894	THBFIX 6 month And Fixed Rate 4.85% - 5.46% p.a.
Letter of guarantees	5	2% p.a.

Under the loan agreement, there are restrictions on the use of funds. And maintaining important financial ratios as follows :

Deposit with restrictions on use has essential conditions. In the deposit account received from the Provincial Electricity Authority, which the company and its subsidiaries have to deposit into the Revenue Account and will be allocated for payment in the following order

1. Transfer into the operating account due for monthly payment according to the approved annual budget.
2. Transfer to the Debt Service Accurate Account (DSAA) as required to pay for debt repayment (repayments of principal and interest to the bank and the amount to be paid under the risk insurance contract).
3. Transfer into Debt Service Reserve Account (DSRA) as required to reserve for the next repayment.
4. Transfer to Major Maintenance Reserve Account (MMRA) as needed for maintenance.
5. Excess cash can be transferred after the above allocation to invest in approved investments.
6. The company can transfer the remaining excess cash to the account for allocation according to the Distribution test. For example, dividend payment to shareholders. (by the condition does not default, the outstanding debt account has the specified account amount, the reserve account has the amount in the specified account, the large maintenance reserve account has the specified account amount. And DSCR repayment ratio not less than 1.20 : 1).

Financial ratios that the company must maintain are as follows

1. Debt to equity ratio (Debt-to-Equity) of subsidiaries and indirect subsidiaries At the end of every year must not exceed 2.33 : 1 and not more than 3 : 1 respectively, calculated from the annual financial statements of the company.
2. Debt service coverage ratio (DSCR) of subsidiaries and indirect subsidiaries at the end of every year must not be less than 1.20 : 1 by calculating from the company's annual financial statements.



## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

As at December 31, 2021, the Company is unable to maintain the DSCR ratio as stipulated in the above loan agreement conditions which subsidiaries is unable to maintain the debt to equity ratio and DSCR which referred in the conditions of the loan agreement. However, the company and its subsidiaries received a waiver letter and consent from the financial institution creditors.

As at December 31, 2021 and 2020, the Company and subsidiaries have used short term loan is Baht 11.30 million and Baht 12.24 million, respectively (Separate as at December 31, 2021, Baht 9 million) MLR - 0.5% p.a.

These loans are secured by the mortgage of land and construction, buildings, machineries and equipment, the pledge of deposits of the project and are guaranteed by the parent company with no charge between companies (Note 9).

As at December 31, 2021 and 2020, the Company and subsidiaries have restricted deposits with banks is Baht 324.74 million and Baht 203.31 million, respectively (Separate Baht 124.12 million and Baht 113.43 million, respectively).

#### 14. Lease liabilities

As at December 31, 2021 and 2020, the Company has lease liabilities as follows:

	(Unit : Thousand Baht)			
	Consolidate		Separate	
	2021	2020	2021	2020
Lease liabilities	86,433	87,069	59,277	57,616
<u>Less</u> Deferred interest expense	<u>(35,634)</u>	<u>(38,019)</u>	<u>(25,638)</u>	<u>(26,737)</u>
Total	50,799	49,050	33,639	30,879
<u>Less</u> Current portion of lease liabilities	<u>(2,511)</u>	<u>(1,491)</u>	<u>(1,339)</u>	<u>(480)</u>
Lease liabilities - net	<u>48,288</u>	<u>47,559</u>	<u>32,300</u>	<u>30,399</u>

The Company Contract for certain land thereon with a non-related company, the period of 27 years since November 13, 2016 to November 12, 2043 amount of Baht 1.57 million per year and increase by 10 percent every 3 years.

The subsidiary (Ava Grand Energy Company Limited.) Contract for certain land thereon with a non-related company, the period of 23 years since September 30, 2016 to September 20, 2039 amount of Baht 1.51 million per year.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**15. Obligation employee benefits**

An independent actuary carried out an evaluation of the Company's obligations for employees' long-term benefits using the projected unit credit method. The Company has provided the provision for employees' long-term benefits as at December 31, 2021 and 2020 as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Obligation employee benefits-beginning	8,725	7,589	5,269	5,419
Employee benefit expense				
Current service cost	1,714	1,698	346	371
Interest cost	216	172	107	105
Actuarial gain from obligation employee benefit	-	(737)	-	(626)
Obligation employee benefits-ending	10,655	8,722	5,722	5,269

Significant actuarial assumptions are summarized below:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
<u>Change in assumptions</u>				
Discount rate (%)	1.91 - 2.37	1.91 - 2.37	1.91	1.91
Future salary increase rate (%)	5.00 - 5.13	5.00 - 5.13	5.13	5.13
Retirement age (years old)	60	60	60	60

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2021 and 2020 are summarized below:

	(Unit : Thousand Baht)			
	As at December 31, 2021			
	Consolidated		Separate	
	Increase	Decrease	Increase	Decrease
<u>Change in assumptions</u>				
Discount rate (0.5 %)	(597)	657	(298)	325
Salary increase rate (0.5 %)	677	(593)	340	(314)
Turnover rate (1.0 %)	(542)	631	(261)	287



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

(Unit : Thousand Baht)

	As at December 31, 2020			
	Consolidated		Separate	
	Increase	Decrease	Increase	Decrease
<u>Change in assumptions</u>				
Discount rate (0.5 %)	(517)	569	(294)	322
Salary increase rate (0.5 %)	540	(475)	308	(285)
Turnover rate (1.0 %)	(426)	493	(234)	257

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The maturity analyses of undiscounted cash flows of benefit payments as at December 31, 2021 and 2020 are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Within 1 year	-	-	-	-
Within 2-5 years	6,614	6,614	3,257	3,257
Within 6-10 years	1,439	1,439	182	182
Within 11-15 years	4,480	4,480	501	501
Over 16 years	-	-	-	-

**16. Share capital**

The Shareholder's meeting No.1/2021, held on April 22, 2021, the meeting resolved the following resolutions

1. Approved to increase capital with the allocation by General Mandate, through the issuance of 220,000,000 shares at the par value of Baht 0.50 per share to be offered through private placement or a limited party on December 31, 2021.
2. Approved to increase registered capital from Baht 1,120,000,000 to Baht 1,230,000,000 by issuing new common shares for 220,000,000 shares at par value of Baht 0.50, totaling Baht 110,000,000. The Company registered the increase in share capital with the Ministry of Commerce on April 30, 2021.

## EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

## 17. Legal reserve

According to the Public Companies Act, the Company has appropriated its reserve as a legal reserve not less than 5% of the annual net profit deducted by the total accumulated deficit brought forward (if any) until the reserve reaches an amount not less than 10% of the authorized share capital. The legal reserve may not be distributed as dividend.

## 18. Expense by nature

Significant expenses by nature are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Salary and wages and other employee benefits	80,891	75,867	14,761	12,708
Depreciation and amortization	110,983	105,875	63,937	63,283
Consulting fee	14,185	11,621	23,677	19,721
Raw materials and consumables used	125,209	93,883	55,355	40,973
Rental and service expense	4,277	3,920	725	665
Cost of landfill	32,389	16,313	15,148	3,564
Cost of wastewater treatment	4,957	4,908	2,123	2,114
Repair expense	19,953	15,582	11,126	12,453
Operating wages	9,407	9,717	6,586	6,433
Utilities	22,689	23,179	6,832	6,975
Other fee and other expense	37,709	12,607	10,686	4,284

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**19. Income tax**

The company has been granted promotional privileges by the Office of the Board of Investment.

Income tax recognized in profit or loss

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Income tax :				
Income tax for the year	-	19	-	-
Deferred tax :				
Expense (income) Relating to origination and reversal of temporary differences	(2,917)	678	(2,405)	-
Expense (Income) tax in statements of comprehensive income	(2,917)	697	(2,405)	-

Reconciliation of effective tax rate

	(Unit : Thousand Baht)			
	Consolidated			
	Rate (%)	2021	Rate (%)	2020
Profit before income tax expense		190,115		201,926
Income tax using the Thai corporation tax rate	20	38,023	20	40,385
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit-net		(38,023)		(40,366)
Total		-		19

	(Unit : Thousand Baht)			
	Separate			
	Rate (%)	2021	Rate (%)	2020
Profit before income tax expense		70,459		79,493
Income tax using the Thai corporation tax rate	20	14,092	20	15,899
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit-net		(14,092)		(15,899)
Total		-		-

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****20. Financial information classified by segment**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The principal business operations of the Company and subsidiaries are generation and distribution of electricity from industrial waste. The company's other business segment has construction.

(Unit : Thousand Baht)

	Consolidated				
	For the year ended December 31, 2021				
	Power business	Construction	Total	Elimination	Net
Sale and service income	730,211	40,778	770,989	(40,778)	730,211
Income from construction	-	120,000	120,000	(120,000)	-
Cost of sale and service	(391,425)	(43,181)	(434,606)	43,598	(391,008)
Cost of construction	-	(107,135)	(107,135)	107,135	-
Gross profit	338,786	10,462	349,248		339,203
Other income	11,565	12,065	23,630	(4,685)	18,945
Profit before expense	350,351	22,527	372,878		358,148
Expenses					
Administrative expenses			(78,223)	944	(77,279)
Management benefit expenses			(22,289)	-	(22,289)
Finance costs			(72,560)	3,965	(68,595)
Total expenses			(173,072)		(168,163)
Net profit before income tax expense			199,806		189,985
Income tax expense			1,270		1,270
Profit before non - controlling interest			201,076		191,255
Gain of non - controlling interest			-	(5,671)	(5,671)
Net profit of owners of the Company			201,076		185,584
Timing of revenue recognition					
At a point in time	730,211	-	730,211		
Over time	-	-	-		
Total revenue	730,211	-	730,211		

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

	(Unit : Thousand Baht)				
	Consolidated				
	For the year ended December 31, 2020				
	Power business	Construction	Total	Elimination	Net
Sale and service income	670,567	40,157	710,724	(40,157)	670,567
Income from construction	-	10,166	10,166	(10,166)	-
Cost of sale and service	(354,330)	-	(354,330)	41,343	(312,987)
Cost of construction	-	(7,707)	(7,707)	7,707	-
Gross profit	316,237	42,616	358,853		357,580
Other income	5,211	283	5,494	(2,957)	2,537
Profit before expense	321,448	42,899	364,347		360,117
Expenses					
Administrative expenses			(59,293)	2,320	(56,973)
Management benefit expenses			(21,206)	-	(21,206)
Finance costs			(82,460)	2,448	(80,012)
Total expenses			(162,959)		(158,191)
Net profit before income tax expense			201,388		201,926
Income tax expense			(697)		(697)
Profit before non - controlling interest			200,691		201,229
Gain of non - controlling interest			-	(6,751)	(6,751)
Net profit of owners of the Company			200,691		194,478
Timing of revenue recognition					
At a point in time	670,567	-	670,567		
Over time	-	-	-		
Total revenue	670,567	-	670,567		

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021****21. Benefits from investment promotion**

Details BOI	Earth Tech Environment Public Company Limited	Recovery House Company Limited	Ava Grand Energy Company Limited
Number	1189 (1) / 2558	61-0959-1-00-2-0	61-0965-1-00-2-0
Approval date	February 13, 2015	August 14, 2018	August 14, 2018
Important rights and benefits	Exemption from corporate income tax on net income derived from the promoted business for 8 years from the date of first earning operating income.		
	Receive a reduction of corporate income tax for net profit derived from investment at the rate of 50 percent of the normal rate for a period of 5 years from the date of the first 8 year period.	-	-

The Company's Revenue from sales could be classified are as follows:

	(Unit : Thousand Baht)		
	Consolidated		
	For the year ended December 31, 2021		
	BOI	Non-BOI	Total
Sale and service income	730,211	-	730,211
Other income	-	18,945	18,945
Total revenues	730,211	18,945	749,156

	(Unit : Thousand Baht)		
	Separate		
	For the year ended December 31, 2021		
	BOI	Non-BOI	Total
Sale and service income	301,801	-	301,801
Other income	-	10,511	10,511
Total revenues	301,801	10,511	312,312

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

	(Unit : Thousand Baht)		
	Consolidated		
	For the year ended December 31, 2020		
	BOI	Non-BOI	Total
Sale and service income	670,567	-	670,567
Other income	-	2,537	2,537
Total revenues	670,567	2,537	673,104

	(Unit : Thousand Baht)		
	Separate		
	For the year ended December 31, 2020		
	BOI	Non-BOI	Total
Sale and service income	287,605	-	287,605
Other income	-	2,458	2,458
Total revenues	287,605	2,458	290,063

**22. Important contracts**

**Power purchase agreement**

The Company and its subsidiaries have entered into three power purchase agreements with Small Power Producers (VSPP) in the Non-firm category with the Provincial Electricity Authority. By the Regulation of the Energy Regulatory Commission (ERC) regarding the purchase of electricity from VSPP (For electricity production from renewable energy) as follows:

Company	Power plant using fuel from waste		FiT (20 years)		FiT Premium	Commencement date of electricity supply to the system (COD)	Contract end date
	Installed capacity (MW)	Offering (MW)	FiT <sub>F</sub> (Flat rate)	FiT <sub>V, 2560</sub> (Variable rate)	For the Biofuels / Industrial Waste group project (Flat rate for the first 8 years)		
Earth Tech Environment Public Company Limited	9.4	8.0	2.39	2.69	0.70	March 9, 2017	March 8, 2037
Ava Grand Energy Company Limited	4.0	3.0	3.39	2.69	0.70	December 25, 2019	December 24, 2039
Recovery House Company Limited	7.0	5.5	3.39	2.69	0.70	September 24, 2019	September 23, 2039



**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2021**

## Remarks

1. Fixed Feed-in Tariffs (FiTF) are fixed electricity prices (Baht per unit) over the commercial period of 20 years.
2. Variable Feed-in Tariffs (FiTV) are based on 2.69 Baht per unit in 2017 and increase in accordance with the average core inflation rate of the previous year, as announced by The Ministry of Commerce.
3. Premium Feed-in Tariffs (Fit Premium) are incentive rates, according to the government's policy, to promote investments in energy from biomass and industrial waste with an additional rate of 0.70 Baht per unit covering the first 8 commercial years only.

**23. Commitments**

As at December 31, 2021, the Company has commitments as follows:

- A) As at December 31, 2021, the Company had payment of service agreements as follow:

	(Unit : Thousand Baht)	
	Consolidated	Separate
<u>Payable</u>		
Within 1 year	435	183
Within 2 to 5 years	1,741	733
More than 5 years	6,219	3,069

- B) The subsidiaries had liabilities may arise from letters of guarantee that have been issued by banks on behalf of the Company and its subsidiaries amounting Baht 4.94 million. The letters of guarantee those guarantee by deposit at bank of the company.
- C) The subsidiary had contingent liabilities from letters of guarantee for construction work with two subsidiaries that have been issued by bank amounting Baht 46.69 million. The letters of guarantee those guarantee by the Company.

**24. Damage**

For the year ended December 31, 2021, some machinery of the subsidiary was out of order. To run continuous production so the subsidiary has procured other contractor to complete the repair and account in maintenance expenses and damage due to the machine downtime in the amount Baht 7.81 million which in the process of requesting compensation from the supplier.

In September 2021, the subsidiary received the compensation letter from the supplier about discontinuing work. The amount is USD 0.30 million the subsidiary had got. The Company already recognized this compensation and booked in the statement of comprehensive income, as other revenue, for the nine-month period, ending on December 31, 2021. The subsidiary has offset the said amount with the payment of machinery payment with the supplier in October 2021.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**25. Financial instruments**

**25.1 Fair value of financial assets and liabilities**

The fair value of the following financial assets and liabilities approximates their book value.

A) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, trade and other current receivables, short-term loans, bank overdrafts and short-term loans from financial institutions, trade and other current payables, their carrying amounts in the statement of financial position approximate their fair value.

B) For Restricted deposits with banks, lease liability and long-term borrowings with carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

Book value of the above financial assets and liabilities is measured at amortized cost, except for the items that will be mentioned as follows.

Fair values of financial assets and liabilities, together with the carrying values shown in the statement of financial position as at December 31, 2021 and 2020 were as follows :

(Unit : Thousand Baht)					
Consolidated					
As at December 31, 2021					
Carrying amount	Fair Value				Total
	Level 1	Level 2	Level 3		
<b>Financial liabilities</b>					
Hedging instruments	23.65	-	23.65	-	23.65
<b>รวม</b>	<b>23.65</b>	<b>-</b>	<b>23.65</b>	<b>-</b>	<b>23.65</b>
(Unit : Thousand Baht)					
Separate					
As at December 31, 2021					
Carrying amount	Fair Value				รวม
	ระดับ 1	ระดับ 2	ระดับ 3		
<b>Financial liabilities</b>					
Hedging instruments	6.58	-	6.58	-	6.58
<b>รวม</b>	<b>6.58</b>	<b>-</b>	<b>6.58</b>	<b>-</b>	<b>6.58</b>

The company have no transaction transfer between Level 1, Level 2, and Level 3 of the fair value hierarchy during the year.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**25.2 Interest rate risk**

Interest rate risk incurs from the future interest rate instability, which may affect the Company operating result and cash flow. The Company also incurs interest rate risk from investment in financial institutes, bank overdraft, loan from banks, and promissory note - financial institute.

Since the financial assets and liabilities are held primarily in short - term and have fixed interest rates in relation with the current market interest rate, the Company has not used financial derivative to protect against such risk.

As at December 31, 2021 and 2020, significant interest-bearing financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

							(Unit : Thousand Baht)
Consolidated							
As at December 31, 2021							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating Interest rate	Non- interest bearing	Total	interest rate	
						(% per annum.)	
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	13,902	1,153,968	1,167,870	0.125 - 0.25
Loans and accrued interest to related parties	30,654	68,238	-	-	-	98,892	6.00 - 7.00
Restricted deposits with banks	-	-	-	324,737	-	324,737	0.125 - 0.25
	30,654	68,238	-	338,639	1,153,968	1,591,499	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from financial institutions	-	-	-	11,300	-	11,300	MLR -0.5
Long-term loans	-	-	-	974,544	-	974,544	4.85 - 5.46
Lease liabilities-net	2,511	8,224	40,064	-	-	50,799	4.07 - 5.41
	2,511	8,224	40,064	985,844	-	1,036,643	

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

	(Unit : Thousand Baht)						
	Consolidated						
	As at December 31, 2020						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating Interest rate	Non- interest bearing	Total	interest rate (% per annum.)
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	5,283	1,352,968	1,358,251	0.125 - 0.25
Restricted deposits with banks	-	-	-	203,307	-	203,307	0.125 - 0.25
	-	-	-	208,590	1,352,968	1,561,558	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans							
from financial institutions	-	-	-	12,240	-	12,240	MLR -0.5
Long-term loans	-	-	-	1,264,599	-	1,264,599	4.85 - 5.46
Lease liabilities-net	1,490	6,292	41,267	-	-	49,049	4.07 - 5.41
	1,490	6,292	41,267	1,276,839	-	1,325,888	

	(Unit : Thousand Baht)						
	Separate						
	As at December 31, 2021						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating Interest rate	Non- interest bearing	Total	interest rate (% per annum.)
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	-	1,146,767	1,146,767	-
Loans and accrued interest to related parties	92,564	68,238	-	-	-	160,802	6.00 - 7.00
Restricted deposits with banks	-	-	-	124,119	-	124,119	0.125 - 0.25
	92,564	68,238	-	124,119	1,146,767	1,431,688	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans							
from financial institutions	-	-	-	9,000	-	9,000	MLR-0.5
Long-term loans	-	-	-	340,582	-	340,582	5.38 - 5.40
Lease liabilities-net	1,339	4,893	27,407	-	-	33,639	5.24
	1,339	4,893	27,407	349,582	-	383,221	

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

(Unit : Thousand Baht)

	Separate						
	As at December 31, 2020						
	Fixed interest rates			Floating Interest rate	Non- interest bearing	Total	interest rate (% per annum.)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial Assets</b>							
Cash and cash equivalents	-	-	-	-	1,332,378	1,332,378	-
Loans and accrued interest to related parties	58,490	-	-	-	-	58,490	6.00
Restricted deposits with banks	-	-	-	113,434	-	113,434	0.125 - 0.25
	58,490	-	-	113,434	1,332,378	1,504,302	
<b>Financial liabilities</b>							
Long-term loans	-	-	-	341,961	-	341,961	5.38 - 5.40
Lease liabilities-net	480	2,499	27,900	-	-	30,879	5.24
	480	2,499	27,900	341,961	-	372,840	

**26. Capital management**

The primary objectives of the Company capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2021, debt to equity ratio in consolidated financial statements is 0.44 : 1 (Separate: debt to equity ratio is 0.18 : 1)

**27. Subsequent events**

The Board of director's meeting No. 1/2022, held on February 22, 2022, the meeting resolved the following resolutions.

1. The approving the extension of the issue and offer the capital increase by General Mandate which had been approved by AGM 2021 dated April 22, 2021 and will be terminated on the date of AGM 2022 to Increase the Company's registered capital from Baht 1,120,000,000.00 to Baht 1,230,000,000.00 by issuing new ordinary 220,000,000 shares, at the par value Baht 0.50, totaling Baht 110,000,000 in value.
2. Approved the establishment of a new subsidiary, GET Green Power Co., Ltd., with the objective of investing in the power plant business. GET Green Power Co., Ltd. will establish additional subsidiaries and invest through those subsidiaries and/or jointly invest with other entrepreneurs. In addition, approved a loan, in accordance with the credit limit, to GET Green Power Co., Ltd.

**EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**28. Reclassification**

Certain amounts in the financial statements for the year ended December 31, 2020, have been reclassified to conform to the current period, which no effect on net income or shareholders' equity previously reported.

**29. Approval of the financial statements**

These financial statements have been approved by the Company's management on February 22, 2022.



## Attachment 1

Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary.



## Board of Directors



**Date of appointment as a director:** 9 November 2019

**Shareholding Proportion** (Percentage) - (As of December 31, 2021)

- |                            |        |
|----------------------------|--------|
| ▪ Self                     | -None- |
| ▪ Spouse / underaged child | -None- |

### Education

- Master of Business Administration Roosevelt University
- Bachelor of Arts (Economics), Chiang Mai University
- National Defense Course, National Defense College
- Office of the Civil Service Commission (OCSC), senior management (Nor Bor Sor 29)
- Director Accreditation Program (DAP), Class 138/2017
- The Role of Chairman (RCP) program, Class 40/2017

**Number of listed companies holding position** : -None-

**Number of other companies / organizations that are not listed companies** : -None-

### Current Position

- Chairman of the Board/ Independent Director, Earth Tech Environment Public Company Limited

**Experience**

- Head of the Central Provincial Industry Office, Office of the Permanent Secretary, Ministry of Industry
- Head of the Office of the Secretary to the Minister, Office of the Secretary to the Minister of Industry
- Director of the Division of Industrial Economic Studies, Office of Industrial Economics
- Deputy Director of the Office of Industrial Economics, Office of Industrial Economics
- Inspector General, Office of the Permanent Secretary, Ministry of Industry  
Director-General, Department of Primary Industries and Mines, Ministry of Industry  
Deputy Permanent Secretary (Head of the Production Supervision and Inspection Mission), Office of the Permanent Secretary, Ministry of Industry  
Deputy Permanent Secretary (Head of Industry Promotion Mission and Entrepreneurship Group), Office of the Permanent Secretary, Ministry of Industry

Number of times attending the Board of Directors' meetings in 2021	:	4/4
Having a stake in the Company	:	-None-
Family relationship with other directors	:	-None-
Illegal record in the past 10 years	:	-None-



**Mrs. Pallapa Ruangrong, age 67 years**  
**Vice chairman of the board**

**Date of appointment as a director:** 9 November 2019

**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- |                            |        |
|----------------------------|--------|
| ▪ Self                     | -None- |
| ▪ Spouse / underaged child | -None- |

**Education**

- PhD, Energy Management & Policy University of Pennsylvania
- Master of Energy Management & Policy, University of Pennsylvania
- Master of Economic Development, National Institute of Development Administration
- Bachelor of Economics, Chiang Mai University
- Director Certification Program (DCP), Class 17/2002

**Number of companies holding director position in other listed companies:** 1 company

**Number of non-listed companies / entities holding position in:** -

**Current Position**

- Qualified member of the Committee on State Enterprise Evaluation
- Chairman of the Sub-Committee for the Preparation of Agreements and Evaluation of State Enterprises Operation, Agriculture and Natural Resources
- Chairman of the working group for preparing memorandum of agreement and evaluating the performance of the revolving fund (batch 7)
- Director / Audit Committee, Phol Dhanya Public Company Limited

**Experience**

- Energy Regulatory Commission Economics
- Chairman of the Subcommittee for preparation of memorandum and evaluation of state enterprises operations, transport branch
- Director of the Bureau of State Enterprise Development, Office of the State Enterprise Commission, Ministry of Finance
- Policy and Plan Analysis Officer Level 7, National Energy Policy Council Policy.
- Plan Analysis Officer Level 7, Office of the National Economic and Social Development Board

Number of times attending the Board of Directors' meetings in 2021 : 4/4

Having a stake in the Company : -None-

Family relationship with other directors : -None-

Illegal record in the past 10 years : -None-



**Ms.Kanyapan Buranarom Age 48 years**  
**Vice chairman of the board / Independent Director / Chairman of the Audit Committee**

Risk Management Committee / Member of the Nomination and  
Remuneration Committee / Chairman of the Corporate Governance and  
Corporate Social Responsibility Committee

Date of appointment as a director: 9 November 2019

Shareholding Proportion (Percentage) - (As of December 31, 2021)

- Self 0.000002% (under own name 50 share units) share unit changes in 2021
- Spouse / underaged child -None-

#### Education

- Master of Business Administration, Srinakharinwirot University
- Master of Arts in Professional English for International Communication (English Program), Thammasat University
- Bachelor of Accounting, Bangkok University (First class honors)
- Bachelor of Business Administration, Sukhothai Thammathirat Open University
- training of the Project for the Development of Audit Quality Control Reviewers (EQCR) and the Auditor's Office Quality Control (Monitoring) in the Capital Market, Class 1/2021
- Director Accredited Program (DAP), Class 105/2013
- Certified Public Accountant

Number of companies holding director position in other listed companies: -none-

Number of non-listed companies / entities holding position in: 2 company

**Current Position**

- Vice chairman of the board / Independent Director /Chairman of the Audit Committee, Earth Tech Environment Public Company Limited
- Executive Director and Treasurer Association of Companies Listed on the Market for Alternative Investment (MAI)
- Director, NAT Audit Company Limited

**Experience**

- Director, Business Online Public Company Limited
- Director, D&B (Thailand) Company Limited
- Director, BOL Digital Company Limited
- Director, Advanced Auditing Company Limited

Number of times attending the Board of Directors' meetings in 2021 : 4/4

Having a stake in the Company : -None-

Family relationship with other directors : -None-

Illegal record in the past 10 years : -None-



**Mr. Bantoon Manpakdee Age 55 years**

**Director / Independent Director / Audit Committee**

Risk Management Committee /Chairman of the Nomination and  
Remuneration Committee / Chairman of the Corporate Governance  
and Corporate Social Responsibility Committee

Date of appointment as a director: 9 November 2019

Shareholding Proportion (Percentage) - (As of December 31, 2021)

- Self -None-
- Spouse / underaged child -None-

#### Education

- Bachelor of Laws, Ramkhamhaeng University
- Director Accreditation Program (DAP) Class 138/2017

Number of companies holding director position in other listed companies: -None-

Number of non-listed companies / entities holding position in: 1 company

#### Current Position

- Director / Independent Director / Audit Committee, Earth Tech Environment Public Company Limited
- Independent lawyer, People's Law Office Co., Ltd.

#### Experience

- Independent Attorney, Yukwiwat Law Company Limited
- Loan Clerk Krung Thai Bank Public Company Limited
- Attorney at Chotitham Lawyer Company Limited

Number of times attending the Board of Directors' meetings in 2021 : 4/4

Having a stake in the Company : -None-

Family relationship with other directors : -None-

Illegal record in the past 10 years : -None-





**Mr. Borwornsit Sornsilp Age 50 years**  
**Director / Independent Director / Audit Committee**

Chairman of the Risk Management Committee / Member of the  
Nomination and Remuneration Committee/ Member of Corporate  
Governance and Corporate Social Responsibility Committee

**Date of appointment as a director:** 9 November 2019

**Shareholding Proportion** (Percentage) - (As of December 31, 2021)

- Self -None-
- Spouse / underaged child -None-

#### Education

- Bachelor of Accounting, Thammasat University
- Bachelor of Laws, Chulalongkorn University
- Certificate in Auditing, Thammasat University
- Certified Public Accountant
- Director Accreditation Program (DAP) Class 76/2008

**Number of companies holding director position in other listed companies:** -None-

**Number of non-listed companies / entities holding position in:** 1 company

#### Current Position

- Director / Independent Director / Audit Committee, Earth Tech Environment Public Company Limited
- Director, Win On Audit Company Limited

### Experience

- Audit Committee, Center Containers Company Limited
- Independent Director, Vintage Engineering Public Company Limited
- Director, Bowonsin Company Limited
- Executive Accountant, Schlumberger Oversea S.A. Ltd.
- Executive Accountant, Shin Corporation PLC.
- Auditor Assistant, Price water house coopers ABAS co.,Ltd.

Number of times attending the Board of Directors' meetings in 2021 : 1/1

Having a stake in the Company : -None-

Family relationship with other directors : -None-

Illegal record in the past 10 years : -None-



**Mr. Ekarin Luengviriya Age 62 years**

**Director / Chairman of the Executive Committee / Managing Director**

Member of the Risk Management Committee / Member of the  
Nomination and Remuneration Committee / Member of the Corporate  
Governance and Corporate Social Responsibility Committee

**Date of appointment as a director:** 9 November 2019

**Shareholding Proportion** (Percentage) - (As of December 31, 2021)

- Self -None-
- Spouse / underaged child -None-

#### Education

- Master's degree, Public administration (Honors) *NIDA*.
- Advanced Certificate, Course in Public Administration and Law for Executives King Prajadhipok's Institute.
- Advanced Certificate, Course in Public Economics Management Class 5 King Prajadhipok's Institute.
- The Executive Program in Energy Literacy for a Sustainable Future, TEA Class 9, Thailand Energy Academy
- Advance Security Management Program (ASMP) Class 10, The Association of National Defence College of Thailand Under The Royal Patronage of His Majesty The King (ANDCT)
- Advanced Master of Management Program Class 4, National Institute of Development Administration (NIDA)
- Being trained in Role of the Chairman Program (40/2017)
- Being trained in Director Accreditation Program (138/2017)
- Being trained in Ethical Leadership Program (ELP) (24/2564)

Number of companies holding director position in other listed companies: -None-

Number of non-listed companies / entities holding position in: 5 companies

**Current Position** Director / Chairman of the Executive Board / Managing Director  
Earth Tech Environment Public Company Limited

- Chairman of the Board/ Managing Director, Earth Engineering and Construction Company Limited
- Chairman of the Board/ Managing Director Sirilapa Power Company Limited
- Chairman of the Board/ Managing Director, Link88 Power Company Limited
- Chairman of the Board/ Managing Director, Ava Grand Energy Company Limited
- Chairman of the Board Recovery House Company Limited

#### Experience

- Deputy Managing Director of Operations, Better World Green Public Company Limited
- Managing Director, Better World Transport Company Limited
- Service Director And Deputy Managing Director of Operations,  
Better World Green Public Company Limited
- Project manager for the construction of waste disposal system, Nakhon Ratchasima Municipality
- Foreign Subcommittee House of Representatives

Number of times attending the Board of Directors' meetings in 2021 : 4/4

Having a stake in the Company : -None-

Family relationship with other directors : Is the elder brother of Mr. Suwat Luengviriya

Illegal record in the past 10 years : -None-



**Mr. Supawat Khunworavinij Age 49 years**

**Position Director / Executive Director / Executive Managing Director**

**Risk Management Committee / Member of the Corporate Governance  
and Corporate Social Responsibility Committee**

**Date of appointment as a director:** 9 November 2019

**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- Self 0.01 % (under own name 164,000 share units) No share unit changes in 2021
- Spouse / underaged child -None-

**Education**

- Bachelor of Arts, Branch of Management, Chiang Mai Rajabhat University
- Director Accreditation Program (DAP), Class 138/2017

**Number of companies holding director position in other listed companies:** -None-

**Number of non-listed companies / entities holding position in:** 5 companies

**Current Position**

- Director / Executive Director / Chief Executive Officer,  
Earth Tech Environment Public Company Limited
- Director, Earth Engineering and Construction Company Limited
- Director, Sirilapa Power Company Limited
- Director, Link 88 Power Company Limited
- Director, Ava Grand Energy Company Limited
- Director, Discovery House Company Limited

#### Experience

- Managing Director, Earth Tech Environment Company Limited
- Director of Marketing Management, Better World Green Public Company Limited

Number of times attending the Board of Directors' meetings in 2021 : 4/4

Having a stake in the Company : -None-

Family relationship with other directors : -None-

Illegal record in the past 10 years : -None-



**Mr. Suwat Luengviriya Age 60 years**

**Director**

**Date of appointment as a director:** 9 November 2019

**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- |                            |        |
|----------------------------|--------|
| ▪ Self                     | -None- |
| ▪ Spouse / underaged child | -none- |

#### Education

- Bachelor of Communication Arts, Sukhothai Thammathirat Open University
- Director Accreditation Program (DAP), Class 36/2005
- Finance for Non-Finance Directors (FND) Program, Class 24/2005

**Number of companies holding director position in other listed companies:** 2 companies

**Number of non-listed companies / entities holding position in:** 4 companies

#### Current Position

- Director, Earth Tech Environment Public Company Limited
- Director / Chief Executive Officer and Managing Director, Better World Green Public Company Limited
- Director, Akkhie Prakarn Public Company Limited
- Chairman of the Board B-Green Development Company Limited
- Chairman of the Board Better Waste Care Company Limited
- Chairman of the Board Better World Transport Co., Ltd.
- Chairman of the Board Better Me Company Limited



#### Experience

- Director, Sirilapa Power Company Limited
- Director, Link 88 Power Company Limited
- Director, Ava Grand Energy Company Limited
- Director, Recovery House Company Limited

Number of times attending the Board of Directors' meetings in 2021 : 4/4

Having a stake in the Company : -None-

Family relationship with other directors : Is the younger brother of Mr. Ekarin Luengviriya

Illegal record in the past 10 years : -None-



**Mr. Suthat Boonyaudomsart Age 55 years**

**Director**

**Date of appointment as a director:** 9 November 2019

**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- Self 0.001% (under own name 31,250 share units) no share unit changes in 2021
- Spouse / underaged child -None-

#### Education

- Master of Business Administration in Finance, Ramkhamhaeng University
- Bachelor of Business Administration in Accounting, Ramkhamhaeng University
- Director Accreditation Program (DAP), Class 58/2005
- Audit Committee Program (ACP), Class 25/2009
- Anti-Corruption: The Practical Guide (ACPG) Program, Class 23/2015
- Tax Auditor Accreditation
- Corruption Risk and Control Workshop (CRC) 11/2564

**Number of companies holding director position in other listed companies:** 2 companies

**Number of non-listed companies / entities holding position in :** 6 companies

#### Current Position

- Director, Earth Tech Environment Public Company Limited
- Director / Executive Director / Deputy Managing Director of Accounting and Finance / Accounting and Finance Manager, Better World Green Public Company Limited
- Director, Akkhie Prakarn Public Company Limited
- Director, Better Me Company Limited
- Director, B-Green Development Company Limited
- Director, Better Waste Care Company Limited

- Director, Better World Transport Company Limited
- Director, A-Business Advisory Company Limited
- Director, Accounting and Tax Advisory Company Limited

#### Experience

- Chairman of the Examining Committee, Vintage Engineering Public Company Limited
- Director / Audit Committee, Unipro Manufacturing Co., Ltd.
- Director, Sirilapa Power Company Limited
- Director, Ava Grand Energy Company Limited
- Director, Link 88 Power Company Limited
- Director, Discovery House Company Limited

Number of times attending the Board of Directors' meetings in 2021 : 4/4

Having a stake in the Company : -None-

Family relationship with other directors : -None-

Illegal record in the past 10 years : -None-

## Executive

### 1. Mr. Ekarin Luengviriya Age 62 years

**Position** Chairman of the Executive Board / Managing Director

**Shareholding Proportion** (Percentage) - (As of December 31, 2021)

- Self -None-
- Spouse / underaged child -None-

**Education**

- Master's degree, Public administration (Honors)NIDA.
- Advanced Certificate, Course in Public Administration and Law for Executives King Prajadhipok's Institute.
- Advanced Certificate, Course in Public Economics Management Class 5 King Prajadhipok's Institute.
- The Executive Program in Energy Literacy for a Sustainable Future, TEA Class 9, Thailand Energy Academy
- Advance Security Management Program (ASMP) Class 10, The Association of National Defence College of Thailand Under The Royal Patronage of His Majesty The King (ANDCT)
- Advanced Master of Management Program Class 4, National Institute of Development Administration (NIDA)
- Being trained in Role of the Chairman Program (40/2017)
- Being trained in Director Accreditation Program (138/2017)
- Being trained in Ethical Leadership Program (ELP) (24/2564)

**Experience**

- Deputy Managing Director of Operations, Better World Green Public Company Limited
- Managing Director, Better World Transport Company Limited
- Service Director And Deputy Managing Director of Operations, Better World Green Public Company Limited
- Project manager for the construction of waste disposal system, Nakhon Ratchasima Municipality
- Foreign Subcommittee House of Representatives

**Family relationship with other directors** : Is the elder brother of Mr. Suwat Luengviriya

**Illegal record in the past 10 years** : -None-

## 2. Mr.Supawat Khunworavinij Age 49 years

**Position** Executive Director / Chief Executive Officer

**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- Self 0.01 % (under own name 164,000 share units) No share unit changes in 2021
- Spouse / underaged child -None-

### Education

- Bachelor of Arts, Branch of Management, Chiang Mai Rajabhat University
- Director Accreditation Program (DAP), Class 138/2017

### Experience

- Managing Director, Earth Tech Environment Company Limited
- Director of Marketing Management, Better World Green Public Company Limited

**Family relationship with other directors** : -None-

**Illegal record in the past 10 years** : -None-

## 3. Mr. Sumet Laokham Age 40 years

**Position** Executive Director / Operations Manager

**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- Self -None-
- Spouse / underaged child -None-

### Education

- Master of Environmental Engineering, Chulalongkorn University
- Bachelor of Environmental Science, Silpakorn University

### Experience

- Project Development and Technology Manager Better World Green Public Company Limited

**Family relationship with other directors** : -None-

**Illegal record in the past 10 years** : -None-

**4. Ms. Phimchanok Arunrotwatthana, Age 37 years****Position** Executive Director / Management Manager**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- Self -None-
- Spouse / underaged child -None-

**Education**

- Bachelor of Accounting, Rajabhat Rajanagarindra University

**Experience**

- Head of Human Resources Better World Green Public Company Limited

**Family relationship with other directors** : -None-**Illegal record in the past 10 years** : -None-**5. Ms. Wachiraporn Natejaru Age 42 years****Position** Executive Director / Accounting and Finance Manager**Shareholding Proportion** (Percentage) (As of 31 December 2021)

- Self 0.01 % (under own name 164,000 share units) No share unit changes in 2021
- Spouse / underaged child -None-

**Education**

- Bachelor of Accounting, Ramkhamhaeng University
- Training courses to learn-to use cash flow statement
- Training courses on business integration practice and consolidated financial statements
- Training CFO Refresher Class 2/2564, titled "Preparing for Economic Factors Finance and Accounting Issues affecting listed companies."

**Experience**

- Senior Accounting Officer Better World Green Public Company Limited

**Family relationship with other directors** : The sister-in-law of Mrs. Ananya Netjaru (company secretary).**Illegal record in the past 10 years** : -None-

## 6. Ms. Tippawan Pimsen Age 38 years

Position Accountant

Shareholding Proportion (Percentage) (As of 31 December 2020)

- Self -None-
- Spouse / underaged child -None-

Education

- Bachelor of Accounting, Ramkhamhaeng University

Experience

- Accountant Better World Green Public Company Limited

Family relationship with other directors : -None-

Illegal record in the past 10 years : -None-



## Company Secretary

**Mrs.Ananya Netjaru Age 43 years**

**Position Company Secretary**

**Shareholding Proportion (Percentage) (As of 31 December 2021)**

- Self 0.00003 % (under own name 437 share units) No share unit changes in 2021
- Spouse / underaged child -None-

**Education/training qualifications**

- Bachelor of Arts General Management Faculty of Management Science, Chiang Mai Rajabhat University
- Diploma Branch of Management Faculty of Business Administration, Rajamangala University of Technology Lanna
- Training course Company Secretary Program Class 79/2017
- Training course Anti-Corruption: The Practical Guide (ACPG 57/2021)

**Experience**

- Company Secretary, Earth Tech Environment Public Company Limited
- Secretary to Managing Director, Better World Green Public Company Limited
- Secretary of Sriphat Medical Center, Faculty of Medicine, Chiang Mai University

**Family relationship with other directors :** Sister-in-law of Ms. Wachiraporn Natejaru  
(Accounting and Finance Manager)

**Illegal record in the past 10 years :** -None-

**The scope of powers, duties and responsibilities of the Company Secretary are as follows:**

Company Secretary have duties and responsibilities in accordance with the Securities and Exchange Act (No. 4) B.E. 2551 under Section 89/15 to Section 89-17 with Responsibility caution and honesty as well as to comply with the law, objectives, company regulations Board of Directors' resolutions and resolutions shareholder meeting.

1. Provide advice and advice to the Board of Directors. in carrying out the duties and responsibilities under the law and rules and regulations of companies listed on the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. and related regulatory agencies

2. Organize meetings of the Board of Directors and shareholders in accordance with the laws and the Company's Articles of Association, including coordinating to ensure compliance with the resolutions of the Board of Directors' meeting. and the shareholders' meeting

3. Prepare and maintain the following documents

- Director registration
- Invitation letter to the Board of Directors meeting, minutes of the board meeting, and the annual report of the Company
- Invitation letter to shareholders' meeting and minutes of shareholders' meeting

4. Maintain reports of interest reported by directors or executives.

5. Supervise and be responsible for the preparation and storage of the annual report/annual data list.

6. Coordinate and follow up information from the management, finance, budget, risk management. internal control internal audit Regularly report to the Board of Directors.

7. Encourage directors to comply with the best practices of directors of listed companies. in accordance with the principles of good corporate governance for listed companies, such as training courses of directors, self-assessment of the board of directors once a year and report the results of the assessment to the Board for acknowledgment and consider making plans for further operational improvement.

รายละเอียดเกี่ยวกับกรรมการ และผู้บริหาร และผู้มีอำนาจควบคุมในบริษัทย่อย บริษัทร่วม หรือบริษัทที่เกี่ยวข้องของบริษัทฯ ณ วันที่ 31 ธันวาคม 2564

บริษัทที่เกี่ยวข้อง	นาย	นางสาว	นาย	นาย	นาย	นาย	นาย	นาย	นาง	นาย	นางสาว	นางสาว	นางสาว
	อนุสรณ์ เนื่องผล	กัลย พัลญ์	บัณฑิต	บวรสิทธิ์	เอ	สุวัฒน์	ศุภวัฒน์	สุทัศน์	พัลลภา	สุเมธ	พิมชนก	วชิรา	ทิพย์ วรรณ พิมพ์
	มาก	บุรณา รมย์	มันักกิต	ศรีศิลป์	กรินทร์ เหลือ วริยะ	เหลือ วริยะ	คุณวรี นิจ	บุญ อุดม ศาสตร์	เรืองรอง	เลาค่า	อรุณ โรจน์ วัฒนา	ภรณ์ เนตร จารุ	
	I, III	II, III, IV	II, III, V	II, III, V	II, VI, D, M	II	II, VII, M	II	II	VII, M	VII, M	VII, M	M
บริษัท เอิร์ธ เทค เอน ไวรอนเมนต์ จำกัด (มหาชน)													
บริษัท เอิร์ธ เอ็นจิเนีย แอนด์ คอนสตรัคชั่น จำกัด					I, D		II			II	M	II, M	
บริษัท สิริลาภา พาว เวอร์ จำกัด					I, D		II			II	M	M	
บริษัท ลิงค์ 88 พาว เวอร์ จำกัด					I, D		II			II	M	M	
บริษัท เอวา แกรนด์ เอ็นเนอร์ยี จำกัด					I, D		II			II	M	M	
บริษัท รัตฟเวอร์ เอ๊าส์ จำกัด					II		II			II	M	M	
บริษัท เบตเตอร์ เวิลด์ กรีน จำกัด (มหาชน)					II, C, D, VI			II, M, VII					
บริษัท อัดคิปราการ จำกัด (มหาชน)								II					

หมายเหตุ

I = ประธานกรรมการ II = กรรมการ III = กรรมการอิสระ IV = ประธานกรรมการตรวจสอบ V = กรรมการตรวจสอบ  
VI = ประธานกรรมการบริหาร VII = กรรมการบริหาร C = ประธานเจ้าหน้าที่บริหาร D = กรรมการผู้จัดการ M = ผู้บริหาร



## Attachment 2

Details of the directors of subsidiaries

Details of the directors of subsidiaries

Director	Subsidiaries				
	Earth Engineer and Construction Co.,Ltd. <sup>1</sup>	Ava Grand Energy Co.,Ltd. <sup>2</sup>	Sirilapa Power Co.,Ltd. <sup>2</sup>	Link 88 Power Co.,Ltd. <sup>2</sup>	Recovery House Co.,Ltd. <sup>2</sup>
1.Mr.Ekarin Luengviriya	/	/	/	/	/
2.Mr.Supawat Khunworavinij	/	/	/	/	/
3.Mr.Surapong Whangsrivech	/	/	/	/	/
4.Mr.Sumet Laokham	/	/	/	/	/
5.Ms.Wachiraporn Natejaru	/				

**Note: / = Director**

- The authorized Directors are Mr.Ekarin Luengviriya, Mr.Supawat Khunworavinij, Mr.Sumet Laokham or Ms. Wachiraporn Natejaru, signed by two of these four Directors jointly along with the Company's seal.
- The authorized Directors are Mr.Ekarin Luengviriya, Mr.Supawat Khunworavinij, or Mr.Sumet Laokham signed by two of these three Directors jointly along with the Company's seal.



## Attachment 3

### Details of the Heads of the Internal Audit

The Company has used the services of external agencies to perform internal audits. By coordinating directly with Ms. Wachiraporn Natejaru, secretary of the Audit Committee. The objectives of the Internal Audit Department are to assist operators at all levels of the organization to perform their duties efficiently and effectively and support the adequate and efficient internal control system by continuously improving it for better performances. The Internal Audit Department conducts analysis and evaluation and provides suggestions and consultation to support operators. Details about internal auditors are as follows:

## Name **Ms. Thanaporn Thiangsutthisakul**

**Position** Internal Auditor

### Education Qualifications

- Bachelor of Accounting, Maejo University
- Bachelor of Law, Ramkhamhaeng University

### Certificate

- Certified Public Accountant Registration Number 9828
- Certificate of Certified Professional Internal Auditor of Thailand (CPIAT)

### Training Background

- Course of Certified Professional Internal Auditor of Thailand (CPIAT)
- International Law Training Course
- Merger Training Course
- Audit with AI Training Course

### Work Experience

2014 - Present	Audit Partner	Zentara Grand Audit Company Limited
2008 – 2013	Audit Manager	DIA Audit International Company Limited
2005 – 2007	Auditor	AMC Office Company Limited
2003 – 2004	Internal Auditor	CP All (Public) Company Limited



**Shareholding Proportion in the Company :** None

**Family Relationship between Director and Executive :** None

**History of Offense under Securities Law and Futures Contracts :** None

#### **Roles and Responsibilities of Internal Auditor**

The Internal Audit Department is responsible for performing the internal audit of the organization and reporting the audit results to the Audit Committee and executives. Roles, duties, and responsibilities are as follows:

- Reviewing and reporting the accuracy and completeness of financial information, including operational processes, evaluation, and measurement
- Reviewing the work system that may have a significant impact on operation and reporting to ensure that it has been implemented in accordance with the specified policies, action plans and procedures as well as related laws
- Reviewing the appropriateness of asset storage, including testing that such asset actually exists and is effectively and cost-effectively used
- Reviewing the adequacy and appropriateness of the internal control system of the organization to develop and improve more efficient and appropriate internal control system
- Continuously and regularly reviewing and promoting the development of more efficient work system
- Performing other tasks relating to the internal audit as assigned by the Audit Committee or executives



## Attachment 4

Assets for business undertaking  
and details of asset appraisal

## Assets for business

### Company's Fixed assets used in main and subsidiary

As of December 31, 2021 The Company and its subsidiaries have fixed assets in their main business as follows:

#### Fixed assets in main business

Fixed assets in main business consist mainly of land, land improvements, utilities and power plant which related to the net book value of the main fixed assets. According to the consolidated financial statements as of December 31, 2021 as shown in the following.

#### EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED (“EARTH TECH ENVIRONMENT” or “ETC”)

Detail of	net book value December 31, 2021 (a million baht)	proprietary nature	obligation
Land and land improvements consist of buildings and structures	113.68	the company owns	liable to mortgage
	101.32	subsidiaries owns	liable to mortgage
machinery and equipment Furnishings and office supplies	496.12	the company owns	liable to mortgage
	375.01	subsidiaries owns	liable to mortgage
computer and equipment tools	394.40	the company owns	liable to mortgage
	535.26	subsidiaries owns	liable to mortgage
vehicles	0.29	the company owns	
	0.71	subsidiaries owns	
Land and land improvements consist of buildings and structures	0.75	the company owns	
	1.34	subsidiaries owns	
machinery and equipment Furnishings and office supplies	1.96	the company owns	
	8.59	subsidiaries owns	
computer and equipment tools	6.21	the company owns	
	2.20	subsidiaries owns	
vehicles	2,037.84		

**Land lease**

ETC has leased land in plot G3 to prepare for future projects where located in the land area of Kaeng Khoi Industrial Estate, the details of the land lease agreement can be summarized as follows:

**Industrial land lease agreement in Kaeng Khoi Industrial Estate (plot G3)**

Tenant	ETC
Lessor	Industrial Estate Authority of Thailand
Locate	Kaeng Khoi Industrial Estate, Saraburi province
Area (Rai-Ngan-Sq.)	23-1-22 (has changed the area of the land)
Objective	Operations and distribution of electric power from sewage or non-hazardous materials in the future project.
Rental rate	1,570,320 baht per year and increase rent at a rate of 10% every 3 years.
Rental period	November 13, 2016 –November 12, 2043
Lease renewal	In the last year before the agreement expires not less than 6 months The tenant must notify the landlord of his or her wishes in writing and the lessor will consider renting further according to the rental rate and conditions announced by the lessor.

**Note:**

1. Land plot G3 has been filled with land in the cost of 40 million baht. However, ETC has adjusted the financial statements for the year 2019 to reflect the amortization of land reclamation expenses according to the term of the G3 land lease agreement. As a result, such expenses were recorded in the financial statements for the year 2019 in the amount of 4.44 million baht, which is an expense for land utilization in 2017 – 2019 land improvements under lease agreements equal to 35.56 million baht were listed in other non-current assets at the end of 2019 In this regard, ETC will have such expenses of approximately 1.48 million baht per year throughout the remaining lease term.

**AVA Industrial Land Lease Agreement and Additional Memorandum of Understanding**

Tenant	AVA
Lessor	Industrial Estate Authority of Thailand
Locate	Plot 2E-4 Phichit Industrial Estate, Phichit Province
Area (Rai-Ngan-Sq.)	30
Objective	To produce electricity from industrial waste fuels.
Rental rate	1,506,450 baht per year and changes in rental rates as announced by the lessor.
Rental period	18 years from September 30, 2016 –September 20, 2034  Note : Because the land in Phichit Industrial Estate belongs to the Treasury Department. which the IEAT has rented to develop an industrial estate The lease agreement with the Treasury Department expires on September 20, 2034. IEAT has therefore issued a confirmation letter with AVA dated December 15, 2016 that if IEAT has already renewed the lease agreement with the Treasury Department. IEAT will continue the sublease agreement with AVA until the expiration of AVA's power purchase agreement.
Lease renewal	In the last year before the agreement expires not less than 6 months The tenant must notify the landlord of his or her wishes in writing and the lessor will consider renting further according to the rental rate and conditions announced by the lessor.

**Note:**

1. Land plot 2E-4 has been filled with land in the cost of 4.7 million baht. However, ETC has adjusted the financial statements for the year 2019 to reflect the amortization of land reclamation expenses according to the term of the plot 2E-4 land lease agreement. As a result, such expenses were recorded in the financial statements for the year 2019 in the amount of 6.14 million baht, which is an expense for land utilization in 2017 – 2019 and land improvements under lease agreements equal to 40.96 million baht were listed in other non-current assets at the end of 2019. In this regard, ETC will have such expenses of approximately 2.05 million baht per year throughout the remaining lease term. ETC and its subsidiaries recorded land lease transactions as assets under rights of use in accordance with relevant financial reporting standards.

**Important intangible assets in the Company's core business and subsidiary****Intellectual property**

As of December 31, 2021, ETC and its subsidiaries do not own intellectual property. or has the name of a registrant of any intellectual property such as a patent or trademark necessary for business operations.

**Insurance**

ETC believes that the insurance policy that provides protection for the Company's business and its subsidiaries have terms and conditions similar to the insurance policies of other electric power generation and distribution companies in Thailand. The insurance policy covers damages and liabilities. This may be caused by dangers and dangers related to the power generation and distribution business. including damage or defects of machinery malfunctions of various equipment and natural disasters RH and AVA, have established insurance policies that cover all power plant buildings, machinery and infrastructure. It also covers statutory compensation in the event of an employee's death or injury during work during the commercial operation of the power plant project. The details are as follows.

**Insurance during the commercial operation of the power plant project****EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED ("EARTH TECH ENVIRONMENT" OR "ETC")****(A) Accidental Damage (Property) Insurance**

<b>The company</b>	EARTH TECH ENVIRONMENT OR ETC
<b>Type of insurance</b>	Accidental Damage (Property) Insurance
<b>Insurer</b>	4 domestic insurance companies
<b>Insured property</b>	Property All Risks Insurance including damaged machinery, short circuits, and boiler explosions.
<b>Insured place</b>	Project to produce and sell electricity with a capacity of 9.4 megawatts from waste or non-hazardous waste materials, No. 88, Moo 1, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province.
<b>Beneficiaries under the policy</b>	<ul style="list-style-type: none"> <li>- The Company and/or Subsidiaries and/or Associates Parent Company (BWG).</li> <li>- Participants in lending and directors, officers, employees and/or collateral agents.</li> <li>- Operators and maintainers and agreementors and/or sub-agreementors.</li> <li>- PEA and directors, officers, employees and representatives.</li> </ul> <p>This is in accordance with the rights and benefits involved. But the said policy will transfer the claim on insurance to the collateral representative of the bank creditor before transferring the money to ETC further.</p>

<b>Insured limit</b>	- 1,150,000,000 baht for Property All Risks Insurance including damaged machinery - Sub-limit 200,000,000 baht for flood events by using the credit line together with Property All Risks Insurance.
<b>Insurance period</b>	March 8, 2021- March 8, 2022

(B) Business Interruption Insurance

<b>The company</b>	ETC
<b>Type of insurance</b>	Business Interruption Insurance
<b>Insurer</b>	4 domestic insurance companies
<b>Insured property</b>	Expenses for repaying principal and interest including increased expenses to reduce insurance costs.
<b>Insured place</b>	Project to produce and sell electricity with a capacity of 9.4 megawatts from waste or non-hazardous waste materials, No. 88, Moo 1, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province.
<b>Beneficiaries under the policy</b>	<ul style="list-style-type: none"> <li>- The Company and/or Subsidiaries and/or Associates Parent Company (BWG).</li> <li>- Participants in lending and directors, officers, employees and/or collateral agents.</li> <li>- Operators and maintainers and agreementors and/or sub-agreementors.</li> <li>- PEA and directors, officers, employees and representatives.</li> </ul> <p>This is in accordance with the rights and benefits involved. But the said policy will transfer the claim on insurance to the collateral representative of the bank creditor before transferring the money to RH further.</p>
<b>Insured limit</b>	- 394,130,000 baht for Business Interruption Insurance - Sub-limit 40,000,000 baht for flood events by using the credit line together with Property All Risks Insurance.
<b>Insurance period</b>	March 8, 2021- March 8, 2022



## (C) Widespread liability insurance

<b>The company</b>	ETC
<b>Type of insurance</b>	- Comprehensive General Liability Insurance - Agreemental Liability Insurance
<b>Insurer</b>	A domestic insurance company
<b>Insured property</b>	Liability resulting from damage to life, body and property of third parties arising from business operations.
<b>Insured place</b>	Kaeng Khoi Industrial Estate, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province
<b>Beneficiaries under the policy</b>	- The Company and/or Subsidiaries and/or Associates Parent Company (BWG) - Participants in lending and directors, officers, employees and/or collateral agents - Operators and maintainers and agreementors and/or sub-agreementors - PEA and directors, officers, employees and representatives This is in accordance with the rights and benefits involved.
<b>Insured limit</b>	Every credit line not to exceed amount of 75,000,000 baht as follows:  - 75,000,000 baht for General Public Liability - 75,000,000 baht for Pollution Liability - 75,000,000 baht for Product Liability
<b>Insurance period</b>	March 8, 2021- March 8, 2022

RECOVERY HOUSE COMPANY LIMITED (“RH”)

(A) Accidental Damage (Property) Insurance and Business Interruption Insurance

<b>The company</b>	RH
<b>Type of insurance</b>	<ul style="list-style-type: none"> <li>- Property All Risks Insurance including damaged machinery, short circuits, and boiler explosions</li> <li>- Business Interruption Insurance</li> </ul>
<b>Insurer</b>	2 domestic insurance companies
<b>Insured property</b>	7.0 megawatt power plant project that uses industrial waste Located at the Metropolitan Industrial Estate
<b>Insured place</b>	Metropolitan Industrial Estate No. 103, Moo 4, Bang Phra Kru Sub-district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province or places related to projects within Thailand.
<b>Beneficiaries under the policy</b>	<ul style="list-style-type: none"> <li>- RH and/or L88 and/or its subsidiaries and/or representatives of all RH owners and/or agreementors employed by RH Owners.</li> <li>- PEA as a transmission line improvement agreementor and/or a agreementor employed by the owner of RH at any time during the period in connection with the project and/or a sub agreement or at any level at any time during the period in connection with the project. whether the name is specified in this policy or not.</li> <li>- Financial institution creditors and/or secured creditors and/or lenders and/or joint loan brokers and/or guarantors of collateral under credit agreements (for construction site activities only) and/or the lender's director Lender's staff Employees of the lender and/or PEA. and other agreementing parties which must seek advice on their rights and related interests.</li> <li>- The said policy will transfer the claim on insurance to the collateral representative of the bank creditor before transferring the money to RH further.</li> </ul>
<b>Insured limit</b>	<ul style="list-style-type: none"> <li>- 872,000,000 baht for Operational Property Damage including damaged machinery, short circuits, and boiler explosions.</li> <li>- 184,292,000 baht for payment of principal and interest in 18 months .</li> <li>- 150,000,000 baht for damage from floods per time and the amount accumulated during the insurance period (The credit line is used in conjunction of Accidental Damage (Property) Insurance and Business Interruption Insurance) .</li> </ul>
<b>Insurance period</b>	September 1, 2021 - August 31, 2022

## (B) Third Party Liability Insurance

<b>The company</b>	RH
<b>Type of insurance</b>	Public and Products Liability Insurance
<b>Insurer</b>	A domestic insurance company
<b>Insured property</b>	7.0 megawatt power plant project that uses industrial waste Located at the Metropolitan Industrial Estate.
<b>Insured place</b>	Metropolitan Industrial Estate No. 103, Moo 4, Bang Phra Kru Sub-district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province or places related to projects within Thailand.
<b>Beneficiaries under the policy</b>	<ul style="list-style-type: none"> <li>- RH and/or L88 and/or its subsidiaries and/or representatives of all RH owners and/or agreementors employed by RH Owners.</li> <li>- PEA as a transmission line improvement agreementor and/or a agreementor employed by the owner of RH at any time during the period in connection with the project and/or a subagreementor at any level at any time during the period in connection with the project. whether the name is specified in this policy or not.</li> <li>- Financial institution creditors and/or secured creditors and/or lenders and/or joint loan brokers and/or guarantors of collateral under credit agreements (for construction site activities only) and/or the lender's director Lender's staff Employees of the lender and/or PEA. and other agreementing parties which must seek advice on their rights and related interests.</li> </ul>
<b>Insured limit</b>	<ul style="list-style-type: none"> <li>- 100,000,000 baht for General Public Liability each time and the accumulated amount.</li> <li>- 100,000,000 baht for Pollution Liability each time and the accumulated amount.</li> <li>- 100,000,000 baht for Product Liability each time and the accumulated amount.</li> </ul>
<b>Insurance period</b>	- September 1, 2021 - August 31, 2022

AVA GRAND ENERGY COMPANY LIMITED (“AVA”)

(A) (Accidental Damage (Property) Insurance

<b>The company</b>	AVA
<b>Type of insurance</b>	Accidental Damage (Property) Insurance
<b>Insurer</b>	3 domestic insurance companies
<b>Insured property</b>	Property All Risks Insurance including damaged machinery, short circuits, and boiler explosions.
<b>Insured place</b>	4.0 megawatt power plant project that uses industrial waste Located at the lower northern industrial estate (Phichit), Moo 1, Phitsanulok-Nakhon Sawan Road at the main kilometer area 97-99, Nong Lum Subdistrict. Wachirabarami District Phichit Province
<b>Beneficiaries under the policy</b>	<ul style="list-style-type: none"> <li>- AVA and/or Subsidiaries and/or Associates</li> <li>- BWG</li> <li>- Participants in lending and directors, officers, employees and/or collateral agents</li> <li>- Operators and maintenance agreementors and sub-agreementors</li> <li>- PEA and directors, officers, employees and representatives</li> </ul> <p>The said policy will transfer the claim on insurance to the collateral representative of the bank creditor before transferring the money to AVA further.</p>
<b>Insured limit</b>	<ul style="list-style-type: none"> <li>- 600,000,000 baht for Property All Risks Insurance including damaged machinery</li> <li>- Sub-limit 90,000,000 baht for flood events by using the credit line together with Accidental Damage (Property) Insurance.</li> </ul>
<b>Insurance period</b>	December 30, 2021- December 30, 2022

(B) Business Interruption Insurance

<b>The company</b>	AVA
<b>Type of insurance</b>	Business Interruption Insurance
<b>Insurer</b>	3 domestic insurance companies
<b>Insured property</b>	expenses for repaying principal and interest including increased expenses to reduce insurance costs.
<b>Insured place</b>	4.0 megawatt power plant project that uses industrial waste Located at the lower northern industrial estate (Phichit), Moo 1, Phitsanulok-Nakhon Sawan Rd., at the main kilometer area 97-99, Nong Lum Subdistrict, Wachirabarami District Phichit Province

<b>Beneficiaries under the policy</b>	<ul style="list-style-type: none"> <li>- AVA and/or Subsidiaries and/or Associates</li> <li>- BWG</li> <li>- Participants in lending and directors, officers, employees and/or collateral agents</li> <li>- Operators and maintenance agreementors and sub-agreementors</li> <li>- PEA and directors, officers, employees and representatives</li> </ul> <p>The said policy will transfer the claim on insurance to the collateral representative of the bank creditor before transferring the money to AVA further.</p>
<b>Insured limit</b>	<ul style="list-style-type: none"> <li>- 99,310,000 baht for Business Interruption Insurance</li> <li>- Sub-limit 10,000,000 baht for flood events by using the credit line together Business Interruption Insurance.</li> </ul>
<b>Insurance period</b>	December 30, 2021- December 30, 2022

## (C) Comprehensive General Liability insurance

<b>The company</b>	AVA
<b>Type of insurance</b>	<ul style="list-style-type: none"> <li>- Comprehensive General Liability Insurance</li> <li>- Agreemental Liability Insurance</li> </ul>
<b>Insurer</b>	A domestic insurance company
<b>Insured property</b>	Liability resulting from damage to life, body and property of third parties arising from business operations.
<b>Insured place</b>	4.0 megawatt power plant project that uses industrial waste Located at the lower northern industrial estate (Phichit), Moo 1 , Phitsanulok-Nakhon Sawan Rd., at the main kilometer area 97-99 , Nong Lum Subdistrict, Wachirabarami District Phichit Province
<b>Beneficiaries under the policy</b>	<ul style="list-style-type: none"> <li>- AVA and/or Subsidiaries and/or Associates</li> <li>- BWG</li> <li>- Participants in lending and directors, officers, employees and/or collateral agents</li> <li>- Operators and maintenance agreementors and sub-agreementors</li> <li>- PEA and directors, officers, employees and representatives</li> </ul> <p>This is in accordance with the rights and benefits involved.</p>
<b>Insured limit</b>	<p>Every credit line not to exceed amount of 75,000,000 baht as follows:</p> <ul style="list-style-type: none"> <li>75,000,000 baht for General Public Liability.</li> <li>- 75,000,000 baht for Pollution Liability.</li> <li>- 75,000,000 baht for Product Liability.</li> </ul>
<b>Insurance period</b>	December 30, 2021- December 30, 2022

## Agreements used in the Company's core business and subsidiary

### Solid Recovered Fuel – SRF

The Company and its subsidiaries have entered into an agreement to purchase Solid Recovered Fuel or “SRF” with BWG which is the seller of SRF to use as fuel for the company's electric power generation and subsidiary The key points of the agreement can be summarized as follows:

The company	ETC	RH	AVA
Counterparties	ETC as a buyer	RH as a buyer	AVA as a buyer
	BWG as a seller	BWG as a seller	BWG as a seller
The purpose of the agreement	The seller will sell the SRF to the Company and its subsidiaries.		
Agreement signing date	July 3, 2015	November 1, 2017	November 1, 2017
SRF Trading	<ul style="list-style-type: none"> <li>- The seller certifies that it will be able to produce and deliver SRF to the Buyer at least 250 tons per day to ETC 150 tons per day, to RH and AVA 100 tons per day and have the qualifications as specified in the agreement.</li> <li>- The SRF purchase price will increase at a rate of 2% per annum over the term of the agreement.<sup>1</sup></li> <li>- The purchase order have to be issued to the seller 15 working days in advance of and the purchaser have to pay the SRF within 30 days of the purchaser's receipt of the SRF and billing documents from the seller.</li> <li>- In the event that the purchaser make an SRF order in excess of the quantity promised by the seller, The seller has the right to refuse delivery of all excess SRF or consider delivery of the excess, in whole or in part which the seller shall notify the buyer within 2 days of the purchase. If the seller do not make any notify to the buyer within such time period, seller agrees to deliver all SRF on purchase order from Buyer.</li> <li>- In the event that the seller is unable to deliver the agreed quantity SRF, the seller must give the buyer a written notice at least 2 days prior to the SRF delivery date and the missing SRF must be procured and delivered within 5 days from the date of delivery. If the seller does not notify the buyer in writing ,the seller must deliver the missing part within 3 days.</li> <li>- In the event that the seller is unable to supply the SRF to the purchaser as agreed. The seller will have to pay a fine equal to 1,000 baht per ton, along with all costs incurred by the buyer to buy from other sellers.</li> </ul>		

	<ul style="list-style-type: none"> <li>- In the event that the SRF heating value not meet the specifications specified in the agreement The buyer has the rights as follows: <ul style="list-style-type: none"> <li>● Buyer is entitled to receive all or part of the SRF by adjusting the SRF price according to the heat value of the SRF.</li> <li>● The Buyer has the right to require the seller to provide the buyer an additional SRF with the heat value specified in the agreement within 3 days. If the seller is unable to supply additional SRF to the buyer or the buyer refuses to accept such additional SRF due to the heat cost does not meet the criteria. The seller must pay the buyer a fine of 1,000 baht per tonne plus all costs incurred by the buyer to purchase the SRF from other sellers.</li> </ul> </li> <li>- The seller must keep the SRF stock for the buyer for at least 1 month or have a minimum inventory of 7,500 tons and have the qualifications as specified in the agreement which the buyer can check the stock at any time.</li> </ul>
<b>Term and termination of the agreement</b>	<ul style="list-style-type: none"> <li>- The agreement is effective for a period of 20 years starting from COD or the date of receipt of the first invoice of quantity and quantity from the buyer.</li> <li>- When the agreement expires, the buyer still wants to buy and the seller wants to continue selling the SRF. It shall be deemed that the agreement is effective until the buyer or seller terminates the agreement in the same terms and conditions in all respects.</li> <li>- Either party may terminate the agreement by giving the counterparty at least 60 days by written notice.</li> <li>- In the event that either party breaches any of the agreements and cannot be amended to be in accordance with the agreement within the period specified by the other party (such period must not be less than 7 days.)</li> </ul>

#### Power purchase agreement (PPA)

RH and AVA has entered into a power purchase agreement from a very small power producer (VSPP) Non-firm type, a total of 3 issues with PEA. According to the regulations of the ERC on the purchase of electricity from very small power producers (for generating electricity from renewable energy) The aforementioned power purchase agreement is a standard agreement drafted by PEA. The parties to the agreement of the private power producer are unable to negotiate or amend other important terms and conditions. The important terms and conditions can be summarized as follows.



The company	ETC	RH	AVA
Counterparties	PEA as a buyer  ETC as a seller	PEA as a buyer  RH as a seller	PEA as a buyer  AVA as a seller
The purpose of the agreement	The seller produces and sells electricity to the buyer.		
Agreement signing date	28 July 2015 <sup>1</sup>	24 February 2017	24 February 2017
Electricity trading	<ul style="list-style-type: none"> <li>- PEA agrees to buy and power producer agrees to sell electricity in the amount of electricity up to 8.0 megawatts at a voltage of 22,000 volts. The point of purchase of electricity is at the installation point at Ban That Subdistrict, Kaeng Khoi District, Saraburi Province.</li> </ul>	<ul style="list-style-type: none"> <li>- PEA agrees to buy and power producer agrees to sell power in the maximum amount of electricity up to 5.5 megawatts at a voltage of 22,000 volts with the project location at Bang Phra Kru Sub-district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province</li> <li>- In the event that the electricity supplier is expected to be unable to COD on SCOD. The electricity supplier must request an extension of the SCOD. within 30 days prior to the SCOD end date. The SCOD date can be extended no later than</li> </ul>	<ul style="list-style-type: none"> <li>- PEA agrees to buy and power producer agrees to sell power in the maximum amount of electricity up to 3.0 megawatts at a voltage of 22,000 volts with the project location at Nong Lum Subdistrict Wachirabarami, District ,Phichit Province.</li> <li>- In the event that the electricity supplier is expected to be unable to COD on SCOD. The electricity supplier must request an extension of the SCOD. within 30 days prior to the SCOD end date. The SCOD date can be</li> </ul>

The company	ETC	RH	AVA
		December 31, 2019.	extended no later than December 31, 2019.
Fuel	Mixed waste	Industrial waste	
Feed-in Tariff ratio ("FIT") (baht per unit)	$FiT_F(\text{fixed rate}) = 2.39$ $FiT_V, 2560 (\text{variable rate}) = 2.69$ FiT Premium = 0.70	$FiT_F(\text{fixed rate}) = 3.39$ $FiT_V, 2560 (\text{variable rate}) = 2.69$ FiT Premium = 0.70	
Scheduled commercial operation date (SCOD)	30 June 2017	December 31, 2019	December 31, 2019
Commercial operation date (COD)	March 9, 2017	September 24, 2019	December 25, 2019
Power trading period	20 years from COD as announced by the ERC Regarding the purchase of electricity from renewable energy (excluding solar energy) during the transition from Adder to Feed-in Tariff (FiT). There are no conditions, Regarding the extension of the agreement period.	20 years, counting the term of the power purchase agreement, as the case may be, as follows: <ul style="list-style-type: none"> <li>- In case of supplying electricity to the commercial operation date (COD) before the SCOD date, the agreement term is 20 years from the COD date.</li> <li>- In case of COD on SCOD date, the agreement term is 20 years from SCOD date.</li> <li>- In the case of COD after the SCOD date, the agreement term shall be counted for 20 years from the SCOD date, which will not affect the termination date of the electricity sale specified in the Power Purchase Agreement.</li> </ul>	
Using and termination of the agreement	The agreement is effective from the date both parties sign the agreement and is effective until the termination of the	<ul style="list-style-type: none"> <li>- The agreement is effective from the date both parties sign the agreement with a period of enforcement under the conditions set forth in the power purchase period.</li> </ul>	

The company	ETC	RH	AVA
	<p>agreement in the following cases</p> <p>(1) The Power Producer submits a written letter to PEA expressing its intention to terminate the power purchase agreement by termination of the agreement.</p> <p>(2) If either party fails to comply with any of the agreements, the other party have to notify the other party to take corrective action. If not corrected, the other party has the right to terminate the agreement.</p> <p>(3) When the project life expires according to the period supported according to the conditions in the ERC's announcement regarding the purchase of electricity from renewable energy (excluding solar energy) during the transition from Adder to Feed-in Tariff (FIT).</p> <p>(4) If power purchases are not initiated within 12 months from the SCOD date specified in the agreement, the agreement will be deemed.</p>	<p>- The agreement is terminated in the following cases:</p> <p>(1) When PEA receives a written notice of termination from the electricity supplier.</p> <p>(2) When a party terminates the agreement because the other party fails to comply with any of the agreements.</p>	
Assignment of rights and duties	<p>- It is forbidden to transfer the rights and duties in performing the PPA to others. unless approved by PEA in accordance with the criteria of PEA that has been approved by the ERC.</p> <p>- It is forbidden to change the number of shareholders to the extent that the existing shareholders under the PPA are less than half and do not change the number of shares held less than 51% of the total shares until the manufacturer</p>		

The company	ETC	RH	AVA
	has COD for a period of 3 years. (This condition no longer applies to the Company because the company's power plants have completed COD for a period of 3 years from March 9, 2020 but also applicable to RH and AVA).		

**Note :**

1. In this regard, the company submitted an application to sell electricity No. ETE-PEA 01/2556 to the PEA on November 12, 2013 and received a letter of acceptance of electricity purchase No. MOT 5303.13/52266 by December 4, 2014. Later in June 2015, PEA has canceled the Company's previous request to sell electricity. According to the purchase price of the Adder purchase and change to purchasing in the Feed-in Tariff (FiT) form which the company has applied for a new permit and has signed a power purchase agreement with PEA in the form of Feed-in Tariff (FiT) on July 28, 2015.

**Equipment purchase agreement for RH's and AVA's power plants**

EEC is engaged in the business of providing engineering design services. Supply of machinery and equipment and the construction of a turnkey power plant (Integrated EPC). So EEC is the main agreementor for the construction of power plants for RH and AVA according to the agreement for designing, procuring, constructing, testing and testing power plant systems. (EPC Agreement for Design, Procurement, Construction, Testing and Commissioning Between EEC and RH and between the EEC and AVA. However, the EEC has hired a subagreementor with expertise in the production of steam furnace systems. and power generation system. By making a agreement for purchasing machinery with a third party for RH's and AVA's power plants as follows:

<b>Counterparties</b>	EEC As the 1 <sup>st</sup> employer of a agreementor which is a third party as a agreementor.
<b>The purpose of the agreement</b>	The agreementor hires agreementors for the design, engineering, procurement, construction, trial and testing of RH's ladder-mounted combined furnace and steam generating system.
<b>Agreement signing date</b>	March 8, 2018
<b>Delivery date</b>	March 8, 2018
<b>Wage rates and payments</b>	- The employer agrees to pay the agreementor in the total amount of 220,000,000 baht. Divided into foreign wage prices (Offshore Agreement Price) in the amount of 2,923,083 euros and domestic wages (Onshore Agreement Price) in the amount of 108,922,838 baht by paying according to the level of success of the work.
<b>Important condition</b>	- The machines are designed and operated according to the environmental

	<p>protection standards of Thailand.</p> <ul style="list-style-type: none"> <li>- The machine is operate continuously for 14 days without any problems before handing over the work.</li> <li>- The agreementor guarantees the design and construction work with the proper quality of functioning for a period of 14 months.</li> <li>- The Agreementor may provide the necessary spare parts in reserve for a period of at least 5 years from the date of delivery of the work.</li> </ul>
<b>Termination of the agreement</b>	<ul style="list-style-type: none"> <li>- Unreasonable delay in delivery of work and no possibility of completion of the construction.</li> <li>- Failure to check according to the progress of the work or fix bugs</li> <li>- The agreementor company became bankrupt or unstable financial status which affects the success of the construction.</li> <li>- In the event of termination of the above-mentioned agreement which was caused by the said agreementor company. This allows the employer to choose to keep the outstanding work during construction. The said agreementor company have to compensate the expenses in order to keep the work in progress in an appropriate condition according to the EPC agreement.</li> <li>- Delays in payment of employers or financial instability leading to bankruptcy.</li> </ul>
<b>Governing Law</b>	Thai law

<b>Counterparties</b>	EEC As the 1 <sup>st</sup> purchaser of a steam turbine manufacturer which is a third party, as a seller.
<b>The purpose of the agreement</b>	The buyer agrees to purchase a 7 megawatt steam turbine from the seller to install in the RH power plant.
<b>Agreement signing date</b>	July 3, 2018
<b>Wage rates and payments</b>	<p>The Buyer agrees to pay the Seller a total amount of \$1,300,000. The payment is divided into installments as follows:</p> <ul style="list-style-type: none"> <li>- 5% of the total agreement value from the date of signing the first agreement.</li> <li>● 5 % of the total agreement value When the guarantee letter from the bank is delivered.</li> <li>● 70% of the total agreement value when the goods are delivered according to the CIF trade terms.</li> <li>● 20% of the total agreement value, 180 days after the date of delivery in</li> </ul>

	<p>accordance with the CIF trade terms.</p> <p>The seller will place a guarantee of 10 % of the total agreement value which issued by the bank throughout the warranty period and due within a period of 12 months from the date of testing the machine or 18 months from the date of delivery in accordance with the CIF trade terms ,whichever comes first.</p>
<b>Termination of the agreement</b>	<ul style="list-style-type: none"> <li>- In the event that any party breaches the terms of the agreement and cannot be corrected within a reasonable period of time</li> <li>- The party became bankrupt.</li> </ul>
<b>Governing Law</b>	Singapore law

<b>Counterparties</b>	EEC As the 2nd employer of a agreementor which is a third party as a agreementor.
<b>The purpose of the agreement</b>	The employer hires a agreementor for technician work, electrical work, procurement, construction, experimentation and testing of the furnace system and the steam generation system of the AVA power plant.
<b>Agreement signing date</b>	November 1, 2017
<b>Delivery date</b>	<ul style="list-style-type: none"> <li>- Test the machine can continue to work for 14 days without problems. before handing over the work.</li> </ul>
<b>Wage rates and payments</b>	<ul style="list-style-type: none"> <li>- The employer agrees to pay the agreementor in total amount of \$7,217,000 based on the level of completion of the work.</li> </ul>
<b>Important condition</b>	<ul style="list-style-type: none"> <li>- The machines are designed and operated according to the environmental protection standards of Thailand.</li> <li>- The machine is operate continuously for 14 days without problems. before handing over the work.</li> <li>- The agreementor guarantees the design and construction work with the proper quality of functioning for a period of 14 months.</li> <li>- The agreementor may provide the necessary spare parts in reserve for a period of at least 5 years from the date of delivery of the work.</li> </ul>
<b>Termination of the agreement</b>	<ul style="list-style-type: none"> <li>- Unreasonable delay in delivery of work and no possibility of completion of the construction.</li> <li>- Failure to check according to the progress of the work or fix bugs.</li> <li>- The agreementor company became bankrupt or unstable financial status</li> </ul>

	<p>which affects the success of the construction.</p> <ul style="list-style-type: none"> <li>- In the event of termination of the above-mentioned agreement which was caused by the said agreementor company. This allows the employer to choose to keep the outstanding work during construction. The said agreementor company have to compensate the expenses in order to keep the work in progress in an appropriate condition according to the EPC agreement</li> <li>- Delays in payment of employers or financial instability leading to bankruptcy.</li> </ul>
<b>Governing Law</b>	Thai law

<b>Counterparties</b>	EEC As the 1 <sup>st</sup> purchaser of a steam turbine manufacturer which is a third party, as a seller.
<b>The purpose of the agreement</b>	The buyer agrees to purchase a 4 MW steam turbine from the seller to install in the AVA power plant.
<b>Agreement signing date</b>	February 6, 2018
<b>Wage rates and payments</b>	<p>The Buyer agrees to pay the Seller a total amount of \$780,000. The payment is divided into installments as follows:</p> <ul style="list-style-type: none"> <li>- 5% of the total agreement value from the date of signing the first agreement.</li> <li>● 5 % of the total agreement value When the guarantee letter from the bank is delivered.</li> <li>● 70% of the total agreement value when the goods are delivered according to the CIF trade terms.</li> <li>● 20% of the total agreement value, 180 days after the date of delivery in accordance with the CIF trade terms.</li> </ul> <p>The seller will place a guarantee of 10% of the total agreement value which issued by the bank throughout the warranty period and due within a period of 12 months from the date of testing the machine or 18 months from the date of delivery in accordance with the CIF trade terms, whichever comes first.</p>
<b>Termination of the agreement</b>	<ul style="list-style-type: none"> <li>- In the event that any party breaches the terms of the agreement and cannot be corrected within a reasonable period of time</li> <li>- The party became bankrupt.</li> </ul>
<b>Governing Law</b>	Singapore law



**Operation and Preventive Maintenance Service Agreement**

The Company and its subsidiaries have entered into an operation and preventive maintenance service agreement with the EEC, to allow EEC to manage and maintain the Company's power plants and subsidiary, summarize the agreement t as follows.

The company	ETC	RH	AVA
<b>Counterparties</b>	ETC as an employer  EEC as a Agreementor	RH as an employer  EEC as a Agreementor	AVA as an employer  EEC as a Agreementor
<b>The purpose of the agreement</b>	ETC hires EEC for the management and maintenance of ETC's power plants.	RH hires EEC for the management and maintenance of waste fuel power plants with a capacity of 7 megawatts	AVA hires EEC for the management and maintenance of waste fuel power plants with a capacity of 4 megawatts.
<b>Agreement signing date</b>	June 1, 2017	September 10, 2018	September 10, 2018
<b>Service scope</b>	<ol style="list-style-type: none"> <li>1. Provides services in the management, supervision and management of power plants to produce electricity and distribute electricity to electricity buyers.</li> <li>2. Co-operate with electricity buyers and assist the employer in making monthly production plans including a maintenance shutdown plan ,energy balance and the operation plan of the power plant.</li> <li>3. Provides services to enable the power plant to operate smoothly and treated with care and efficiency.</li> <li>4. Managing, supervising and operating with related parties to service and repair the transmission network up to the point of delivery of electricity 24 hours a day, 365 days a year.</li> <li>5. Co-operate with the electricity buyer to read the electricity meter to calculate the amount of electricity paid and prepare invoices.</li> <li>6. Checking electricity meter</li> <li>7. Prompt service by taking immediate action to avoid or minimize the direct and subsequent impacts that may occur on the power plant.</li> <li>8. Take effective remedial action by the employer requires.</li> <li>9. Prepare fuel consumption plans and control fuel consumption for power plants.</li> <li>10. Provides development methods to maintain fuel quality at an optimal level.</li> </ol>		

	<ol style="list-style-type: none"> <li>11. Prepares and maintain records of operations and incidents. Regarding the use of various SRF fuels.</li> <li>12. Manage and supervise the power plant to comply with the rules and government regulations Including the renewal of all licenses related to the operation of power plants.</li> <li>13. Provide emergency action guidelines.</li> <li>14. After the delivery of the power plant, responsible for waste management and emissions to ensure compliance and government regulations.</li> <li>15. Prepares the power plant operating budget report.</li> <li>16. Prepares investment statements and cost control plans for power plants.</li> <li>17. Controlling the use of fuel and other raw materials to be efficient and effective.</li> <li>18. Notify the employer of major damage to machinery and equipment for maintenance and control also certify changes in maintenance plans and project work.</li> <li>19. Provides operational information and other information as requested by the employer.</li> <li>20. Prepares an annual audit plan and work with third parties to produce reports and deliver to employers.</li> <li>21. Participate in the process of verifying the operation of the system (commissioning phase) and testing as well as prepare for the procedure in commercial operation phase.</li> <li>22. Provides information and methods for improving machine reliability and action development including the reduction of waste.</li> <li>23. Provides administrative data for daily, monthly, quarterly and annual maintenance reports.</li> <li>24. Notify the employer as soon as possible in case of an emergency.</li> <li>25. Prepares, maintains and keeps all documents for 5 years from the date of production of such documents.</li> <li>26. Identify risks that may cause damage to power plants as well as prepare an action plan, an emergency plan to prevent and reduce the impact that occurs.</li> <li>27. Notify the employer immediately in the event of an incident that shall be claim compensation from the insurance including the preparation of supporting documents for claiming such compensation.</li> </ol>		
<b>Wage rates and payments</b>	- The employer agrees to pay the agreementor for the basic service fee at the rate of 1,300,000 baht per month which is	The employer agrees to pay the agreementor for the basic service fee at the rate of 1,200,000 baht per month which is	The employer agrees to pay the agreementor for the basic service fee at the rate of 800,000 baht

	calculated from the average monthly expenses of 2016.	calculated from the average monthly actual expenses in 2019.	per month which is calculated from the average monthly actual expenses in 2019.
	<ul style="list-style-type: none"> <li>- The service fee is adjusted annually which total cost per unit will not increase. (Total cost per unit)</li> <li>- Advance payment one month prior to the date of handing the power plant to the EEC for 3 months management.</li> <li>- The employer must pay wages within 5 days of receiving the invoice and monthly reports of the previous month approved by the employer<sup>1</sup></li> </ul>		
<b>Fine</b>	<ul style="list-style-type: none"> <li>- In the case of production less than 9 megawatts or 70.2 million kilowatt per hours and or every 1,000 kWh below 70.2 million kWh, electricity buyers buy less electricity than the output. The fine is equal to 2% of the basic annual fee.</li> </ul>	<ul style="list-style-type: none"> <li>- In the case of production less than 40,000 megawatt per hours and electricity buyers can buy less than the output for every 1,000 kilowatt per hours below 40,000 megawatt per hours. The fine is equal to 2% of the basic annual fee. The penalty fee will be charged at the end of each year of operation.</li> </ul>	<ul style="list-style-type: none"> <li>- In the case of production less than ,000 megawatt per hours and and the buyers can buy less than the output for every 1,000 kilowatt per hours below 22,000 megawatt per hours. The fine is equal to 2% of the basic annual fee. The penalty fee will be charged at the end of each year of operation.</li> </ul>
	<p>The employer will make a fine of not to exceed 10 percent of the basic service fee in case of failure to comply with the performance certification.</p> <ul style="list-style-type: none"> <li>- The agreementor guarantees a minimum of 8,000 hours of operation per year. For every 100 hours below 8,000 hours, the fine will be 2% of the basic annual fee.</li> </ul> <p>However, the employer will waive the fine in the following cases:</p> <ul style="list-style-type: none"> <li>- The agreementor reduces the amount of electricity produced due to a shortage of fuel or water, which is not the agreementor's fault.</li> <li>- The agreementor reduces the amount of electricity production or closes the power plant as requested or approved by the employer for testing, special inspection or other reasons.</li> </ul>		

	<ul style="list-style-type: none"> <li>- The agreementor reduces the amount of electricity as requested by the electricity buyer.</li> <li>- The agreementor produces insufficient amount of electricity due to force majeure.</li> <li>- Agreementors produce insufficient supply of electricity due to terrorism, looting, protests.</li> <li>- The agreementor produces insufficient amount of electricity due to fire which is not the fault of the agreementor.</li> </ul>		
<b>Termination of the agreement</b>	<ul style="list-style-type: none"> <li>- The agreement is effective from 1 June 2017 - 31 May 2020. The Company has the right to extend the agreement for another 3 years when giving notice at least 60 days prior to the agreement expiration date. In case of not notifying in advance. This agreement is effective for 1 year from the expiration date of the agreement.</li> </ul>	<ul style="list-style-type: none"> <li>- The agreement is effective for 3 years from the date of commercial power generation and distribution. RH has the right to extend the agreement for another 3 years when giving notice at least 60 days prior to the agreement expiration date. In case of not notifying in advance. This agreement is effective for 1 year from the expiration date of the agreement.</li> </ul>	<ul style="list-style-type: none"> <li>- The agreement is effective for 3 years from the date of commercial power generation and distribution. AVA has the right to extend the agreement for another 3 years when giving notice at least 60 days prior to the agreement expiration date. In case of not notifying in advance. This agreement is effective for 1 year from the expiration date of the agreement.</li> </ul>
	<p>The employer has the right to cancel the agreement at any time. Upon giving 90 days' advance written notice to the Agreementor in the following cases:</p> <ul style="list-style-type: none"> <li>- The agreementor is unable to perform the duties as specified in the agreement and cannot be corrected within 30 days or within a reasonable period of time or</li> <li>● The agreementor's warranties are not true or cannot be corrected within 30 days or within a reasonable period of time or</li> <li>● In case of order or has a resolution to cancel the business or a liquidator has been appointed to liquidate the agreementor's property or the agreementor enters the bankruptcy filing process or the rehabilitation process.</li> <li>- The agreementor has the right to cancel the agreement at any time. Upon</li> </ul>		

	<p>giving 180 days' advance written notice to the employer in the following cases.</p> <ul style="list-style-type: none"> <li>- The employer is unable to perform the duties as specified in the agreement and cannot be corrected within 30 days or within a reasonable period of time or</li> <li>● The employer fails to pay the amount stated in the agreement within 30 days, or</li> <li>● The employer's warranties are not true. or cannot be corrected within 30 days or</li> <li>● In case of order or a resolution to cancel the business or a liquidator has been appointed to liquidate the employer's property</li> <li>- The agreement is terminated in the event of written agreement by both parties.</li> <li>- At the end of the agreement The employer has the right to hire or receive the employee of the agreementor to be the employee of the employer or moved to be an employee of new agreementor, provided that the employer receives the consent of the employee each agreementor.</li> </ul>
--	--

#### Water supply agreements in industrial estates

##### - ETC's water supply agreements in industrial estates

The Company and its subsidiaries entered into a water supply agreement in industrial estates with the Industrial Estate Authority of Thailand ("IEAT") The objective is to request the use of tap water in industrial estates. The agreement is summarized as follows:

The company	ETC- user  IEAT – supplier	RH- user  IEAT – supplier	AVA- user  IEAT – supplier
Counterparties	Supplier make an agreement to user for using tap water in Kaeng Khoi Industrial Estate	Supplier make an agreement to user for using tap water in the Metropolitan Industrial Estate	Supplier make an agreement to user for using tap water in Phichit Industrial Estate
The purpose of the agreement	October 2, 2015	20 February 2018	February 21, 2018
The essence of the agreement	- Users agree to comply with the laws, regulations, rules and announcements of the IEAT which are related to the water supply that is currently in use as well as that will be changed in the future.		

	<ul style="list-style-type: none"> <li>- Users have deposited as stipulated in the agreement to the IEAT to guarantee the use of tap water. and agree to deduct the security deposit for debt repayment in the event that water users have obligations to pay to IEAT.</li> <li>- Users agree to pay for tap water and various fees at the rate announced by the IEAT that is currently in use and may announce changes in the future.</li> </ul>		
<b>Water tariffs and payments</b>	<ul style="list-style-type: none"> <li>- Announcement of I-EA-T No. 003/2559 regarding the determination of the water tariff rate in the Kaeng Khoi Industrial Estate, specifying that water users pay for tap water at the rate of 12 baht per cubic meter and pay monthly according to the schedule and location specified in the said announcement.</li> </ul>	<ul style="list-style-type: none"> <li>- Announcement of I-EA-T No.001/2559 regarding the determination of the rate of maintenance of facilities and utility services in the Saha Rattana Nakorn Industrial Estate. specifying that water users pay for tap water at the rate of 24.50 baht per cubic meter and pay monthly according to the schedule and location specified in the said announcement.</li> </ul>	<ul style="list-style-type: none"> <li>- Announcement of I-EA-T No. 1/2554 regarding the determination of water tariff rates in Phichit Industrial Estate Specify that water users pay for tap water at the rate of 15 baht per cubic meter and pay monthly according to the schedule and location specified in the said announcement.</li> </ul>
<b>Termination of the agreement</b>	<ul style="list-style-type: none"> <li>- The agreement is effective from October 5, 2015 and forever until IEAT or water users terminate the agreement or the water user has transferred the right to use tap water to others with the consent of the IEAT.</li> </ul>	<ul style="list-style-type: none"> <li>- The agreement is effective from February 20, 2018 and forever until IEAT or water users terminate the agreement or the water user has transferred the right to use tap water to others with the consent of the IEAT.</li> </ul>	<ul style="list-style-type: none"> <li>- The agreement is effective from February 21, 2018 and forever until IEAT or water users terminate the agreement or the water user has transferred the right to use tap water to others with the consent of the IEAT.</li> </ul>

**Waste treatment and disposal service agreements**

The Company and its subsidiaries have entered into a waste treatment and disposal agreement with BWG. The objective is to use the services for treatment and disposal of waste from the power production process, which is summarized as follows:

Counterparties	The company as an employer  BWG as a agreemontor	RH as an employer  BWG as a agreemontor	AVA as an employer  BWG as a agreemontor
The purpose of the agreement	The employer agrees to employ a agreemontor to provide treatment and waste disposal services.		
Agreement signing date	July 3, 2015 and the memorandum of the agreement amendment dated October 12, 2017	November 1, 2017	
Service rates and payments	- At a rate of 4,000 baht/trip for trailers and 2,500 baht/trip for non-trailers.	1,000 baht per ton (may change later like ETC as it requires approval from the Department of Industrial Works, which will consider the chemical properties of the ash)	
Termination of the agreement	<ul style="list-style-type: none"><li>- The agreement is effective for 20 years from the commencement date of COD or the date on which the employer provides the agreemontor in writing in term of the type and the quantity of waste at the first time.</li><li>- In the event that either party breaches any of the agreements ,the other party has the right to terminate the agreement by law which the party whose breach the agreement have to indemnify the damages incurred from the date of termination of the agreement. However, the agreemontor has no right to terminate this agreement while the employer still has any debts, liabilities and/or obligations under the loan agreement that the employer entered into or will do with the purpose of using the loan or related to the power plant project.</li><li>- In the event that the Department of Factory issues an order canceling the agreemontor's business certificate, whether for any reason. This agreement shall be deemed terminated. by having the agreemontor notify the employer in writing at least 30 days in advance and the agreemontor shall pay a fine to the employer or the agreemontor procures a waste disposal facility for the employer.</li></ul>		



### Loan agreement of the company and subsidiary

As of September 30, 2019, the company has loan agreement from 2 financial institutions with a total credit line of 1,045 million baht which can summarize the agreement details as follows :

<b>Counterparties</b>	<p>The company as a borrower</p> <p>BWG as a sponsor and guarantor</p> <p>The 1st domestic financial institution as a lender and credit agent.</p> <p>The second domestic financial institution as a lender and collateral agents.</p>																						
<b>The purpose of the agreement</b>	The borrower agrees to borrow and the lender agrees to lend for ETC's power plants business.																						
<b>Agreement signing date</b>	December 14, 2015																						
<b>Limit details</b>	<p>The total credit line is 1,045 million baht, details are as follows :</p> <table border="1"> <thead> <tr> <th>Limit details</th><th>The 1st domestic financial institution (a million baht)</th><th>The second domestic financial institution (a million baht)</th><th>Interest Rate / Fee</th></tr> </thead> <tbody> <tr> <td>Long term loan</td><td>500</td><td>500</td><td>THBFIX + 3.0% per year</td></tr> <tr> <td>Short term loan</td><td>-</td><td>30</td><td>MLR – 0.5% per year</td></tr> <tr> <td>Bank overdraft</td><td>-</td><td>10</td><td>MOR – 0.5% per year</td></tr> <tr> <td>Guarantee</td><td>5</td><td>-</td><td>2.0% per year</td></tr> </tbody> </table>			Limit details	The 1st domestic financial institution (a million baht)	The second domestic financial institution (a million baht)	Interest Rate / Fee	Long term loan	500	500	THBFIX + 3.0% per year	Short term loan	-	30	MLR – 0.5% per year	Bank overdraft	-	10	MOR – 0.5% per year	Guarantee	5	-	2.0% per year
Limit details	The 1st domestic financial institution (a million baht)	The second domestic financial institution (a million baht)	Interest Rate / Fee																				
Long term loan	500	500	THBFIX + 3.0% per year																				
Short term loan	-	30	MLR – 0.5% per year																				
Bank overdraft	-	10	MOR – 0.5% per year																				
Guarantee	5	-	2.0% per year																				
<b>Repayment</b>	1. Long term loan : Repayable quarterly for a total of 26 quarters. The first																						

<b>period</b>	<p>installment of debt repayment is the date that arrives before between,</p> <ul style="list-style-type: none"> <li>- end of first quarter after 6 months of COD, or</li> <li>- September 30, 2017</li> </ul> <p>2. Short term loan: repayment according to the normal rules of the lender</p> <p>3. Bank overdraft: repayment according to the normal rules of the lender</p> <p>4. Guarantee: repay within 60 days after COD or depending on the regulations of the lender in case of having to have a letter of guarantee after COD.</p>
<b>Interest payment schedule and fees</b>	<p>1. For long-term loan, short term loan and overdraft limit The borrower must pay interest on a quarterly basis.</p> <p>2. For guarantee, the borrower is required to pay a letter of guarantee issuance fee of 2% per annum, with fee quarterly installments. Since the beginning of issuing the letter of guarantee.</p>
<b>Due date</b>	<p>All credit lines have to be fully repaid within the due date. which is the date before :</p> <ul style="list-style-type: none"> <li>- The due date is 7 years from the COD date, or</li> </ul> <p>Maturity Date: 8 years from the date the borrower completes the initial requirements for a long-term loan disbursement.</p> <p>This shall not be later than March 31, 2024.</p>
<b>Conditions for withdrawing the loan amount</b>	<ul style="list-style-type: none"> <li>- Shareholders and supporters have paid a paid-up capital of not less than 500 million baht or in the case of paid-up capital of 375 million baht. The sponsor has issued a Letter of Credit to certify the unbilled amount to reach 500 million baht.</li> <li>- The outstanding loan balance to shareholders' equity is not more than 2 to 1 After this loan agreement.</li> </ul>
<b>Testimonials and confirmations omission rules of major breaches for the borrower's agreement</b>	<ul style="list-style-type: none"> <li>- During any period Within BWG loan agreements including AKP (both directly and indirectly) Holding shares in ETC not less than a percentage of 51 of all ETC shares.</li> </ul>
<b>Financial agreement</b>	<ul style="list-style-type: none"> <li>- Debt-to-Equity ratio not more than 2.00 times and</li> <li>- DSCR ratio not less than 1.15 times</li> </ul> <p>Such financing agreements must be checked annually by using audited annual financial statements. The first check will begin when one of the following</p>

	<p>events occurs first.</p> <ol style="list-style-type: none"> <li>1. The calendar year of the project started COD</li> <li>2. Period ended December 31, 2017</li> </ol>
<b>Mortgages and Guarantees</b>	<ul style="list-style-type: none"> <li>- Mortgage of land with buildings and machinery of the ETC power plant.</li> <li>- Guaranteed by sponsors in the amount not exceed 1,155,000,000 baht which is divided into guarantees according in the amount of 1,045,000,000 baht and guarantee of exchange rate limit (Hedging agreement) in the amount of 110,000,000 baht.</li> </ul>
<b>Deposit and use of project funds</b>	<p><b>Deposit</b></p> <ul style="list-style-type: none"> <li>- The borrower must deposit money into the Disbursement Account. In case of receiving money from the capital increase payment ,from subordinated loans , from hedging agreements (in the case before the date of COD) and receiving from long-term loans in this agreement.</li> <li>- The borrower have to put money into the revenue account in case of receiving money from the project's income. Receives the payment that are not specified for another account and receiving money from the sale of shares or other securities of the same type.</li> <li>- Every last business day of the month The borrower must transfer money from the income account to the operating account, with the amount required to operate for the next calendar month.</li> <li>- Every month after the COD, the borrower must transfer money from the income account to the following account. <ul style="list-style-type: none"> <li>- Operating Account for the amount required to operate for the next calendar month.</li> <li>- Debt Service Accrual Account for an amount not less than the specified outstanding debt calculated from a long-term loan of 1,000 million baht and the amount to be paid from the hedging agreement each quarter.</li> <li>- Debt Service Reserve Account for an amount not less than the specified outstanding debt calculated from a long-term loan of 1,000 million baht and the amount to be paid from the hedging for 6 months.</li> <li>● Major Maintenance Reserve Account for the amount not less than the big maintenance reserve.</li> </ul> </li> <li>- Proceeds from insurance have to transferred to the Insurance Proceeds Account immediately.</li> <li>- Borrower can transfer money from income account and/or account for debt repayment and/or a reserve account for debt repayment and/or accounts for maintenance reserves into permitted investment account to invest according to</li> </ul>

	<p>the details specified in the agreement, such as investments with high liquidity or cash equivalents which consists of government bonds, state enterprises or debt investments rated by Tris Rating or Fitch Rating (Thailand) Ltd not less than A grade.</p> <ul style="list-style-type: none"> <li>- In the event that the income account is insufficient for the payment to the above accounts, the borrower must sell the permitted investment in order to get enough money for paying into above accounts.</li> </ul> <p><b>Using money</b></p> <ul style="list-style-type: none"> <li>- The borrower can pay from the spending account according to the project cost in the approved of construction budget plan.</li> <li>- Borrowers can pay money from the account to operate. According to the project's operating expenses in the approved annual budget plan.</li> <li>- On repayment Date and interest Payment Date, the borrower have to withdraw money from the account for repayment in order to pay the lender.</li> <li>- When the balance in the repayment account is insufficient to pay the lender. The borrower can withdraw the shortfall from the reserve account for repayment in order to pay the lender.</li> <li>- The borrower can pay from the reserve account for maintenance based on the maintenance cost guaranteed by the lender's technical advisor and in accordance with the approved annual budget plan.</li> <li>- In case, there is no event of default payment. Income from insurance that is deposited into the account for receiving insurance shall do as follows. <ul style="list-style-type: none"> <li>● In the amount received from insurance less than 10,000,000 baht, the borrower shall deposit it into the income account after the COD date.</li> <li>● In the amount received from insurance more than 10,000,000 baht, the borrower shall deposit it into the income account after the COD date. It shall be approved by the lender before doing so.</li> </ul> </li> </ul>
<b>Dividend payment</b>	<ul style="list-style-type: none"> <li>- The borrower can take any remaining amount into distribution Account to pay dividends or to repay subordinated loans after (A) Deposit money into the account for business purposes (B) Deposit money into the account to pay off principal and interest payments in the next 3 months. (C) Deposit money into a reserve account to pay off principal and interest payments in the next 6 months. (D) Deposit money into the reserve account for maintenance of not less than the minimum amount required to reserve. After that, funds can be deposited into the account for allocation after various reservations not more than 2 times per year. The money distribution test is detailed as follows. <ul style="list-style-type: none"> <li>● No event of default</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>● The settlement account has a certain amount in the account.</li> <li>● The maintenance reserve account has a certain amount in the account.</li> <li>● DSCR ratio not less than 1.30 times calculated from the latest audited financial statements.</li> <li>● Project Completion Date is happened.</li> <li>● First Repayment Date is happened.</li> </ul>
--	--

On September 17, 2018, RH has borrowed money from 2 financial institutions with a total credit line of 1,068.1 million baht which can summarize the amount and the core of the agreement as follows :

<b>Counterparties</b>	<p>RECOVERY HOUSE COMPANY LIMITED (RH) as a borrower.</p> <p>Better World Green Public Company Limited as a sponsor and guarantor.</p> <p>EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED as a guarantor.</p> <p>LINK 88 POWER COMPANY LIMITED as a guarantor.</p> <p>The 1<sup>st</sup> domestic financial institution as a lender and credit agent.</p> <p>The 2<sup>nd</sup> domestic financial institution as a lender and collateral agent.</p>
<b>The purpose of the agreement</b>	<p>Credit A : for pay project costs</p> <p>Credit B : In the form of a letter of guarantee loan : Placed as collateral with PEA and/or as collateral for receiving money in advance, payment of utility services, purchase and/or performance of RH agreements in connection with project implementation.</p> <p>Credit B : In the form of Trade Finance/ Promissory Note : used as working capital of the project and purchase spare parts for machinery and equipment.</p> <p>Credit C : Used as working capital of the project and/or general expenses for the implementation of the project. ( according to the approved annual operating statements)</p> <p>Credit D : Used to hedge foreign exchange risk and interest rate.</p>

Agreement signing date	September 17, 2018			
Limit details	Total credit line 1,068.1 million baht, The details are as follows :			
	credit line	The 1st domestic financial institution  (a million baht)	The second domestic financial institution  (a million baht)	Interest Rate / Fee
	<u>Credit A :</u>  long term loan	286	286	<u>interest rate:</u> 6M THBFIX + 3.0% per year  <u>procurement fee</u>  <u>credit:</u> 1.50% of the credit limit A  <u>credit confirmation fee :</u>  0.25% per year of Credit limit A that has not been drawn
	<u>Credit B :</u>  letter of guarantee, working capital for Trade Finance and short-term loans (P/N)	-	28.5	<u>Letter of guarantee fee :</u>  2% of the value of the letter of guarantee per year  <u>working capital interest rate</u>  Trade Finance: MMR per year   <u>Promissory Note:</u> MLR - 0.5% per year

	<u>Credit C:</u>  Working capital for overdrafts (O/D)	-	10	<u>interest rate</u> : MOR - 0.5%  per year
	<u>Credit D :</u>  Hedge preventing	-	457.6 or [80% of the outstanding principal balance of credit A]	
Repayment period	<p>1. <u>Credit A</u> Long-term loan : repayable quarterly for a total of 27 quarters with repayment scheduled on the last business day of that quarter since COD (September 24, 2019)</p> <p>2. <u>Credit B</u> Guarantee : repayable upon the expiration of the effective period of the letter of guarantee as stated. Trade Finance : repay within 180 days from the date of drawdown of the relevant loan.  Promissory Note : repay within 60 days from the date of issuance of the promissory note.</p> <p>3. <u>Credit C</u> repayment according to the normal rules of the lender</p> <p>4. <u>Credit D</u> repayment according to the normal rules of the lender.</p>			
Interest	1. <u>Credit A</u>			



<p><b>payment schedule and fees</b></p>	<p>Pay interest on a quarterly basis</p> <p>2. <u>Credit B</u></p> <p>Guarantee : Pay interest on a quarterly basis</p> <p>Trade Finance : Pay interest on a quarterly basis</p> <p>Promissory Note : Pay interest on a quarterly basis</p> <p>3. <u>Credit C</u> : Pay interest on a quarterly basis</p> <p>4. <u>Loan financing fee</u> : within 3 working days from the date of the agreement</p> <p>5. <u>Credit confirmation fee</u> : within the last business day of every quarter from the date of the agreement/</p> <p>6. <u>Loan agent fee collateral agent</u>: Pay the amount, method, and payment schedule as stated in the fee letter.</p>
<p><b>Due date</b></p>	<ul style="list-style-type: none"> <li>- First loan : The loan must be repaid under the credit limit A on the day before, between (A) The last business day of March, June, September, December, whichever comes first, on the base which is the first 180 days after the due date since COD and (B) June 30, 2020</li> <li>- Last loan : total limit (A to D) have to be paid promptly within the due date which is comes forest (A) The due date is 7 years from the COD date and (B) On the date 8 years 6 months from the date of the loan agreement on September 17, 2018 and (C) December 31, 2016</li> </ul>
<p><b>Conditions for withdrawing the loan amount</b></p>	<p>1. <u>Credit A</u></p> <p>Able to withdrawn up to 2 times per month which can withdraw the loan not more than the credit limit of credit A and each withdrawal has a minimum of 5,000,000 (five million) baht.</p> <p>2. <u>Credit B</u></p> <p>The first loan have to be withdrawn within 6 months (which not a letter of guarantee loan) from the date of commercial operation (Otherwise, the credit B will be automatically cancelled) and able to withdrawn up to 2 times per month. The loan can be withdrawn not more than the credit limit of Part B, and the drawdown in the form of a letter of guarantee loan shall not exceed 3,500,000 baht. The credit lender shall receive the loan withdrawal document of credit part B and other documents as specified by the credit lender at least 3 business days before the date of that loan drawdown.</p> <p>3. <u>Credit C</u></p> <p>The first loan have to be withdrawn within 6 months (which not a letter of guarantee loan) from the date of commercial operation (Otherwise, the credit C will be automatically cancelled) and able to withdrawn up to 2 times per month. The loan can be withdrawn not more than the credit limit of Part C. The credit lender shall receive the loan withdrawal document of credit part C and other documents as</p>

	<p>specified by the credit lender at least 3 business days before the date of that loan drawdown.</p> <p>4. <u>Credit D</u></p> <p>According to internal regulations or procedures of each hedging counterparty.</p>
<p><b>Testimonials and omission confirmations major rules breaches of the borrower's agreement</b></p>	<ul style="list-style-type: none"> <li>- The completion date of the project takes place within 30 June 2020.</li> <li>- RH will submit the first annual operating statement no later than 45 days prior to the date of commercial operation and submit the annual operating budget no later than 45 days prior to the date of the next fiscal year.</li> <li>- RH will not incur additional debt. unless it is a general trade operation. It is a debt that has been approved by the majority of lenders. It is a debt under financial documents, under project agreements or under subordinated loans.</li> <li>- RH will not lend, guarantee or provide credit to any person. or provide any form of financial assistance to any other person.</li> <li>- RH will not create collateral for any other retention rights pending over the collateral property , property, income or rights of RH except for the creation of obligations under financial documents or for the benefit of the group of secured creditors.</li> <li>- RH will not sell, rent, transfer or dispose of the assets, rights, income and/or income of RH unless it is a sale, lease or disposition due to (A) General trading business in which RH receives a return at a standard price and not affect the collateral and/or any rights of the secured creditor group (B) It is an action that can be done under financial documents.</li> <li>- RH will not establish or acquire any company or juristic person include not invest in other juristic persons or the affairs of others unless RH receives prior written consent from the majority of lenders. However, such exclusion shall not apply to authorized investments.</li> <li>- RH will not reduce the registered capital and not recall or buy back any shares of RH.</li> <li>- RH will not engage in any other business other than project operation or not change the nature of the business to be different from the business that RH has operated.</li> <li>- All shares of RH issued have been fully paid and is not subject to the terms of the agreement or option to purchase.</li> <li>- During any period Within BWG loan agreements including AKP (both directly and indirectly) are holding shares in ETC not less than 51% of the total shares of ETC. Besides that, BWG There is no statutory and/or agreementual authority to set policies regarding ETC's business operations and/ or has no right to appoint more than half of the ETC's directors.</li> <li>- ETC holds shares in L88 not less than 99.88% of the total shares of L88. Besides</li> </ul>

	<p>that, ETCT here is no statutory and/or agreementual authority to set policies regarding L88's business operations and/ or has no right to appoint more than half of the L88's directors.</p> <ul style="list-style-type: none"> <li>- L88 holds shares in RH not less than 95% of the total shares of RH. Besides that, L88 here is no statutory and/or agreementual authority to set policies regarding RH's business operations and/ or has no right to appoint more than half of the RH's directors.</li> <li>- ETC holds shares in AVA not less than 97% of the total shares of AVA. Besides that, ETC here is no statutory and/or agreementual authority to set policies regarding ETC's business operations and/ or has no right to appoint more than half of the ETC's directors.</li> <li>- RH not have any subsidiaries and not engage in any business other than the project implementation.</li> </ul>
<b>The borrower's financial practices</b>	<ul style="list-style-type: none"> <li>- Maintain a debt-to-Equity ratio not above 3:1 and</li> <li>- Maintain a debt service coverage ratio (DSCR ratio) not less than 1.20 times</li> </ul> <p>The agreements are based on RH's annual financial statements, which have been reviewed by auditors. The D/E ratio will begin to calculate for the first time from the annual financial statements ending December 31, 2018 and next time, every December 31 of every year. The DSCR ratio will begin to be calculated for the first time from the annual financial statements ending December 31, 2019 and every subsequent period on December 31 of each year.</p>
<b>Mortgages and Guarantees</b>	<ul style="list-style-type: none"> <li>- Mortgage of land and buildings with a value of not less than 1,468,500,000 baht</li> <li>- Pledge authorized investments and place authorized investments as business collateral.</li> <li>- Pledge all RH shares held by shareholders to creditors.</li> <li>- Pledge any shares of RH will be issued additionally and not yet pledged.</li> <li>- Pledge all L88 shares held by ETC to creditors.</li> <li>- Pledge any shares of L88 shareholders to be issued additionally to creditors.</li> </ul>
<b>Deposits and project payments</b>	<ul style="list-style-type: none"> <li>- RH's funds shall deposited into the Disbursement Account in case of receiving money from the payment of shares. or from the issuance or sale of RH shares, capital increase shares, securities or any other transaction of instruments representing rights in RH's shares or capital.</li> <li>- RH shall deposit funds into the revenue account in case of receiving money from project revenues. including money received from PEA in the form of a check ,any excess in the debt service accrual account, debt service reserve account and major maintenance reserve account.</li> </ul>

	<ul style="list-style-type: none"> <li>- Every last business day of the month after the Commercial Operation Date, RH has to transfer funds from the revenue account to the operating account with the amount required to operate for the next 1 month, including any remaining balance in the operating account.</li> <li>- Every last business day of the calendar month (“Every last business day of the calendar month”) after the day of Commercial Operation Date, RH has to transfer funds from the revenue account to the following account : <ul style="list-style-type: none"> <li>● Operating Account with the amount required to operate for the next 1 month plus any remaining balance in the operating account.</li> <li>● Debt Service Accrual Account in the amount not less than (A) The amount of principal and interest on all loans payable within the next 3 months and (B) The total amount due under the hedge agreement within the next 3 months. (“minimum amount payable to settle debt”)</li> <li>● Debt Service Reserve Account in the amount not less than (A) the amount of principal and interest on all loans payable within the next 6 months and (B) The total amount due for the hedge agreement within the next 6 months. (“minimum amount payable to settle debt”)</li> </ul> </li> <li>- Major Maintenance Reserve Account In the amount of not less than the amount that must be reserved for maintenance each quarter as stipulated in the minimum amount required to reserve for maintenance as stipulated in the loan agreement. If in any quarter RH is unable to deposit funds and maintain the deposit in the maintenance reserve account in full up to the minimum amount required for maintenance reserves each quarter. RH agrees that the unpaid amount of that quarter shall be added to the minimum amount required to reserve for maintenance in the following quarter.</li> <li>- Income received from insurance shall be transferred to the Insurance Proceeds Account immediately.</li> <li>- Income received from project agreements and any compensation for damages shall be transferred to the account for compensation proceeds immediately.</li> <li>- RH able to take money from the income account, account for debt settlement, reserve account for debt settlement and reserve account for maintenance of the credit agreement respectively to be used in permitted investments. The funds obtained from the investment shall be deposited into the account from which the funds were initially withdrawn.</li> </ul>
<b>Dividend payment</b>	<ul style="list-style-type: none"> <li>- The borrower can take any remaining amount to deposit into the distribution account to pay dividends or repay subordinated loans after (A) Deposit money into the account for business purposes (B) Deposit money into the account to pay off principal and interest payments in the next 3 months (C) Deposit money into a</li> </ul>

	<p>reserve account to pay off principal and interest payments in the next 6 months</p> <p>(D) Deposit money into the reserve account for maintenance of not less than the minimum amount required to reserve then funds can be deposited into the distribution account not more than 2 times per year. The money distribution test is detailed as follows.</p> <ul style="list-style-type: none"> <li>- No event of default</li> <li>● The settlement account has a certain amount in the account.</li> <li>● The maintenance reserve account has a certain amount in the account.</li> <li>● DSCR ratio not less than 1.20 times calculated from the latest audited financial statements.</li> <li>● Project Completion Date is happened.</li> <li>● First Repayment Date is happened.</li> </ul>
--	--

On September 17, 2018, AVA has borrowed money from 2 financial institutions with a total credit line of 604.6 million baht which can summarize the amount and the core of the agreement as follows :

<b>Counterparties</b>	<p>AVA GRAND ENERGY COMPANY LIMITED (AVA) as a borrower.</p> <p>Better World Green Public Company Limited as a sponsor and guarantor.</p> <p>EARTH TECH ENVIRONMENT PUBLIC COMPANY LIMITED as a guarantor.</p> <p>The 1<sup>st</sup> domestic financial institution as a lender and credit agent.</p> <p>The 2<sup>nd</sup> domestic financial institution as a lender and collateral agent.</p>
<b>The purpose of the agreement</b>	<p>Credit A : For pay project costs</p> <p>Credit B : In the form of a letter of guarantee loan : Placed as collateral with PEA and/or as collateral for receiving money in advance, payment of utility services, purchase and/or performance of RH agreements in connection with project implementation.</p> <p>Credit B : In the form of Trade Finance/ Promissory Note : used as working capital of AVA and purchase spare parts for machinery and equipment.</p> <p>Credit C : Used as working capital of the project and/or general expenses for the implementation of the project. ( according to the approved annual operating statements)</p> <p>Credit D : Used to hedge foreign exchange risk and interest rate.</p>
<b>Agreement signing date</b>	September 17, 2018
<b>Limit details</b>	Total credit line 604.6 million baht, The details are as follows :

	credit line	The 1st domestic financial institution (a million baht)	The second domestic financial institution (a million baht)	Interest Rate / Fee
	<u>Credit A:</u>  Long term loan	161	161	<u>Interest rate:</u> 6M THBFIX + 3.0% per year  <u>procurement fee</u>  <u>credit:</u> 1.50% of the credit limit A  <u>credit confirmation fee :</u>  0.25% per year of the credit limit A that has not been drawn
	<u>Credit B:</u>  letter of guarantee, working capital for Trade Finance and short-term loans (P/N)	-	15	<u>Letter of guarantee fee :</u>  2% of the value of the letter of guarantee per year  <u>working capital interest rate</u>  Trade Finance: MMR per year  <u>Promissory Note:</u> MLR - 0.5% per year

	<table><tr><td><u>Credit C:</u>  Working capital for overdrafts (O/D)</td><td>-</td><td>10</td><td><u>อัตราดอกเบี้ย:</u> MOR -  0.5% per year</td></tr><tr><td><u>Credit D :</u>  Hedge preventing</td><td>-</td><td>257.6 or [80% of the outstanding principal balance of credit A]</td><td></td></tr></table>	<u>Credit C:</u>  Working capital for overdrafts (O/D)	-	10	<u>อัตราดอกเบี้ย:</u> MOR -  0.5% per year	<u>Credit D :</u>  Hedge preventing	-	257.6 or [80% of the outstanding principal balance of credit A]	
<u>Credit C:</u>  Working capital for overdrafts (O/D)	-	10	<u>อัตราดอกเบี้ย:</u> MOR -  0.5% per year						
<u>Credit D :</u>  Hedge preventing	-	257.6 or [80% of the outstanding principal balance of credit A]							
Repayment period	<p><u>1.Credit A</u> Long-term loan : repayable quarterly for a total of 27 quarters with repayment scheduled on the last business day of that quarter since COD or on 30 June 2020 (whichever comes first)</p> <p><u>2. Credit B</u> Guarantee : repayable upon the expiration of the effective period of the letter of guarantee as stated. Trade Finance : repay within 180 days from the date of drawdown of the relevant loan. Promissory Note : repay within 60 days from the date of issuance of the promissory note.</p> <p><u>3. Credit C</u> repayment according to the normal rules of the lender</p> <p><u>3. Credit D</u> repayment according to the normal rules of the lender.</p>								
Interest payment schedule and fees	<p><u>1. Credit A</u> Pay interest on a quarterly basis</p> <p><u>2. Credit B</u> Guarantee : Pay interest on a quarterly basis Trade Finance : Pay interest on a quarterly basis Promissory Note : Pay interest on a quarterly basis</p> <p><u>3. Credit C</u> : Pay interest on a quarterly basis</p> <p><u>4. Loan financing fee</u> : within 3 working days from the date of the agreement</p> <p><u>5. Credit confirmation fee</u> : within the last business day of every quarter from the date of the agreement/</p> <p><u>6. Loan agent fee collateral agent</u>: Pay the amount, method, and payment schedule</p>								

	as stated in the fee letter.
<b>Due date</b>	<ul style="list-style-type: none"> <li>- First loan : The loan must be repaid under the credit limit A on the day before, between (A) The last business day of March, June, September, December, whichever comes first, on the base which is the first 180 days after the due date since COD and (B) June 30, 2020</li> <li>- Last loan : total limit (A to D) have to be paid promptly within the due date which is comes forest (A) The due date is 7 years from the COD date and (B) On the date 8 years 6 months from the date of the loan agreement on September 17, 2018 and (C) December 31, 2016</li> </ul>
<b>Conditions for withdrawing the loan amount</b>	<p>1. <u>Credit A</u></p> <p>Able to withdrawn up to 2 times per month which can withdraw the loan not more than the credit limit of credit A and each withdrawal has a minimum of 5,000,000 (five million) baht.</p> <p>2. <u>Credit B</u></p> <p>The first loan have to be withdrawn within 6 months (which not a letter of guarantee loan) from the date of commercial operation (Otherwise, the credit B will be automatically cancelled) and able to withdrawn up to 2 times per month. The loan can be withdrawn not more than the credit limit of Part B, and the drawdown in the form of a letter of guarantee loan shall not exceed 1,500,000 baht. The credit lender shall receive the loan withdrawal document of credit part B and other documents as specified by the credit lender at least 3 business days before the date of that loan drawdown.</p> <p>3. <u>Credit C</u></p> <p>The first loan have to be withdrawn within 6 months (which not a letter of guarantee loan) from the date of commercial operation (Otherwise, the credit C will be automatically cancelled) and able to withdrawn up to 2 times per month. The loan can be withdrawn not more than the credit limit of Part C. The credit lender shall receive the loan withdrawal document of credit part C and other documents as specified by the credit lender at least 3 business days before the date of that loan drawdown.</p> <p>4. <u>Credit D</u></p> <p>According to internal regulations or procedures of each hedging counterparty.</p>
<b>Testimonials and omission</b>	<ul style="list-style-type: none"> <li>- The completion date of the project takes place within 30 June 2020.</li> <li>- AVA will submit the first annual operating statement no later than 45 days prior to the date of commercial operation and submit the annual operating budget no</li> </ul>



<p><b>confirmations</b></p> <p><b>major rules</b></p> <p><b>breaches of the</b></p> <p><b>borrower's</b></p> <p><b>agreement</b></p>	<p>later than 45 days prior to the date of the next fiscal year.</p> <ul style="list-style-type: none"> <li>- AVA will not incur additional debt. unless it is a general trade operation. It is a debt that has been approved by the majority of lenders. It is a debt under financial documents, under project agreements or under subordinated loans.</li> <li>- AVA will not lend, guarantee or provide credit to any person. or provide any form of financial assistance to any other person.</li> <li>- AVA will not create collateral for any other retention rights pending over the collateral property , property, income or rights of RH except for the creation of obligations under financial documents or for the benefit of the group of secured creditors.</li> <li>- AVA will not sell, rent, transfer or dispose of the assets, rights, income and/or income of RH unless it is a sale, lease or disposition due to (A) General trading business in which RH receives a return at a standard price and not affect the collateral and/or any rights of the secured creditor group (B) It is an action that can be done under financial documents.</li> <li>- AVA will not establish or acquire any company or juristic person include not invest in other juristic persons or the affairs of others unless RH receives prior written consent from the majority of lenders. However, such exclusion shall not apply to authorized investments.</li> <li>- AVA will not reduce the registered capital and not recall or buy back any shares of AVA.</li> <li>- AVA will not engage in any other business other than project operation or not change the nature of the business to be different from the business that RH has operated.</li> <li>- All shares of AVA issued have been fully paid and is not subject to the terms of the agreement or option to purchase.</li> <li>- During any period within BWG loan agreements including AKP (both directly and indirectly) are holding shares in ETC not less than 51% of the total shares of ETC. Besides that, BWG There is no statutory and/or agreementual authority to set policies regarding ETC's business operations and/ or has no right to appoint more than half of the ETC's directors.</li> <li>- ETC holds shares in L88 not less than 99.88% of the total shares of L88. Besides that, ETCT here is no statutory and/or agreementual authority to set policies regarding L88's business operations and/ or has no right to appoint more than half of the L88's directors.</li> <li>- L88 holds shares in RH not less than 95% of the total shares of RH. Besides that, L88 here is no statutory and/or agreementual authority to set policies regarding RH's business operations and/ or has no right to appoint more than half of the</li> </ul>
--	--

	<p>RH's directors.</p> <ul style="list-style-type: none"> <li>- ETC holds shares in AVA not less than 97% of the total shares of ETC. Besides that, ETC here is no statutory and/or agreementual authority to set policies regarding ETC's business operations and/ or has no right to appoint more than half of the ETC's directors.</li> <li>- AVA not have any subsidiaries and not engage in any business other than the project implementation.</li> <li>- All insurance and reinsurance are effective as set out in this agreement.</li> </ul>
<b>The borrower's financial practices</b>	<ul style="list-style-type: none"> <li>- Maintain a debt-to-Equity ratio not above 2.33:1</li> <li>- Maintain a debt service coverage ratio (DSCR ratio) not less than 1.20 times</li> </ul> <p>The agreements are based on RH's annual financial statements, which have been reviewed by auditors. The D/E ratio will begin to calculate for the first time from the annual financial statements ending December 31, 2018 and next time, every December 31 of every year. The DSCR ratio will begin to be calculated for the first time from the annual financial statements ending December 31, 2019 and every subsequent period on December 31 of each year.</p>
<b>Mortgages and Guarantees</b>	<ul style="list-style-type: none"> <li>- Mortgage of land and buildings with a value of not less than 830,000,000 baht</li> <li>- Pledge authorized investments and place authorized investments as business collateral.</li> <li>- Pledge all AVA shares held by shareholders to creditors.</li> <li>- Pledge any shares of AVA will be issued additionally and not yet pledged.</li> </ul>
<b>Deposits and project payments</b>	<ul style="list-style-type: none"> <li>- AVA's funds shall deposited into the Disbursement Account in case of receiving money from the payment of shares. or from the issuance or sale of AVA shares, capital increase shares, securities or any other transaction of instruments representing rights in AVA 's shares or capital.</li> <li>- AVA shall deposit funds into the revenue account in case of receiving money from project revenues. including money received from PEA in the form of a check ,any excess in the debt service accrual account, debt service reserve account and major maintenance reserve account.</li> <li>- Every last business day of the month after the Commercial Operation Date, RH has to transfer funds from the revenue account to the operating account with the amount required to operate for the next 1 month, including any remaining balance in the operating account.</li> <li>- Every last business day of the calendar month (“Every last business day of the calendar month”) after the day of Commercial Operation Date, RH has to transfer funds from the revenue account to the following account : <ul style="list-style-type: none"> <li>● Operating Account with the amount required to operate for the next 1 month plus any remaining balance in the operating account.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>● Debt Service Accrual Account in the amount not less than (A) The amount of principal and interest on all loans payable within the next 3 months and (B) The total amount due under the hedge agreement within the next 3 months. (“minimum amount payable to settle debt”)</li> <li>● Debt Service Reserve Account in the amount not less than (A) the amount of principal and interest on all loans payable within the next 6 months and (B) The total amount due for the hedge agreement within the next 6 months. (“minimum amount payable to settle debt”)</li> </ul> <p>- Major Maintenance Reserve Account In the amount of not less than the amount that must be reserved for maintenance each quarter as stipulated in the minimum amount required to reserve for maintenance as stipulated in the loan agreement. If in any quarter RH is unable to deposit funds and maintain the deposit in the maintenance reserve account in full up to the minimum amount required for maintenance reserves each quarter. AVA agrees that the unpaid amount of that quarter shall be added to the minimum amount required to reserve for maintenance in the following quarter.</p> <p>- Income received from insurance shall be transferred to the Insurance Proceeds Account immediately.</p>
<b>Dividend payment</b>	<p>- The borrower can take any remaining amount to deposit into the distribution account to pay dividends or repay subordinated loans after (A) Deposit money into the account for business purposes (B) Deposit money into the account to pay off principal and interest payments in the next 3 months (C) Deposit money into a reserve account to pay off principal and interest payments in the next 6 months (D) Deposit money into the reserve account for maintenance of not less than the minimum amount required to reserve then funds can be deposited into the distribution account not more than 2 times per year. The money distribution test is detailed as follows.</p> <ul style="list-style-type: none"> <li>- No event of default</li> <li>● The settlement account has a certain amount in the account.</li> <li>● The maintenance reserve account has a certain amount in the account.</li> <li>● DSCR ratio not less than 1.20 times calculated from the latest audited financial statements.</li> <li>● Project Completion Date is happened.</li> </ul> <p>First Repayment Date is happened.</p>

## Company's investment policy

### Investment Policy in Associated Company or Subsidiary

The Company will invest in a subsidiary or associated company supporting business and conducive to the business of the company by focusing on investments in businesses that have potential for growth in line with the goal Strategic plan for business expansion, Trustworthy and ethical also beneficial to society and the environment as well as creating a good return on investment to the shareholders of the company.

In this regard, the request for approval of investments in subsidiaries, associated companies, joint ventures or other companies related shall be in accordance with the Notification of the Capital Market Supervisory Board Re: Criteria for making significant transactions that are considered to be acquiring or disposing of assets and notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Acts of Listed Companies Concerning the Acquisition or Disposition of Assets, B.E. 2547 (2004). By investing in the aforementioned businesses, the company has a policy to invest in a large proportion in order to be able to control and supervise by sending directors and/or the person assigned by the company to become an agent according to the proportion of shareholding and to be able to participate in the management and determination of business practices in subsidiaries, associated companies and other companies which related.

In any investment decision, the company will analyze the feasibility of the project, consider potential including investment risk factors through the appropriate investment consideration process to ensure that the investment is in line with the goals and strategic plans of the company. In this regard, the company has a policy to send personnel to participate in policy making, including managing and supervising to ensure in efficiency and effectiveness of the business in accordance with expectations and has an investment budget expenditure plan consistent with the money allocation plan when considered Therefore, it will be proposed for approval in the following order.

### Details about the property appraisal list

-None-



## Attachment 5

### Corporate Governance Policy and Code of Conduct

The Company establishes the corporate governance policy by adhering to the guidelines and practices on good corporate governance principles for listed companies in 2017 prepared by the Securities and Exchange Commission in order to provide the guidelines on the organization management and create confidence in the Company's operations to ensure the fair and transparent operations with the best interests of all shareholders and stakeholders. The Company's corporate governance policy consists of 8 sections of practices.

1. Recognizing the role and responsibility of the Board of Directors as a leader of organization creating value for sustainable business
2. Defining the main objectives and goals of sustainable business
3. Strengthening the effective Board of Directors
4. Nominating and developing senior executives and personnel management
5. Promoting innovation and responsible business operations
6. Ensuring appropriate risk management and internal control systems
7. Maintaining financial credibility and information disclosure
8. Supporting engagement and communication with shareholders

Such principles are adopted together with "Good Corporate Governance Principles for Listed Companies 2012" of the Stock Exchange of Thailand, which include 5 sections of OECD principles as follows:

- Section 1 Rights of Shareholders
- Section 2 Equitable Treatment of Shareholders
- Section 3 Roles of Stakeholders
- Section 4 Disclosure and Transparency
- Section 5 Responsibilities of Directors

Code of Conduct is also prepared to be a guideline and best practice for directors, executives and employees to adhere to when performing the duties according to Company's missions with integrity, honesty, and fairness, including the treatment of the Company, all stakeholders, the public, and society. In addition, the system for regularly monitoring the compliance with such guidelines is also determined. The Company organized trainings to clarify employees about the continuous compliance with Code of Conduct. Directors, executives, and employees of the Company are responsible for strictly complying with the Code of Conduct. Supervisors at all levels are responsible for monitoring and encouraging subordinates to comply with the specified Code of Conduct and behaving as a role model in order to encourage employees to comply with. The Company has published the policy and guidelines on corporate governance and Code of Conduct on [www.etcenvi.com](http://www.etcenvi.com).



## Attachment 6

Report of the Audit Committee  
and other Sub Committees' Reports

The Audit Committee, appointed by the Board of Directors of Earth Tech Environment Public Company Limited, consists of 3 independent directors.

1. Miss Kanyapan	Buranarom	Chairman of the Audit Committee
3. Mr. Bantoon	Manpakdee	Audit Committee
2. Mr. Borwornsit	Sornsilp	Audit Committee

In 2021, the Audit Committee held a total of 4 meetings in which all Audit Committees attended every meeting. The key activities performed by the Audit Committee within the scope of duties and responsibilities assigned by the Board of Directors can be summarized as follows:

1. Review the financial statements for the year 2020 and the annual financial statements for the year 2021, including disclosures in the notes to the Company's financial statements, which have been reviewed and audited by the auditor. It also discussed with management and the auditors to consider important accounting policies, estimates and judgments in the preparation of the financial statements. The Audit Committee has one meeting with the auditors without the Company's management to attend, so that the auditors can report incidents and information about the Company freely and can exchange their opinions fully. Auditors' reviews and audits did not report of any fraud or violation of the law to the Audit Committee.

2. To review the evaluation of the internal control system of the Company according to the Internal Control System Adequacy Assessment Form of the Office of the Securities and Exchange Commission and COSO - Internal Control Integrated Framework, including audit results of the internal control system from the Internal Audit Department and auditors to ensure efficiency of the Company's operations and able to provide sustainable compensation to all stakeholders.

3. Review the independence of the Internal Audit Department, approve the annual audit plan and follow up on the performance of the audit plan every quarter.

4. Review the transactions and disclosure of information about transactions with persons who may have conflicts of interest, the financial statements for the year 2020 and the quarterly year 2021, to ensure they are appropriate and in accordance with the regulations announced by the Capital Market Supervisory Board.

5. Considering the selection of Karin Audit Company Limited to be the Company's auditor for the year 2021 based on qualifications and audit quality in the past year as well as considering the appropriate audit fees to the Board of Directors.

6. Review the charter of the audit committee and conduct a self-assessment for the performance of the audit committee, both on the board and individually.

7. Review the risk management, including measures to manage key risks. The Company has disclosed key risks under the topic of Risk Management and Risk Factors in the 2021 Annual Report.



8. Review the Company's operations to ensure that they comply with the laws and practices set by the Securities and Exchange Commission (SEC) as well as laws related to the Company's business in order to build confidence among shareholders and investors. In 2021, there was no report from the auditors on suspected behavior found from the managing director or the person responsible for the Company's operation in committing offense in accordance with Section 89/25 of the Securities and Exchange Act.

9. Review the good corporate governance of the Company to ensure that the Company has appropriate and effective corporate governance procedures, in which the Company has continually developed good corporate governance to increase efficiency of operation and build confidence among all stakeholders. The Company has Sub-committee on Corporate Governance and Corporate Social Responsibility to support and provide suggestions for improving the corporate governance policy of the Company in line with good practices. In addition, the Company has set up a complaint handling system to serve as channel for employees, customers, and stakeholders to report information or leads about fraud, misconduct, or violations of business ethics. The is agency responsible for handling such complaints in a proper and transparent manner.

From the aforementioned reviews in 2021, the Audit Committee has performed its duties in accordance with the scope of duties assigned completely, prudently and independently. It is of the view that the Company has provided and maintained an appropriate and effective internal control system that can reasonably build confidence that the Company's financial statements are reliable and have been prepared properly as it should in accordance with generally accepted accounting principles. Any transactions that may lead to conflicts of interest were reasonable and done in the best interest of the Company. Appropriate disclosure of these transactions was duly done in the notes to the interim financial statements and the annual financial statements, complying with relevant laws and regulations without any significant drawbacks over the past year.



(Ms.Kanyapan Buranarom)

Chairman of the Audit Committee

22 February 2022

## Opinion of the Audit Committee on Related Transaction Report

I, the undersigned, as the member of the Audit Committee and the independent director of Earth Tech Environment (Public) Company Limited, the “Company”, have been appointed by the Board of Directors to assist in the supervision of transactions and disclosure of information on related transactions with persons with potential conflicts of interest or connected transactions of the Company to be appropriate and in accordance with the rules announced by the Capital Market Supervisory Board.

However, the Company's Internal Audit Department is assigned to randomly inspect the related transactions and present the issues at the Audit Committee's Meeting for consideration. In addition, they are audited by the Company's auditors in accordance with generally accepted accounting standards. During the year, no such issue was presented.

As a result, the Audit Committee has considered and expressed the opinion that the Company provides and maintains appropriate and effective measures or procedures for the approval of related transactions, which can create rational confidence that the related transactions during the year 2021 were for the purpose of creating the highest benefits to the Company, by considering the necessity for transactions and the price suitability of such transactions. Any conditions are considered according to the nature of normal course of business in the industry and compared with the price of third parties or market price. In addition, the transaction is disclosed in the Notes to Financial Statements of the Company, including the type and value of the related transactions of the Company and persons with potential conflicts under the notifications and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

(Ms.Kanyapan Buranarom)

Chairman of the Audit Committee

(Mr.Borwornsit Sornsilp)

Member of the Audit Committee

(Mr.Bantoon Manpakdee)

Member of the Audit Committee

22 February 2565

## Report of the Risk Management Committee

The Risk Management Committee of Earth Tech Environment Public Company Limited consists of 5 directors, which are appointed by the Board of Directors as follows:

- |    |                           |   |
|----|---------------------------|---|
| 1. | Mr. Borwornsit Sornsilp   | Chairman of the Risk Management Committee<br>(Independent Director) |
| 2. | Ms. Kanyapan Buranarom    | Risk Management Committee (Independent Director)                    |
| 3. | Mr. Bantoon Manpakdee     | Risk Management Committee (Independent Director)                    |
| 4. | Mr. Ekarin Luengviriya    | Risk Management Committee   |
| 5. | Mr. Supawat Khunvoravinij | Risk Management Committee   |

In the year 2021, the Risk Management Committee has performed the duties and responsibilities assigned by the Board of Directors as specified in the Risk Management Committee Charter in accordance with the regulations of the Stock Exchange of Thailand. There were 2 meetings with a quorum, which summarized the key operational results as follows:

1. Consider risk management processes and plans to ensure that the risk management and internal management are effective and efficient, or that the risk level can be reduced to an acceptable level as well as appropriate to the changing environment. Internal management budgets are used to reduce risks appropriately.

2. Consider the significant risks in detail according to the Enterprise Risk Management Framework, Raw material risks, Business risks, Financial risk, Risks for investors, and provide useful recommendations and follow up on the performance to reduce risk.

3. All departments are encouraged to participate in the risk management of the organization, as well as for the practitioner and the risk owner to assess risk factors to assist in the prioritization of each type of risk, and define risk management strategies to be consistent on a regular basis.

From the performance of its duties in the past year, the Risk Management Committee has taken steps to ensure that the risk management is adequate and suitable and has been continuously implemented until the risk is at the level that the Company is acceptable.

(Mr. Borwornsit Sornsilp)

Chairman of the Risk Management Committee

22 February 2022

## Report of the Nomination and Remuneration Committee

Nomination and Remuneration Committee - Earth Tech Environment Public Company Limited (“Nominating Committee”) At present, the Nominating Committee consists of more than half of the independent directors and the Chairman of the Nominating Committee. There are 3 independent directors as follows:

- |                   |             |   |
|-------------------|-------------|---|
| 1. Mr. Bantoon    | Manpakdee   | Chairman of the Nomination and Remuneration Committee<br>(Independent Director) |
| 2. Ms.Kanyapan    | Buranarom   | Member of the Nomination and Remuneration Committee<br>(Independent Director)   |
| 3. Mr. Borwornsit | Sornsilp    | Member of the Nomination and Remuneration Committee<br>(Independent Director)   |
| 4. Mr. Ekarin     | Luengviriya | Member of the Nomination and Remuneration Committee                             |

In this regard, the Nominating Committee has performed its duties within the scope of duties as delegated by the Board of Directors with care, prudence, transparency, honesty, reasonable consideration, taking into account the best interests of the Company, and study additional information in all relevant areas. It also promotes the opinions of each director independently and creatively according to the duties and responsibilities set out in the Nomination and Remuneration Committee Charter, in which in 2021 there were two meetings and a summary of the performance was reported for the Board of Directors to acknowledge continuously, including important actions in 2021 which are summarized as follows:

### Selection of Directors

Consider recruiting persons who are qualified according to the law, do not have prohibited characteristics according to the Company's requirements and in accordance with the Company's strategy by establishing a method for recruiting the Board of Directors with clearly specified criteria, transparency, adherence to good practice in accordance with the principles of good corporate governance. The Nominating Committee will screen and select candidates to propose to the Board of Directors

## Compensation

The Nominating Committee considers the directors' remuneration to the Board of Directors for approval. The consideration of remuneration took into account responsibilities of directors, business size, business environment, as well as overall economic conditions. This reflects and relates to the operating results, including comparing with the remuneration of companies in the same industry, which is at a competitive and reasonable level.

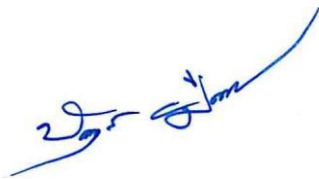
## Performance appraisal

The Nominating Committee conducts self-assessment in order to use the results of the assessment to improve the performance and achieve the Company's objectives.

## Composition and Diversity of the Board of Directors

Review diversity in the structure of the Board of Directors and the qualifications and skills necessary for the nomination of directors (Board Diversity) to be used as information for considering the recruitment of directors who are due to retire by rotation and to consider the selection in accordance with the Company's business strategy.

Every member of the Nominating Committee places great emphasis on meeting attendance and presenting opinions and useful information to develop fair and appropriate recruitment and remuneration for all involved parties by operating in accordance with the guidelines on good corporate governance of the Stock Exchange of Thailand which is in line with the Corporate Governance Scorecard criteria, which all comments and suggestions of the Nomination and Remuneration Committee can be used as a tool for the Board of Directors to consider with confidence and trust.



(Mr. Bantoon Manpakdee)

Chairman of the Nomination and Remuneration Committee

22 February 2022

## Report of the Corporate Governance and Corporate Social Responsibility Committee (CG & CSR)

According to the Board of Directors Meeting of Earth Tech Environment Public Company Limited has approved the appointment of the Corporate Governance and Corporate Social Responsibility Committee (“Corporate Governance Committee”) to oversee performance of good corporate governance, business ethics, sustainability management, and social, community and environmental stewardship operations, comprising of 5 members as follows:

1. Ms.Kanyapan	Buranarom	Chairman of the Corporate Governance and Corporate Social Responsibility Committee (Independent Director)
2. Mr. Borwonsit	Sornsilp	Member of the Corporate Governance and Corporate Social Responsibility Committee (Independent Director)
3. Mr. Bantoon	Manpakdee	Member of the Corporate Governance and Corporate Social Responsibility Committee (Independent Director)
4. Mr. Ekarin	Luengviriya	Member of the Corporate Governance and Corporate Social Responsibility Committee
5. Mr. Supawat	Khunworavinij	Member of the Corporate Governance and Corporate Social Responsibility Committee

In the year 2021, the Committee have performed the duties and responsibilities assigned by the Board of Directors and in accordance with the specified charter in accordance with the regulations of the Stock Exchange of Thailand.

1. Review the policies and procedures of good corporate governance and corporate social responsibility in accordance with the Corporate Governance Code for Listed Companies 2017 (Corporate Governance Code: “CG Code”) issued by the Office of the Securities and Exchange Commission, the Securities and Exchange Commission (SEC) to develop a mechanism for governance of the company to achieve its objectives to create good long-term performance and to create sustainable value for the business.

2. Consider and approve the implementation of the Company's policies, strategies, operational plans, good corporate governance and corporate social responsibility, with a focus on promoting and developing the quality of life in the community, developing youth capacity, and encouraging employees to participate to contribute through various projects such as establishing the Ban That Subdistrict Development Fund and organizing various activities for the community.

From the performance of duties at the meeting of the Good Corporate Governance Committee, the focus is on immunization for the environment and society in order to conduct business in parallel with the good environment and society for stability and continuous sustainability.



(Miss Kanyapan Buranarom)

Chairman of the Corporate Governance  
and Corporate Social Responsibility Committee

22 February 2022



บริษัท เอิร์ธ เทค เอ็นไวรอนเมนต์ จำกัด (มหาชน)

Earth Tech Environment Public Company Limited

ที่อยู่ 88,88/1 หมู่ 1 ตำบลบ้านธาตุ อำเภอแก่งคอย จังหวัดสระบุรี 18110

88,88/1 Moo 1, Ban That Subdistrict, Kaeng Khoi District, Saraburi Province 18110

TEL : 036-200-294, 036-200-295

[www.etcenvi.com](http://www.etcenvi.com)