AAPICO

AAPICO HITECH PUBLIC COMPANY LIMITED

Sustainability Report 2021

AAPICO'S VISION

Our vision is to become a **Lean, Green, Happy** and **Digital World Class Organization** with 4 Fundamental Values of Happiness.

CONSISTS OF 3 CORE PILLARS

OEM AUTO PARTS MANUFACTURING BUSINESS

THAILAND, PORTUGAL AND CHINA

- Metal Forming Parts
- Plastics Parts
- Forging & Machining Parts
- Casting Parts
- Tooling

CAR DEALERSHIPS BUSINESS

THAILAND AND MALAYSIA

- Ford
- Mitsubishi
- MG
- Mazda
- Honda
- Proton

IOT CONNECTIVITY & MOBILITY BUSINESS

THAILAND

- Car Navigation System
- PowerMap Tracking
- GIS Consulting Services
- Smart Logistics
- Smart Farm Analytics

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“ We are determined and committed to improve ourselves and our strengths in operating sustainably within the organization, so that we may walk along the path to become a responsible corporation “

THSI
THAILAND SUSTAINABILITY INVESTMENT 2021

Thailand Sustainability Investment Award, Received for the 3rd Year (2018, 2020 and 2021) and was listed in SETTHSI Index for the period of July – December 2021

About this report

The Sustainability Reports are published annually as a means for the AAPICO Group to communicate the Company's sustainability performance on the subjects of economy, environment, social, and corporate governance to both internal and external stakeholders in order to demonstrate the transparency in the Company's operations and build up the stakeholders' confidence. This 2021 Sustainability Report will cover the Group's performance during the period of 1st January 2021 to 31st December 2021.

Guideline for the Formation of the Report

This report has been prepared in accordance with the GRI Standards: Core Option. It will provide necessary information to the stakeholders to understand the nature of the Company's operations and its management of sustainability issues – including the Company's performance and its related impacts. Furthermore, the Company's operations included within this report were conducted in line with the UN Sustainable Development Goals. The information in this report has been reviewed by the Company's management prior to the publication in order to ensure the accuracy and completeness of the report.

Scope of the Report

This report covers all of AAPICO Group's operations, both within Thailand and overseas; and also covers the 3 pillars of the Company: namely, OEM Auto Parts Manufacturing Business, Car Dealership Business, and Internet of Things (IoT) Connectivity and Mobility Business.

Determining Report Content and Topic Boundaries

The process for defining the report content in this report has been prepared in accordance with the GRI standards, meaning that the contents covered within this report have been considered for their relevance on the principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, and Completeness; and were deemed to be the most suitable topics to include in this report. In the end, the contents included within this report have been selected through the following qualifying steps:

1. **Determine the Relevance of the Topics to the Company's Business Operation** – Identifying which topics are suitable to be included in the report by judging if the topics are directly associated with the Company's fields of operations. The topics that are irrelevant will then be left out of the report.
2. **Rank the Significance of the Topics to the Company's Operations** – In this report, only the topics that are most significant to the Company's operations are chosen to be reported.
3. **Receive Approval by the Company's Executives** – The chosen topics and their respective contents are to be sent to the Company's executives for revision and approval before being included in the report.

Contact Channels For more information or suggestions, please contact the following channels:

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Message from the President and CEO

Mr. Yeap Swee Chuan
President & CEO
AAPICO Hitech Public Company Limited

At AAPICO, our vision is to become a Lean, Green, Happy, & Digital world-class organization with 4 fundamental values of Happy Customers, Happy Employees, Happy Shareholders, and Happy Public. These concerns and commitments toward the collective society coincide perfectly with the idea of "Sustainability" which gives credence to the value that an entity should always consider the consequences that its own actions may incur on the society and environment. These intertwined and overlapping premises paved the way for AAPICO's decision to participate and pour our efforts into the preservation and encouragement of sustainable business conducts. This 2021 Sustainability Report is the fruit of our labor in this endeavor that entails our contributions to a sustainable society and environment.

In 2021, AAPICO faced a continuation of the COVID-19 pandemic which had been spreading rapidly over the years since its first known case in 2019. However, this year, the Company had utilized all the knowledge and experience accumulated by medical institutes regarding how to handle the pandemic in order to arranged for secure preventive measures and ensure safe and smooth Company's operational procedures. As employees' safety and well-being are of utmost importance to the Company, no efforts were spared in preparing the necessary resources and measures to ensure that these values are steadfastly upheld – vaccination were arranged for all our employees across AAPICO Group, and a support group was created to monitor and provide assistance and care for the afflicted employees so that they may have a smooth, shock free recovery.

Following all of our initiatives and precautions pertaining to the Social Dimension of Sustainability, the Company's performance has significantly improved from the detrimental outcome in 2020 – workforce absenteeism has reduced, therefore enabling the Company to once again consistently ensure quality products standards and on-time delivery, as opposed to year 2020 when several of the Company's operations had to be temporary put on hold due to the lack of manpower concerning the widespread incidence of COVID-19. Furthermore, our support group for afflicted employees did a commendable job in following-up with the infected employees in order to monitor their well-being and providing any required assistance, while also serving as moral support during their isolation period – thus contributing to the safe recovery of all infected cases in the Company's operations across Thailand. There was zero fatality in our total manpower headcount.

The aforementioned initiatives and their corresponding results are but only a few examples of what the Company's commitment to Sustainable business operations were capable of achieving. As you progress further into this report, you will be informed of all the improvements and contributions that the Company has made in year 2021 for our own business conducts, for the stakeholders' satisfaction, for the longevity of the environment, and for the society as a whole. It is with overwhelming pride and joy that I present to you this 2021 Sustainability Report detailing the collaboration and contribution of our managements and employees in making all of the information contained within this report possible, and also to express my sincerest gratitude to all our stakeholders for your trust and support for our Company which drives us to where we are today.

Company Overview

General Information (As of 31 December 2021)

Name of the Company / Name in Stock Market	AAPICO Hitech Public Company Limited / AH
Products and Services	The 3 Core Pillars of AAPICO business, which are ▪ Manufacture of OEM automotive parts which include; - Metal forming - Chassis & Structural - Plastics & parts - Fuel tank & Washer System - Forging & Machining - Casting and Tooling (jigs and dies) to leading automobile assemblers ▪ Car dealerships and service centers - Ford - Mitsubishi - MG - Mazda - Honda - Proton ▪ Internet of Thing (IoT) Connectivity and Mobility business - Smart Factory - Smart Logistics - Smart Mobility - Smart office - Smart Location - Smart Farm
Location of Headquarter	99 Moo 1 Hitech Industrial Estate, Tambol Ban Lane, Amphur Bang Pa-In, Ayutthaya Province 13160
Registration Number	0107545000179
Company Website	www.aapico.com
Year Established	1996
Listed Date	17 October 2002
Locations of Operations	1. Thailand 2. Malaysia 3. Republic of China 4. The United Kingdom 5. Portugal 6. Germany 7. Taiwan 8. Singapore
Number of Employees	4,699 employees
Total Revenue	20,967 THB Million
Registered Capital	Baht 354,842,228.00 (consist of 354,842,228 Ordinary Shares[1])
Paid-up Capital	Baht 354,842,012.00 (consist of 354,842,012 Ordinary Shares[1])
Membership of Associations	Thai Auto-Parts Manufacturers Association (TAPMA)

Remark: 1) Par Value at Baht 1 per share

Business Overview

AAPICO Hitech Public Company Limited ("**The Company** or **AAPICO**") was established in 1996 and was listed on the Stock Exchange of Thailand in 2002. The Company's main business initially was to design, produce, and install car assembly jigs and stamping dies; and to manufacture OEM automotive parts, including floor parts, cross members, pillars, brackets, clips, and fuel tanks for leading automobile assemblers in Thailand. The Company has since progressed by adding the production of chassis frame components, forging parts, machining parts, casting parts, plastic parts and plastic fuel tanks to its manufacturing portfolio.

AAPICO Hitech PLC operates under the management of Mr. Yeap Swee Chuan, the President & CEO and founder of AAPICO Group. The Company's first factory was located at Hitech Industrial Estate, Ayutthaya. Today, it has factories in Samutprakarn, Chonburi and Rayong. Globally, the Company also expand its footprint to Malaysia, China and Portugal.

AAPICO Hitech PLC is comprised of 3 business pillars: the OEM Auto Parts Manufacturing Business, the Car Dealership Business, and the IoT Connectivity & Mobility Business. As of today, the Group comprises 47 subsidiaries and associate companies, 33 of which companies are operating in Thailand and 14 companies are located oversea.

Vision, Objective, Target, or Operation Strategy

The Company has set the vision to become a Lean, Green, Happy, and Digital World Class Organization for sustainable growth. The Company has an important mission to grow into an Global organization with excellence in 4 fundamental values of happiness, as follows:

- Happy Customers

  The Company set operational targets for the organization to achieve manufacturing excellence in order to satisfy customers' needs. This is accomplished by maintaining safety standards, product quality, competitive price, on-time delivery, engineering development, and continuous excellent management for utmost customers' satisfaction.

- Happy Employees

  The Company gives importance to employees, which are the heart to driving stable and sustainable organization growth. This is accomplished by arranging for happy workplace environment, encouraging teamwork, defying problem as opportunity, inspiring loyalty, fostering respect between colleagues, and imprinting familial love of the employees in order to lay a strong happy foundation that will carry over to the organization and country.

- Happy Shareholders

  The Company is determined to operate with optimal profits and benefits for the shareholders, and to arrange for appropriate returns for the shareholders.

- Happy Public

  The Company is aware and gives precedence to the importance of managing business with regards to corporate social responsibility to the community and public for sustainable growth.

AAPICO set a clear target in becoming an organization with excellence in operations that adhere to the standard of good Corporate Governance, as to promote stable and sustainable growth. The Company has set operational production targets based on the SQCDEM guideline, as follows:

- **Safety** : Safety always comes first
- **Quality** : Manufacturing operations that are up to quality standards and produce zero waste in order to achieve '0' PPM targets
- **Cost** : The ability to compete in pricing with low and appropriate cost
- **Delivery** : 100% on-time delivery, with Just-In-Time (JIT) production method
- **Engineering** : The determination to continuously improve the Company's engineering process (KAIZEN)
- **Management** : Managing operations to be clever, transparent, and attentive to details, while also utilizing digital technology to increase efficiency as appropriate.

AAPICO is determined to improve the Company's manufacturing process, strengthen the employees' knowledge, and search for new technologies from around the globe to support and increase the efficiency of the Company's manufacturing process. Our goal is to become one of the most accepted top automotive parts manufacturers within both Thai and international automotive industry, offering high quality standards, while also standing ready to support and push Thailand into becoming a global base for the production of automotive parts.

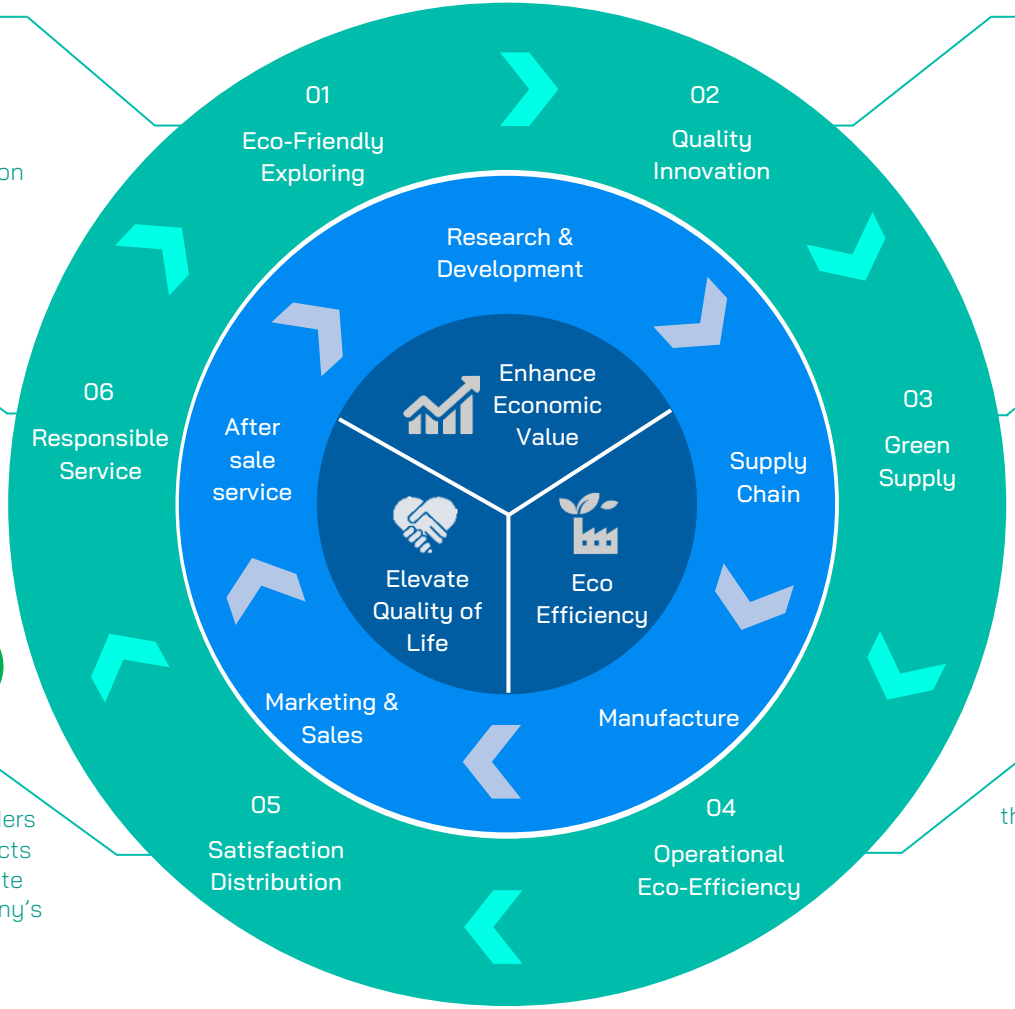
Owing to the Company's longstanding commitment to the simple visions and principles of being a lean and happy organization with transparent management and excellence in corporate governance, AAPICO has been accepted by customers from every corner of the globe as an entrepreneur with sustainable excellence in manufacturing and consistently maintain quality operation standards in accordance with SQCDEM guidelines on Safety, Quality, Cost, Delivery, Engineering, and Good Management. The Company was approved and guaranteed of its quality manufacturing process with ISO/TS16949 and ISO14001 standards, in addition to various other awards and certificates continuously received from customers and suppliers. Combined with transparent management and attentiveness to stakeholders, which contributed to the establishing of trust with customers and suppliers, the Company is therefore able to sustainably elevate business relations with various brands of automotive manufacturers.

Long-Term Plan

The Company's long-term business plan is Globalization. Currently, the Company has firm base of operations in Thailand, Malaysia, China, India, and Europe. For the time being, the Company is looking to expand and establish the Company's presence into Japan, USA as well as other Asian countries.

Business Value Chain

With the intention to deliver innovative products and services with minimal impact on stakeholders and the environment, the Company blends its vision, mission, and 3E sustainability framework with our business value chain and stakeholder analyses as well as their expectations in order to contribute to 6 AAPICO's sustainability strategies, as follows:



Value added in business by exploring green and lean material, innovation and solution to lower environmental impacts and increase efficiency to meet customers' satisfaction

Customer | Supplier | Social/ Community

Innovate in efficiency and quality stability in operations for enhance stakeholders' satisfactory and business opportunities

Customer | Employee | Shareholder

Enable Zero Waste operations by adhering 3R principle; Reduce carbon footprint, Enhance recycle awareness and Reuse resource efficiently in order to show responsibility to the stakeholders

Customer | Employee | Social/ Community | Government

Supply green materials and/or environmental certification across the supply chain to reduce environmental and social consequences while also providing opportunities for local businesses.

Supplier | Social/ Community | Government

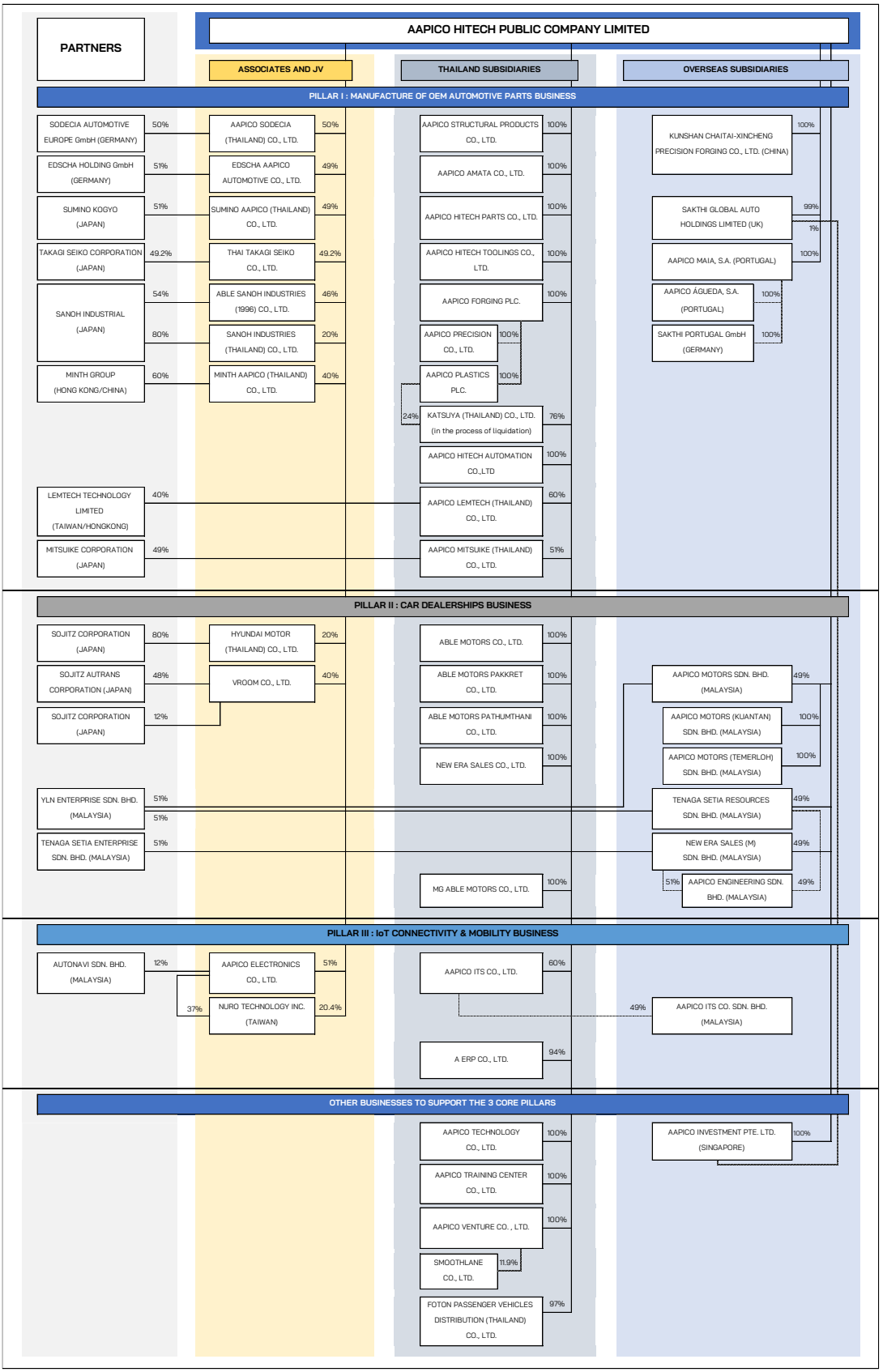
Enable consistent of satisfactory distribution to all stakeholders by delivering quality and on-time products and services, as well as a good corporate governance company to promote company's trust and creditability

Customer | Employee | Shareholder

Enhance operational eco-efficiency through technology and innovation to improve employees' safety, workplace ergonomics, skills development especially in innovative creativity and minimize impacts to the community

Employee | Social/ Community

Company Structure



Major Development / Milestones

Listed for Growth

Growth Phase

1985	▪ Registered Able Autoparts Industries Co., Ltd. and started as Ford assembler and distributor
1997	▪ Completed the first AAPICO factory at Hitech Industrial Estate, Ayutthaya, and established the first JV with Sanoh (Japan) named Able Sanoh Industries (1996) Co., Ltd. (ASICO)
2002	▪ Listed in the Stock Exchange of Thailand (SET)
2003	▪ Purchased in the Stock Exchange of Thailand (SET)
2004	▪ Expanded to China by acquiring Kunshan Chaitai-Xincheng Precision Forging Co., Ltd.
2006	▪ Established AAPICO Hitech Parts Co., Ltd. ▪ Invested in a car navigation company, AAPICO ITS Co., Ltd. (60% equity) ▪ Invested in Jackspeed Corporation (Singapore) ▪ Established JV with Mitsuike Corporation (Japan)
2007	▪ Acquired forging and plastic businesses from KPN PLC and renamed it AAPICO Forging PLC and AAPICO Plastics PLC ▪ Signed technical agreement with Edscha (Germany) to produce door checks, hinge, and parking brakes
2008	▪ Established JV with Minth Corporation (China)
2009	▪ Established AAPICO Structural Products Co., Ltd. to manufacture chassis frames
2010	▪ Celebrated AAPICO 25th Anniversary and commenced operations of AAPICO Hitech's 2nd factory in Rayong ▪ Established JV with Takagi Seiko (Japan)
2011	▪ Completed the 3S showroom for Honda dealers in Malaysia
2012	▪ Commenced operations at the new 20,000 square meters factory in China
2013	▪ Established 4 JVs with Lemtech Holding (Taiwan), Edscha Holding (Germany), Sumino Kogyo (Japan), and Sodecia SGPS (Portugal)
2014	▪ Acquired 25% equity in Quantum Inventions (QI) Singapore ▪ Established AAPICO Training Center Co., Ltd.
2015	▪ Initiated TURBO Target to increase revenue and profit for 2020 ▪ Achieved BBB+ TRIS Rating and issued debenture
2016	▪ Established Aapico Ventures Co., Ltd. to explore opportunity in start-up business

Toward Globalization

2017

- Announced the resale of Share Repurchase on SET for a period of 3 years, starting from March 2017 until September 2019
- Disposed investment in Jackspeed Corporation (SG) and Quantum Inventions (QI)
- Acquired 25.1% of Sakthi Global Auto Holdings Limited (SGAH) (UK) and form a strategic partnership with Sakthi Group to expand the automotive part business globally

2018

- Acquired 20.36% equity in Nuro Technology Inc. (Taiwan)
- Established JV with VINFAST to set up press shop and assembly plant to produce body-in-white parts parts for the first 2 models of VINFAST vehicles in Vietnam
- Acquired 24.89% additional equity of Sakthi Global Auto Holdings Limited (SGAH)

2019

- Established Vroom Co., Ltd, a 40% Joint Venture of the company, distributing and retailing of KTM, Husqvarna and Bajaj
- Acquired 100% equity of Sakthi Global Holding Limited (SGAH)
- Acquired 100% shares of AAPICO Maia, S.A. (Portugal) and two subsidiaries, namely AAPICO Águeda, S.A. (Portugal) and Sakthi Portugal GmbH (Germany)
- Established Aapico Motors Sdn. Bhd., Proton car dealership in Malaysia
- Established Able Motors Pakkret Co., Ltd. and Able Motors Pathumthani Co., Ltd., Mitsubishi car dealership in Thailand
- AAPICO Hitech PLC sold its shares in Aapico Vinfast Auto Parts Co., Ltd. (AVAP), a 51% joint venture of the Company to Vinfast Trading and Production LLC

2020

COVID-19 Pandemic

- Established AAPICO Hyojin Autotech Co., Ltd., a 70% subsidiary, operates the automotive assembly jigs design, manufacturing and robotic integration.
- AAPICO Hitech PLC increased its shareholding in AAPICO Hyojin Autotech from 55% to 70%
- AAPICO Hitech PLC acquired 2 Proton dealerships in the state of Pahang Malaysia, namely AAPICO Motor (Kuantan) Sdn. Bhd. And AAPICO Motors (Temerloh) Sdn. Bhd.
- AAPICO Hitech PLC received the Thailand Sustainability Investment (THSI) 2020 award from the Stock Exchange of Thailand (SET)
- AAPICO Hitech PLC received the 2020 Best Quality Supplier Award from Toyota
- Tenaga Setia Resources Sdn. Bhd., the Company's subsidiaries in Malaysia, received the Honda CEO and top sales Awards from Honda Malaysia

2021

COVID-19 Pandemic & Global Microchip Shortage

- Established MG Able Motors Co.,Ltd, MG car dealership in Thailand
- Disposed 49% shares in Weihai Bethel-Sakthi Automotive Safety Systems Co.,Ltd and 51% shares in Weihai Bethel-Sakthi Automotive Co.,Ltd held bySakthi Automotive Group USA, Inc. or SAGUSA which is currently under the wind down process
- Opened the first Mazda showroom in Pathumthani province under Able Motors Co., Ltd

Sustainable Management

AAPICO and Sustainability

It should go without saying that a sustainable business operation is an important factor for many business aspects including economic growth, sustainable resource management, or responsibilities to the community and stakeholders. Therefore, AAPICO would like to become a part of this movement to drive the society's stability and sustainability.

In the process of setting up the guidelines, framework, and strategies for the Company's business operation; AAPICO utilized the Company's own vision, missions, and the stakeholders' engagement in each step of the Company's supply chain. These are then combined with careful consideration on various factors that may provide benefits or pose risks to the Company with the intention of becoming a lean, green, happy, and digital world class organization under the 3 sustainability dimensions on the foundation of good corporate governance and stakeholders' engagement.

AAPICO annually revises the sustainable development policy and strategy, stakeholder engagement, and sustainable development framework and guidelines to properly evaluate and adapt our company operations to be in line with the company strategy as well as to the global current affairs, and to improve the efficiency of achieving stakeholders' expectations. In 2021, the Company established its sustainability commitment as well as its targets in terms of economic, social, and environmental factors to align with the revised sustainability framework and strategy. In addition, the Company set up sustainable development action plans in each department to provide the greatest possible results in achieving those targets and placed a greater emphasis on good corporate governance and stakeholder engagement.

Sustainable Development Policy

The OEM Auto Parts Manufacturing Business plays an important part in helping drive the country's industry forward. Many different businesses – such as materials, equipment, machines, parts manufacturer, and transportations – are involved in the supply chain. However, as the business operations can both positively and negatively affect the economy, social, and environment – be it directly or indirectly; the Company has taken care to set in place the Sustainable Development Policy to encourage sustainable growth and development within the Company which entails the consideration for the topics of economy, social, and environment as follows:

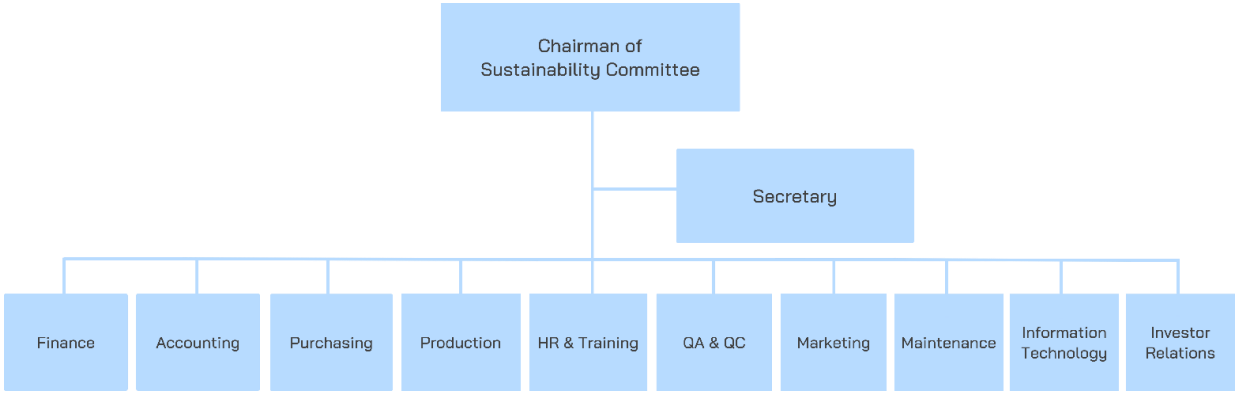
1. Conducting business according to both short-term and long-term plans, while also considering both internal and external risk factors
2. Conducting business with transparency and good governance
3. Conducting business with consideration to the stakeholders and the environment
4. Conducting business by increasing values with innovation

Sustainability Management's Structure and Guidelines

AAPICO Group has combined risk management and risk analysis of the Company, which are important parts of sustainable development, with sustainability management. For risk analysis, the topics of economy, social, and environment will all be analyzed; of which the dimensions of business strategy, business operation, finance, and regulation will be covered. The Board of Directors will be responsible for analyzing the risks and providing management advice to the CEO and each department, with the performance follow-up taking place at least once annually.

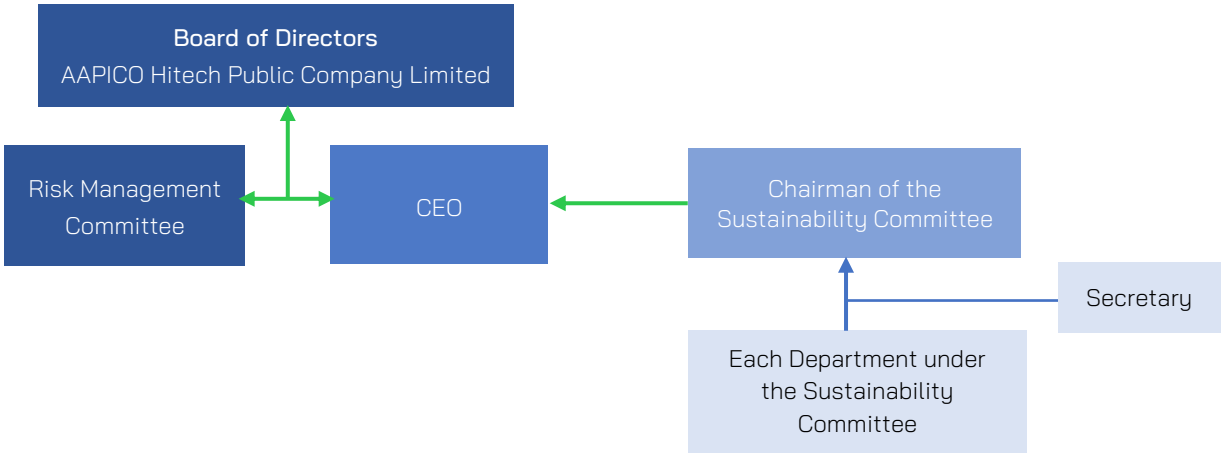
Sustainability Committee's Structure

The Board of directors and Sustainability committee have continuously been driving the Company's operations concerning the sustainability of the business; with a member of the top management acting as the committee's chairman, and the middle management and the representatives from every department acting as the committee's members – with duties, authorities, and responsibilities. This is to ensure that operations are in line with sustainability to motivate cross-departmental cooperation in order to carry out sustainability projects, and to coordinate with each department in raising employee and stakeholder awareness of the importance of operations with social responsibilities and sustainability. The sustainability committee constantly monitors and follows up on any initiatives to evaluate their performance, review policy in order to improve management guidelines, and report the results of their follow-ups to the Chairman of the Sustainability Committee, who then prepares a report for the Board of Directors and the public.



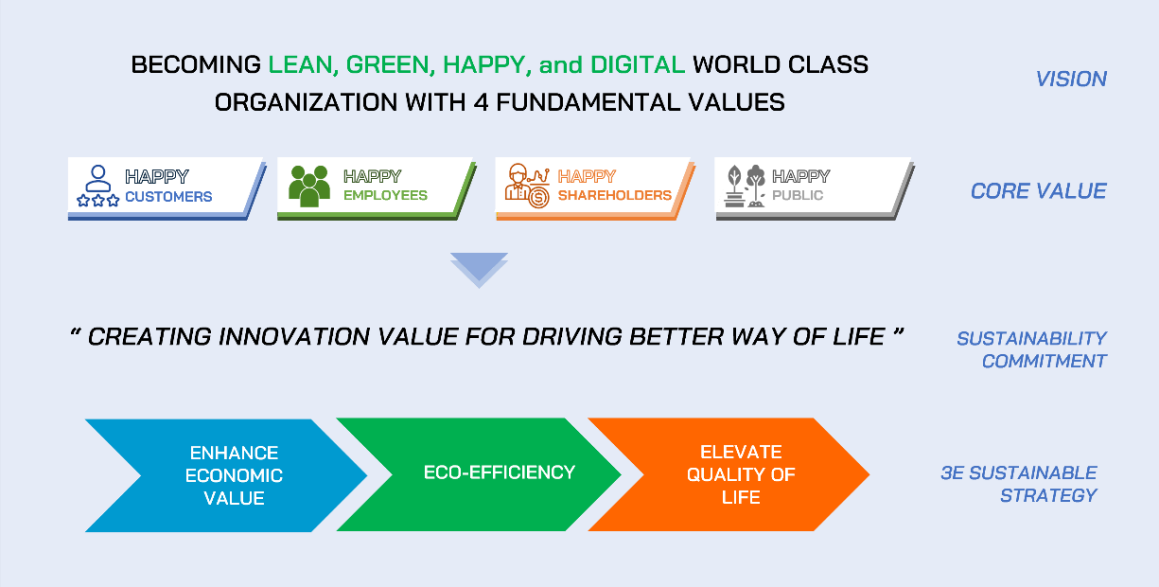
Management Performance Follow-Up and Report

For the process of following-up and reporting management performance, each department will report the results of their follow-ups to the Chairman of the Sustainability Committee, which the Chairman will then report to the Company's CEO, and the CEO will finally report to the Board of Directors for consideration and evaluation in order to further improve upon the management guidelines.



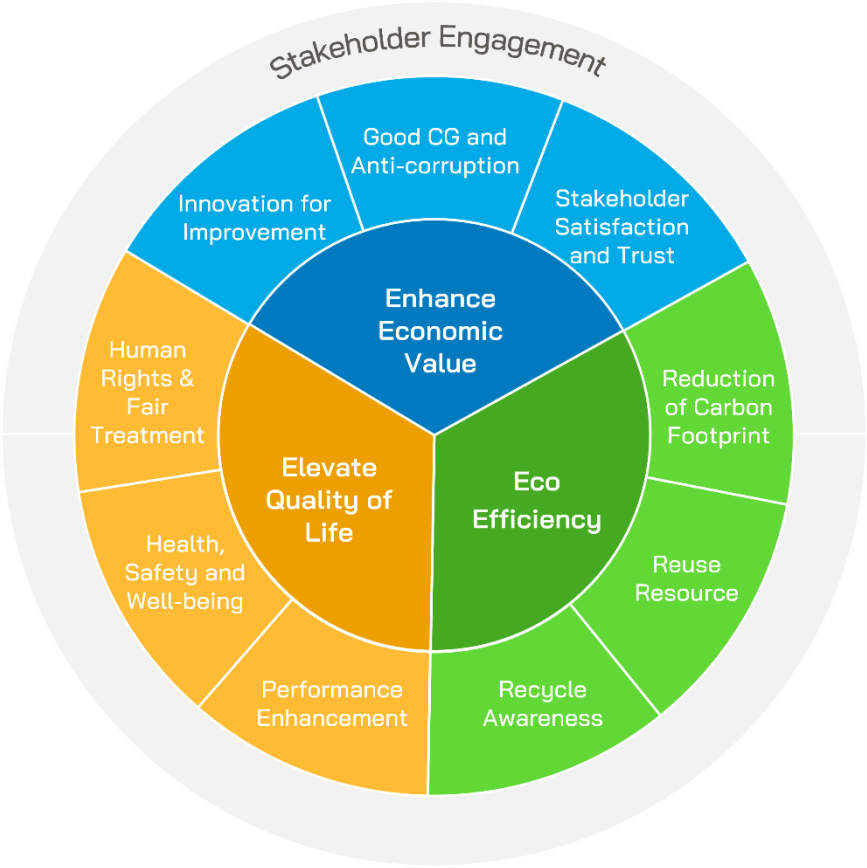
Sustainable Operations Framework, Strategy and Targets

With the company's intention of becoming the world's leading OEM automotive parts manufacturer, car dealership, and IoT connectivity & mobility company, AAPICO places great importance on innovation and environment. In keeping with our sustainability commitment of **"Creating innovative value for driving better way of life"**, we aim to ensure business long-term viability and integrity by balancing three dimensions: environmental, social, and governance to deliver high-quality products and service using precise and various innovations with resource optimization and less environmental and social impacts. We also reduce any repercussions to all stakeholders in order to demonstrate the Company's conscientious business conduct.



Sustainability Framework

In terms of the company's commitment, AAPICO's sustainable development is guided by the "3E" principle, which consists of three primary components: Enhance Economic Value, Elevate Quality of Life, and Eco-Efficiency. This is the company's strategy for collaboration and developing a solid and long-term basis for business development in accordance with the company's vision and mission.



Supporting Sustainable Development Goals

Determined to be a part of the driving forces for UN Sustainable Development Goals (SDGs), AAPICO Group has been continuously supporting their Sustainable Development Goals. For the operations in 2021, the Company focused on 10 main Sustainable Development Goals that were most in line with the Company's operations in order to create sustainable values for every stakeholder, as follows:

Sustainability Targets and Performance in 2021

Economic: Enhance Economic Value

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
AAPICO commits to conduct business with integrity, transparency, impartiality, and accountability to all stakeholders in the sake of good corporate governance and economic growth. We also aim to expand our business by implementing effective risk management and innovating for quality improvement and operational efficiency at all levels.		Customers' trust and satisfaction in our high-quality goods and services, through our efficient and innovative operations and manufacturing	▪ Achieve average of 95% of customer satisfaction by 2026	▪ Achieve average of 92% customer satisfaction in 2022	▪ Average of customer satisfaction in 2021 at 91.25%
		Trust and attractiveness of shareholders and investors by conducting business with integrity, impartiality, transparency and responsibility to all stakeholders in accordance with a good corporate governance	▪ Increase frequencies of IR meetings and events to 15% by 2026 in order to disclose the Company's information transparently as well as gain more opportunity for shareholders and investors to access the information	▪ Increase the volume of traffic in the company's online media with efficient and attractive information such as factsheets, analyst coverage reports, and newsletters by 5% YOY in 2022 ▪ The number of shareholders increases by 5% in 2022	▪ Achieve a 5% increase in the number of shareholders in 2021 ▪ Achieve Excellent Level (5 stars) in Corporate Governance Report of Thai Listed Company by Thai Institute of Directors (IOD)
		Supply chain management based on good corporate governance principles and a code of conduct that takes environmental and social factors into account. This aims to raise awareness of sustainable development businesses and to provide local communities with business opportunities for economic growth	▪ Achieve 80% of 1st tier critical direct suppliers pass ESG assessment in 2025 ▪ 2 direct suppliers have been assessed on ESG evaluation form third party by 2026	▪ 100% of suppliers acknowledge and comply with the company's supplier code of conduct and anti-corruption policy in 2022	▪ 80% of suppliers were evaluated as Grade A being marked as having satisfactory performance both in quality, logistics, price, safety and environmental management

Environment: Eco-Efficiency

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
OEM car parts production contributes considerably to greenhouse gas emissions and a large amount of waste, both of which have severe negative effects for the environment and surrounding communities. The Company has taken steps to implement an environmental policy and raise resource efficiency awareness by applying innovation and the 3R principles (Reduce, Reuse, and Recycle) to our operations in order to improve resource management and reduce our carbon footprint, with the goal of becoming a 100 percent zero waste operation.		Carbon footprint emission reduction through creative operations innovations to maximize the reduction of negative environmental consequences	▪ Reduce GHG Emission Per Production Unit of Scope 1 GHG emission (from manufacturing process) by 3% in 2024 in comparison to the baseline year of 2019	▪ Reduce GHG Emission Per Production Unit of Scope 1 GHG emission (from manufacturing process) by 0.60% per year ▪ Reduce GHG Emission Per Production Unit of Scope 2 GHG emission (from electricity consumption) by 4% in 2022 in comparison to 2021 ▪ Reduce GHG Emission Per Production Unit of Scope 3 GHG emission (from fuel and paper) by 6.50% in 2022 in comparison to 2021	▪ GHG Emission per ton of production of Scope 1 GHG emission (from manufacturing process) reduced by 8.83% compared to 2020 ▪ GHG Emission Per Production Unit of Scope 2 GHG emission (from electricity consumption) reduced by 10.71% compared to 2020
		Awareness on the enhancement of water conservation and efficient consumption	-	▪ Reduce Water Usage by 3% in 2022 compared to 2021	▪ Water Usage increased from 2020 by 70.61%

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
		Enhancing resource recycling and waste management awareness in order to increase efficiency and achieve zero waste operations	▪ Reduce Waste generated per production unit by 5% in 2026 in comparison to the baseline year of 2021	▪ Reduce Waste generated per production unit by 1% per year	▪ Waste generated per production unit decreased by 17% compared to 2020
		Strict compliance with environmental laws and regulation	▪ The volume of air pollution is within the permissible range of environmental laws and regulations	-	▪ The volume of air pollution is within the permissible range of environmental laws and regulations

Social: Elevate Quality of Life

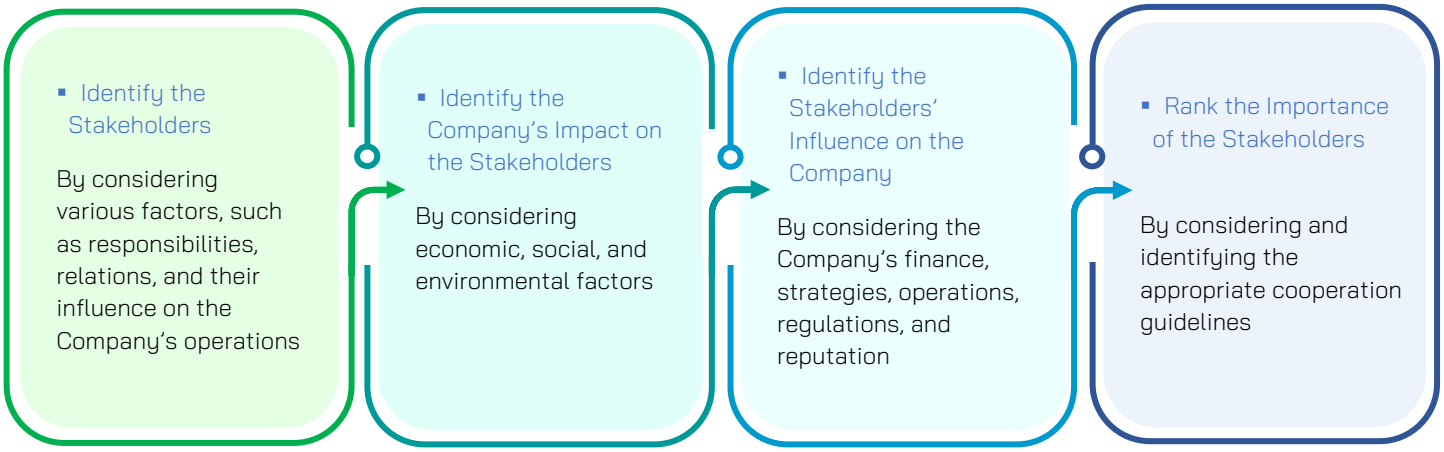
Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
AAPICO views human's values and opportunities as key factors for improving society. The company respects human's rights and fair labor treatment of laborers by promoting workplace ergonomics, suitable benefits, employees' safety as well as skills development, especially on innovation and creativity for all management and employees. Not only our employees, but we also care about the community. We intend to extend sustainability to nearby communities through organizing social events, supporting education for schools in the area, assisting in community development, and conserving the environment.		Promoting employee well-being and quality of life in a variety of areas; ▪ Fair salary and benefits, as well as a willingness to listen to employees' opinions, are all important factors in increasing employee engagement and loyalty. ▪ Innovative creations are applied at all levels of operations to improve employees' safety, occupational health, and productivity. ▪ Promoting employees' skills development especially on innovation and creativity	▪ Achieve at least 75% of average employees' satisfaction and loyalty level by 2026 ▪ Creating 3 innovation training courses for employees' skill enhancement by 2026 ▪ 100% of employees trained on Code of Conduct and Anti-corruption policy by 2023 ▪ 0% level of IFR (Injury Frequency Rate) and LTIFR (Lost Time Injury Frequency Rate)	▪ Achieve at least 60% of satisfaction and loyalty level by 2022 ▪ 100% of employees will have access to their welfare and training courses through a variety of platforms especially online provided by the company by 2022 ▪ Creating 1 innovation training course for employees' skill enhancement by 2022 ▪ IFR rate of employees not more than 5 ▪ LTIFR rate of employees is 0	▪ The average IFR rate in 2021 was 3.74 times per million working hours, which was better than the target provided. ▪ In 2021, the average LTIFR rate was 2.80 times per million working hours, and we're working to get to zero by 2022.

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
		Fair labor treatment, good human resource management in terms of employees' diversity, and human rights promotion	▪ 0 case of Fair Treatment and human rights violation issue	-	▪ 0 case of Fair Treatment and human rights violation issue
		Taking responsibility for the community, which is impacted by the company's operations, as well as community development, both in terms of environmental conservation and educational opportunities.	▪ 0 complaint from the community on environmental and social issues ▪ 0 complaint on human rights violation and other social issues from the community ▪ Achieve 80% of average community satisfaction score by 2026	▪ Achieve 50% of average community satisfaction score by 2022	▪ 0 complaint from the community on environmental and social issues ▪ 0 complaint on human rights violation and other social issues from the community ▪ The company sponsored 22 activities totaling over 8 million Baht to help and support the social and community during the tragedy and the Covid-19 pandemic.

Stakeholder Engagement

AAPICO recognizes that stakeholders are critical to the Company's operations, and the importance of the stakeholders is reflected in the Company's vision of the four sustainable happiness goals. The firm places high value on stakeholder engagement and management, which includes analyzing all stakeholders, prioritizing the company's effects on stakeholders and the stakeholders' influence on the company, and considering relevant topics and scopes that affect and interest all stakeholders and the Company. This approach aims to satisfy the stakeholders' expectations for the Company's long-term sustainability, as well as to take responsibility for them and maintain excellent relationships with them via various platforms.

Steps for Analyzing the Stakeholders



Stakeholders are Interested in and Communication Channels

Stakeholders	Expectations	Treatment of Stakeholders	Communication Channels	Sustainability Issues
Customer	Quality products, Low cost, On time delivery, Safe working conditions, Good engineering management, Transparent operations, Environmental management	1) Improving the qualities of products and services to meet the customers' demands 2) Managing good relations with customers 3) On-time delivery 4) Improving Operational Efficiency in the Effort to Achieve Zero Defect	▪ Conference ▪ Meetings ▪ Reports ▪ Training / Seminar ▪ CSR Activities	▪ Managing good relations ▪ Improving products quality ▪ Implementing innovations in the Company's operations ▪ Efficient cost management ▪ Environmental Management
Employee	Good pay and welfare, Fairness, Loyalty and Engagement, Human rights, Safety, Good quality of life, Self-improvement, Advancement in job position, Teamwork, Mutual respect	1) Managing good pay and welfare 2) Managing work environment and safety 3) Developing employees' skills to fit the Companies' growth 4) Improving the employees' quality of life 5) Fair treatment and respect in human rights	▪ Weekly conference ▪ Department conference ▪ Intranet ▪ Email ▪ Employees' training ▪ Employees' relation activities ▪ Whistleblower	▪ Safe working conditions ▪ Personnel development ▪ Human rights ▪ Loyalty to the Company ▪ Fair treatment of labors ▪ Stable income and welfare

Stakeholders	Expectations	Treatment of Stakeholders	Communication Channels	Sustainability Issues
Shareholder	Dividend, Transparency in management, Future investment plans and Competitiveness, Business' sustainability, Organization risk management	1) Building up the investors' confidence 2) Disclosure of traceable factual information 3) Reporting corporate social responsibilities	▪ Shareholders' meeting ▪ Annual report ▪ Investor relation activities ▪ Website ▪ Company visits ▪ Whistleblower	▪ Corporate governance ▪ Business ethics ▪ Risk management ▪ Stable and sustainable performance ▪ Transparent and traceable operations
Supplier	Profits, Business stability, On-time payment, Transparent business conduct, Fair and clear business contracts, Improving along with the Company	1) Managing the Company's credibility and the business partners' confidence 2) Improving business partners' capabilities by increasing competitiveness 3) Communicating anti-corruption policy and CSR policy 4) Improving relations with win-win strategy	▪ Annual meeting ▪ Visiting the business partners' company ▪ Meetings ▪ Arranging social activities with business partners ▪ Training / Seminar ▪ Supplier evaluation ▪ Supplier audit	▪ Supplier management ▪ Fair and transparent purchasing ▪ Joint sustainable growth
Community/ Society	Health safety, No pollution to the community, Community engagement and development	1) Managing complaints 2) Arranging community activities for engagement contribution 3) Building good relations between the factories and the surrounding communities	▪ Community visit ▪ Accepting complaints ▪ Activities' support ▪ Providing assistance	▪ Community development ▪ Encouraging community activities ▪ Taking care of the community's environment ▪ Improving and supporting economic growth within the community / society
Government	Fully abiding by the law, Paying taxes, Giving cooperation, Managing complaints with the community	1) Following the government's regulations 2) Cooperate with the government	▪ Joining seminar conference ▪ Visiting in important occasions	▪ Coming up with and enforcing regulations for clean factories ▪ Encouraging recycling for zero waste ▪ Operate in compliance with laws and regulations
Competitor	Fair competitions	1) Transparent and fair business operations	▪ Becoming a member of an association ▪ Meetings and sharing experience	▪ Corporate governance ▪ Code of conducts

Materiality Assessment

On a regular basis, the Company examines and identifies important concerns that may have a meaningful impact on our company operations, as well as internal and external stakeholders, while taking risk factors from the risk assessment into consideration. The material topics assessment is managed using the GRI Standards, which cover the four sustainable happiness features of the Company's vision, as well as ESG aspects, to allow the Company to efficiently manage the needs of all stakeholders.

Steps for Evaluating Important Topics

▪ Identify Important Business Topics

The Company collects the important sustainability issues that concern the Company's operations both from inside and outside by referencing the Company's sustainable goals.

▪ Evaluate and Rank the Importance

The Company ranks the topics by considering the impact on Company's operations both in long-term and short term and the impact on the stakeholders on the topics of economy, social, and environment.

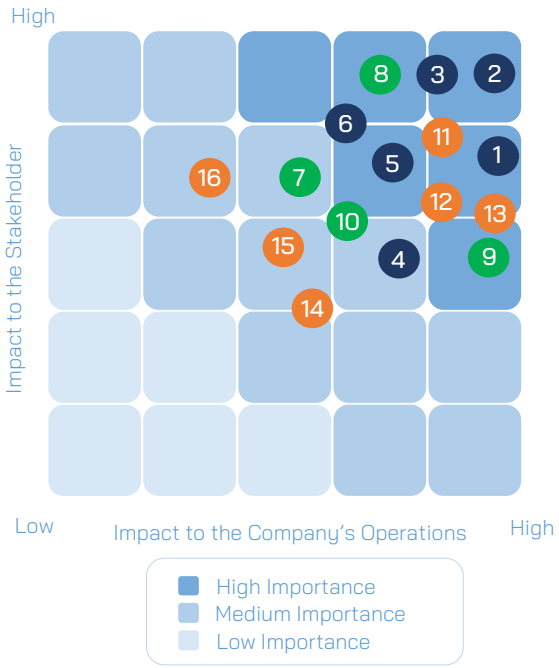
▪ Review and Check the Correctness of the Rankings

The Company reviews the importance ranking of sustainability topics and present to the management for approval.

▪ Sustainable Development

The Company is determined to develop its business along with sustainability and has reviewed the important sustainability topics. The comments and suggestions from the stakeholders will be used to further improve next year's report.

Topics Evaluation Results



Economy
1. Corporate Governance and Business Ethics
2. Risk Management
3. Customers Relation Management
4. Implementing Innovations to Improve Operations
5. Improving Products' Qualities
6. Supply Chain Management
Environment
7. Encourage Environment Saving Activities in Community and Society
8. Developing and Enforcing Regulations for Clean Factories
9. Implementing Innovations to Enforce Efficient Resource Usage
10. Encouraging Recycling for Zero Waste
Social
11. Supporting Human Rights within the Organization
12. Workplace Safety
13. Personnel Development
14. Cultivating Employees' Loyalty to the Company
15. Fair Treatment of Labors
16. Improving the Community and Encouraging Community Activities

Material Topics and Scope of Affected Stakeholders

Material Topics	Affected Stakeholders							Company's Indicators	GRI Sustainability Standards	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitors			
Economy										
1. Corporate Governance and Business Ethics	■	■	■	■		■		- Corporate Governance Score - Number of CG Complaints	GRI 102-16 GRI 102-17 GRI 102-18 GRI 102-19 GRI 205	
2. Risk Management	■	■	■	■				- Business Stability - Remunerations - Products' Quality and Cost - Salary and Welfare	GRI 102-30	
3. Customer Relation Management	■		■					Customers' Satisfaction	GRI 103 GRI 418	
4. Implementing Innovations to Improve Operations	■	■						Earnings Before Interest and Tax (EBIT)	GRI 203	
5. Improving Products' Qualities	■			■				Customers' Satisfaction	GRI 103	
6. Supply Chain Management		■		■				Suppliers' Satisfaction	GRI 102-9 GRI 102-30 GRI 414-1	

Material Topics	Affected Stakeholders							Company's Indicators	GRI Sustainability Standards	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitors			
Environment										
7. Encourage Environment Saving Activities in Community and Society					■	■		Community's Satisfaction	GRI 304 GRI 305 GRI 306	
8. Developing and Enforcing Regulations for Clean Factories	■	■				■		- Quantity of GHG Emission Reduction - Quantity of Waste Reduction - The Volume of Air Pollution within the permissible range	GRI 304 GRI 305 GRI 306	
9. Implementing Innovations to Enforce Efficient Resource Usage			■	■			■	- Quantity of Waste Reduction - Quantity of Water Reduction - Quantity of Energy Reduction	GRI 302 GRI 305 GRI 306	
10. Encouraging Recycling for Zero Waste			■	■				- Quantity of Waste Reduction	GRI 305 GRI 306	

Material Topics	Affected Stakeholders							Company's Indicators	GRI Sustainability Standards	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitors			
Social										
11. Supporting Human Rights within the Organization		■				■		Number of Human Rights Violation Complaints	GRI 405 GRI 407 GRI 411	
12. Workplace Safety		■			■			IFR and LTIFR Rates	GRI 410	
13. Personnel Development		■						Total Hours of Training	GRI 404	
14. Cultivating Employees' Loyalty to the Company		■						- Employees' Turnover Rate - Employees' Satisfaction	GRI 401 GRI 405	
15. Fair Treatment of Labors		■				■		Number of Complaints on Unfair Treatment	GRI 405 GRI 406	
16. Improving the Community and Encouraging Community Activities		■			■			- Number of Community Complaints - Community's Satisfaction - Number of Community Activities	GRI 413	

Evaluation and Ranking of Stakeholders' Importance

From the above table, the importance and roles of the stakeholders to the Company's operations can be inferred – along with the indicators chosen by the Company to evaluate the performance of each operation, and their associations to the UN Sustainable Development Goals. This information is subsequently used in order to evaluate and rank the importance of the stakeholders on the Company's operations, as follows;

Company Overview

General Information (As of 31 December 2021)

Name of the Company / Name in Stock Market	AAPICO Hitech Public Company Limited / AH
Products and Services	The 3 Core Pillars of AAPICO business, which are ▪ Manufacture of OEM automotive parts which include; - Metal forming - Chassis & Structural - Plastics & parts - Fuel tank & Washer System - Forging & Machining - Casting and Tooling (jigs and dies) to leading automobile assemblers ▪ Car dealerships and service centers - Ford - Mitsubishi - MG - Mazda - Honda - Proton ▪ Internet of Thing (IoT) Connectivity and Mobility business - Smart Factory - Smart Logistics - Smart Mobility - Smart office - Smart Location - Smart Farm
Location of Headquarter	99 Moo 1 Hitech Industrial Estate, Tambol Ban Lane, Amphur Bang Pa-In, Ayutthaya Province 13160
Registration Number	0107545000179
Company Website	www.aapico.com
Year Established	1996
Listed Date	17 October 2002
Locations of Operations	1. Thailand 2. Malaysia 3. Republic of China 4. The United Kingdom 5. Portugal 6. Germany 7. Taiwan 8. Singapore
Number of Employees	4,699 employees
Total Revenue	20,967 THB Million
Registered Capital	Baht 354,842,228.00 (consist of 354,842,228 Ordinary Shares[1])
Paid-up Capital	Baht 354,842,012.00 (consist of 354,842,012 Ordinary Shares[1])
Membership of Associations	Thai Auto-Parts Manufacturers Association (TAPMA)

Remark: 1) Par Value at Baht 1 per share

Business Overview

AAPICO Hitech Public Company Limited ("**The Company** or **AAPICO**") was established in 1996 and was listed on the Stock Exchange of Thailand in 2002. The Company's main business initially was to design, produce, and install car assembly jigs and stamping dies; and to manufacture OEM automotive parts, including floor parts, cross members, pillars, brackets, clips, and fuel tanks for leading automobile assemblers in Thailand. The Company has since progressed by adding the production of chassis frame components, forging parts, machining parts, casting parts, plastic parts and plastic fuel tanks to its manufacturing portfolio.

AAPICO Hitech PLC operates under the management of Mr. Yeap Swee Chuan, the President & CEO and founder of AAPICO Group. The Company's first factory was located at Hitech Industrial Estate, Ayutthaya. Today, it has factories in Samutprakarn, Chonburi and Rayong. Globally, the Company also expand its footprint to Malaysia, China and Portugal.

AAPICO Hitech PLC is comprised of 3 business pillars: the OEM Auto Parts Manufacturing Business, the Car Dealership Business, and the IoT Connectivity & Mobility Business. As of today, the Group comprises 47 subsidiaries and associate companies, of which 33 companies are operating in Thailand and 14 companies are located oversea.

Vision, Objective, Target, or Operation Strategy

The Company has set the vision to become a Lean, Green, Happy, and Digital World Class Organization for sustainable growth. The Company has an important mission to grow into an Global organization with excellence in 4 fundamental values of happiness, as follows:

- Happy Customers

  The Company set operational targets for the organization to achieve manufacturing excellence in order to satisfy customers' needs. This is accomplished by maintaining safety standards, product quality, competitive price, on-time delivery, engineering development, and continuous excellent management for utmost customers' satisfaction.

- Happy Employees

  The Company gives importance to employees, which are the heart to driving stable and sustainable organization growth. This is accomplished by arranging for happy workplace environment, encouraging teamwork, defying problem as opportunity, inspiring loyalty, fostering respect between colleagues, and imprinting familial love of the employees in order to lay a strong happy foundation that will carry over to the organization and country.

- Happy Shareholders

  The Company is determined to operate with optimal profits and benefits for the shareholders, and to arrange for appropriate returns for the shareholders.

- Happy Public

  The Company is aware and gives precedence to the importance of managing business with regards to corporate social responsibility to the community and public for sustainable growth.

AAPICO set a clear target in becoming an organization with excellence in operations that adhere to the standard of good Corporate Governance, as to promote stable and sustainable growth. The Company has set operational production targets based on the SQCDEM guideline, as follows:

- **Safety** : Safety always comes first
- **Quality** : Manufacturing operations that are up to quality standards and produce zero waste in order to achieve '0' PPM targets
- **Cost** : The ability to compete in pricing with low and appropriate cost
- **Delivery** : 100% on-time delivery, with Just-In-Time (JIT) production method
- **Engineering** : The determination to continuously improve the Company's engineering process (KAIZEN)
- **Management** : Managing operations to be clever, transparent, and attentive to details, while also utilizing digital technology to increase efficiency as appropriate.

AAPICO is determined to improve the Company's manufacturing process, strengthen the employees' knowledge, and search for new technologies from around the globe to support and increase the efficiency of the Company's manufacturing process. Our goal is to become one of the most accepted top automotive parts manufacturers within both Thai and international automotive industry, offering high quality standards, while also standing ready to support and push Thailand into becoming a global base for the production of automotive parts.

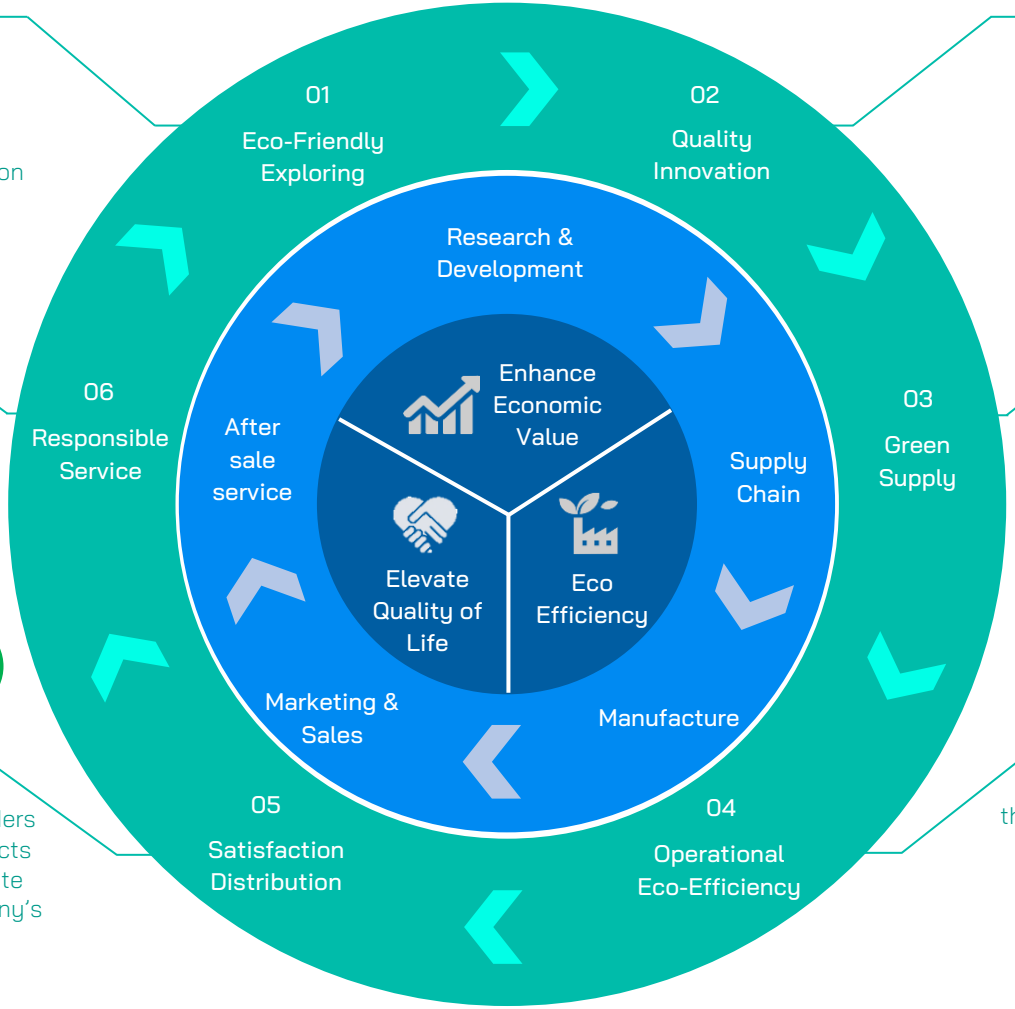
Owing to the Company's longstanding commitment to the simple visions and principles of being a lean and happy organization with transparent management and excellence in corporate governance, AAPICO has been accepted by customers from every corner of the globe as an entrepreneur with sustainable excellence in manufacturing and consistently maintain quality operation standards in accordance with SQCDEM guidelines on Safety, Quality, Cost, Delivery, Engineering, and Good Management. The Company was approved and guaranteed of its quality manufacturing process with ISO/TS16949 and ISO14001 standards, in addition to various other awards and certificates continuously received from customers and suppliers. Combined with transparent management and attentiveness to stakeholders, which contributed to the establishing of trust with customers and suppliers, the Company is therefore able to sustainably elevate business relations with various brands of automotive manufacturers.

Long-Term Plan

The Company's long-term business plan is Globalization. Currently, the Company has firm base of operations in Thailand, Malaysia, China, India, and Europe. For the time being, the Company is looking to expand and establish the Company's presence into Japan, USA as well as other Asian countries.

Business Value Chain

With the intention to deliver innovative products and services with minimal impact on stakeholders and the environment, the Company blends its vision, mission, and 3E sustainability framework with our business value chain and stakeholder analyses as well as their expectations in order to contribute to 6 AAPICO's sustainability strategies, as follows:



Value added in business by exploring green and lean material, innovation and solution to lower environmental impacts and increase efficiency to meet customers' satisfaction

Customer | Supplier | Social/ Community

Innovate in efficiency and quality stability in operations for enhance stakeholders' satisfactory and business opportunities

Customer | Employee | Shareholder

Enable Zero Waste operations by adhering 3R principle; Reduce carbon footprint, Enhance recycle awareness and Reuse resource efficiently in order to show responsibility to the stakeholders

Customer | Employee | Social/ Community | Government

Supply green materials and/or environmental certification across the supply chain to reduce environmental and social consequences while also providing opportunities for local businesses.

Supplier | Social/ Community | Government

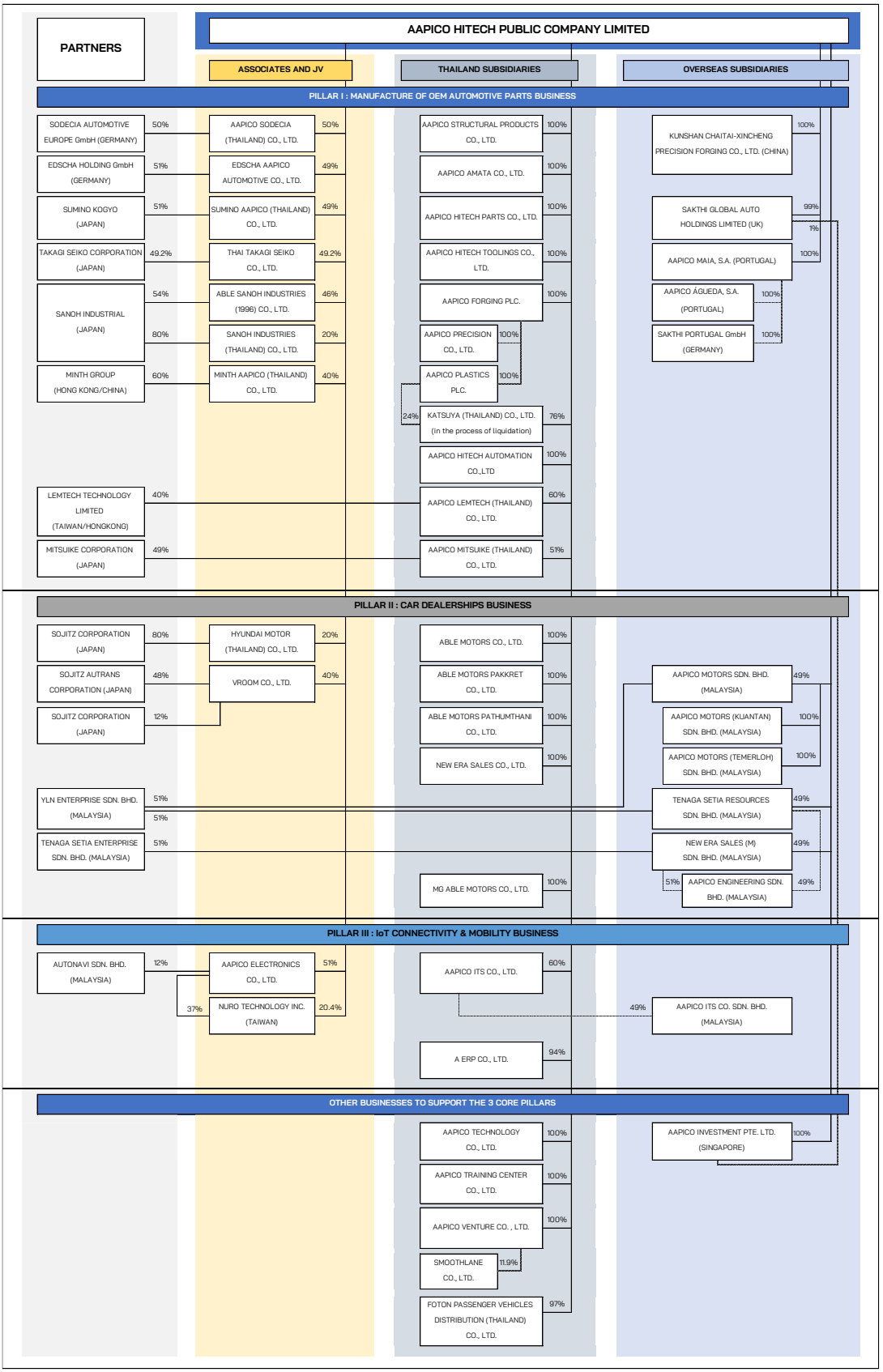
Enable consistent of satisfactory distribution to all stakeholders by delivering quality and on-time products and services, as well as a good corporate governance company to promote company's trust and creditability

Customer | Employee | Shareholder

Enhance operational eco-efficiency through technology and innovation to improve employees' safety, workplace ergonomics, skills development especially in innovative creativity and minimize impacts to the community

Employee | Social/ Community

Company Structure



Major Development / Milestones

Listed for Growth

Growth Phase

1985	▪ Registered Able Autoparts Industries Co., Ltd. and started as Ford assembler and distributor
1997	▪ Completed the first AAPICO factory at Hitech Industrial Estate, Ayutthaya, and established the first JV with Sanoh (Japan) named Able Sanoh Industries (1996) Co., Ltd. (ASICO)
2002	▪ Listed in the Stock Exchange of Thailand (SET)
2003	▪ Purchased in the Stock Exchange of Thailand (SET)
2004	▪ Expanded to China by acquiring Kunshan Chaitai-Xincheng Precision Forging Co., Ltd.
2006	▪ Established AAPICO Hitech Parts Co., Ltd. ▪ Invested in a car navigation company, AAPICO ITS Co., Ltd. (60% equity) ▪ Invested in Jackspeed Corporation (Singapore) ▪ Established JV with Mitsuike Corporation (Japan)
2007	▪ Acquired forging and plastic businesses from KPN PLC and renamed it AAPICO Forging PLC and AAPICO Plastics PLC ▪ Signed technical agreement with Edscha (Germany) to produce door checks, hinge, and parking brakes
2008	▪ Established JV with Minth Corporation (China)
2009	▪ Established AAPICO Structural Products Co., Ltd. to manufacture chassis frames
2010	▪ Celebrated AAPICO 25th Anniversary and commenced operations of AAPICO Hitech's 2nd factory in Rayong ▪ Established JV with Takagi Seiko (Japan)
2011	▪ Completed the 3S showroom for Honda dealers in Malaysia
2012	▪ Commenced operations at the new 20,000 square meters factory in China
2013	▪ Established 4 JVs with Lemtech Holding (Taiwan), Edscha Holding (Germany), Sumino Kogyo (Japan), and Sodecia SGPS (Portugal)
2014	▪ Acquired 25% equity in Quantum Inventions (QI) Singapore ▪ Established AAPICO Training Center Co., Ltd.
2015	▪ Initiated TURBO Target to increase revenue and profit for 2020 ▪ Achieved BBB+ TRIS Rating and issued debenture
2016	▪ Established Aapico Ventures Co., Ltd. to explore opportunity in start-up business

Toward Globalization

2017	▪ Announced the resale of Share Repurchase on SET for a period of 3 years, starting from March 2017 until September 2019 ▪ Disposed investment in Jackspeed Corporation (SG) and Quantum Inventions (QI) ▪ Acquired 25.1% of Sakthi Global Auto Holdings Limited (SGAH) (UK) and form a strategic partnership with Sakthi Group to expand the automotive part business globally
2018	▪ Acquired 20.36% equity in Nuro Technology Inc. (Taiwan) ▪ Established JV with VINFAST to set up press shop and assembly plant to produce body-in-white parts parts for the first 2 models of VINFAST vehicles in Vietnam ▪ Acquired 24.89% additional equity of Sakthi Global Auto Holdings Limited (SGAH)
2019	▪ Established Vroom Co., Ltd, a 40% Joint Venture of the company, distributing and retailing of KTM, Husqvarna and Bajaj ▪ Acquired 100% equity of Sakthi Global Holding Limited (SGAH) ▪ Acquired 100% shares of AAPICO Maia, S.A. (Portugal) and two subsidiaries, namely AAPICO Águeda, S.A. (Portugal) and Sakthi Portugal GmbH (Germany) ▪ Established Aapico Motors Sdn. Bhd., Proton car dealership in Malaysia ▪ Established Able Motors Pakkret Co., Ltd. and Able Motors Pathumthani Co., Ltd., Mitsubishi car dealership in Thailand ▪ AAPICO Hitech PLC sold its shares in Aapico Vinfast Auto Parts Co., Ltd. (AVAP), a 51% joint venture of the Company to Vinfast Trading and Production LLC
2020	**COVID-19 Pandemic** ▪ Established AAPICO Hyojin Autotech Co., Ltd., a 70% subsidiary, operates the automotive assembly jigs design, manufacturing and robotic integration. ▪ AAPICO Hitech PLC increased its shareholding in AAPICO Hyojin Autotech from 55% to 70% ▪ AAPICO Hitech PLC acquired 2 Proton dealerships in the state of Pahang Malaysia, namely AAPICO Motor (Kuantan) Sdn. Bhd. And AAPICO Motors (Temerloh) Sdn. Bhd. ▪ AAPICO Hitech PLC received the Thailand Sustainability Investment (THSI) 2020 award from the Stock Exchange of Thailand (SET) ▪ AAPICO Hitech PLC received the 2020 Best Quality Supplier Award from Toyota ▪ Tenaga Setia Resources Sdn. Bhd., the Company's subsidiaries in Malaysia, received the Honda CEO and top sales Awards from Honda Malaysia
2021	**COVID-19 Pandemic & Global Microchip Shortage** ▪ Established MG Able Motors Co.,Ltd, MG car dealership in Thailand ▪ Disposed 49% shares in Weihai Bethel-Sakthi Automotive Safety Systems Co.,Ltd and 51% shares in Weihai Bethel-Sakthi Automotive Co.,Ltd held bySakthi Automotive Group USA, Inc. or SAGUSA which is currently under the wind down process ▪ Opened the first Mazda showroom in Pathumthani province under Able Motors Co., Ltd

Sustainable Management

AAPICO and Sustainability

It should go without saying that a sustainable business operation is an important factor for many business aspects including economic growth, sustainable resource management, or responsibilities to the community and stakeholders. Therefore, AAPICO would like to become a part of this movement to drive the society's stability and sustainability.

In the process of setting up the guidelines, framework, and strategies for the Company's business operation; AAPICO utilized the Company's own vision, missions, and the stakeholders' engagement in each step of the Company's supply chain. These are then combined with careful consideration on various factors that may provide benefits or pose risks to the Company with the intention of becoming a lean, green, happy, and digital world class organization under the 3 sustainability dimensions on the foundation of good corporate governance and stakeholders' engagement.

AAPICO annually revises the sustainable development policy and strategy, stakeholder engagement, and sustainable development framework and guidelines to properly evaluate and adapt our company operations to be in line with the company strategy as well as to the global current affairs, and to improve the efficiency of achieving stakeholders' expectations. In 2021, the Company established its sustainability commitment as well as its targets in terms of economic, social, and environmental factors to align with the revised sustainability framework and strategy. In addition, the Company set up sustainable development action plans in each department to provide the greatest possible results in achieving those targets and placed a greater emphasis on good corporate governance and stakeholder engagement.

Sustainable Development Policy

The OEM Auto Parts Manufacturing Business plays an important part in helping drive the country's industry forward. Many different businesses – such as materials, equipment, machines, parts manufacturer, and transportations – are involved in the supply chain. However, as the business operations can both positively and negatively affect the economy, social, and environment – be it directly or indirectly; the Company has taken care to set in place the Sustainable Development Policy to encourage sustainable growth and development within the Company which entails the consideration for the topics of economy, social, and environment as follows:

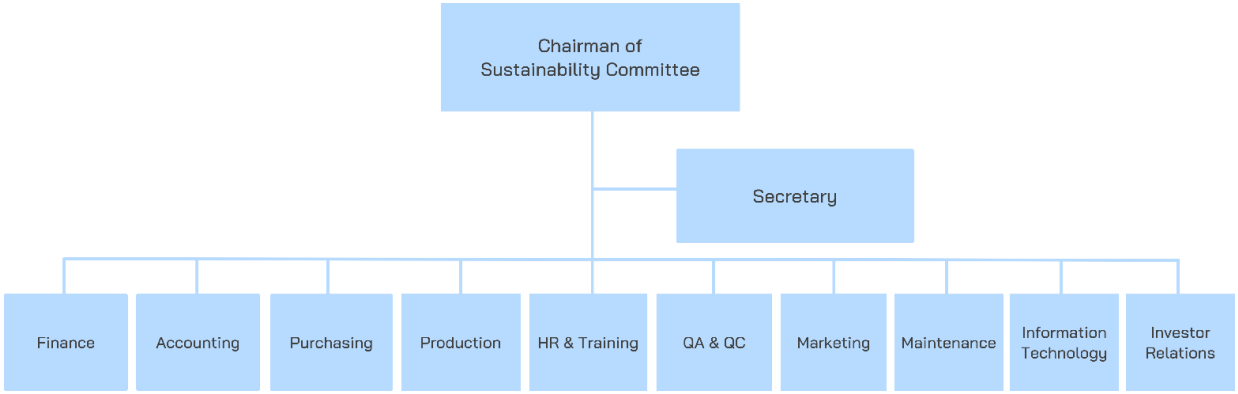
1. Conducting business according to both short-term and long-term plans, while also considering both internal and external risk factors
2. Conducting business with transparency and good governance
3. Conducting business with consideration to the stakeholders and the environment
4. Conducting business by increasing values with innovation

Sustainability Management's Structure and Guidelines

AAPICO Group has combined risk management and risk analysis of the Company, which are important parts of sustainable development, with sustainability management. For risk analysis, the topics of economy, social, and environment will all be analyzed; of which the dimensions of business strategy, business operation, finance, and regulation will be covered. The Board of Directors will be responsible for analyzing the risks and providing management advice to the CEO and each department, with the performance follow-up taking place at least once annually.

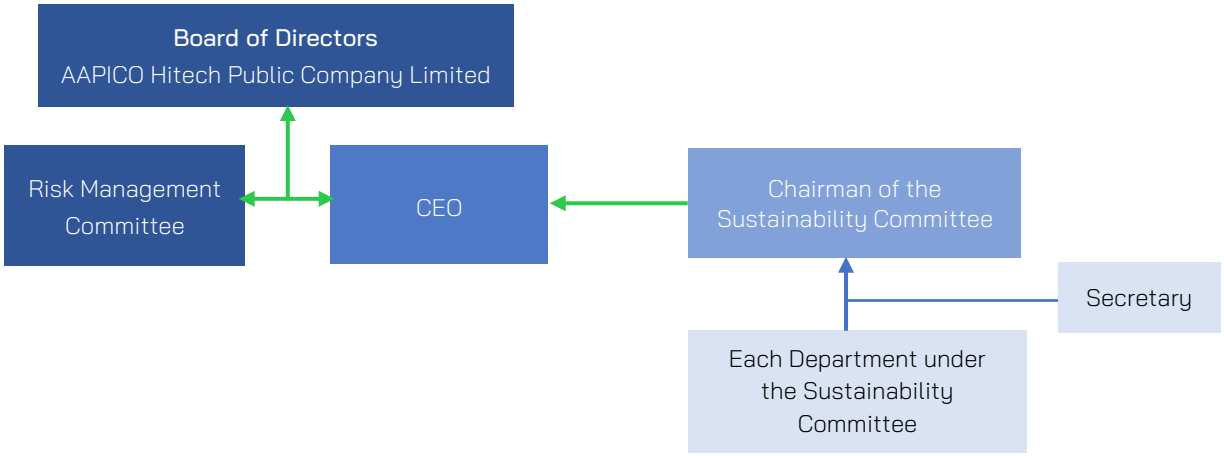
Sustainability Committee's Structure

The Board of directors and Sustainability committee have continuously been driving the Company's operations concerning the sustainability of the business; with a member of the top management acting as the committee's chairman, and the middle management and the representatives from every department acting as the committee's members – with duties, authorities, and responsibilities. This is to ensure that operations are in line with sustainability to motivate cross-departmental cooperation in order to carry out sustainability projects, and to coordinate with each department in raising employee and stakeholder awareness of the importance of operations with social responsibilities and sustainability. The sustainability committee constantly monitors and follows up on any initiatives to evaluate their performance, review policy in order to improve management guidelines, and report the results of their follow-ups to the Chairman of the Sustainability Committee, who then prepares a report for the Board of Directors and the public.



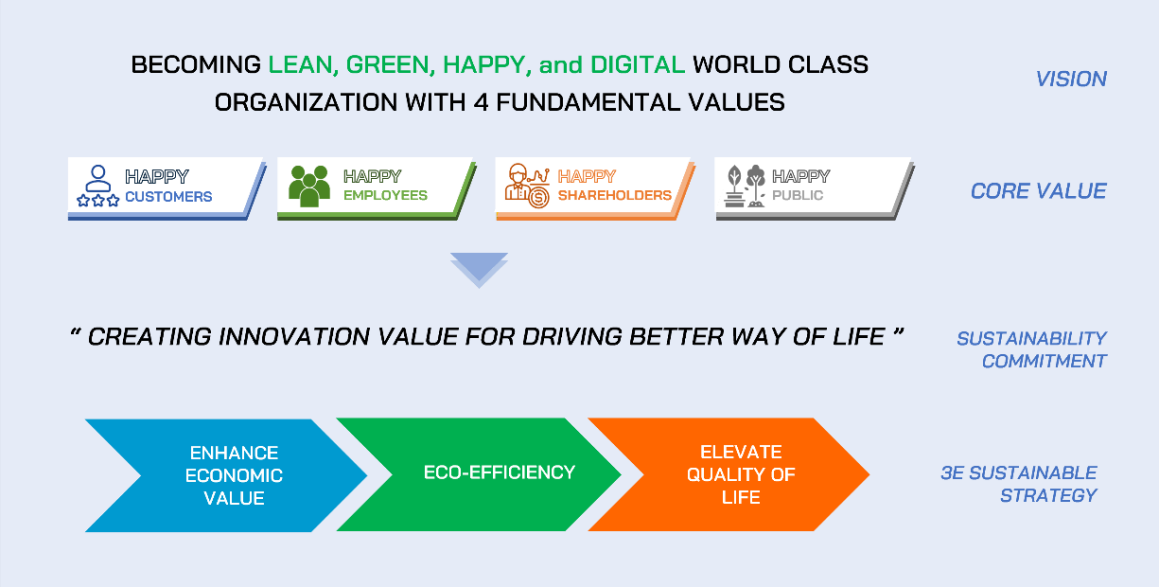
Management Performance Follow-Up and Report

For the process of following-up and reporting management performance, each department will report the results of their follow-ups to the Chairman of the Sustainability Committee, which the Chairman will then report to the Company's CEO, and the CEO will finally report to the Board of Directors for consideration and evaluation in order to further improve upon the management guidelines.



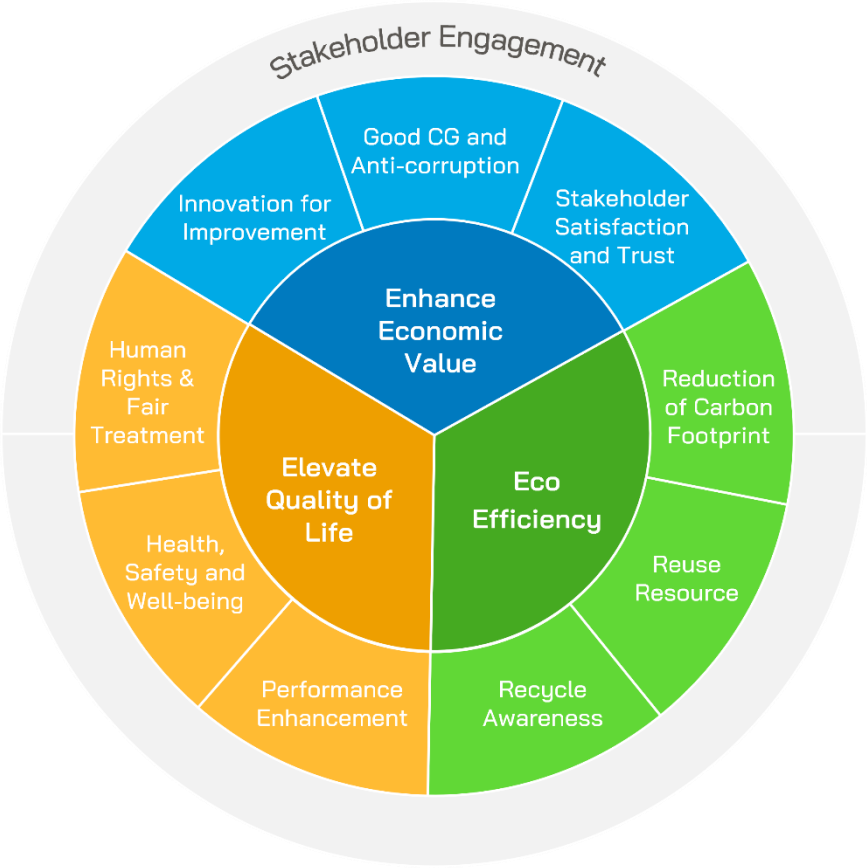
Sustainable Operations Framework, Strategy and Targets

With the company's intention of becoming the world's leading OEM automotive parts manufacturer, car dealership, and IoT connectivity & mobility company, AAPICO places great importance on innovation and environment. In keeping with our sustainability commitment of **"Creating innovative value for driving better way of life"**, we aim to ensure business long-term viability and integrity by balancing three dimensions: environmental, social, and governance to deliver high-quality products and service using precise and various innovations with resource optimization and less environmental and social impacts. We also reduce any repercussions to all stakeholders in order to demonstrate the Company's conscientious business conduct.



Sustainability Framework

In terms of the company's commitment, AAPICO's sustainable development is guided by the "3E" principle, which consists of three primary components: Enhance Economic Value, Elevate Quality of Life, and Eco-Efficiency. This is the company's strategy for collaboration and developing a solid and long-term basis for business development in accordance with the company's vision and mission.



Supporting Sustainable Development Goals

Determined to be a part of the driving forces for UN Sustainable Development Goals (SDGs), AAPICO Group has been continuously supporting their Sustainable Development Goals. For the operations in 2021, the Company focused on 10 main Sustainable Development Goals that were most in line with the Company's operations in order to create sustainable values for every stakeholder, as follows:

Sustainability Targets and Performance in 2021

Economic: Enhance Economic Value

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
AAPICO commits to conduct business with integrity, transparency, impartiality, and accountability to all stakeholders in the sake of good corporate governance and economic growth. We also aim to expand our business by implementing effective risk management and innovating for quality improvement and operational efficiency at all levels.		Customers' trust and satisfaction in our high-quality goods and services, through our efficient and innovative operations and manufacturing	▪ Achieve average of 95% of customer satisfaction by 2026	▪ Achieve average of 92% customer satisfaction in 2022	▪ Average of customer satisfaction in 2021 at 91.25%
		Trust and attractiveness of shareholders and investors by conducting business with integrity, impartiality, transparency and responsibility to all stakeholders in accordance with a good corporate governance	▪ Increase frequencies of IR meetings and events to 15% by 2026 in order to disclose the Company's information transparently as well as gain more opportunity for shareholders and investors to access the information	▪ Increase the volume of traffic in the company's online media with efficient and attractive information such as factsheets, analyst coverage reports, and newsletters by 5% YOY in 2022 ▪ The number of shareholders increases by 5% in 2022	▪ Achieve a 5% increase in the number of shareholders in 2021 ▪ Achieve Excellent Level (5 stars) in Corporate Governance Report of Thai Listed Company by Thai Institute of Directors (IOD)
		Supply chain management based on good corporate governance principles and a code of conduct that takes environmental and social factors into account. This aims to raise awareness of sustainable development businesses and to provide local communities with business opportunities for economic growth	▪ Achieve 80% of 1st tier critical direct suppliers pass ESG assessment in 2025 ▪ 2 direct suppliers have been assessed on ESG evaluation form third party by 2026	▪ 100% of suppliers acknowledge and comply with the company's supplier code of conduct and anti-corruption policy in 2022	▪ 80% of suppliers were evaluated as Grade A being marked as having satisfactory performance both in quality, logistics, price, safety and environmental management

Environment: Eco-Efficiency

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
OEM car parts production contributes considerably to greenhouse gas emissions and a large amount of waste, both of which have severe negative effects for the environment and surrounding communities. The Company has taken steps to implement an environmental policy and raise resource efficiency awareness by applying innovation and the 3R principles (Reduce, Reuse, and Recycle) to our operations in order to improve resource management and reduce our carbon footprint, with the goal of becoming a 100 percent zero waste operation.		Carbon footprint emission reduction through creative operations innovations to maximize the reduction of negative environmental consequences	▪ Reduce GHG Emission Per Production Unit of Scope 1 GHG emission (from manufacturing process) by 3% in 2024 in comparison to the baseline year of 2019	▪ Reduce GHG Emission Per Production Unit of Scope 1 GHG emission (from manufacturing process) by 0.60% per year ▪ Reduce GHG Emission Per Production Unit of Scope 2 GHG emission (from electricity consumption) by 4% in 2022 in comparison to 2021 ▪ Reduce GHG Emission Per Production Unit of Scope 3 GHG emission (from fuel and paper) by 6.50% in 2022 in comparison to 2021	▪ GHG Emission per ton of production of Scope 1 GHG emission (from manufacturing process) reduced by 8.83% compared to 2020 ▪ GHG Emission Per Production Unit of Scope 2 GHG emission (from electricity consumption) reduced by 10.71% compared to 2020
		Awareness on the enhancement of water conservation and efficient consumption	-	▪ Reduce Water Usage by 3% in 2022 compared to 2021	▪ Water Usage increased from 2020 by 70.61%

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
		Enhancing resource recycling and waste management awareness in order to increase efficiency and achieve zero waste operations	▪ Reduce Waste generated per production unit by 5% in 2026 in comparison to the baseline year of 2021	▪ Reduce Waste generated per production unit by 1% per year	▪ Waste generated per production unit decreased by 17% compared to 2020
		Strict compliance with environmental laws and regulation	▪ The volume of air pollution is within the permissible range of environmental laws and regulations	-	▪ The volume of air pollution is within the permissible range of environmental laws and regulations

Social: Elevate Quality of Life

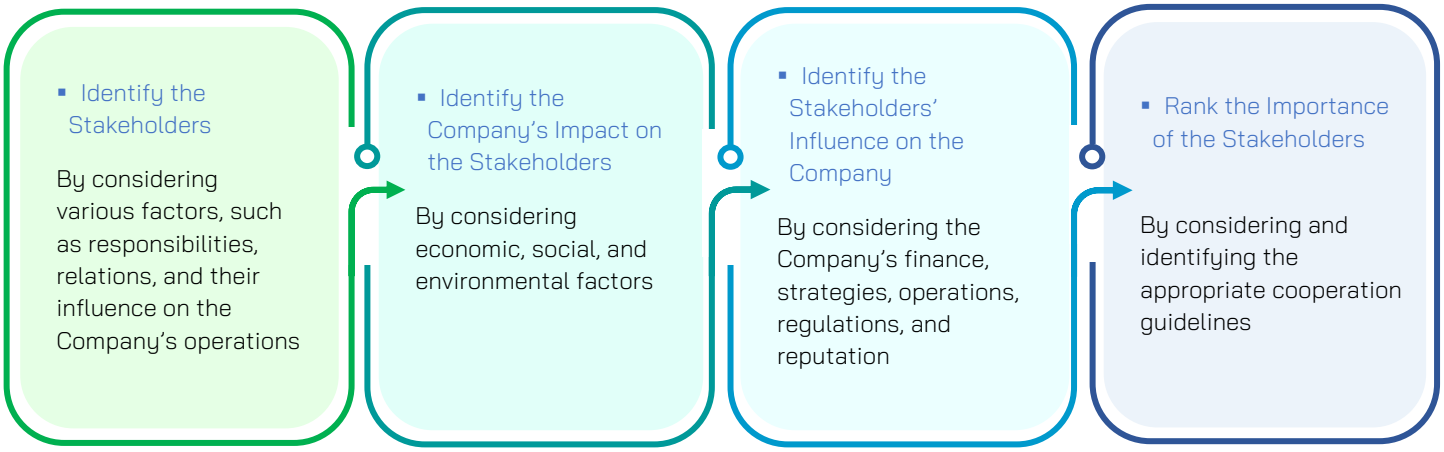
Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
AAPICO views human's values and opportunities as key factors for improving society. The company respects human's rights and fair labor treatment of laborers by promoting workplace ergonomics, suitable benefits, employees' safety as well as skills development, especially on innovation and creativity for all management and employees. Not only our employees, but we also care about the community. We intend to extend sustainability to nearby communities through organizing social events, supporting education for schools in the area, assisting in community development, and conserving the environment.		Promoting employee well-being and quality of life in a variety of areas; ▪ Fair salary and benefits, as well as a willingness to listen to employees' opinions, are all important factors in increasing employee engagement and loyalty. ▪ Innovative creations are applied at all levels of operations to improve employees' safety, occupational health, and productivity. ▪ Promoting employees' skills development especially on innovation and creativity	▪ Achieve at least 75% of average employees' satisfaction and loyalty level by 2026 ▪ Creating 3 innovation training courses for employees' skill enhancement by 2026 ▪ 100% of employees trained on Code of Conduct and Anti-corruption policy by 2023 ▪ 0% level of IFR (Injury Frequency Rate) and LTIFR (Lost Time Injury Frequency Rate)	▪ Achieve at least 60% of satisfaction and loyalty level by 2022 ▪ 100% of employees will have access to their welfare and training courses through a variety of platforms especially online provided by the company by 2022 ▪ Creating 1 innovation training course for employees' skill enhancement by 2022 ▪ IFR rate of employees not more than 5 ▪ LTIFR rate of employees is 0	▪ The average IFR rate in 2021 was 3.74 times per million working hours, which was better than the target provided. ▪ In 2021, the average LTIFR rate was 2.80 times per million working hours, and we're working to get to zero by 2022.

Concept	UN SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2021
		Fair labor treatment, good human resource management in terms of employees' diversity, and human rights promotion	▪ 0 case of Fair Treatment and human rights violation issue	-	▪ 0 case of Fair Treatment and human rights violation issue
		Taking responsibility for the community, which is impacted by the company's operations, as well as community development, both in terms of environmental conservation and educational opportunities.	▪ 0 complaint from the community on environmental and social issues ▪ 0 complaint on human rights violation and other social issues from the community ▪ Achieve 80% of average community satisfaction score by 2026	▪ Achieve 50% of average community satisfaction score by 2022	▪ 0 complaint from the community on environmental and social issues ▪ 0 complaint on human rights violation and other social issues from the community ▪ The company sponsored 22 activities totaling over 8 million Baht to help and support the social and community during the tragedy and the Covid-19 pandemic.

Stakeholder Engagement

AAPICO recognizes that stakeholders are critical to the Company's operations, and the importance of the stakeholders is reflected in the Company's vision of the four sustainable happiness goals. The firm places high value on stakeholder engagement and management, which includes analyzing all stakeholders, prioritizing the company's effects on stakeholders and the stakeholders' influence on the company, and considering relevant topics and scopes that affect and interest all stakeholders and the Company. This approach aims to satisfy the stakeholders' expectations for the Company's long-term sustainability, as well as to take responsibility for them and maintain excellent relationships with them via various platforms.

Steps for Analyzing the Stakeholders



Stakeholders are Interested in and Communication Channels

Stakeholders	Expectations	Treatment of Stakeholders	Communication Channels	Sustainability Issues
Customer	Quality products, Low cost, On time delivery, Safe working conditions, Good engineering management, Transparent operations, Environmental management	1) Improving the qualities of products and services to meet the customers' demands 2) Managing good relations with customers 3) On-time delivery 4) Improving Operational Efficiency in the Effort to Achieve Zero Defect	▪ Conference ▪ Meetings ▪ Reports ▪ Training / Seminar ▪ CSR Activities	▪ Managing good relations ▪ Improving products quality ▪ Implementing innovations in the Company's operations ▪ Efficient cost management ▪ Environmental Management
Employee	Good pay and welfare, Fairness, Loyalty and Engagement, Human rights, Safety, Good quality of life, Self-improvement, Advancement in job position, Teamwork, Mutual respect	1) Managing good pay and welfare 2) Managing work environment and safety 3) Developing employees' skills to fit the Companies' growth 4) Improving the employees' quality of life 5) Fair treatment and respect in human rights	▪ Weekly conference ▪ Department conference ▪ Intranet ▪ Email ▪ Employees' training ▪ Employees' relation activities ▪ Whistleblower	▪ Safe working conditions ▪ Personnel development ▪ Human rights ▪ Loyalty to the Company ▪ Fair treatment of labors ▪ Stable income and welfare

Stakeholders	Expectations	Treatment of Stakeholders	Communication Channels	Sustainability Issues
Shareholder	Dividend, Transparency in management, Future investment plans and Competitiveness, Business' sustainability, Organization risk management	1) Building up the investors' confidence 2) Disclosure of traceable factual information 3) Reporting corporate social responsibilities	▪ Shareholders' meeting ▪ Annual report ▪ Investor relation activities ▪ Website ▪ Company visits ▪ Whistleblower	▪ Corporate governance ▪ Business ethics ▪ Risk management ▪ Stable and sustainable performance ▪ Transparent and traceable operations
Supplier	Profits, Business stability, On-time payment, Transparent business conduct, Fair and clear business contracts, Improving along with the Company	1) Managing the Company's credibility and the business partners' confidence 2) Improving business partners' capabilities by increasing competitiveness 3) Communicating anti-corruption policy and CSR policy 4) Improving relations with win-win strategy	▪ Annual meeting ▪ Visiting the business partners' company ▪ Meetings ▪ Arranging social activities with business partners ▪ Training / Seminar ▪ Supplier evaluation ▪ Supplier audit	▪ Supplier management ▪ Fair and transparent purchasing ▪ Joint sustainable growth
Community/ Society	Health safety, No pollution to the community, Community engagement and development	1) Managing complaints 2) Arranging community activities for engagement contribution 3) Building good relations between the factories and the surrounding communities	▪ Community visit ▪ Accepting complaints ▪ Activities' support ▪ Providing assistance	▪ Community development ▪ Encouraging community activities ▪ Taking care of the community's environment ▪ Improving and supporting economic growth within the community / society
Government	Fully abiding by the law, Paying taxes, Giving cooperation, Managing complaints with the community	1) Following the government's regulations 2) Cooperate with the government	▪ Joining seminar conference ▪ Visiting in important occasions	▪ Coming up with and enforcing regulations for clean factories ▪ Encouraging recycling for zero waste ▪ Operate in compliance with laws and regulations
Competitor	Fair competitions	1) Transparent and fair business operations	▪ Becoming a member of an association ▪ Meetings and sharing experience	▪ Corporate governance ▪ Code of conducts

Materiality Assessment

On a regular basis, the Company examines and identifies important concerns that may have a meaningful impact on our company operations, as well as internal and external stakeholders, while taking risk factors from the risk assessment into consideration. The material topics assessment is managed using the GRI Standards, which cover the four sustainable happiness features of the Company's vision, as well as ESG aspects, to allow the Company to efficiently manage the needs of all stakeholders.

Steps for Evaluating Important Topics

▪ Identify Important Business Topics

The Company collects the important sustainability issues that concern the Company's operations both from inside and outside by referencing the Company's sustainable goals.

▪ Evaluate and Rank the Importance

The Company ranks the topics by considering the impact on Company's operations both in long-term and short term and the impact on the stakeholders on the topics of economy, social, and environment.

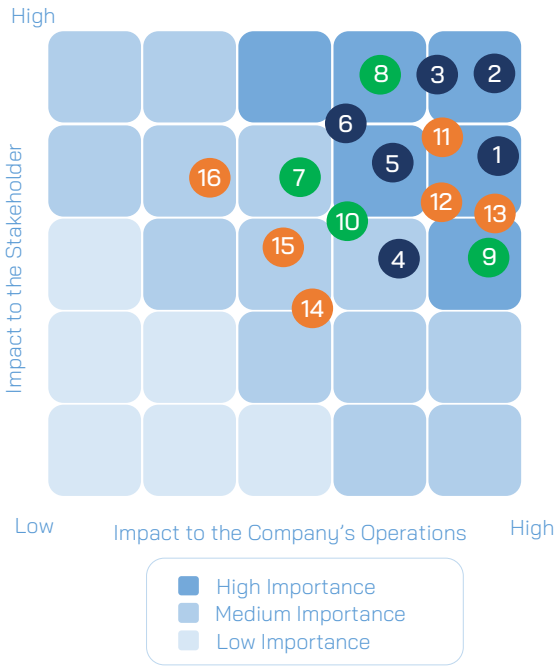
▪ Review and Check the Correctness of the Rankings

The Company reviews the importance ranking of sustainability topics and present to the management for approval.

▪ Sustainable Development

The Company is determined to develop its business along with sustainability and has reviewed the important sustainability topics. The comments and suggestions from the stakeholders will be used to further improve next year's report.

Topics Evaluation Results



Economy
1. Corporate Governance and Business Ethics
2. Risk Management
3. Customers Relation Management
4. Implementing Innovations to Improve Operations
5. Improving Products' Qualities
6. Supply Chain Management
Environment
7. Encourage Environment Saving Activities in Community and Society
8. Developing and Enforcing Regulations for Clean Factories
9. Implementing Innovations to Enforce Efficient Resource Usage
10. Encouraging Recycling for Zero Waste
Social
11. Supporting Human Rights within the Organization
12. Workplace Safety
13. Personnel Development
14. Cultivating Employees' Loyalty to the Company
15. Fair Treatment of Labors
16. Improving the Community and Encouraging Community Activities

Material Topics and Scope of Affected Stakeholders

Material Topics	Affected Stakeholders							Company's Indicators	GRI Sustainability Standards	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitors			
Economy										
1. Corporate Governance and Business Ethics	■	■	■	■		■		- Corporate Governance Score - Number of CG Complaints	GRI 102-16 GRI 102-17 GRI 102-18 GRI 102-19 GRI 205	
2. Risk Management	■	■	■	■				- Business Stability - Remunerations - Products' Quality and Cost - Salary and Welfare	GRI 102-30	
3. Customer Relation Management	■		■					Customers' Satisfaction	GRI 103 GRI 418	
4. Implementing Innovations to Improve Operations	■	■						Earnings Before Interest and Tax (EBIT)	GRI 203	
5. Improving Products' Qualities	■			■				Customers' Satisfaction	GRI 103	
6. Supply Chain Management		■		■				Suppliers' Satisfaction	GRI 102-9 GRI 102-30 GRI 414-1	

Material Topics	Affected Stakeholders							Company's Indicators	GRI Sustainability Standards	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitors			
Environment										
7. Encourage Environment Saving Activities in Community and Society					■	■		Community's Satisfaction	GRI 304 GRI 305 GRI 306	
8. Developing and Enforcing Regulations for Clean Factories	■	■				■		- Quantity of GHG Emission Reduction - Quantity of Waste Reduction - The Volume of Air Pollution within the permissible range	GRI 304 GRI 305 GRI 306	
9. Implementing Innovations to Enforce Efficient Resource Usage			■	■			■	- Quantity of Waste Reduction - Quantity of Water Reduction - Quantity of Energy Reduction	GRI 302 GRI 305 GRI 306	
10. Encouraging Recycling for Zero Waste			■	■				- Quantity of Waste Reduction	GRI 305 GRI 306	

Material Topics	Affected Stakeholders							Company's Indicators	GRI Sustainability Standards	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitors			
Social										
11. Supporting Human Rights within the Organization		■				■		Number of Human Rights Violation Complaints	GRI 405 GRI 407 GRI 411	
12. Workplace Safety		■			■			IFR and LTIFR Rates	GRI 410	
13. Personnel Development		■						Total Hours of Training	GRI 404	
14. Cultivating Employees' Loyalty to the Company		■						- Employees' Turnover Rate - Employees' Satisfaction	GRI 401 GRI 405	
15. Fair Treatment of Labors		■				■		Number of Complaints on Unfair Treatment	GRI 405 GRI 406	
16. Improving the Community and Encouraging Community Activities		■			■			- Number of Community Complaints - Community's Satisfaction - Number of Community Activities	GRI 413	

Evaluation and Ranking of Stakeholders' Importance

From the above table, the importance and roles of the stakeholders to the Company's operations can be inferred – along with the indicators chosen by the Company to evaluate the performance of each operation, and their associations to the UN Sustainable Development Goals. This information is subsequently used in order to evaluate and rank the importance of the stakeholders on the Company's operations, as follows;

Enhance Economic Value

- Corporate Governance
- Risk Management
- Creating Shared Value
- Innovation for Improvement
- Customer Relationship Management
- Supplier Relationship Management

Corporate Governance

Reporting Boundary

AAPICO Hitech Public Company Limited is committed to conducting its business with responsibilities, integrity, honesty, transparency, and impartiality – under the operational principal of good morality and continuous development to adjust to the changing economy, society, and environment.

This report presents the Company information on the corporate governance policy, composition of the Board of directors, corporate governance structure, Board of directors' meetings, directors' self-performance evaluation, and the corporate governance's performance which covers the 3 main business pillars of the Company: Manufacturing of OEM parts, Car dealerships, and Internet of Things connectivity and mobility business (IoT) in Thailand only. However, the Company also discloses other information about corporate governance practices and the details of the Board of directors in addition in the Company's 56-1 One report via the Company's website or scan the attached QR code for the information.

Long term target

- Increase frequencies of IR meetings and events to 15% by 2026 in order to disclose the Company's information transparently as well as gain more opportunity for shareholders and investors to access the information

Short term target 2021 - 2022

- Increase the volume of traffic in the company's online media with efficient and attractive information such as factsheets, analyst coverage reports, and newsletters by 5% YOY in 2022
- The number of shareholders increases by 5% in 2022

Performance 2021

- Achieve a 5% increase in the number of shareholders in 2021
- Achieve Excellent Level (5 stars) in Corporate Governance Report of Thai Listed Company by Thai Institute of Directors (IOD)

Management Approach

Corporate Governance Policy

AAPICO places great importance on having good corporate governance. Over the years, the Company has continually improved its governance practices and standards across the organization to gain and maintain stakeholders' trust and confidence in its operations. The Board of Directors is responsible for developing corporate governance policy, overseeing the drafting process thereof and approving the final version.

The Board also ensures that the Company adheres to good corporate governance principles and acts in compliance with its corporate governance policy in the following 6 key areas:

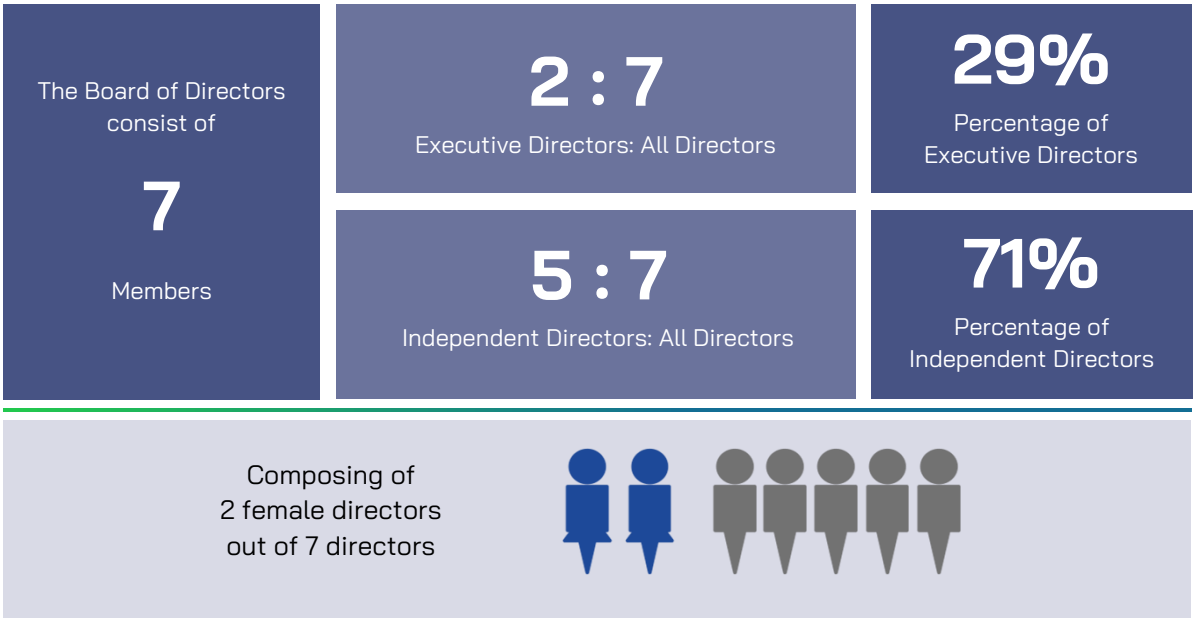
1.) Rights of Shareholders
2.) Equitable Treatment of Shareholders
3.) Role of Stakeholders
4.) Disclosure and Transparency
5.) Information on the President and CEO Position
6.) Responsibilities of Directors

Composition of the Board of Directors

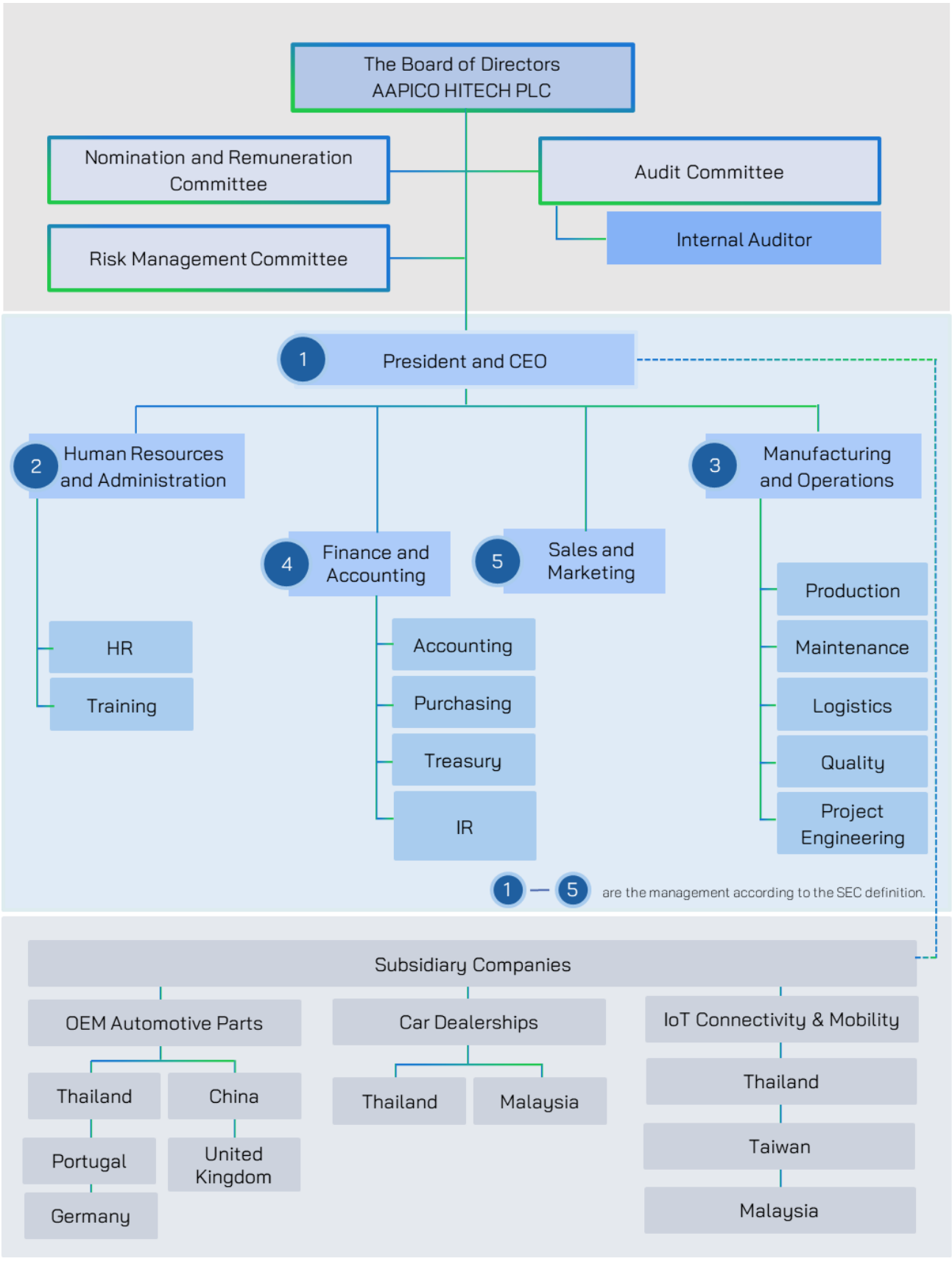
The Company structures the size of its Board of Directors to be appropriate to the size of its business. The AAPICO Board of Directors consists of seven members, two of whom are executive directors namely Mr. Yeap Swee Chuan and Mrs. Teo Lee Ngo who also are executive and authorized directors to jointly sign on behalf of the Company, and five are independent directors. The Company ensures its Board composition reflects diversity of gender, culture, skillset, knowledge as well as experience in different areas of the Company's business. None of the Board of Directors has any position in the external audit firm that the Company uses.

The Company ensures that the number of independent directors constitutes more than half of the total number of directors. Each director holds the necessary qualifications required by law and does not indicate any disqualifications against being entrusted with the administration of the Company, as per SEC notice and the law. Additionally, the Company set a policy for the Board's diversity in genders, skill, professions, and specialization (Skill Matrix). To date, the number of the Company's Independent Directors exceeded that required by law. The Company has established minimum qualifications for the board of directors as a whole in order for the board to have the essential competencies to support the Company's business operations such as at least 1 director having experience in the automotive industry and at least 1 director having sufficient knowledge and experience in Finance and Accounting. More information regarding the Board Skill Matrix may be found in the company's 56-1 One report in the topic of Report on Key Performance of Corporate Governance.

Furthermore, the Board has set the policy regarding the criteria of the number of directorships in listed companies, in which directors can serve no more than three listed companies in the SET to assure that the Board devotes their time and effort to perform their duties for the highest benefit of the Company.



Corporate Governance Structure



Board Meetings

The Company plans the schedule of board meetings for the year in advance. The Board of Directors is scheduled to meet at least 6 times per year, 4 of which are general meetings to consider and approve financial statements, and the other two are performance review meetings to review the business operations and business plans. In the event that there are other matters requiring board approval, special meetings may be arranged on an ad hoc basis. Directors are kept informed of the board meeting schedule to ensure their availability.

The Chairman allocates sufficient time to discuss each agenda item carefully and thoroughly. Directors are encouraged to give comments and express their opinions freely and openly before casting their votes. Each director has one vote. The meeting requires at least two-thirds of the total number of directors to be present to vote on each agenda item. Any director who has a vested interest in a particular agenda item is excused or shall abstain from voting on that agenda item.

Board meetings are planned for the entire year. Every year, the Company schedules meetings for the Board of Directors and its committees to perform their duties on regular basis. These regular meetings in 2021 consist of:

- 4 Board of Directors meetings
- 4 Audit Committee meetings
- 2 Nomination and Remuneration meetings
- 2 Risk Management meetings

Additional meetings may be called to discuss special items. In addition to these meetings, the Company also invites directors to attend the annual performance review meetings, which are held twice a year to monitor and advise on its operations as necessary. Directors are informed of these meetings in advance and are responsible for managing their attendance at these meetings accordingly.

In 2021, AAPICO held 4 meetings of the Board of Directors. The Audit Committee met 4 times on a quarterly basis to consider and approve the disclosure of the Company's financial statements, one of which was conducted with the Company's auditor in the absence of management to allow independent discussions on the Company's performance. The Risk Management Committee held 2 meetings to assess and review key risk factors and the risk assessment process according to IATF 16949 standards. The Nomination and Remuneration Committee held 2 meetings to consider directors' nominations and remuneration and to advise on the succession plan for key management positions in the Company.

Directors' Self-Performance Evaluation

The Board of Directors conducts a self-assessment of its own performance on an annual basis. The Company applies assessment criteria according to the guidelines of the Stock Exchange of Thailand. There are 3 sets of assessment forms – for the evaluation of the Board of Directors as a collective body, for the evaluation of the Board of Directors as individuals, and for the evaluation of the Board of Directors as committees. The Board of Directors are assessed in 6 areas as follows:

1.) Structure and characteristics of the Board
2.) Roles and responsibilities of the Board
3.) Board meetings
4.) The Board's performance of duties
5.) Relationship with management
6.) Self-development of directors

The self-assessment of directors' performance for the year 2021 was conducted with full participation of the directors. The self-assessment results of the Board of Directors as a collective body maintained the same excellent rating of 95% in 2021 compared to 2020. The self-assessment on an individual basis improved from an average of 95% in 2020 to 97% in 2021. The self-assessment of committee performance also increased from 92% in 2020 to 96% in 2021.

Assessment	Average Score (%)			Rating
	2019	2020	2021	
Collective Board of Directors	**92**	**95**	**95**	**Excellent**
Individual Directors	92	95	97	Excellent
Individual Committees	86	92	96	Excellent

Code of Conduct

The Company has the intention to operate business with integrity, honesty, fairness, and transparency; while also being responsible to the shareholders and stakeholders under the frameworks of the law and the Company's code of conduct. Therefore, the Company has set in place the policy and guidelines for good corporate governance for the employees to follow, which will be in line with the principles for good corporate governance by the Securities and Exchange Commission.

Cultivating Awareness on Company's Code of Conduct

Internal communication via Company's policy announcement

Orientation to notify new employees of the Company's corporate governance and code of conduct

Employee's handbooks for setting up guidelines

The Company encourages employees and stakeholders to give comments, raise concerns about any issues or suspicion of misconducts to the Company at any time for the Company to take immediate necessary actions to resolve such issues or prevent severe damages to its operations or reputation. The Company commits to ensuring that no one will suffer any unfair treatment as a result of refusing to take part in acts of bribery or corruption, or due to reporting their suspicion that actual or potential bribery or other corruption offences have taken place or may take place. The Company allows whistleblowers to report an incident anonymously in order to ensure their safeties and confidentialities.

Communication Channels for Complaints, Comments, Whistleblowing, and Reports

Direct report to supervisors or managers

File report via Whistle Blowing Box which is placed in front of the entrance of the canteen

Direct email to AC@aapico.com

The whistleblowers can file complaints or report suspicious activities to the management via the designated channels, in which the reported incidents will be sent – either anonymously or not, as preferred – to their supervisors/managers and then later be appealed to the independent directors/audit committee via e-mail. The cases of rights violation, corruption, non-compliance with laws and ethical practices will be brought to attention in the next Board of directors' meeting. The matters will then be sent to the Company's president for further investigation.

Investigation Process

Anti-Corruption

Anti-Corruption Policy

AAPICO Group is determined to operate business with integrity by committing to its responsibilities to society and the stakeholders in accordance with good corporate governance. The Company therefore pushes for the cultivation of employees' anti-corruption sentiment in all its form and promote their understanding and drive to oppose corruption. In line with the Company's good corporate governance, the Company assigned the Board of Directors to investigate and review the complaints and reports of inappropriate or unlawful conducts in order to police corruption within the Company.

Duties and Responsibilities

The Company's Board of Directors and the audit committee are responsible for approving anti-corruption policy and supporting the fight against corruption within the organization in order to promote employees' awareness of the problems that may resulted from corruption. The audit committee is responsible for reporting any complaints or suspicions of corruption to the Board of Directors. The Board of Directors and the audit committee are also responsible for giving advice, recommendations, and consider the related punishments and the rectification for the reported incidents.

Guidelines on Compliance with the Anti-Corruption Policy

The objective of the anti-corruption policy is for the Company's employees and stakeholders – including the shareholders, customers, and suppliers – to strictly abide by the anti-corruption policy by refraining from becoming involved in any act of corruption, whether directly or indirectly.

Therefore, AAPICO Group cultivates conscience in the employees and assign responsibilities to every individual in the Company in the fight against corruption. The Company makes announcements in order to notify the personnel of the anti-corruption policy and remind them to follow its guidelines. The Company's anti-corruption policy is made accessible to the public, with related policies which are disclosed in the Company's 56-1 One report in the topic of Report on Key Performance of Corporate Governance.

Contact Channels for Reporting Corruption

1. The Whistle Blower can report suspicious behaviors or incidents directly to their superiors or managers.

2. In the event that the Whistle Blower is uncomfortable with reporting to their own superiors or managers, the Whistle Blower may report to those higher in the chain of commands or directly to the Board of Directors via the email AC@aapico.com or at the following address:

Chairman of the Audit Committee
Unit 100/11, 9th Floor (Low Zone), Sathorn Nakorn Tower
100 North Sathorn Road, Silom, Bang Rak,
Bangkok, Thailand, Postcode 10500

3. The Whistle Blower may choose to do so anonymously if they prefer.

Investigation Procedures and Punishments

When notified, the Board of Directors and the Audit Committee will be the ones to investigate the reported incident, with time limit on how long the process may take at the maximum. If it was determined that the accused individuals indeed committed the offence as was reported, the individuals will be disciplined according to the Company's regulation. If the Whistle Blowing report was found to be reported with malicious intent, the Whistle Blower will be disciplined according to the Company's regulation if they are the Company's employees, or in the case that it was an outside source and the Company is affected by the event, the Company will take the legal steps as necessary in retaliation.

The Announcement of Anti-Corruption Policy

To ensure that every individual in the Company is informed of the anti-corruption policy, the Company therefore notifies the personnel through various channels, such as the Company's website, email, and the Company's 56-1 One report. The anti-corruption policy is reviewed annually and the Company's business partners are also informed of the policy as well.

In 2021, the Company has expressed intention to join the Thai Private Sector Collective Action Against Corruption (CAC) and has implemented actions in accordance with the anti-corruption policy.

Performance

1. Investor Relations' activities

The Company designated Investor Relations (hereinafter referred to as "IR") Department as the principal point of contact for communication with shareholders, investors, analysts, SEC, SET and other relevant authorities. The Investor Relations Department is responsible of disclosing and disseminating information in accordance with the SET, SEC, and the Ministry of Commerce announcements, which are made available in both Thai and English on several channels, including the SET website and Company's website. The following below channels are also available for shareholders and others to communicate with:

1) The Opportunity Day Conference and SET digital Roadshow held by SET
2) Analyst Meeting
3) Company visits between management team and shareholders, investors, and analysts
4) Meeting with investors in Non-Deal roadshow
5) Forums or panel discussion events for knowledge sharing
6) Communication via email, intranet, internal bulletin boards, and activities with employees
7) The Company website "www.aapico.com" and email address aapicohitech@aapico.com
8) Annual General Meeting of Shareholders of the Company

In 2021, the Investor Relations Department organizes activities to increase contact and interaction with different groups of stakeholders and allocates time for executives to be able to attend and participate in meetings both in Thailand and abroad. The list of activities indicated below:

2021 IR Activity Lists:

	Activities	Frequencies
1.	Annual General Meeting 2021	1
2.	Opportunity Day [1]	4
3.	SET Digital Roadshow [1]	2
4.	Analyst Meeting [1]	4
5.	Non-Deal Roadshow [1,2]	4
6.	Company Visits [1,3]	10
7.	Interviews via TV and/or online programs of executives [1]	7

Remarks

1) Due to the outbreak of COVID-19 in the previous year, changes were made to the channels to participate in the Investor Relations activities, wherein the executives and the Investor Relations met with various groups and provided information through various channels, such as phone calls and virtual conferencing via MS Teams, Zoom, WebEx and Google Meets etc.
2) An event hosted by the securities companies whereby the investors and analysts can meet the management team and IR department
3) Meeting with the management team directly via physical meetings and/or online meeting which investors will be able to inquire regarding the Company's business and operations, performance, and others.

Additionally, the Investor Relations Department has strengthened its digital operations by minimizing the usage of paper and providing information via digital channels in order to minimize greenhouse gas emissions and preserve the environment.

2. Corporate Governance Report Assessment

AAPICO places great importance on being good corporate governance by conduct its business with integrity, transparency, impartiality as shown in the evidence that the Company have been ranked in "Excellent" score, equivalent to 5 stars in 2021 CG rating with the total average score of 90% increased from 87% in the previous year. This award reflects the Company's sincere attitude towards all stakeholders which the Company commit to respect the right of the shareholder and build good relationships with all stakeholders.

Year of Assessment	Score	Rating
2019	83	Good
2020	87	Good
2021	**90**	**Excellent**

Risk Management

Reporting Boundary

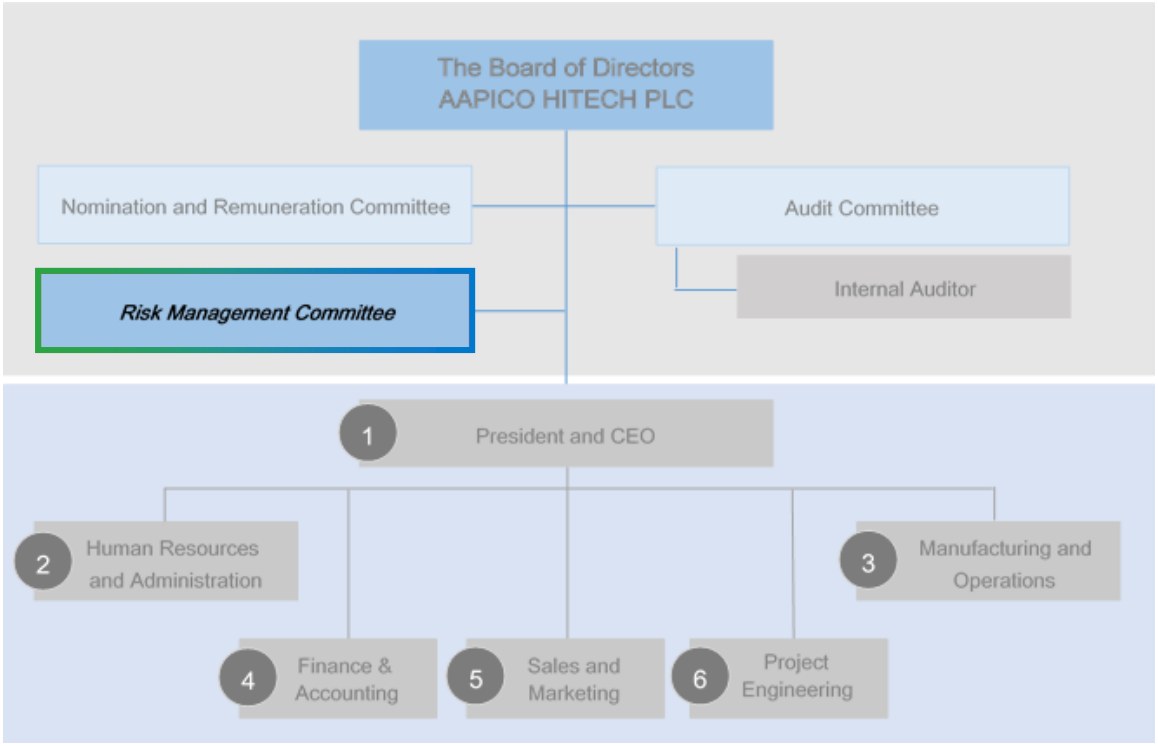
AAPICO's risk management procedures and operations are under the direct supervision of AAPICO's Risk Management Committee as parts of the committee's duties and responsibilities to the Company. AAPICO considers its risk management and risk assessment processes as being mission critical in order to drive sustainable growth of the organization. The Risk Management policy may be found under the Investor Relations Section > Corporate Governance sub-section of the Company's website.

The Company has assessed and identified the key risks to mitigate any impact and/or minimize likelihood, despite the nature of some risks that are beyond our control and could materially impact the Company's operation, financial position, or reputation. The Company discloses the risk matrix, risk factors, and its risk management in in the Company's 56-1 One report in the topic of Risk Management via the Company's website or scan the attached QR code for the information.

This report presents information on AAPICO Group's risk management structure and its process, risk management culture, management of risks from the pandemic of Covid-19 as well as health and safety measures and alleviation of impacts and encompassing stakeholders' care – both within Thailand and overseas – and covers the 3 main business pillars of the Company: Manufacturing of OEM parts, Car dealerships, and Internet of Things connectivity and mobility business (IoT).

Management Approach

Risk Management Structure



Risk Management Process

Identify Risk

Identifying both internal and external factors, strengths and weaknesses, and the opportunities and dangers that may resulted from a risk, while also predicting the risks that the Company may face in the future in addition to existing risks.

Evaluate Risk

Applying a variety of relevant risk assessment approaches and tools to analyze both risk and opportunity impacts, as well as actual and potential, severity, and likelihood of those elements. The company then ranks the risks from most critical to least significant.

Follow-up and Control Risk

Top management develops risk-control action plans, then assigns responsibility to employees in each department to follow and monitor the plans and report back to the top management. On the other hand, the top management continually controls, monitors, and organizes the report to the Board of Directors.

Report Risk

Reporting risk management performance to the Board of Directors for consideration and suggestions, as well as examining the existing risk management approach This is to assess the efficacy of risk-control tools and procedures as well as to identify risks more effectively next year.

Risk Management Culture

AAPICO Group is aware that the Risk Management Culture is comparable to the organization's risk management mechanism to build up its stability and strength to operate sustainably, with the main objective of cultivating awareness on possible operational risks and the responsibilities to appropriately manage risks. AAPICO advocates and supports various activities that may result in a good risk management culture, as follows:

1. Communication with internal employees to build up incentives and responsibilities to notice risks that may occur in business operations, while also pushes for them to find opportunities accompanying those risks.

2. The appointment of IATF16949 quality management committee – which include personnel taken from various departments – in order to investigate and evaluate the risks and opportunities of each department in the organization, consequently leading to the forming of guidelines to reduce risks and increase opportunities in business operations.

3. Training of employees on organizational risk management by including risk management as one of the training curriculums for employees of all levels.

4. Made available the channels for receiving complaints and reports of Company's operational risks that are accessible to employees of every all levels.

Performance

1. Personal Data Protection Policy Announcement

Recognizing the threat of cyber-attacks and the importance of ensuring the security of all stakeholders' personal data, the Company has announced the Personal Data Protection Policy in terms of improving the strictness of the company's information systems and cybersecurity. The policy outlines the Company's personal data collection, storing, utilization, and disclosure procedures, as well as the data owners' rights. The Personal Data Protection Policy is available on the Company's website under "About Us" > "Privacy Policy".

2. Environmental Risk Assessment

Following the Company's great flood in 2011, which had a significant impact on the Company's production and value chain, the Company has studied and monitored climate changes in the environment and weather on an annual basis, such as river water levels and weather degrees. The Company implemented environmental protection measures and conducts regular environmental monitoring. As a result, the Company recognizes and evaluates climate change risk as one of the risk factors that the company must monitor and assess in order to prevent and mitigate risks and repercussions to the firm and its stakeholders.

3. Management of risks from the pandemic of Covid-19

The COVID-19 pandemic is still an emerging risk that the Company must monitor and analyze the severity, as well as the likelihood impact, because it will undoubtedly damage the country and throughout the world. AAPICO follows-up on the situation with COVID-19 pandemic on a daily basis since the beginning of the year in order to evaluate the intensity of the situation, the risks, and the potential impact to business operations. The Company arranges for weekly meetings of a dedicated committee formed specifically to monitor this crisis, comparable to a command center and database for monitoring business continuity; with the President & CEO, top management from finance, marketing, and

human resource department, both domestic and oversea subsidiaries' management team, and a specialized team as the attendees. These meetings serve as an opportunity for the Group to review the situation in each country, predict and evaluate the impact on the operations, and internal management within the Company and its subsidiaries – whether on cash flow, business operation, marketing, inventory, monthly sales and targets, human resource management, work calendar, organization occupational health and safety, or preventative measures for the spread of the disease.

To facilitate communication within the organization and the convenience in managing problems around the organization, the top management ordered for each subsidiary to establish a War room for monitoring and discussing the situation with the virus around the company's area, and also to turn in reports to the Group's main committee so that the risks or problems can be taken care of immediately as soon as they are reported.

The Company placed utmost importance on employees' health and sanitation by initiating a number of strategies, as well as also applying health & safety-related practices. These strategies and practices include health temperature check before entering the workplace, encouraging the use of masks, providing hand sanitizer in communal area, complying social distancing measure, cleaning equipment, supplies, workplace and employee shuttle, and conducting health and safety training.

In addition, in case that an employee must travel to other provinces that has potential risk in connecting with the pandemic, the employee must inform their supervisor and get the permission from the Personnel Department before travelling. After returning, the employees must be quarantined at home for 14 days and report their location and health condition to the supervisor daily.

The Company had also announced the policy and operation plan to combat the spread of COVID-19, and appointed the Business Continuity Committee and a dedicated team to discuss and set direction on this crisis management. The management of every company under the AAPICO Group is to adopt and report the results of this given direction to this Business Continuity committee and dedicated team.

At the same time, the dedicated team that was formed is responsible for motivation and follow-up of the subsidiary companies' swift implementation of the set direction, while also track and report the overview of the pandemic, the global automotive industry, and the customers to the chairman and top managements in the team on a weekly basis for their recommendations, strategies, and directives to each department in the meeting.

4. Business Continuity Plan: BCP

Since the severity of COVID-19 pandemic and the climate change risks has increased, the Company has reviewed and improve the business continuity plan (BCP) in order to be prepared to deal with any risks in the premises.

5. The countermeasure of COVID-19 Pandemic

Due to the ongoing COVID-19 pandemic, the Company has implemented additional preventative measures to cope with the situations in order to ensure employees' and stakeholders' safety, while also demonstrating social responsibility, as follows:

Health and Safety Measures

- Educate employees on hygiene, hand sanitization, including proper behavior on the premises
- Provide cleaning equipment, hand-cleaning gel, and temperature measurement devices throughout the workplace and arrange for disinfection cleaning within the office area and transports
- Require visitors to show traveling timeline as well as negative ATK test or RT-PCR lab results. In other cases, the Company has ATK test kits readily available for immediate testing before entering the premises.

Human Resource and Operation Measures

- Maintain social distancing and avoid large-group activities, as well as shift to video conferencing and employee online training.
- Allow employees to work from home and provide for basic office equipment, such as a laptop and any other necessary tools
- Develop an application that helps monitor employees' status and their location
- Replace the fingerprint time clock system with face recognition
- Conduct ATK testing on employees on a monthly basis
- Encourage and facilitate for employees to get vaccinated
- Gather employees' infection and vaccination statistics to create awareness among employees to be more careful and self-protective

Alleviation of Impacts and Encompassing Stakeholders' Care

AAPICO and Social Responsibility and Community Development

In 2021, the Company focused more on community and societal support. We, consequently, provided medical equipment to hospitals in the premises' surrounding areas, including in Phra Nakhon Si Ayutthaya, Chonburi, Rayong provinces, and also Thai Industrial Standards Institute (TISI).

Additionally, the Company contributed approximately Baht 8 million to assist Thammasat University Hospital and Srithanya Hospital in purchasing medical equipment and other necessities, as well as supporting both employees and community in overcoming this crisis.

Employees and Their Families

Financial aid is another area in which the Company supports the employees, such as implementing efforts to support members of the Group's credit union, granting scholarships to the employees' children, and procuring consumables to distribute to employees at an affordable price in order to alleviate their struggle.

Besides, we also assist infected employees by forming a team responsible for coordinating with hospital or related government sectors, delivering essential consumables, and encouraging employees during the treatment duration.

Shareholders

The pandemic became more severe during the period of AGM 2021. The company was aware of the potential consequences and had held a top management meeting to discuss the prospect of convening the AGM amid the crisis. The committee agreed to hold the AGM in 2021 on the condition that all government regulations are followed. As a results, the number of attendees were restricted to 50 persons, and the shareholders were encouraged to appoint proxies instead. During the AGM, all attendees were assigned to a specific seat after checking their temperature. In addition, the Company had set up a live broadcast channel for the AGM 2021 for the benefit of shareholders.

Furthermore, to build up shareholders' and investors' confidence, the company visit was shifted to be virtual and company's fact sheets were posted on the company's website, so the information stays updated.

Partners

The Company's Purchasing Department had sent out surveys regarding the impact of the situation on the supplier's business operations, whether it was performance, sales, or the business plan. The purpose is to provide various financial, production, and delivery support to the suppliers.

Following that, the Company held a virtual meeting with partners to discuss the impacts and develop an operational plan for manufacturing, shipping, and inventory management to help strengthen our partners' production and delivery capacities while increasing financial flexibility.

Customers

We frequently communicate with our customers and are open to adjusting our production schedule as per the customers' requests.

We have adjusted the Company's production to align with the customers' operations and to adhere to the customers' New Normal policy and regulations in order to ensure both parties' long-term sustainable business operations.

Government

The Company operates in strict accordance with all existing laws, rules, and regulations relating to disease control, as well as other government obligations, during the COVID-19 viral pandemic. In order to reduce risks and mitigate consequences that will befall communities and countries.

Competitors

Despite the challenges in dealing with the COVID-19 outbreak, the Company continues to adhere to its policy regarding the treatment of business competitors. We operate within the framework of free and fair competition without seeking confidential information through fraudulent or inappropriate means. We also not tarnish competitors' reputation with accusation and defamation without availability of facts.

Creating Shared Value

Reporting Boundary

AAPICO Group is determined to operate business on the basis of economic value – along with the creation of shared value and benefit with the stakeholders – in order to facilitate organizational growth and enable economic flexibility within the community and society. The Company aims to operate business by considering the benefits of the Company and the stakeholders. This report presents information on AAPICO Group's management and performance – both within Thailand and overseas – and covers the 3 main business pillars of the Company: Manufacturing of OEM parts, Car dealerships, and Internet of Things connectivity and mobility business (IoT).

Management Approach

The Company emphasizes encompassing economic distribution to stakeholders in order to meet the stakeholders' expectation and show responsibility to the economy, social, and environment. The Company doesn't only pay dividends to the shareholders and remunerations to the employees, but also considers the benefits of the customers, suppliers, society, communities, and government.

Performance

In 2021, the Company's performance for creating shared value to all stakeholders is disclosed as follows:

Stakeholder	Economic Benefits	Economic Value
Customer	Quality Products with Low Costs	Average Customers Satisfaction Level 91.25%
Employee	Salary, Wages, Welfare, Bonus, Provident Fund	Total 2,345 million Baht
	Scholarship Funds for Employees' Children	45 Scholarships, Totaling to 134,000 Baht
	Personnel Development Courses	More than 70 Courses, 10,632 Hours
Shareholder	Dividend	Total 0.94 Baht per share Dividend Payout ratio 32.6%
Supplier	Business Stability	Projects to Support Minor Suppliers in order to Increase Working Capital
Community	Community Development Project	22 Projects Total 8 million Baht
Government	Corporate Income Tax	113 million Baht
Competitor	Experience Exchange	Inspiration for Innovations

Innovation for Improvement

Reporting Boundary

Innovation is the factor that will help increase manufacturing and work productivity, while also decreasing resource usage and expenses, including saving up on costs. The information in this report is the guideline for the Company's implementation of innovation in its manufacturing process in order to increase productivity and effectively manage the costs and resources. This report will only focus on the manufacturing of OEM auto parts in Thailand, as it is the main business that was the first model to implement innovation in its operations.

In every year, each company within the AAPICO Group will conduct operational problems assessment, invent, research, and experiment new methods to improve upon the company's manufacturing process and operations, which eventually leads to "process innovation" in which the company focus on its products' quality control together with work efficiency improvement and increased productivity.

Furthermore, the Company is following the target of sustainable development in establishing smart factories and offices by using equipment, technology, and innovative thinking; while supporting the implementation of innovation and creativeness in the manufacturing process to increase productivity and work performance. The Company also supports effective recycling in accordance with the goal of becoming zero waste factories.

The smart factory and smart office project are made up of numerous sub-projects. Both the main projects and sub-projects were initiated and planned since 2019, some of the sub-projects were operational and has already been implemented since 2020 until the present. This report will talk about the planning and project management of the innovative projects and summarize their operations in the year 2021.

Material issue to Sustainability

Customers' trust and satisfaction in our high-quality goods and services, through our efficient and innovative operations and manufacturing

Performance 2021

The Company implemented new innovations into its operations in order to reduce unnecessary operation time and enabling the employees more time for other responsibilities – therefore improving manufacturing efficiency, while also reducing risks from accidents. The Company also implenented robots into some processes with repetitive nature in order to shift manpower in said processes to other processes that are in need of more manpower, while also reducing human errors via robotics.

Management Approach

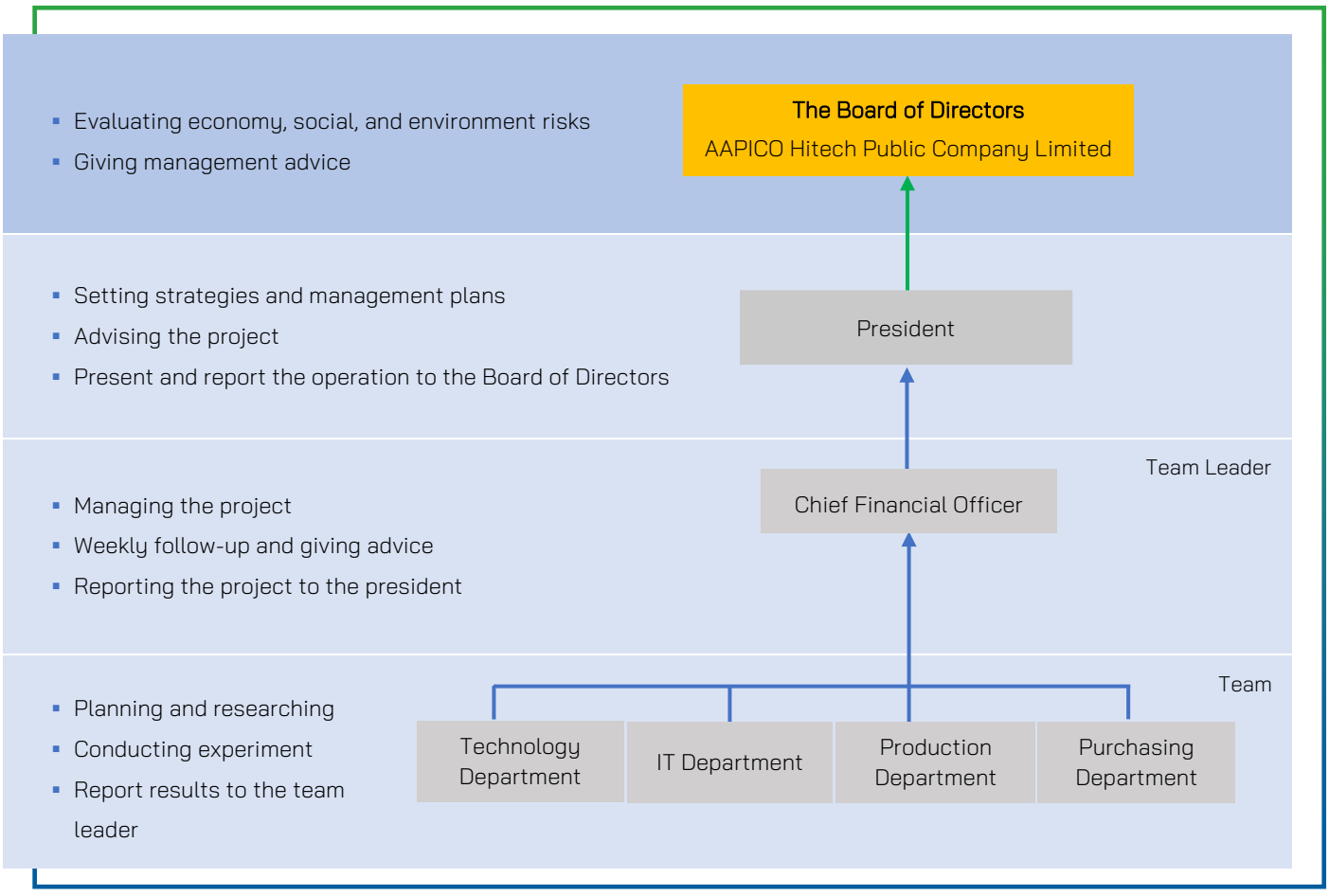
The Company has the policy to establish smart factories and offices in accordance with the Company's vision and mission by coming up with, researching, and searching for innovations that can be implemented in all factories and offices of our group to the benefits of both the Company and the customers. The main goals of the smart factories and offices policy are:

1) Increasing operations performances and flexibility
2) Increasing qualities and quantities of products
3) Effective recycling in accordance with the goal of becoming zero waste factories

In this respect, the Company focuses on creating innovations in 2 levels which are 1.) to create innovations in their own factories through the QCC (Quality Control Circle) activity 2.) to create innovations following the target of sustainable development in establishing smart factories and offices in AAPICO Group.

In both levels of innovation creation, they have similar structure and process which is setting up a team consisted of specialists with knowledge in technologies, IT, communication, production, and purchasing in order to brainstorm and take care of assignments based on their specialties, with top management as supervisors who plan, manage, follow-up, and advice the team; while also evaluating each project's economical values and presenting the operation performance to the Board of Directors.

Project Management and Follow-up Structure



Operation Process

- *Evaluate Problems in the Operations and Research Technological Innovation*

Each department research and evaluate the problems and losses in the factories and offices – be it economically, socially, or environmentally – and research interesting technological innovations.

- *Brainstorm, Summarize Innovation Problems, and Develop Sub-Projects*

The Team brainstorms by piling the problems and studied innovations together, then group and break them down into sub-projects. Interesting projects and innovations will then be presented – with details on the projects' objective, duration, cost, and expected result.

- *Present Sub-Projects to the Team Leader, Experiment, and Follow-up on the Results*

Present sub-projects to the Team Leader for consideration and approval. Approved sub-projects are eligible for the team to proceed with prototypes, experiment, follow-up, and discussion within the team. The team leader is responsible for following-up, investigating, directing, and advising the sub-projects on a weekly basis so that any problems or mistakes can be rectify immediately. As for sub-projects that were denied approval, the Team Leader is to advise and educate the team further in order to improve their efficiency.

- *Report the Results of the Sub-Projects to the President*

When a sub-project achieves its set target, the Team Leader will present it to the Company's president. If there are any comments, the Team Leader will take the comments back to the team for adjustments accordingly. If a sub-project is approved by the Company's president, that sub-project will then be subsequently presented to the Board of Directors.

Performance

Since the conception of the Smart Factory and Smart Office project in year 2019, the Company has been focusing on the invention of innovations in order to reduce negative impacts on the environment and the society, increase operational accuracy and efficiency, and promote a safe and hygienic workplace. The same still holds true for the operations in year 2021, in which the Company continues to improve its operations in order to best meet the stakeholders' needs and expectation. In 2021, the notable innovation projects that the Company developed and has put in place can be summarized as follows:

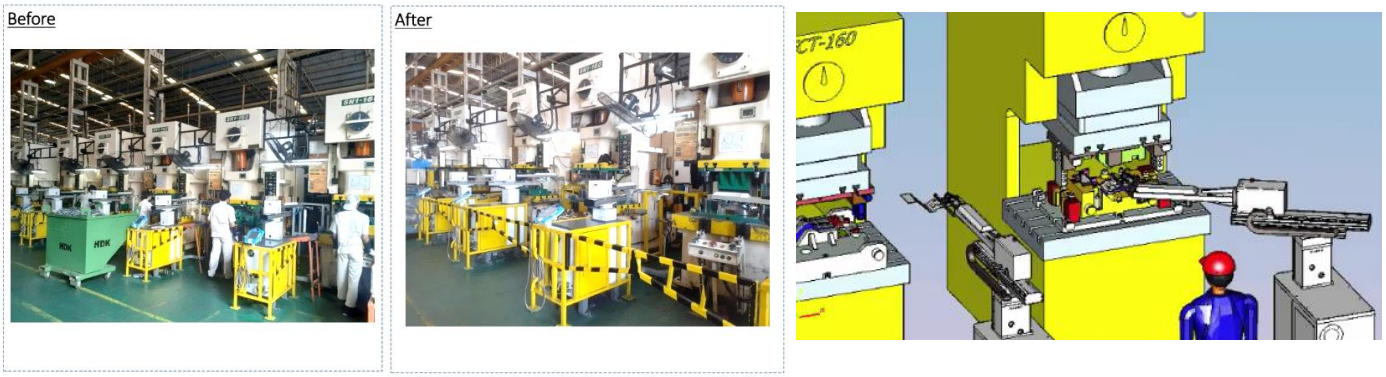
Smart Employee
Employee Self Service (ESS)
Press Robotic
Smart Factory
Face Recognition
OEE Dashboard: Machine Connection
E-Gate Pass
E-Car Booking
AAPICO
Smart Innovation
Barcode Received System
Barcode Transfer System
E-Vaccine Report
Bus Seat Tracking
Inventory
AR Overdue AAPICO Group
Auto Report
RPT Transactions
Supplier delivery performance
Solar Roof
Forecast download
Smart Office
Financial Transfer Consolidate book

Smart Factory

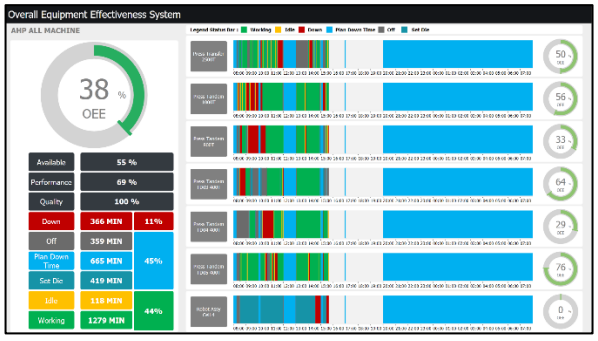
Project	Guidelines and Performance	Values/Benefits
Press Robotic	Implementing robots into the manufacturing process in place of manpower for positions that is not necessary. This is done by installing robots in Press Lines to replace manpower in putting parts into/taking parts out of the stamping machines. In 2021, robots were used to replaced manpower for this position in 3 out of 9 total units.	1. Reduce Manufacturing Cost from using robots instead of humans, therefore reducing cost by approximately 1 million THB per year. The Company can then also shift the manpower to other positions which require human's skills. 2. Reduce Human Errors. Using robots instead of humans increased efficiency and accuracy, while also reducing mistakes and errors. 3. Increase Productivity due to robots' capabilities to work continuously without rest.
OEE Dashboard: Machine Connection	Writing up program to report information in real-time, such as the performance of each machine, no. of functionable machines, duration not in use, duration turned on without operating, and operation targets and details, etc. These information are shown on the computer screens around the manufacturing areas so that employees can monitor the status at all times and update the progress of each product, while promptly finding solutions for any arising problems.	1. Monitor Production Status in Real Time. Provide conveniency to employees in planning for work and enable immediate response in case of emergency. Also allow for following-up of production status so that the products can be delivered to customers on time.
Barcode Receiving & Barcode Transfer	Barcode Receiving Writing up program for confirming the receiving of products from suppliers, instead of using record book. The program provides conveniency for employees by generating QR Codes which will be placed on the packaging crates of products ordered by the Company. When the products arrived, employees will scan said QR codes to confirm the arrival of the products – data such as arrival date, amount, and location of the products will then be sent into the system and displayed on the Dashboard in real-time as confirmation. This process also significantly reduces the worktime consumed by the employees compared to when recording by hand.	1. Real-Time Follow-up of the Status of Ordered Products. Ease the employees' conveniences in planning workload and reduces consumption of necessary worktime so that the employees can focus on other works instead. 2. Reduce Delivery Errors as the data shown in the QR Code will be the same as those recorded in the system, and also allows for checking of products' status in case of temporary transfer. 3. Ease of Data Transfer to Other Departments. The Company's other departments can easily access the data to use in analysis or for other purposes, as the data are stored online. The purchasing

Project	Guidelines and Performance	Values/Benefits
	Barcode Transfer The principle is similar to Barcode Receiving – when a subsidiary company transfer something to use in their manufacturing process, the system will ask them to fill an online form regarding the request to transfer the parts or materials. The request will then be sent to the purchasing staff in charge of storage to ask for online approval – with the information regarding the transfer being displayed in real-time to allow for status checking and follow-up.	department can also use the data in supplier evaluation on the subject of on-time delivery. 4. Reduce the Usage of Resources that may Cause Environmental Impact such as the paper used for the purpose of recording.
Solar Roof	Installing solar cells on the roofs of the place of operations. As the Company hopes to reduce negative environmental and social impacts, this project was therefore formed in order to reduce greenhouse gas emission that originated from the purchase of electricity power consumption and change to the conversion of solar energy to electrical energy instead. This method also reduces manufacturing cost in the long run, therefore increasing customers' satisfaction.	1. Reduce Manufacturing Cost and Electricity Fee. The Company is able to convert solar energy – which has no cost – into electrical energy. 2. Clean and Environment-Friendly Energy. Reduce environmental impacts from electricity consumption and the subsequent greenhouse gas emission that impact the environment and society.

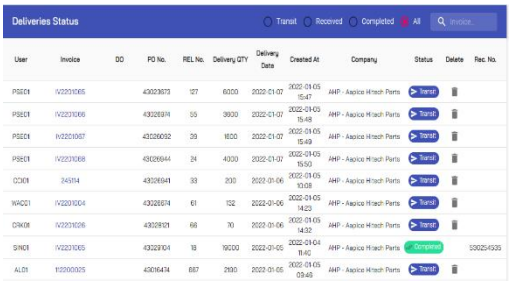
Images for Press Robotic Project



Images for OEE Dashboard: Machine Connection Project



Images for Barcode Receiving & Barcode Transfer Project

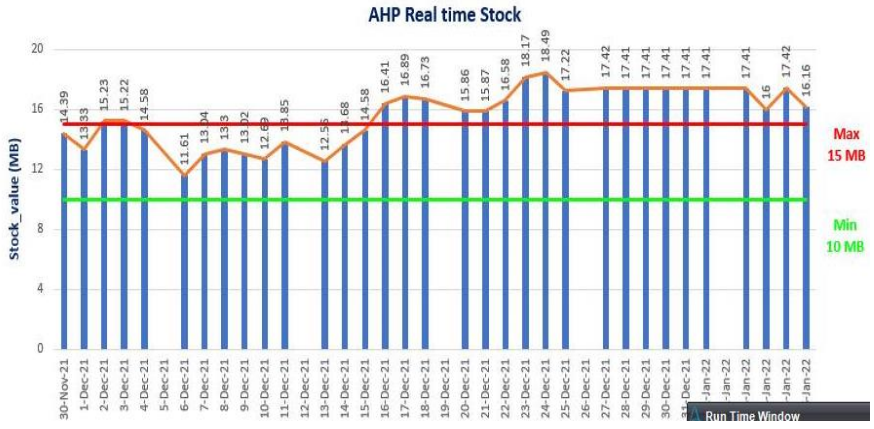


Smart Office

Project	Guidelines and Performance	Values/Benefits
RPA Auto Report	Writing up program to perform routine operations in places of human in order to provide conveniency and reduce unnecessary worktime, therefore enabling the employees to focus on other works with more efficiency. In addition, the program is capable of displaying the necessary information in real-time for the employees' usage without having to waste their time in collecting all the data themselves. The Company has adapted the RPA program to use in various other departments by having each department's respective employees came up with routine tasks that RPA can be used to operate in their stead, then write up a code for RPA to perform said tasks for them automatically in every day. The tasks that the Company utilized RPA for includes: 1. RPA: Forecast Download. This program records and displays customers' orders that were approved for transaction. This program helps the employees by categorizing each type of products and the forecasted number of confirmed orders, including approved date and delivery date – so that the employees don't have to waste their time when searching for data, and they can access this set of data at any time in the case that they need to plan for production and on-time delivery, while also reducing cases of errors which originated from missing a purchasing order. 2. RPA: Auto Report Inventory. This program records and displays data regarding the number of various types in the storage that were manufactured for customers. These data are shown in real-time, and the employees can access them at any time in order to check for any missing or surplus amount when planning for on-time delivery and production to the customers. 3. RPA: Auto Report Delivery Performance. This program records and displays the number of raw	1. Reduce Manufacturing Cost from the implementation of robotics or programs in places of humans in the collection and recording of data, therefore reducing manpower in some positions and reducing costs in the operation and allowing for employees to focus on other responsibilities. 2. Reduce Human Errors. By implementing robots and programs, operations' efficiency and accuracy are increased while also reducing chances of errors and oversight. In addition, the programs will notify the employees when it is time for a set schedule or when a condition is reached – such as when the deadline for customers' payment has arrived, when the Company's storage needs restocking, or when ordered materials arrived later than scheduled, etc. 3. Increase Conveniency for Employees. As mentioned that the programs can take over for manpower in some responsibilities with routine nature without needing to rest, employees' consumed worktime for such routine responsibilities are therefore drastically reduced while also allowing them more time to work efficiently in their other responsibilities. Data will also be a lot more accessible and can be done quickly from anywhere – as any data that were completed online via RPA can be conveniently accessed and sent to other departments for further analysis and planning.

Project	Guidelines and Performance	Values/Benefits
RPA Auto Report	materials and delivery details from suppliers for employees' production planning in the event of delayed delivery. 4. RPA Auto Report AR Overdue AAPICO Group. This program records and displays data for payment schedule to suppliers and delivery schedule to customers. Employees can view any pending schedule for payments to suppliers or payments from customers in the system, which help with the conveniency in accessing the data, reducing errors from forgetting the payment schedule, and to assist in planning for following-up customers' payment – therefore helping with the Company's cash flow. 5. RPA Auto Report RPT Transaction. This program is a part of the Barcode Transfer project, responsible for recording and displaying data of the transfer of products or materials between the Company and its subsidiaries, so that the Company can accurately keep track of its stock and follow-up with the subsidiaries accordingly. 6. RPA Auto Report Financial Transfer Consolidate Book. This program serves as the data center for the financial information of the Company and its subsidiaries, so that the responsible employees in each company can easily access the desired data when necessary.	

Images for RPA Auto Report Project



Smart Employee

Project	Guidelines and Performance	Values/Benefits
Employee Self Service Application (ESS)	The writing up of programs for employees' accessibility to the Company's data and their own status information. The programs are in online format and therefore allow for real-time data via computers and smart phones. These can be categorized into 2 parts, as follows: 1. Accessibility to Company's Data In this program/application, employees may access the Company's news and announcement via smart phone's application in addition from the existing announcement board and email, therefore ensuring that the Company's regulations and announcement reached the employees – especially during the current situation with COVID-19 when the Company made many adjustments to the regulations in response to the changing situation. 2. Accessibility to the Employees' Own Data 2.1. Real time Attendance Status. In this program/application, employees may access their own data in real-time to check their entry-exit record of the Company's site and their leave request to ensure that they don't lose any benefit from incorrect data record. 2.2. E-Gate Pass. This program allows request for online approval to enter-exit the Company's site from the supervisors in case the employee has reasons to leave the area during worktime, as opposed to the usual paper request form – therefore reducing paper usage and the subsequent impact to the environment. 2.3. E-Vaccine Report. Due to the COVID-19 pandemic, the Company had arranged for vaccination for all of its employees as prevention measures. Consequently, the Company wrote up this program to record each employee's vaccination status via online system – so that overall statistics can be calculated, while the employees are able to conveniently access their vaccination data to apply for vaccination certificate before attending in-person meetings.	1. Increase Conveniency and Reduce Information Errors in accessing the Company's data and when checking their own status information, while also allowing for online supervisors' approval. 2. Prevent Data Misplacement and Make Data Easy to Locate. This program is convenient when searching for data and information. With online storage, the data are unlikely to be lost when compared to using paper form, which may be damaged or misplaced. In addition, paper forms are limited in the sense that their storage space are finite and therefore must be cleared out periodically. 3. Increase Conveniency in Data Follow-Up due to the Company's accessibility to each employees' seating locations. In the case that an employee became infected, the Company can accurately and quickly isolate employees of risk so that the safety and well-being of other employees are ensured, and the Company can proceed with its operations while being minimally affected. 4. Reduce Resource Usage that may affect the Environment such as paper forms used in requesting for supervisors' approval. With this online program to assist in the requesting process instead, the amount of paper used has drastically decreased – therefore reducing cost while also reducing waste and the subsequent impact on the environment.

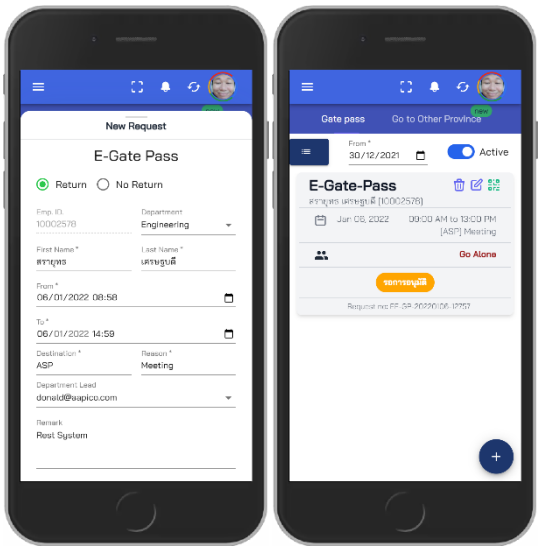
Project	Guidelines and Performance	Values/Benefits
	2.4. Bus Seat Tracking. During the COVID-19 pandemic, the Company is aware of the risks that this pandemic posed, particularly to the employees. Therefore, the Company invented the E-Bus Check-in system as part of the ESS program for the employees to scan the QR Code attached on each seat within the bus travelling into and outside the Company. After the employee scanned the QR Code attached to their respective seat on the bus, the data will then be sent to the data center so that each day's information can be compiled and stored for checking when required. In the event that an employee became infected with COVID-19, the Company can use the compiled data to pinpoint high-risk individuals from the seating location in the workplace and on the bus, and isolate said high-risks individuals instantly in order to contain the spread of the virus – thus ensuring the safety and well-being of the Company's employees.	
Face Recognition	The Company has changed the recording of the employees' workplace entry-exit from finger scan system to face scan system instead in order to increase the accuracy and quickness of the process, while also reducing the risk of infection via touch. Apart from workplace entry-exit, the Company also implemented this system for when the employees receive lunch in the afternoon – as the Company has a free lunch welfare for the employees. Previously, the employees had to use their employee ID card to scan when receiving lunch. However, with the face scan system, the Company can limit direct contact and increase quickness as another precaution against the spread of COVID-19.	1. Increase Conveniency and Reduce Information Errors by using face scan system in place of finger scan system or employee ID card, which is faster and more convenient. 2. Reduce the Risk of COVID-19 Spread Through Direct Contact by using face scan system in place of finger scan system or employee ID card 3. Reduce Resource Usage that may affect the Environment such as the employee ID cards, as the Company has changed from using employee ID cards when receiving lunch to using face scan system instead – which caused the Company to consider changing from the issuing of employee ID cards to using face scan for identification instead.

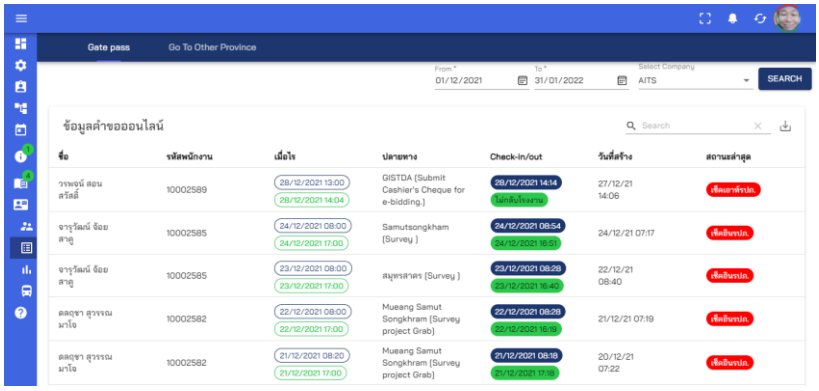
Project	Guidelines and Performance	Values/Benefits
E-Car Booking	In addition to the Company's welfare of providing routine transportation for employees to and from the working site, the Company also provide transportation for employees when travelling to other areas regarding Company's business. For this purpose, the employees will have to file a request for approval and to reserve a car. Previously, the employees had to do this via paper forms. However, for conveniency and quickness – and also to reduce resource usage and environmental impact – the Company has written up a program to complete this process online instead. The required information to complete the reservation include Employee's data, the Purpose for Requesting the Transport, the Date and Time for using the Transport, and the Target Location. The information will then be sent to the employee's supervisor for approval. When the approval is granted, the request will finally be sent to the data center to organize the transport accordingly.	1. Increase Conveniency and Reduce Information Errors in accessing the Company's data and when checking their own status information, while also allowing for online supervisors' approval. 2. Prevent Data Misplacement and Make Data Easy to Locate. This program is convenient when searching for data and information. With online storage, the data are unlikely to be lost when compared to using paper form, which may be damaged or misplaced. In addition, paper forms are limited in the sense that their storage space are finite and therefore must be cleared out periodically. 3. Increase Conveniency in Data Follow-Up due to the Company's accessibility to cars usage and the related amount in real-time. 4. Reduce Resource Usage that may affect the Environment such as paper forms used in requesting for supervisors' approval. With this online program to assist in the requesting process instead, the amount of paper used has drastically decreased – therefore reducing cost while also reducing waste and the subsequent impact on the environment.

Images for Employee Self Service Application (ESS) Project

1. Real Time Attendance Status Project

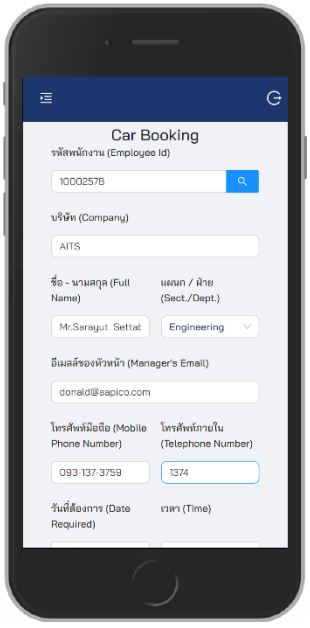
2. E-Gate Pass Project

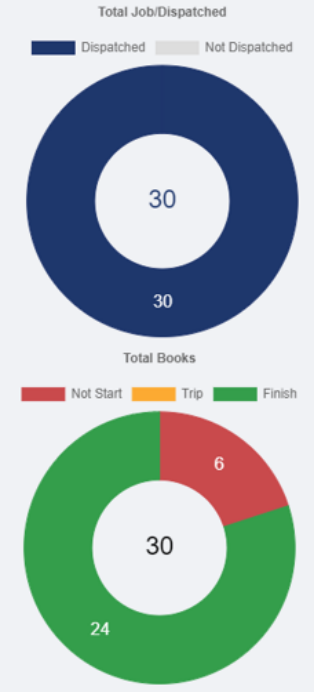




Images for Face Recognition Project (Entry-Exit and Receiving Lunch)

Images for E-Car Booking Project





Customer Relationship Management

Reporting Boundary

Customers are one of the Company's important stakeholders. Therefore, the Company needs to have customer relationship management in order to ensure that the Company's business operations are progressing sustainably. The information in this report is presented about activities and customers' satisfaction with the Company in 2021.

This will only include the Company's business of OEM auto parts manufacturing in Thailand which are AAPICO Hitech Public Company Limited and AAPICO Hitech Parts Co., Ltd., as it is the Company's main business with many important customers and long relationship.

Long term target

- Achieve average of 95% of customer satisfaction by 2026

Short term target 2021 - 2022

- Achieve average of 92% customer satisfaction in 2022

Performance 2021

- Average of customer satisfaction in 2021 at 91.25%

Management Approach

The customers' satisfaction, or "Happy Customer", is one of the Company's main mission. The Company therefore focuses on building good relationship with customers and placing priorities on listening to the customers' opinions in order to continuously raise the customers' satisfaction. The Company utilized the SQCDEM principle to manage this good relation as follows:

S : Safety

The Company places great importance on safety during operations – be it the safety of the Company's own employees, contractors, or suppliers. 100% of new employees and suppliers are required to first receive safety training before taking part in an operation.

Q : Quality

The Company places great importance on putting out products that fit the customers' requests, including the products that were made by the Company's suppliers. Every product is traceable to the manufacturing line to build up customers' confidence in the case of a problem.

C : Cost

The Company is well aware of the matter of fair competition, and is also striving to improve manufacturing process to set the products' cost within the customers' satisfaction range.

D : Delivery

The Company is aware that late delivery can greatly affect the customers' operations. Therefore, the Company always strive to maintain a 100% on-time delivery standard.

E : Engineering

Continuously improving engineering – be it the process, techniques, methods, or implementation of new technologies – to improve products' qualities, reducing cost, enable on-time delivery, and minimizing impacts on the environment

M : Management

The Company has received ISO/TS 16949: 2009[1] quality standard, environmental management system ISO 14001: 2004 and ISO 14001: 2015[2], and occupational safety and health OHSAS 18001: 2007[3]. In addition, the Company also set policies for intellectual property and customers' confidential information to ensure that the Company will not take advantage of the customers for the Company's own benefits.

Performance

The company is committed to operating effectively and providing customers with high-quality products and services that meet their expectations. To improve the efficiency of its operations in various areas and to collect opinions and information on various issues from customers, the Company conducts a customer satisfaction survey in order to identify problems with our operations and to correct any errors in order to maintain customer satisfaction for many years to come.

Because the total score of the Company's customer satisfaction is increasing every year, the Company used trends observed by comparing the yearly data for the year 2021 to prior years to set new targets based on the data and other situational considerations. This aims to increase customer satisfaction by raising the Company's capacity and challenge, as well as the workers' operational skills development.

The Company considered its quality and productivity of capacity, as well as the possibility that it will be able to supply for consumers, while establishing long and short term targets. Eventually, the company settled on a long-term target of 95% customer satisfaction by 2026, and a short-term target of 92% customer satisfaction by 2022.

[1] Companies that received the ISO/TS 16949: 2009 standard include AH, AHP, AHR, ASICO, AL, AA, ASP, AF, APC, AP and APR, and all of these companies are in the process of changing to IATF 16949: 2016

[2] Companies that received the ISO 14001: 2004 standard include AH, AHP, AHT, ASICO, AF, APC, AP, APR and AA, and the ISO 14001: 2015 standard includes AL

[3] Companies that received the OHSAS 18001: 2007 Occupational safety and health standard is AP

The customer satisfaction survey results in 2021 showed a score of 91.25%, which increased from the previous year and is a satisfactory outcome for the Company's performance. – with the customers being more satisfied with various factors such as each department's operations, on-time delivery, and pricing. This indicates an improvement in the Company's management and how said improvement contributed to securing the customers' trust. However, this year's result is near to the short term's target then the Company expects to meet the target next year. The Company therefore conducts customer satisfaction survey to achieve these targets and to improve its operations to greater heights in every year.

Satisfaction	2019	2020	2021
Target %	87.10%	87.10%	87.05%
Quality %	91.04%	94.64%	91.24%
Price %	84.24%	84.76%	86.34%
Delivery %	91.46%	92.62%	94.10%
Marketing Department %	86.88%	92.86%	88.96%
Accounting and Finance %	93.47%	91.43%	97.29%
Production Department %	91.04%	86.19%	94.10%
Quality Department %	91.04%	88.21%	90.90%
Avg. Satisfaction Level %	89.53%	89.73%	**91.25%**

*The information reported in this topic includes those of the following plants belonging to AAPICO Group: ***AH, AHP, and AHR***

Rewards from Customers

Top Supplier Award 2021

AAPICO Hitech PLC received the Top Supplier Award 2021 from Auto Alliance (Thailand) Co., Ltd

CEO Award – Elite Dealer and Top Sales Dealer No.4

Tenaga Setia Resources Sdn. Bhd., the Company's subsidiaries in Malaysia, received the CEO Award – Elite Dealer and Top Sales Dealer No.4 from Honda

Supplier relationship Management

Reporting Boundary

The Company values suppliers as invaluable business associates, as they play an important role in helping the Company to achieve sustainable business development. Therefore, the Company needs to have supplier relationship management in order to ensure that the Company's business operations are progressing smoothly.

The information in this report will talk about the activities and evaluations of suppliers' operations, environment system, work safety, delivery, engineering, and cost management. This will only include information from the Company's OEM auto parts manufacturing business in Thailand, as it is the Company's main business with numerous important business partners and the materials and products from these suppliers are crucial to the Company's operations.

Long term target

- Achieve 80% of 1st tier critical direct suppliers pass ESG assessment in 2025
- 2 direct suppliers have been assessed on ESG evaluation form third party by 2026

Short term target 2021 – 2022

- 100% of suppliers acknowledge and comply with the company's supplier code of conduct and anti-corruption policy in 2022

Performance 2021

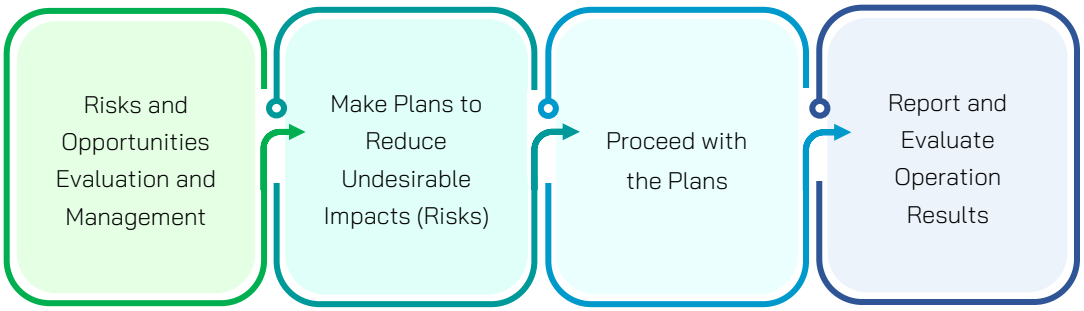
- 80% of suppliers were evaluated as Grade A being marked as having satisfactory performance both in quality, logistics, price, safety and environmental management

Management Approach

In every year, the Company conducts supplier evaluations for both existing and new suppliers, and then rank them accordingly so that the Company may identify suppliers that exhibit the commitment and capability to provide quality products or services as per ISO9001:2015/ IATF16949:2016/ ISO140001:2015 standards on quality and delivery. The evaluation process examines the performances of a supplier on the prospects of Quality, Pricing/Cost, Delivery, Safety, Environmental Care and Management, and Financial Stability in the hope that the Company may be confident in its compatibility with each of its suppliers to operate smoothly, efficiently, transparently, and with cooperative responsibilities to the environment and the society.

As the Company sees the suppliers as important business associates, the Company therefore arranges for suppliers to join meetings and taking parts in activities together in order to inform them of important Company's details; such as supplier code of conduct, quality price and delivery policy, transparent business conduct policy, anti-corruption policy, corporate social responsibility policy, and safety policy. It also serves as an opportunity to inform the suppliers of previous year's cooperation evaluation, in which the purchasing department of the Company evaluated the risks, opportunities, and manage these risks according to IATF1949 standard in order to evaluate and review the performance of the purchasing department and suppliers. If any problems are detected, the Company can then correct and set the guidelines for reducing those risks and inform the suppliers further.

Risks and Opportunities Evaluation and Management Procedures



1. Risks and Opportunities Evaluation and Management

The purchasing department evaluates the possible risks and their negative impacts, both on the intensity and probability of said impacts, while also evaluating the accompanying opportunities and then make plans to reduce each of these risks in accordance with IATF1949 standards.

2. Make Plans to Reduce Undesirable Impacts (Risks)

Set the objectives, details, durations, and the individuals in charge of the plans and projects to reduce undesirable impacts.

3. Proceed with the Plans

Proceed with the plans by making operation reports, assigning individuals to take responsibilities for each respective part of the plans, and report the operation results.

4. Report and Evaluate Operation Results

Report the operation results and evaluate the performance, while staying open to all recommendations and comments in order to formulate better guidelines that may be adapted and utilized in future operations.

In addition, the Company also conducts an annual suppliers' performance evaluation to serve as follow-ups and motivations for the suppliers to continuously improving, and to serve as a part of the Company's quality suppliers selection process. The Company evaluates the suppliers in 2 main areas: Quality and Delivery.

For the follow-up and auditing of the suppliers' adherence to the set code of conducts and operational procedures, the Company conducts a monthly evaluation and a minimum of 1 annual site visit per suppler in order to examine and request for improvements in the case that a supplier is found to deviate from the Company's regulations. Due to the intensity of COVID-19 pandemic in 2021, the Company adjusted the annual supplier site visits to be held online instead, albeit with the same evaluation standards as usual.

Apart from the monthly performance evaluation and annual site visit, the Company also holds an annual suppler meeting to discuss and acknowledge important business information, business overview and supply chain value in the previous year, purchasing and supplying policy, suppliers' code of conduct, and co-sustainable operation process. In addition, during the annual meeting, the Company rewards suppliers with outstanding performances in various areas as signs of appreciation. The rewarded areas for outstanding performance include Delivery, Quality, and Cost Management.

Performance

Risks and Opportunities Evaluation and Management

In 2021, the Company has managed business partner relations through evaluating and managing risks and opportunities according to IATF 1949 standard and make plans to reduce negative undesirable impacts (risks) and proceed with the operations immediately. The below information is the summary of risks and risk evaluation and management.

Risk Factors During the COVID-19 Pandemic

Risk / Opportunity Factors for Evaluation	Risks	Possible Negative Impacts	Intensity	Possibility	Average Intensity and Possibility Level	Opportunities	Intensity	Possibility	Average Intensity and Possibility Level	Action Plan
Raw material	Suppliers stop working, unable to supply as intended	Unable to deliver products to customers on time	2	2	4	Check suppliers working date and inform related parties	2	2	4	Check stock and plan for customers' orders follow-up
Manpower	Suppliers reduce their manpower	Delayed materials from suppliers, the Company therefore unable to deliver products to customers on time	2	4	4	Inform related departments and make prior forecast	2	2	4	Make forecasts and plan for customers' orders follow-up
Financial	Suppliers encounter financial problems	Suppliers stop their operations, unable to supply as intended	2	2	4	Provide assistance by allowing delayed payment	2	2	4	Ask suppliers to send request forms for approval

Annual Suppliers' Evaluation

In 2021, the Company had evaluated 45 suppliers in total, with suppliers that were evaluated as Grade A being marked as having satisfactory performance. In the case that a supplier is evaluated as being lower than Grade A, they are encouraged to make improvements on their systems as soon as possible. In the case that a supplier is evaluated as Grade C for 4 consecutive months, the Company will immediately cancel the orders from those suppliers.

For the year 2021, the number of suppliers with satisfactory Grade A performances at 36 companies, amounting to 80% of all evaluated suppliers. Comparing to the previous year, the proportion of Grade A suppliers reduced by around 8%.

Score	2019	2020	2021
Grade A	11	39	36
Grade B	4	2	9
Grade C	-	-	-
No. of suppliers evaluated	15	41	45
Proportion of Grade A Suppliers (Percent)	**73.33**	**95.12**	**80**

*The information reported in this topic includes those of the following plants belonging to AAPICO Group: ***AH***

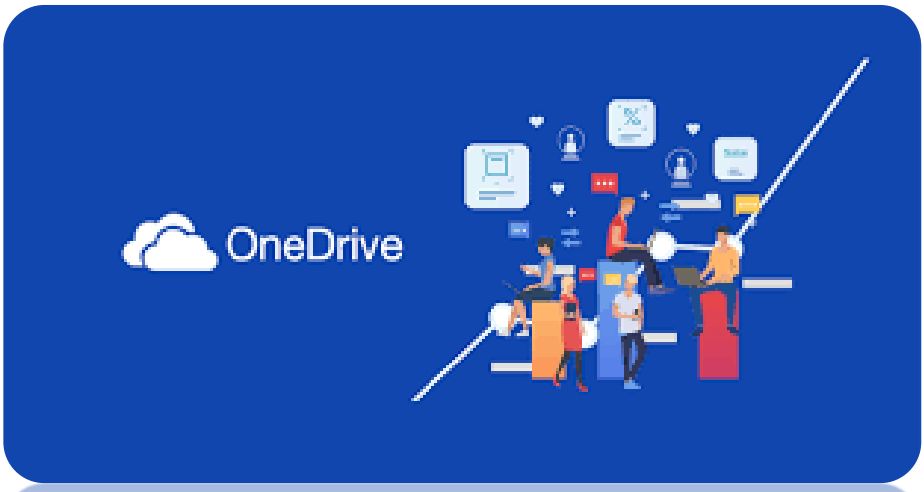
"Innovation for Sustainability" Project

In 2021, the Company has formed the Sustainability Committee – with every department involved – for the purpose of the meeting and planning for activities that may facilitate sustainability, whether in economy, environment, or social dimension – especially in the social dimension in which employees are involved, there are plans to implement innovation to support and provide conveniency for suppliers, with list of completed activities as follows:

- **"Product Design from CD to OneDrive" Project**

  This project is one of the innovations that the purchasing department came up with. Previously, suppliers needed to send quotation details and the design of the ordered products to the Company in the forms of paper documents and CDs, which caused the Company to be overflowing with a large number of paper and CDs. When the purchasing process was finished, said paper and CDs then became unused waste. Furthermore, for the delivery of said documents and CDs, the suppliers had to travel to the Company to deliver the materials – therefore resulting in more expenses and more emission.

  Determined to fulfill their responsibilities to the environmental impacts caused by both the Company and the suppliers, the purchasing department has come up with the innovation to change the process by changing from paper documents and CDs to sending the quotation details and the product's design via OneDrive instead – therefore reducing resource usage, amount of resulting waste, and time taken. This project was adopted in November 2021, and the data related to the change will be collected and report by next year.



Eco Efficiency

- Environmental Policy
- Energy
- Water
- Waste
- Air Pollution
- Emissions

Environmental Policy

One of AAPICO Group's main business is the manufacturing of OEM automotive parts. Inevitably, this means that the Company's operations will involve factories and the subsequent waste and emission that such operations entail. However, the Company does recognize the importance of the environment and has therefore established an environmental management system and policy to be followed in order to preserve and improve the environment for the better by subjecting the management and the employees to comply with the following regulations:

1. Improve environmental management processes, services, and products of the Company in accordance with the requirements of the standard ISO 14001.
2. Comply with laws and regulations relating to the environment by various criteria to develop a minimum standard for the operation of the Company.
3. Conserve natural resources, including energy, in order to benefit a worthy cause of minimal environmental impact.
4. Protect the environment to create awareness on the quality of the environment.
5. Prevent the pollution of water and air from the Company's operations, and continuously seek to improve the Company's operations to keep the resulting waste and emission to a minimum.

This Policy was announced and communicated to the employees for their awareness and compliance, and has also been made available to the public. On the subject on environmental compliance, the Company reported no instance of non-compliance with environmental laws and regulations in 2021 – thus reflecting the Company's commitment in supporting a sustainable environment.

Energy Consumption

Reporting Boundary

AAPICO Group is aware of the importance of energy consumption to both the Company and the environment. Inefficient energy usage may lead to an unnecessary increase in cost for the Company, while also draining the resource required to produce said energy from the environment. Therefore, the Company advocates its personnel to be mindful and keep energy consumption to a minimum. This report will give details of the Company's performance in energy consumption management in 2021. This will only include the Company's business of OEM auto parts manufacturing of AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Long term target

-

Short term target 2021 - 2022

- Fuel Consumption:
  - Reduce Consumption Per Ton of Production by 5%
- Electricity Consumption:
  - Reduce Consumption Per Ton of Production by 4%

Performance 2021

- Fuel Consumption:
  - 46.18 KL Annual Consumption
    - *Increased by 65.82% from last year*
  - 0.0013 KL/Ton of Production
    - *Increased by 44.44% from last year*
- Electricity Consumption:
  - 3489.44 MWh Annual Consumption
    - *Increased by 7.93% from last year*
  - 0.0969 MWh/Ton of Production
    - *Decreased by 10.69% from last year*

Management Approach

The Company always seek to manage energy consumption from the Company's operations to be at the minimum level possible. By achieving this, the Company hopes to limit the negative impacts that its operations may have on the environment, while also minimizing unnecessary expenses resulting from sub-optimal management of energy usage in the Company's operations. To this end, AAPICO keeps annual records of 2 types of energy used by the Company – Fuel and Electricity – and use the collected data to analyze and plan for better Company Sustainability in the years ahead. In addition, since the previous year, the Company is in the process of installing Solar Rooftops around its base of operations – including the manufacturing factories and car parking space – with the goal to minimize electricity power consumption and, subsequently, any related expenses and environmental impact. The results and performances of the solar rooftops are expected to be collected and ready for reporting by next year.

The observed trends from the yearly comparisons are used as the basis for setting future targets to reduce energy consumption in the Company's operation. For this year's comparisons, the Company's chosen future targets – with their underlying rationale – on the subject of energy consumption, are as follows:

Fuel Consumption – The Company's Fuel Consumption Per Ton of Production in this year of 2021 was found to have increased from year 2020, which would normally create a cause for concern and prompt the Company to set target based on the data of year 2020 immediately in an effort to catch up. However, upon further analysis, it should be kept in mind that there were some of the Company's plants that had to temporary put a stop to their production line due to the situation with COVID-19 – therefore subsequently drastically reducing any fuel consumption related to their operations, including the fuel used for the transportation to and from said plants. While there are also problems regarding COVID-19 in 2021, the Company has since put in place various prevention measures to best cope with the situation and get the operations running again as smoothly as possible – therefore it is understandable that the Company's fuel consumption would return closer to its normal operations in year 2019. With this in mind, a moderate target of 5% reduction is chosen.

Electricity Consumption – The Company's Electricity Consumption Per Ton of Production for this year was reported to have decreased from the previous year of 2020, which may be attributed to various initiatives that the Company has taken to reduce electricity usage – such as by strictly control and disciplined the personnel regarding when lights and air conditioners are to be turned off in order to minimize unnecessary excess usage. With consideration to past years' trends where the reduction in Electricity Consumption Per Ton of Production tend to gradually becoming smaller over the years, the target for year 2022 is therefore set at 4% reduction – an achievable, yet not too low of a target to be too conservative.

Performance

The Company keeps annual records of the amount of both fuel and electricity consumption by the Company within a year and compare them with data of previous years in order to use in analyzing fuel and electricity consumption efficiency of the company, then set target for future years based on observed trends.

Regarding fuel consumption, the Company reported a 65.82% increase in fuel consumption in year 2021 when compared to year 2020 – from 27.85 KL in 2020 to 46.18 KL in 2021. Similarly, in year 2021, the Company's total electricity consumption is 3,489.44 MWh – higher than 3,233.16 MWh in year 2020 by 7.93%. It should however be noted that these results may be attributed to the mandatory reduction in production volume due to the situation with COVID-19 pandemic, which was particularly serious in 2020, and therefore consequently resulted in lower-than-usual fuel and electricity consumption in 2020.

Due to the aforementioned issue that caused recorded data in year 2020 to largely differ from the norm, it may therefore be more practical to compare recorded data in year 2021 with that of year 2019 – when the situation with COVID-19 was not as dire – instead. Comparing to 2019, the Company's fuel consumption decreased by 53.63% from 99.60 KL to 46.18 KL, while electricity consumption decreased by 1.38% from 3,538.16 MWh to 3,489.44 MWh.

As may be inferred from this data, in 2021, the Company does exhibit some observable improvement to performance from earlier years, albeit with exception to the performance in 2020 – which met with unforeseen circumstances. In order to explore this impartially, the collected data were further calculated with regards to their annual production volume – with the unit being Ton of Production, or 1,000 Production Unit – which also take in account how many products are manufactured and coupled it with energy consumption recorded, as seen in the following infographics:

Fuel Consumption Data

Fuel Consumption (Unit: KL)	2017	2018	2019	2020	2021
January	5.38	8.01	8.30	2.40	4.00
February	7.07	6.83	8.54	3.00	3.78
March	7.94	8.35	8.93	2.40	3.68
April	5.50	7.65	7.94	1.20	3.60
May	7.33	4.35	8.95	0.60	3.60
June	8.10	8.31	9.24	1.80	3.40
July	6.86	8.18	8.55	1.80	3.20
August	8.09	7.96	7.33	2.45	3.40
September	8.22	8.87	8.10	3.00	3.00
October	7.82	9.45	8.93	1.20	4.51
November	7.29	9.81	7.56	4.00	5.49
December	6.92	8.87	7.22	4.00	4.51
Total	**86.52**	**96.63**	**99.60**	**27.85**	**46.18**

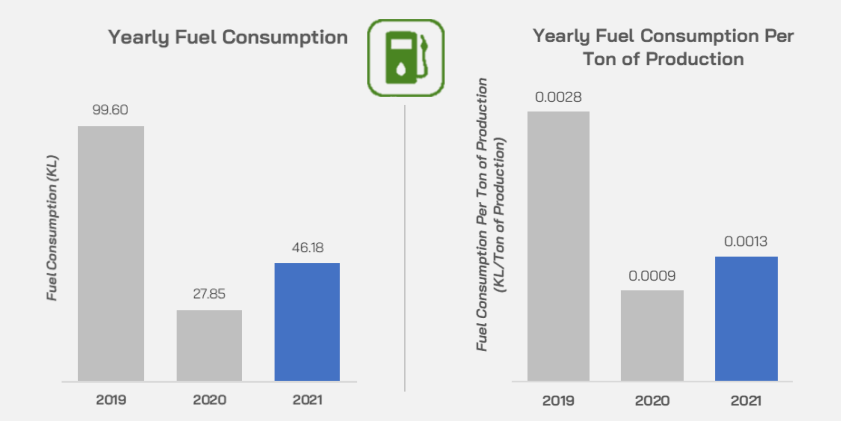
Fuel Consumption Per Ton of Production (Unit: KL/Ton of Production)	2017	2018	2019	2020	2021
January	0.0002	0.0003	0.0002	0.0001	0.0001
February	0.0003	0.0002	0.0002	0.0001	0.0001
March	0.0003	0.0003	0.0002	0.0001	0.0001
April	0.0002	0.0002	0.0002	0.0000	0.0001
May	0.0003	0.0001	0.0002	0.0000	0.0001
June	0.0003	0.0003	0.0003	0.0001	0.0001
July	0.0003	0.0003	0.0002	0.0001	0.0001
August	0.0003	0.0003	0.0002	0.0001	0.0001
September	0.0003	0.0003	0.0002	0.0001	0.0001
October	0.0003	0.0003	0.0002	0.0000	0.0001
November	0.0003	0.0003	0.0002	0.0001	0.0002
December	0.0003	0.0003	0.0002	0.0001	0.0001
Total	**0.0036**	**0.0031**	**0.0028**	**0.0009**	**0.0013**

Electricity Consumption Data

Electricity Consumption (Unit: MWh)	2017	2018	2019	2020	2021
January	230.56	284.36	292.88	314.80	321.36
February	243.36	280.92	292.52	317.08	317.84
March	284.80	323.52	317.12	275.00	323.76
April	190.80	235.20	272.56	145.40	235.04
May	263.08	328.32	294.40	145.32	317.28
June	244.64	325.60	298.64	176.16	292.80
July	239.00	331.84	287.12	237.84	260.76
August	261.20	334.76	269.40	308.08	290.80
September	263.72	307.24	301.48	321.20	290.84
October	258.00	312.28	327.48	350.84	308.40
November	300.76	321.52	311.44	341.64	294.20
December	234.72	263.92	273.12	299.80	236.36
Total	**3,014.64**	**3,649.48**	**3,538.16**	**3,233.16**	**3,489.44**

Electricity Consumption Per Ton of Production (Unit: MWh/Ton of Production)	2017	2018	2019	2020	2021
January	0.0095	0.0092	0.0081	0.0106	0.0089
February	0.0100	0.0091	0.0081	0.0106	0.0088
March	0.0117	0.0105	0.0088	0.0092	0.0090
April	0.0079	0.0076	0.0076	0.0049	0.0065
May	0.0109	0.0106	0.0082	0.0049	0.0088
June	0.0101	0.0106	0.0083	0.0059	0.0081
July	0.0099	0.0108	0.0080	0.0080	0.0072
August	0.0108	0.0109	0.0075	0.0103	0.0081
September	0.0109	0.0100	0.0084	0.0108	0.0081
October	0.0106	0.0101	0.0091	0.0118	0.0086
November	0.0124	0.0104	0.0087	0.0115	0.0082
December	0.0097	0.0086	0.0076	0.0101	0.0066
Total	**0.1243**	**0.1183**	**0.0984**	**0.1085**	**0.0969**

Data Breakdown and Infographics



*The information reported in this topic includes those of the following plants belonging to AAPICO Group: ***AH***

Fuel Consumption

In 2021, the Company reported annual fuel consumption of 46.18 KL, which increased by 65.82% from year 2020.

After taking into account each year's annual production volume, fuel consumption in 2021 was reported at 0.0013 KL/Ton of Production, which is higher than year 2020 by 44.44%.

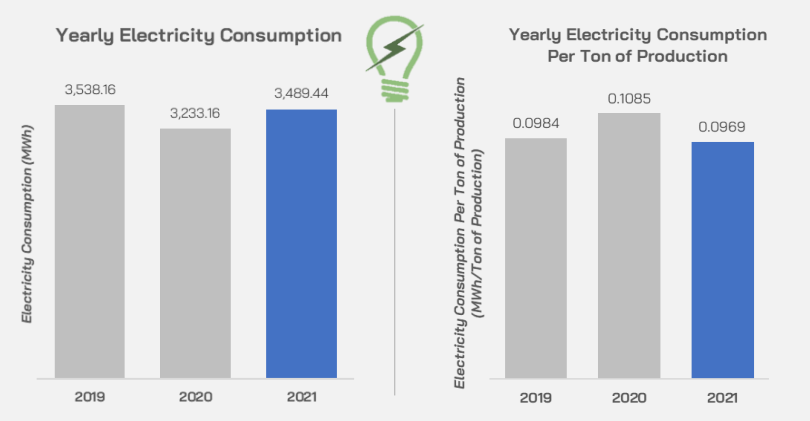
As the Company operated on a similar scale as when the situation was normal before the COVID-19 pandemic – albeit many operations were still conducted online – reported fuel consumption in 2021 compared to year 2019 was therefore much lower, but increased when compared to last year due to the halt to some production line in 2020.

Electricity Consumption

In 2021, the Company reported annual electricity consumption of 3,489.44 MWh, which increased by 7.93% from year 2020.

After taking into account each year's annual production volume, electricity consumption in 2021 was reported at 0.0969 MWh/Ton of Production, which decreased from year 2020 by 10.69%

As the Company operated on a similar scale as when the situation was normal before the COVID-19 pandemic, the production volume in 2021 increased from the last two years. Therefore, when annual electricity consumption was calculated in relation with said production volume, the Company was found to have a more efficient electricity usage in average. This was in part owing to the Company's initiative to reduce electricity usage (e.g., by controlling when lights and air conditioners are switched off).



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Water Usage

Reporting Boundary

AAPICO Group realizes about the importance of water as a resource, as it is a valuable resource for any industrial business and is also a limited resource which is crucial for human's survival. Therefore, AAPICO Group has arranged for some measures to reduce excessive usage of water within the Company. This report will give details of the Company's performance in water usage management in 2021. This will only include the Company's business of OEM auto parts manufacturing of AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Long term target

-

Short term target 2021 - 2022

- Reduce Water Usage Per Ton of Production by 3%

Performance 2021

- 45,307 m^3 Annual Water Usage
- Increased by 70.61% from last year
- 1.2579 m^3 of Water Usage Per Ton of Production
- Increased by 41.15% from last year

Management Approach

AAPICO sees the importance in saving water resource and has come up with an environment project on the subject of reducing water usage, with the intention to reduce the cost associated with water usage. The Company set the objective of reducing water usage in this year of 2021 by 2% when compared with 2020.

In 2020, the Company used 26,556 m^3 of water. Therefore, in 2021, the Company set a target to use no more than 26,025 m^3 of water; averaging to no more than 2,168.74 m^3 of water per month. For this cause, the Company put up posters around places of operations as a means to help facilitate the employees' awareness and promote reduction in water usage.

In addition to the already set target of 2% water usage reduction for this year of 2021, the Company also arranged for annual comparisons dating back to year 2019 for the purpose of using observed trends from said comparisons as a factor in setting up targets for future years as well. Particularly, from the latest current data of year 2021, it was observed that Water Usage Per Ton of Production in this year is the highest among all 3 years – presumably owing to the gradual return to standard operational procedures during the COVID-19 pandemic, albeit with additional measures set in place to encourage all personnel to wash their hands so as to serve as preventative measures to reduce the chances of the spread of COVID-19 and therefore inevitably increasing water usage in the process. As this is a necessary measure to ensure the personnel's well-being, it would be difficult to achieve a target that is based on comparisons with previous years when there were no strict measures that increase water usage. With this in mind, the target for year 2022 is set independently of comparisons with preceding years – with 3% reduction in Water Usage Per Ton of Production being the target decided upon.

Performance

AAPICO keeps a monthly record of the Company's water usage in order to compile the annual data for total water usage and compare the result with the set goal for the year. From the table shown in the next page, it can be seen that the Company's water usage for 2021 is 45,307 m^3. When compared with the goal of no more than 26,025 m^3 water usage for 2021, this result is rather way off the mark. In the Company's defense, year 2020 saw most of the Company's manpower

temporary dismissed from working at the factories due to reduction to planned production volume – therefore significantly lowering water usage for those of both hygienic and manufacturing purposes. In setting target for water usage in year 2021 by basing off the result of year 2020, there is already a likely possibility from the beginning that the target would not be met. This, coupled with the fact that employees are encouraged to wash their hands regularly as a precaution for dealing with COVID-19, it is therefore not at all surprising that the Company is unable to achieve its intended target for year 2021.

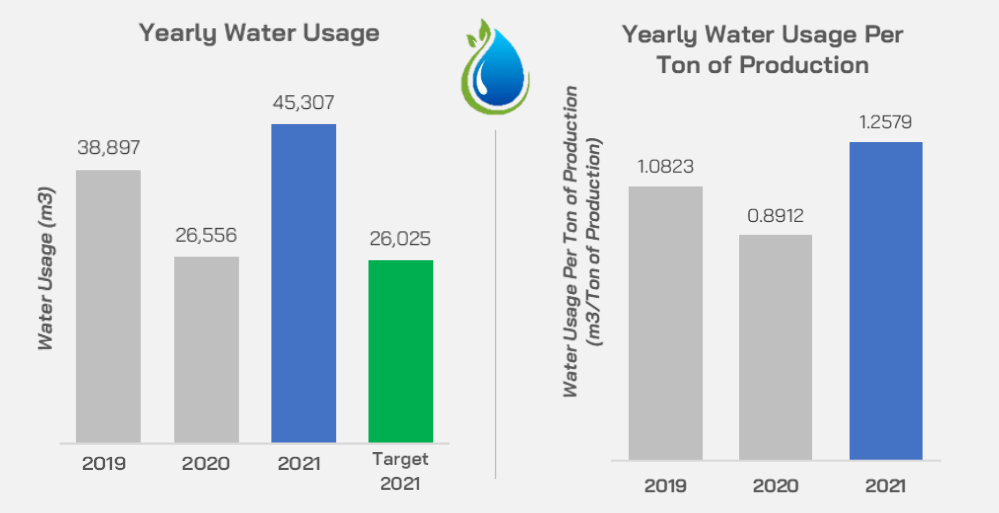
With regards to previously mentioned issues, it may serve some merit to look at direct comparisons of each year's water usage in relation to their annual production volume – with the unit being Ton of Production, or 1,000 Production Unit – for year 2021 and the preceding years in order to analyze the data with utmost impartiality. These comparisons can be seen on the following infographics:

Water Usage Data

Water Usage (Unit: m^3)	2017	2018	2019	2020	2021
January	3,148	3,137	5,166	2,415	2,518
February	3,289	3,124	3,436	3,240	3,294
March	2,992	2,658	3,325	2,396	3,213
April	2,764	3,094	3,135	2,288	2,644
May	3,152	2,805	2,748	1,405	3,218
June	3,655	3,193	3,073	1,613	4,038
July	3,867	3,114	2,951	1,584	3,869
August	3,894	2,980	2,778	2,112	4,492
September	3,036	3,065	3,044	2,344	3,672
October	3,205	2,849	3,161	1,995	4,054
November	3,383	3,234	3,114	2,608	4,203
December	2,987	3,082	2,966	2,556	6,092
Total	**39,372**	**36,335**	**38,897**	**26,556**	**45,307**

Water Usage Per Ton of Production (Unit: m^3/Ton of Production)	2017	2018	2019	2020	2021
January	0.1298	0.1017	0.1437	0.0810	0.0699
February	0.1357	0.1013	0.0956	0.1087	0.0915
March	0.1234	0.0861	0.0925	0.0804	0.0892
April	0.1140	0.1003	0.0872	0.0768	0.0734
May	0.1300	0.0909	0.0765	0.0472	0.0893
June	0.1508	0.1035	0.0855	0.0541	0.1121
July	0.1595	0.1009	0.0821	0.0532	0.1074
August	0.1606	0.0966	0.0773	0.0709	0.1247
September	0.1252	0.0993	0.0847	0.0787	0.1019
October	0.1322	0.0923	0.0880	0.0670	0.1126
November	0.1395	0.1048	0.0866	0.0875	0.1167
December	0.1232	0.0999	0.0825	0.0858	0.1691
Total	**1.6240**	**1.1777**	**1.0823**	**0.8912**	**1.2579**

Data Breakdown and Infographics



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Water Usage

The Company had previously set Water Usage target of no more than 26,025 m^3. However, in 2021, the Company reported Water Usage of 45,307 m^3 – increased from 2020 by 70.61% and more than the set target by 74.09%. This could likely be attributed to the fact that employees are encouraged to wash their hands regularly as a precaution for the situation with COVID-19.

After taking into account each year's annual production volume, it was found that water usage in year 2021 has indeed increased from the year 2020, as per the previously mentioned reasoning that the Company encouraged its employees to regularly wash their hands as a means for keeping safe from COVID-19 – as the Company is primarily concerned about the employees' safety and well-being.

Waste Management

Reporting Boundary

Waste is one of the foremost concerns of the Company, as mismanagement of waste from the Company's operations may result in severe damage to the environment and health issues to the employees and the surrounding communities; which will, in turn, also affect the Company's reputation. With this in mind, the Company always try to ensure minimal waste from the Company's operations. This report will give details of the Company's performance in waste management in 2021. This will only include the Company's business of OEM auto parts manufacturing of AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Long term target

- Reduce Waste Generated Per Ton of Production by 5% in year 2026 compared to year 2021

Short term target 2021 - 2022

- Reduce Waste Generated Per Ton of Production by 1% Per Year

Performance 2021

- 7,633.07 Tons of Waste Generated
  - *Increased by 0.32% from last year*
- 0.2119 Tons of Waste Generated Per Ton of Production
  - *Decreased by 17.00% from last year*

Management Approach

In order to keep the resulting waste from the Company's operations to a minimum and to abide by the government's regulations on waste management, AAPICO Group keeps annual records of the Company's waste disposal procedures and report them to the government as evidence of the Company's compliance with the law. In these records, the Company gives details of the type of waste, the amount produced, the method of disposal, the contractors used for disposal, the originated point of the waste, comparison with recent years, and details of every party involved during the process.

In addition, to improve cost-efficiency in the Company's operations, the Company has begun setting action plan in 2021 to find ways to control and reduce the number of tatters usage for clean-up processes in the Company's operations and thus reducing the number of tatters that end up as waste, with the results to likely be observable by 2022.

As for the targets for the coming year of 2022, the Company took reference from the trends observed by comparing the annual data of year 2021 and the previous years, then came up with new targets in accordance with the data and other situational factors. In the end, the Company decided on the long-term target of 5% reduction to Waste Generated Per Ton of Production by year 2026, averaging to 1% reduction per year starting from 2021 – meaning that the Company's target for year 2022 is 1% reduction to Waste Generated Per Ton of Production. While the Company may have previously exhibited a strong trend of reduction to the amount of waste generated in every year, the measures that the Company can take or come up with that could potentially lower the amount of waste generated has also become more limited as well, therefore causing future targets to slightly reduce in the magnitude of target changes.

Performance

AAPICO Group recorded the total weight of waste produced within a year, while also categorize them into 3 groups based on their properties: Hazardous Waste, General Waste, and Solid Waste. The total weight taken from this information can be used to infer the proportion of waste produced within that respective year. From these recorded data, it was found that a total of 7,633.07 tons of waste were generated from the Company's operations in 2021 – increased

from 7,608.40 tons generated in 2020 by 0.32%. While the differences of waste generated between year 2021 and year 2020 may only be a slight discrepancy of less than 1%, the differences in annual production volume of these respective years were still not taken into account and the current data may not yet accurately represent the Company's operations.

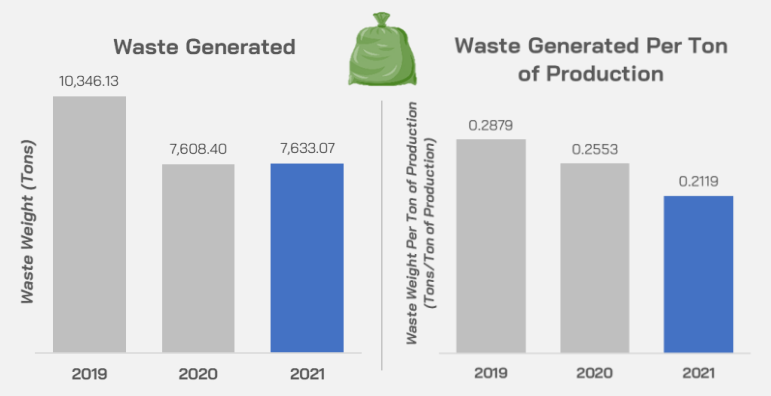
To address the aforementioned concern, each year's waste management records were then calculated in relation with their annual production volume – with the unit being Ton of Production, or 1,000 Production Unit. The resulting data would therefore reflect exactly how much waste were being generated per manufactured product in each year, consequently making the data more reflective of the Company's overall operations. For further comprehensiveness, the comparisons between each year are represented in the form of infographics, as follows:

Waste Management Data

Waste (Unit: Tons)	Hazardous Waste			General Waste			Solid Waste		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
January	9.02	7.47	4.86	773.85	834.56	789.27	3.77	2.98	5.23
February	2.27	5.50	4.77	798.22	840.08	848.30	3.97	2.91	7.95
March	7.40	4.52	2.46	1,073.43	585.65	821.62	3.64	2.95	7.33
April	3.00	6.13	4.56	841.95	177.83	604.38	3.23	2.72	7.34
May	14.34	7.39	5.18	989.21	133.17	844.87	3.32	1.88	9.13
June	2.63	2.45	2.54	860.30	303.67	108.11	3.55	2.02	10.46
July	2.90	2.46	0.00	891.69	461.44	164.36	3.45	2.18	7.03
August	3.77	4.72	0.00	667.57	765.35	704.70	3.42	2.47	8.05
September	6.13	6.22	0.00	859.77	735.02	690.09	3.42	6.21	8.98
October	5.69	7.89	2.39	875.21	919.98	583.48	3.35	5.80	10.25
November	7.43	6.54	5.46	853.95	875.68	717.82	3.34	6.33	7.46
December	2.19	5.44	4.84	752.77	866.58	627.78	2.98	4.29	2.09
Total	**66.77**	**66.70**	**37.04**	**10,237.92**	**7,499.00**	**7,504.75**	**41.44**	**42.71**	**91.29**
Total 2019	**10,346.13**								
Total 2020	**7,608.40**								
Total 2021	**7,633.07**								

Waste Per Ton of Production (Unit: Tons/Ton of Production)	Hazardous Waste			General Waste			Solid Waste		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
January	0.0003	0.0003	0.0001	0.0215	0.0280	0.0219	0.0001	0.0001	0.0001
February	0.0001	0.0002	0.0001	0.0222	0.0282	0.0236	0.0001	0.0001	0.0002
March	0.0002	0.0002	0.0001	0.0299	0.0197	0.0228	0.0001	0.0001	0.0002
April	0.0001	0.0002	0.0001	0.0234	0.0060	0.0168	0.0001	0.0001	0.0002
May	0.0004	0.0002	0.0001	0.0275	0.0045	0.0235	0.0001	0.0001	0.0003
June	0.0001	0.0001	0.0001	0.0239	0.0102	0.0030	0.0001	0.0001	0.0003
July	0.0001	0.0001	0.0000	0.0248	0.0155	0.0046	0.0001	0.0001	0.0002
August	0.0001	0.0002	0.0000	0.0186	0.0257	0.0196	0.0001	0.0001	0.0002
September	0.0002	0.0002	0.0000	0.0239	0.0247	0.0192	0.0001	0.0002	0.0002
October	0.0002	0.0003	0.0001	0.0244	0.0309	0.0162	0.0001	0.0002	0.0003
November	0.0002	0.0002	0.0002	0.0238	0.0294	0.0199	0.0001	0.0002	0.0002
December	0.0001	0.0002	0.0001	0.0209	0.0291	0.0174	0.0001	0.0001	0.0001
Total	**0.0019**	**0.0022**	**0.0010**	**0.2849**	**0.2517**	**0.2084**	**0.0012**	**0.0014**	**0.0025**
Total 2019	**0.2879**								
Total 2020	**0.2553**								
Total 2021	**0.2119**								

Data Breakdown and Infographics



*The information reported in this topic includes those of the following plants

Waste Management

In 2021, the Company reported total waste generated of 7,633.07 Tons, which increased by 0.32% from 7,608.40 Tons in year 2020. After taking into account each year's annual production volume, it was found that year 2021 reported waste generated of 0.2119 Tons/Ton of Production, which decreased from 0.2553 Tons/Tons of Production in year 2020 by 17.00%. This indicates that the Company has an excellent resource and waste management, as the Company utilized the 3R principle – consisting of Reduce, Reuse, and Recycle – in its operations. The Company also fosters employees' awareness in valuing resources and to categorize waste so that as many resources can be recycled and reused as much as possible. Finally, the Company places great importance in choosing environmental-friendly suppliers for its supply chain in the hope that any leftover waste will leave little to no impact on the environment, and that they will be easier to recycled and reused if need be.

Air Emission

Reporting Boundary

Air pollution is one of the most monitored and well-known cause of environmental deterioration in the society. In addition, the factory workers' health and well-being may also be affected by air pollution that were emitted from the factory's operations. With these concerns in mind, the Company takes great care in limiting emissions from the Company's operations so that they fall within the government's regulations. This report will give details of the Company's performance in air emission management in 2021. This will only include the Company's business of OEM auto parts manufacturing of AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Long term target

- The volume of air pollution is within the permissible range of environmental laws and regulations

Short term target 2021 - 2022

-

Performance 2021

- The volume of air pollution is within the permissible range of environmental laws and regulations

Management Approach

To ensure that the air pollution released from its operations are no more than necessary, the Company arranged for exhausts and air filters to be installed around places of operations, especially in factory areas. These exhausts and air filters aid in filtering the release of air emissions, limiting only a minimum excess amount to pass out into the atmosphere. The excess amount that escaped into the atmosphere are then measured against the government's set regulations to confirm that the Company didn't violate said regulations, and also to ensure that the Company achieved its goal of minimum environmental impacts. Therefore, the Company's long-term target is to always limit the volume of air pollution emitted from its operations to be within the permissible range of environmental laws and regulations.

Performance

The Company measured 3 air emissions in every year: Carbon Monoxide (CO), Nitrogen Oxides (NOx), and Sulfur Dioxide (SO2). Each of these emissions is measured for a total of 2 times per year – once during the first half of the year and once during the latter half of the year, then totaled together when both data are available. These total measured emissions are compared against the government's regulation limits for each respective emissions – with the target that no emission exceed said regulations. In 2021, all of the Company's measured emissions are within regulation range, thus fulfilling the Company's targets – as seen below:

Air Emission Data

Air Emission (Unit: Metric ppm)	Measured Volume in 2021	Government's Limit	Not Exceed Regulations
Carbon Monoxide (CO)	44.97	690.00	✓
Nitrogen Oxides (NOx)	2.92	200.00	✓
Sulfur Dioxide (SO2)	6.93	60.00	✓

GHG Emission

Reporting Boundary

Greenhouse Gas Emission (GHG Emission) is one of the most well-known causes of environmental deterioration around the globe. The impacts incurred by the release of large amount of Greenhouse Gas may ranges from small scale dangers, such as health hazard to people around an industrial area – to international level threats, such as global warming. With such far-reaching repercussion, AAPICO takes great care in monitoring and managing GHG Emission from its operations to be at the lowest possible level in line with the Company's concerns for the environment. This report will give details of the Company's performance in GHG emission management in 2021. This will only include the Company's business of OEM auto parts manufacturing of AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Long term target

- Reduce Scope-1 GHG Emission Per Ton of Production by 3% within 5 years, from year 2019 to year 2023

Short term target 2021 - 2022

- Reduce Scope-1 GHG Emission Per Ton of Production by 0.6%
- Reduce Scope-2 GHG Emission Per Ton of Production by 4%
- Reduce Scope-3 GHG Emission Per Ton of Production by 6.5%

Performance 2021

- 2,086.00 tCO_2e Scope-1 GHG Emission (0.0579 tCO_2e/Ton of Production)
  - *Increased by 10.20% from last year*
  - *Decrease by 8.82% Per Ton of Production*
- 1,744.38 tCO2e Scope-2 GHG Emission (0.0484 tCO_2e/Ton of Production)
  - *Increased by 7.93% from last year*
  - *Decrease by 10.70% Per Ton of Production*
- 107.75 tCO2e Scope-3 GHG Emission (0.0030 tCO_2e/Ton of Production)
  - *Increased by 61.40% from last year*
  - *Increased by 36.36% Per Ton of Production*

Management Approach

In order to accurately pinpoint which part of the Company's operations contributed to how sizable of a portion in the Company's total GHG emission, the Company categorized the source of GHG emission into 3 scopes in accordance with the GHG Protocol Corporate Standard – with details as follows:

Scope-1 – GHG emission originating from the Company's manufacturing process

Scope-2 – GHG emission originating from the Company's electricity consumption

Scope-3 – GHG emission originating from the Company's fuel consumption and paper usage

The data for each of these GHG Emission Scopes are collected and reported separately by comparing them to the data of the previous years in their respective Scopes, so that appropriate countermeasures can be prepared in response to any observed irregularity in the reported trends – or to plan for further improvements in the case of a stable trend. In addition, to more accurately portray and analyze the Company's GHG emission, each year's individual GHG emission scope is calculated in relation to their respective annual production volume – with the unit being Ton of Production, or 1,000 Production Unit – in the hope that this may further improve the efficiency of the Company's GHG emission management as a result.

From these comparisons between years, the observable trends and underlying rationale of the data are then utilized as the basis for setting targets for the coming years. Regarding the summarization of this year's GHG emission, the following targets and rationale can be derived for each individual GHG emission scope:

Scope-1 – The Company has already set a long-term target since year 2019 to reduce Scope-1 GHG Emission Per Ton of Production by 3% within 5 years, spanning from year 2019 to year 2023. This averages to a short-term target of reducing Scope-1 GHG Emission Per Ton of Production by 0.6% per year. As of this year of 2021, the

Company's Scope-1 GHG Emission Per Ton of Production has already reduced by 11.87% comparing to year 2019 – already exceeding the long-term target of 3%. Therefore, for 2022, the Company will retain the target of reducing Scope-1 GHG emission Per Production Unit by 0.6% per year, while taking care not to fail its long-term target in 2023 under any circumstances.

Scope-2 – The Company set its target for Scope-2 GHG Emission for year 2022 at no less than 4% reduction in Scope-2 GHG Emission Per Ton of Production compared to year 2021. The reason 4% is chosen as the target is that it is the average number of changes in Scope-2 GHG Emission Per Ton of Production between year 2017 and year 2018. As starting from 2019 onwards, the changes in GHG Emission fluctuated rather unpredictably due to the situation with COVID-19 that requires constant adapting in various Company's procedures to handle the changing intensity of the situation. Therefore, the Company decided to use the range of changes in Scope-2 GHG Emission Per Ton of Production from before the emergence of COVID-19 in setting its target during the current year.

Scope-3 – Similar to the target for that of Scope-2 GHG Emission, due to the fluctuation of reported data during the COVID-19 pandemic, the Company opted to use observed trends from earlier in setting its target for Scope-3 GHG Emission. With this rationale, the Company's target for year 2022 is to reduce Scope-3 GHG Emission Per Ton of Production by 6.5% compared to year 2021.

Performance

As previously stated, the Company categorized the various sources of GHG emission in the Company into 3 distinct scopes. These scopes are then separately compared with GHG emission data of their scopes in the preceding years. For Scope-1 GHG emission, which deals with emission directly originating from the Company's own manufacturing process, the Company reported an increase of 10.20% in total GHG emission in 2021 – specifically, an increase from 1,892.85 tCO_2e in year 2020 to 2,086.00 tCO_2e in year 2021. However, after further analyzing the data by implementing annual production volume into the calculation of each year's Scope-1 GHG emission per production unit, it was found that Scope-1 GHG emission reduced by 8.82% from 0.0635 tCO_2e/Ton of Production in year 2020 to 0.0579 tCO_2e/Ton of Production in year 2021 – therefore suggesting that the Company has become more efficient at reducing GHG emission per the manufacturing of each single product.

Regarding Scope-2 GHG emission, which entails the data of emission generated by the Company's electricity consumption, the Company reported 1,744.38 tCO_2e of GHG emission in year 2021 – increased from 1,616.27 tCO_2e in year 2020 by 7.93%. Further analysis with the inclusion of annual production volume revealed that Scope-2 GHG emission per production unit in year 2021 decreased from 0.0542 tCO_2e/Ton of Production in year 2020 by 10.70% to 0.0484 tCO_2e/Ton of Production – thus indicating that the Company succeeded in controlling for lower GHG emission resulting from its electricity consumption.

Lastly, for Scope-3 GHG emission, which concerns emission resulting from the Company's fuel consumption and paper usage, the Company reported an increase from 66.76 tCO_2e GHG emission in year 2020 to 107.75 tCO_2e in year 2021 – an increase of 61.40% in total. With further analysis via calculating existing data in tandem with each year's respective annual production volume, the results showed that the Company's Scope-3 GHG emission per production unit in year 2021 increased by 36.36% - from 0.0022 tCO_2e/Ton of Production in year 2020 to 0.0030 tCO_2e/Ton of Production in year 2021. This trend of increased emission from 2020 to 2021 prompted that the Company must be more aware and careful of its fuel consumption and paper usage in the future, so that this trend can be overturned and lower GHG emission is to be released in keeping with the Company's concerns for an environment-friendly operation.

To provide a clearer overview of the aforementioned data, the comparisons between years of each GHG Emission Scope and its related data has been arranged in the form of infographics as follows – with the infographics being made available for both raw data comparisons and the comparisons of data calculated with regards to each year's annual production volume:

Scope-1 GHG Emission Data (From Manufacturing Process)

Scope-1 GHG Emission (Unit: tCO_2e)	2017	2018	2019	2020	2021
January	147.50	184.39	195.50	183.46	191.43
February	159.65	179.41	194.68	186.35	188.88
March	186.04	209.15	210.48	161.08	191.93
April	125.54	157.47	182.37	84.98	141.82
May	173.64	198.65	197.17	83.33	188.07
June	163.84	210.57	201.15	103.89	173.77
July	156.54	214.19	194.38	138.58	155.21
August	173.32	216.02	180.83	179.83	172.64
September	172.83	204.04	201.53	188.67	171.59
October	169.02	209.56	217.51	200.52	185.52
November	192.65	213.57	204.45	202.84	180.15
December	153.46	178.99	180.55	179.31	145.00
Total	**1,974.04**	**2,376.00**	**2,360.61**	**1,892.85**	**2,086.00**

Scope-1 GHG Emission Per Ton of Production (Unit: tCO_2e/Ton of Production)	2017	2018	2019	2020	2021
January	0.0061	0.0060	0.0054	0.0062	0.0053
February	0.0066	0.0058	0.0054	0.0063	0.0052
March	0.0077	0.0068	0.0059	0.0054	0.0053
April	0.0052	0.0051	0.0051	0.0029	0.0039
May	0.0072	0.0064	0.0055	0.0028	0.0052
June	0.0068	0.0068	0.0056	0.0035	0.0048
July	0.0065	0.0069	0.0054	0.0047	0.0043
August	0.0071	0.0070	0.0050	0.0060	0.0048
September	0.0071	0.0066	0.0056	0.0063	0.0048
October	0.0070	0.0068	0.0061	0.0067	0.0052
November	0.0079	0.0069	0.0057	0.0068	0.0050
December	0.0063	0.0058	0.0050	0.0060	0.0040
Total	**0.0814**	**0.0770**	**0.0657**	**0.0635**	**0.0579**

Scope-2 GHG Emission Data (From Electricity Consumption)

Scope-2 GHG Emission (Unit: tCO_2e)	2017	2018	2019	2020	2021
January	115.26	142.15	146.41	157.37	160.65
February	121.66	140.43	146.23	158.51	158.89
March	142.37	161.73	158.53	137.47	161.85
April	95.38	117.58	136.25	72.69	117.50
May	131.51	164.13	147.17	72.65	158.61
June	122.30	162.77	149.29	88.06	146.37
July	119.48	165.89	143.53	118.90	130.35
August	130.57	167.35	134.67	154.01	145.37
September	131.83	153.59	150.71	160.57	145.39
October	128.97	156.11	163.71	175.38	154.17
November	150.35	160.73	155.69	170.79	147.07
December	117.34	131.93	136.53	149.87	118.16
Total	**1,507.02**	**1,824.39**	**1,768.72**	**1,616.27**	**1,744.38**

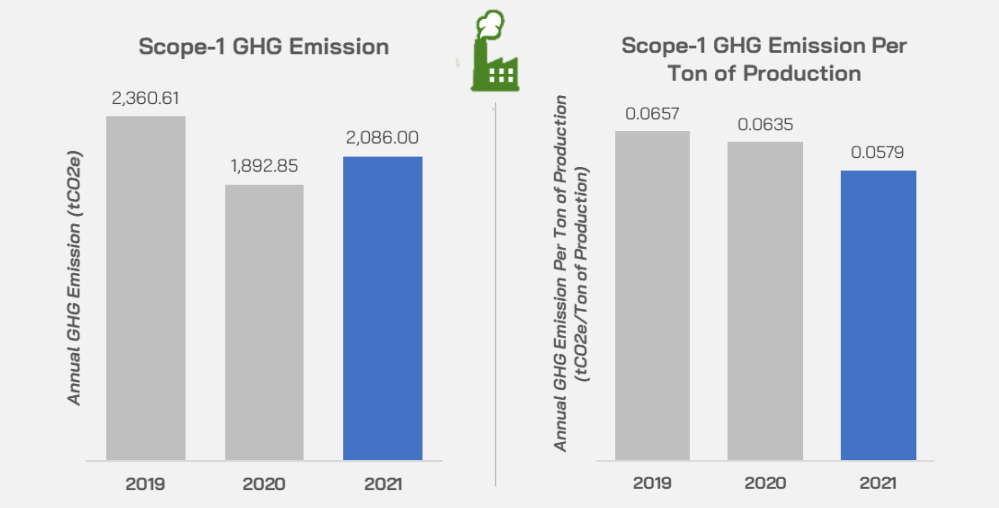
Scope-2 GHG Emission Per Ton of Production (Unit: tCO_2e/Ton of Production)	2017	2018	2019	2020	2021
January	0.0048	0.0046	0.0041	0.0053	0.0045
February	0.0050	0.0046	0.0041	0.0053	0.0044
March	0.0059	0.0052	0.0044	0.0046	0.0045
April	0.0039	0.0038	0.0038	0.0024	0.0033
May	0.0054	0.0053	0.0041	0.0024	0.0044
June	0.0050	0.0053	0.0042	0.0030	0.0041
July	0.0049	0.0054	0.0040	0.0040	0.0036
August	0.0054	0.0054	0.0037	0.0052	0.0040
September	0.0054	0.0050	0.0042	0.0054	0.0040
October	0.0053	0.0051	0.0046	0.0059	0.0043
November	0.0062	0.0052	0.0043	0.0057	0.0041
December	0.0048	0.0043	0.0038	0.0050	0.0033
Total	**0.0622**	**0.0591**	**0.0492**	**0.0542**	**0.0484**

Scope-3 GHG Emission Data (From Fuel Consumption and Paper Usage)

Scope-3 GHG Emission (Unit: tCO_2e)	2019	2020	2021
Fuel Consumption	222.83	62.32	103.31
Paper Usage	5.11	4.44	4.43
Total	**227.95**	**66.76**	**107.75**

Scope-3 GHG Emission Per Ton of Production (Unit: tCO_2e/Ton of Production)	2019	2020	2021
Fuel Consumption	0.0062	0.0021	0.0029
Paper Usage	0.0001	0.0001	0.0001
Total	**0.0063**	**0.0022**	**0.0030**

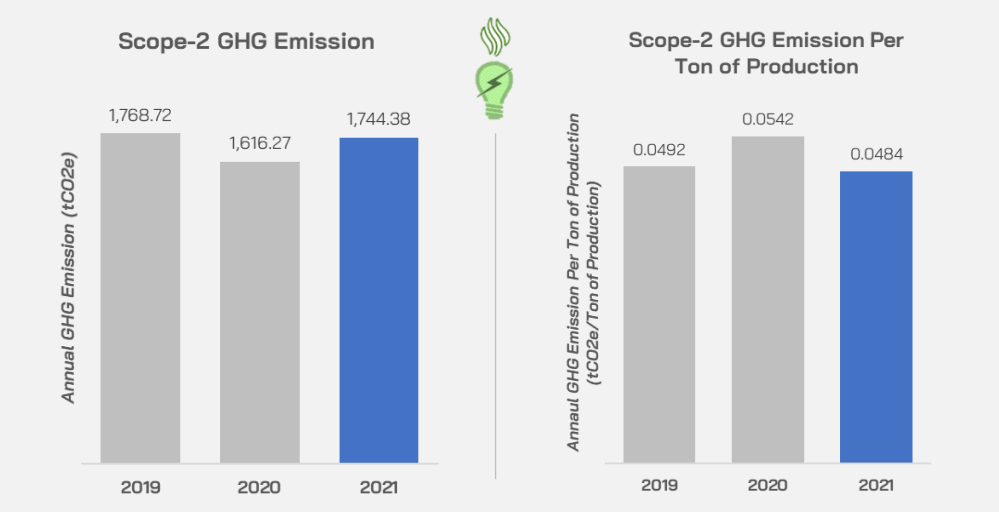
Data Breakdown and Infographics



*The information reported in this topic includes those of the following plants belonging to AAPICO Group: ***AH***

Scope-1 GHG Emission (From Manufacturing Process)

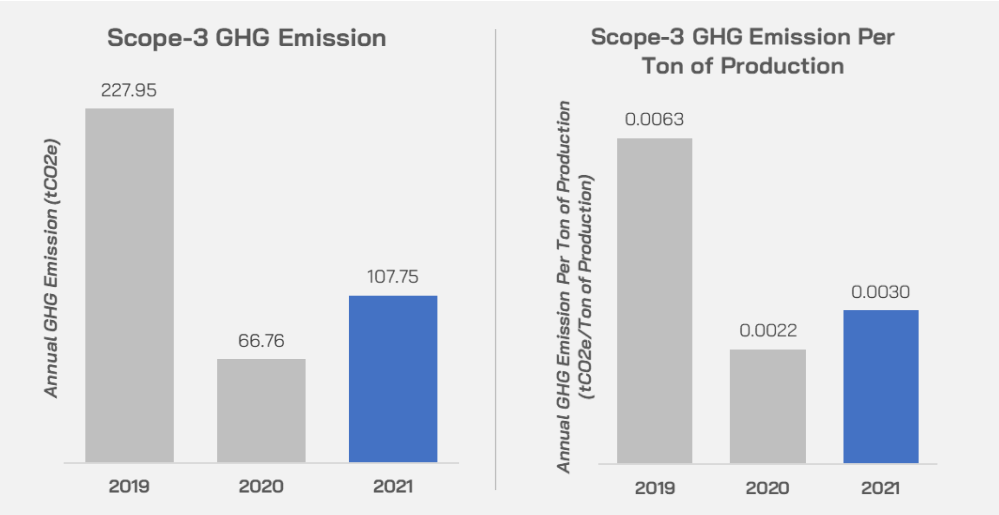
In 2021, the Company reported total Scope-1 GHG emission of 2,086.00 tCO_2e, which increased by 10.20% from 1,892.85 tCO_2e in year 2020. After taking into account each year's annual production volume, Scope-1 GHG emission in 2021 was reported at 0.0579 tCO_2e/Ton of Production, which decreased from 0.0635 tCO_2e in the previous year by 8.82% and therefore indicating an improvement to lower emission from the Company's manufacturing operations



*The information reported in this topic includes those of the following plants belonging to AAPICO Group: ***AH***

Scope-2 GHG Emission (From Electricity Consumption)

In 2021, the Company reported total Scope-2 GHG emission of 1,744.38 tCO_2e, which increased by 7.93% from 1,616.27 tCO_2e in year 2020. After taking into account each year's annual production volume, Scope-2 GHG emission in 2021 was reported at 0.0484 tCO_2e/Ton of Production, which decreased from 0.0542 tCO_2e in the previous year by 10.70% and thus suggesting that the Company's operations in 2021 became more efficient in controlling GHG emission from electricity consumption.



*The information reported in this topic includes those of the following plants belonging to AAPICO Group: ***AH***

Scope-3 GHG Emission (From Fuel Consumption and Paper Usage)

In 2021, the Company reported total Scope-3 GHG Emission of 107.75 tCO_2e, which increased by 61.40% from 66.76 tCO_2e in year 2020. After taking into account each year's annual production volume, Scope-3 GHG Emission in 2021 was reported at 0.0030 tCo_2e/Ton of Production, which increased from 0.0022 tCO_2e/Ton of Production in the previous year by 36.36%. This increase in Scope-3 GHG Emission holds the implication that the Company is somewhat struggling with managing fuel consumption and paper usage in 2021 – However, further observation showed that year 2021 still exhibited lower Scope-3 GHG Emission than year 2019 by 52.73%, thus suggesting that year 2020 may be an exception due to the intensity of COVID-19 pandemic during the year. In any case, the Company must put more effort in future years.

Elevate Quality of Life

- Human Resource Management
- Respecting Human Rights
- Fair Treatment of Labors
- Personnel Department
- Occupational Health, Safety and Environment
- Social Responsibility and Community Development

Human Resource Management

Reporting Boundary

Human resource is the Company's main resource in driving a sustainable developing business. Therefore, human resource management is an important topic in which the Company has to appropriately plan and manage in order to ensure fair employment, welfare, work safety, and employee-organization relations. This report will give details of the Company's performance in human resource management for only AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Long term target

- Achieve at least 75% of average employees' satisfaction and loyalty level by 2026

Short term target 2021 – 2022

- Achieve at least 60% of satisfaction and loyalty level by 2022

Performance 2021

- In 2021, the Company still has no completed action plan regarding employees' loyalty level. However, the Company is aware of the importance that it poses, and has therefore arranged for an increase to employees' satisfaction survey and has paid even more attention to the employees' opinions and comments – all of which are in process and will be available for disclosure in 2022.

Management Approach and Performance

The Company manage various subjects concerning the employees by distributing them into categories and report the performance of each as follows:

1.) Employment

Management Approach

AAPICO Group has a policy to fairly employ personnel by considering skills and necessity to the business operations, while at the same time accounting for equality and fairness. The Company has a systematic employment management which consists of work skills evaluation, intelligence and emotion tests, and transparent interview by experienced and skilled managements in order to ensure the employees' suitability to the jobs in accordance with Thai Labor Laws and Regulations. The Company's employment process can be seen as follows:

- **Knowledge and Skills Evaluation for the Position**

The Company will select applicant from their resumes, then call them in for tests and interview; first by completing a knowledge and skill evaluation tests required for the applied position, and intelligence and emotion tests.

- **Interviewing Process**

After the applicant has finished the tests, the Company will mark the tests and give the scores to the management for reference when conducting the interview. During the interview, the management will evaluate the applicants on various categories.

- **Employment Approval Process**

The top management will be the one to evaluate and approve the employment of an applicant. The HR department will then contact the applicants to inform them of the starting date and the orientation date.

When hiring new employee, the employee will have to attend the orientation and be evaluated by their supervisor. For the orientation, the Company will arrange for new employees to attend the orientation in order to inform them of the Company's regulations, visions, missions, policies, main businesses, welfare, benefits, and safety procedures – which is particularly crucial for employees in the manufacturing business. New employees will also be evaluated by their supervisors for their performance within the first 4 months since starting at the Company.

Performance

In 2021, AAPICO Group in Thailand has a total of 326 new employment, which is an employment rate of 20.12% of total employees. The Company also has 206 turnover employees, which accounts for 12.72% turnover rate of total employees. The Company's data on employment and turnover – dating back as far as 3 years, can be seen as follows:

	2019			2020			2021		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
New Employment (Persons)	300	215	85	282	129	153	**326**	225	101
Employment Rate (%)	10.91	7.82	3.09	10.09	4.62	5.47	**20.12**	13.89	6.23
Turnover (Persons)	336	190	146	231	85	146	**206**	135	71
Turnover Rate (%)	12.22	6.91	5.31	8.26	3.04	5.22	**12.72**	8.33	4.38

2.) Employee Diversity

Management Approach

The Company places great importance on the equality of everyone within the Company. Every employee will get the same welfare, advancement opportunities, and skills development. The Company also gives the opportunities for the employees to express their opinions and creativities through various assignments and activities even though there are employees of varying genders, age, education, nationality, religion, citizenship, and disabilities. The Company believes that it is important and is a company's duty to give opportunities to employees in order for them to express and develop their potentials.

The Company strictly follows the Thai labor regulation, Thai business social responsibility, human rights, and the law to the letter. In the case of foreign labor, the Company will only employ foreign employees with work permits as is required by the law, and these employees will get equal treatment with Thai employees.

Performance

In 2021, AAPICO Group in Thailand has a total of 2,795 employees which can be categorized according to physical characteristics by gender, age, and nationality – the Company's data dating back as far as 3 years can be seen as follows:

1.) **Gender:** 1,761 employees are male, which is 73.13% of the total employees; while 647 employees are female, which accounts for 26.87% of the total employees.

	2019			2020			2021		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Employees by Gender (Persons)	3,040	2,093	947	2,795	1,905	890	**2,408**	1,761	647
Gender Rate (%)	100	68.85	31.15	100	68.16	31.84	**100**	73.13	26.87

2.) **Age:** 508 employees are younger than 30 years old, which is 21.10% of all employees; while 1,891 employees are between 30-59 years old, which is 78.53% of all employees; and the remaining 9 employees – a proportion of 0.37% - are older than 60 years old.

	2019				2020				2021			
	Total	< 30 yrs.	30-50 yrs.	> 50 yrs.	Total	< 30 yrs.	30-59 yrs.	> 59 yrs.	Total	< 30 yrs.	30-59 yrs.	> 59 yrs.
Employees by Age (Persons)	3,040	773	2,067	200	2,795	520	2,256	19	**2,408**	508	1,891	9
Age Rate (%)	100	25.43	67.99	6.58	100	18.60	80.72	0.68	**100**	21.10	78.53	0.37

In addition to this, the Company views human's values and opportunities as important factors for improving the society. Therefore, the Company decided to be a part of community development by supporting the employment of the disabled in order to raise their quality of life and help them to be able to provide for themselves and their families, thus becoming an invaluable part of the society. AAPICO Group in Thailand sees an increasing number of disabled employees every year. In 2021, there is a total of 24 disabled employees.

	2019	2020	2021
No. of Disabled Employees	33	33	**24**

2.) Employee Diversity

Management Approach

AAPICO Group has a policy to ensure fair remuneration for employees according to their knowledge and skills through performance evaluation by utilizing the Key Performance Indicator (KPI) in the performance evaluation of engineers and supervisors. The indicator must be in line with the position and targets of the unit and the Company in order to ensure fairness in the evaluation. The remunerations are also adjusted to suit the economy and to be able to compete with similar industries in order to attract new employees and to motivate existing employees to improve.

AAPICO Group arranged welfare for employees and families by adjusting them to suit the change in social condition, economy, and business' necessity. The Company arranged for a welfare committee in order to let the employees have a hand in welfare management, to be the medium in communicating information on welfare and labor relations between the employees and the Company, and to assist the employees in the matter of welfare. Apart from the welfare committee, the Company also formed other committees in order to help with the management of employees' welfare by having representatives from every department as committee's directors – with a 2 year term of office. These committees include the bus committee, canteen committee, sports and New Year's party committee, emergency fund committee, and funeral fund committee.

Performance

The Company pays remuneration in the forms of wages, salaries, bonuses, provident funds, social securities, welfare, and other benefits. This can be seen as follows:

Monetary Welfare

- Various funds, including provident funds and social security funds.
- AAPICO savings cooperative – help employees with savings and serve as a low interest loaning source for employees in order to prevent illegal loaning.
- Retirement funds according to the law and long-term benefits in-line with the employees' retirement plan.

Health Welfare

- Annual health check-ups. Employees in risky areas will also get additional check-ups on exposure to chemical substances.
- Medical expenses for both the employees and their families. The Company will assist with medical expenses for employees' parents and children. The Company will only take care of medical expenses in the case that the employees are hospitalized for at least 3 days.
- Arranges for regular COVID-19 check-up via Antigen Test Kit to build up confidence and reduce risks during the operations.

Other Welfare

- Lunch for all employees.
- Uniforms – Employees have the rights to receive a new uniform every year.
- Transportation – The Company arranges for transportation for employees' benefits when they need to work off-sites.

4.) Activities

Management Approach

The Company focuses on maintaining solidarity within the organization and the good relations between employees of every department, and even the good relations between employees and the managements. Every year, AAPICO Group will organize various activities according to Thai traditions and activities between subsidiaries.

Performance

In 2021, due to the situation with COVID-19, it was necessary for the Company to cancel any event and activity that involves a large gathering of employees as a preventative measure for the spread of the infection as is decreed by the government. Therefore, the events and activities held in 2021 will focus on improving innovations and quality of life to help with the employees' duties and responsibilities.

- Presenting of Scholarships

  The Company is aware of the importance that the employees' families have for them, therefore the Company has arranged for the presenting of scholarships to employees' children who demonstrated outstanding academic achievement. This activity is held annually, and the scholarships given ranges from the education level of primary school, and up to bachelor's degree. In 2021, AAPICO Group in Thailand presented a total of 45 scholarships – with details dating back as far as 3 years as follows:

Education Level	2019		2020		2021	
	Amount	Value	Amount	Value	Amount	Value
Bachelor's Degree	2	9,000	3	15,000	3	15,000
Vocational School	3	10,000	3	10,000	3	10,000
Secondary School	21	59,000	23	67,000	15	50,000
Primary School	38	83,000	29	64,000	24	59,000
Total	64	161,000	58	156,000	**45**	**134,000**

- Mentoring for Employees Infected with COVID-19

  During the continuation of intense COVID-19 situation, the Company is operating as normal – albeit with even more awareness and concerns for the employees' well-being. In addition to regular COVID-19 check-up via Antigen Test Kit, the Company also put in place a policy to help infected employees by forming a mentor group within the Company to help with coordinating with hospitals or related institutes, supplying necessary consumer products, and providing mental support during their isolation period.

Sustainable Innovation Creation Project

In 2021, the Company has formed the Sustainability Committee to include every department of the Company, with the purpose of meeting up and planning for activities that promote sustainability – be it for the dimension of Economy, Environment, or Social – especially for the social dimension that involves employees, the committee planned for projects that will implement innovations to support and increase the employees' conveniences, and to develop the employees' skills – with completed activities as follows:

Purchasing Department

- Barcode Receiving Project

  This project assist in reducing the purchasing department's working time when receiving materials or products from suppliers – from having to enter the products' data into the system one-by-one which may use around 3 days to complete, to scanning barcodes and the data are entered automatically which will complete the process in 1 minute. In addition, this method can help in reducing errors and instant checking of products' status, while allowing the data to be use for analysis in other areas – therefore drastically reducing the employees' working time for routine tasks and allowing more time for completing other tasks efficiently.

IT and Human Resource Department

- Developing ESS Application

  ESS Application, or Employee Self Service Application, is an internal Company's application to help employees to access important Company's information, news, and announcement; and also including employees' personal data – such as training history, leave requests, and transportation requests. This helps the employees to access Company's information in time, and improve their relations and loyalty to the Company.

IT Department

- Microsoft Power Automate Training

The IT department trained the employees in the write up of Microsoft Power Automate Program, which is a software in Robotic Process Automation (RPA) group – which can automatically follow priorly set information and replace manpower for routine tasks, such as compiling employees' workplace entry information which must be done daily – in order to increase working efficiency and reduce working time, while also reducing human's errors. Many departments have now implemented this technology, such as to follow-up payment with customers, and real-time tracking of products' data to prevent parts shortage.

Human Resource Department

- Face Scanning in Place of Finger Scanning

The Human Resource Department recognizes the importance of social distancing and reducing direct contact to prevent the spread of COVID-19 and has therefore switched from finger scanning system to facial recognition system in order to reduce risks. Face scanning system is also used for the counting of employees that utilized the Company's canteen and receive free lunch, which is a part of the Company's provided welfare, and also to help in the calculation of pricing in the case of further transaction. Face scanning holds an advantage over finger scanning due to its superior speed, and the fact that it can also be implement in tandem with other software as well.

In any case, the Sustainability Committee is still in the initial stage of strategies planning and operations, therefore, many of the projects are still under development or in process – with the results expected to be compiled and ready for reporting in 2022. Furthermore, due to the turnover rate of the Company, the Company is now ever increasingly aware of the importance of employees' loyalty to the Company. In 2021, there is still no steps taken regarding employees' loyalty to the Company. However, the Company's increasing awareness caused the Company to increase employees' satisfaction survey and listen to their opinions and comments, with the results to be disclosed by year 2022 as well.

Respecting Human Rights

Reporting Boundary

The Company is aware of the value of human resource and has strictly operate business with respect to the law and the stakeholders' human rights. This report presents about the policy, regulations, and guidelines that the Company has set for every employee.

Long term target

- 0 complaint on human rights violation and other social issues from the community
- 0 complaint from the community on environmental and social issues
- Achieve 80% of average community satisfaction score by 2026

Short term target 2021 – 2022

- Achieve 50% of average community satisfaction score by 2022

Performance 2021

- 0 complaint from the community on environmental and social issues
- 0 complaint on human rights violation and other social issues from the community
- The company sponsored 22 activities totaling over 8 million Baht to help and support the social and community during the tragedy and the Covid-19 pandemic.

Management Approach

Every employee will be treated equally, have their individual rights of freedom respected equally, and will not be discriminate based on their nationality, religion, gender, or political viewpoint. According to standard human rights and the Company's policy no. 5 on mutual respect, which is a guideline for employees to respect others, the employees are required to respect their colleagues without consideration to their positions and to also respect the customers, business partners, and stakeholders.

The Company follows the Thailand's labor standards and regulations (TLS 8001-2010) for Thai business social responsibility on labor, remuneration, working hours, child labor, female labor, freedom of negotiation, occupational health and safety, work environment, and welfare. The Company treats everyone with equality as stated by the law and the Company's regulations on personnel management must be in-line with the law.

On the subject of foreign labor, the Company will only employ foreign labors with work permit and they will be treated equally to Thai employees. Employees who have difficulties understanding Thai will be provided with translators when communicating and training courses conducted in English will also be provided as necessary, such as trainings on operation regulations, work safety, quality system, environment process, and various operational procedures.

The Company encourages business partners and subcontractors to treat their employees with consideration to human rights and to fully abide by the law – a sentiment which is stated within the contract between the Company and its subcontractors. Should the subcontractors break the law, they will also be breaking the contract agreement with the Company and it will be within the Company's rights to nullify the agreements. In addition, the Company regularly conducts site tour on the subcontractors to check if they operate in accordance with the human rights and labor law, and also to check the quality, safety, cleanliness, environment of their operations as well as the human rights and fair treatment for employees and communities.

Furthermore, new policy on "Personal Data Protection Act (PDPA)" was written up and announced due to the Company seeing the importance of protecting its employees' and stakeholders' personal privacy and is determined to make sure that said parties are fully protected in accordance with the law. To this end, the Company has informed the intention, guidelines, rights, and duration for using any personal information to its owner, while asking for approval to do so. The PDPA is published and available on the Company's website, and the Company provides a cyber security training course to employees in order to expand their understanding of computer security and reduce the risks that may arise.

Also, the Company announced the policy on "Cookie Usage" with the intention to deliver a good experience to users in navigating the Company's website through the improvement of the website's quality in accordance with users' needs. To this end, the Company has prepared the policy to inform the users of the Company's objectives in utilizing Cookie, while also asking for the users' consent in installing Cookie on their equipment in order to record website page usage so that the data can be used to analyze and further improve the users' convenience in navigating the website. In any case, the Company fully allows the users to accept or refuse the usage of Cookie as they wish without any repercussions. The data collected via this process will be handled according to the Personal Data Protection Act in order to ensure users that their rights are being upheld by the law.

Performance

From the operation in 2021, the Company and the Audit Committee reported no complaints from stakeholders on the subject of Human Rights violation – be it from inside or outside of the organization.

Complaints	Target	2019	2020	2021
Internal	0	0	0	0
External	0	0	0	0
Total	**0**	**0**	**0**	**0**

Fair Treatment of Labors

Reporting Boundary

One of the human rights that the Company set as a strict guideline is the fair treatment of labors. In this report, both Thai and foreign labors will be discussed.

Long term target

- 0 case of Fair Treatment violation issue

Short term target 2021 - 2022

-

Performance 2021

- 0 case of Fair Treatment violation issue

Management Approach

The Company places great importance on human resource, which the Company sees as an important factor in helping drive the business to success. This is reflected by the Company's vision and mission of Happy Employees which entails the policy to take care that the employees have good quality of life, fair employment, appropriate welfare, opportunities for advancement, and good occupational health and safety. The Company aims to make the employees proud of the organization by having corporate cultures which build up happy and cooperative work environment, including teamwork, problem-solving, affections for family, Company and country, loyalty, and mutual respect. These 5 policies will be cultivated in employees of all levels through various methods, including training and corporate cultures process.

The Company set the guidelines for ethical business operations as follows:

1. Strictly follows laws and regulations on employees
2. Arrange for good working environment, which is safe to the employees' lives and belongings
3. Be respectful and polite, while also show respect to human rights
4. Fair remuneration to employees
5. Appointment, promotion, transfer, rewards, and punishments are to be fairly carried out with respect to the individual's knowledge, skills, and suitability.
6. Prioritize employees' development, with constant and fair opportunities
7. Avoid unjust conducts which may affect the employees' careers or mental health
8. Employees have the rights to report unjust events which are in conflict with the systems
9. Listen to opinions and complaints of any and all level of employees
10. Any change to policies or regulations on operations must be notified to the employees 1 month in advance.

Performance

The Company has treated every employee according to the policy and regulation on ethical business conduct, while also communicating the regulations, guidelines, welfares, and benefits to every employee.

The Company also set up complaints' channels for employees. In 2021, the Company and the Audit Committee report no complaints on unfair treatments of employees – be it between employees and Company, supervisors, and employees, or between employees themselves.

Complaints	Target	2019	2020	2021
Number of complaints	0	0	0	0
Total	**0**	**0**	**0**	**0**

Personnel Development

Reporting Boundary

The Company's main vision is to become a lean, green, happy, and digital world class organization. In order to become a lean organization, the development of human resource is important in developing personnel to be more skilled and knowledgeable, up to date with new technologies, innovative, and flexible so that they can handle the Company's strategies to be a strong and sustainably developed Company. In this report, the Company's personnel development courses and activities from all of the Company's main business in Thailand will be discussed.

Long term target

- Creating 3 innovation training courses for employees' skill enhancement by 2026
- 100% of employees trained on Code of Conduct and Anti-corruption policy by 2023

Short term target 2021 - 2022

- 100% of employees will have access to their welfare and training courses through a variety of platforms especially online provided by the company by 2022
- Creating 1 innovation training course for employees' skill enhancement by 2022

Performance 2021

- The total of training hours in 2021 is 10,632 hours

Management Approach

AAPICO Group gives importance to the development of personnel of every level and age in order to produce good and skilled individuals to the society by establishing AAPICO Training Center Company Limited to serve as the hub responsible for developing personnel to have the necessary qualifications for real operations, which is in line with the Company's strategies and targets to give opportunities for the employees to reach their potential and grow along with the Company.

The Company has set mandatory skills and training topics for each position within the Company in which to train the employees according to their positions and responsibilities. The Company has a procedure to set up the Group's standard training courses which will focus on fundamental courses that every company can use together, selecting qualified trainers, adding new courses which are suitable for specific positions, improving the courses to be entertaining and engaging, and improving training locations to accommodate both classroom and outdoor courses.

The Company's training courses for employees can be categorized as follows:

Category A

Training courses for work-specific techniques and new technologies outside of on-the-job- training. This also includes training on work safety. The Company has set up courses for various work-specific techniques, such as Basic Hydraulics system, Electric Actuator, MAG welding process, Basic PLC Programming, Basic to Professional Level SolidWorks, Industrial Robotic Automatic Control System, and Marketing techniques.

Category B

Training courses focusing on management and finance for developing system management skill, human management skill, and business management skill for the managements of every level, which comprise of:

1. Training on team-leading skills for the automotive industry, and the Job Relation and Instruction for Automotive Industry course.

2. Supervisory Skills Development training course for first-line managers who were recently appointed or promoted to understand the duties and responsibilities of being a supervisor.

3. Peace Leadership training courses for middle and top management in order to cultivate good citizenship within the Company's management, including training on leadership and environment preservation

4. Team Development training courses to build corporate cultures, encourage good outlooks, increasing teamwork, and discipline within the organization.

Category C

Focus on training courses for systematic management which can applied by every department for continuous improvement. The Company had set up training courses for 5S, QCC, and Kaizen in order to encourage the employees to work systematically; and the Company also set up training courses on techniques for training others in order to improve training process for new employees.

Category D

Training courses on quality, safety, occupational health, and environment; which are all important factors in manufacturing business and industry. The training is aimed at increasing employees' awareness on the importance of quality products for customers, safe working procedures, and environment-friendly manufacturing process. The Company had set up training on IATF 16949: 2016 system, including core tools for ISO 14001:2015. The Company also arranged for training on optimal resource management and safety procedures.

Category F

Training courses on computer usage in order to develop the employees' basic computer skills and computer language comprehension. During the COVID-19 epidemic, all staff were educated on how to use online platforms for communication and meetings. The company had set up training for using many programs such as Microsoft Office for work, Microsoft Teams for communications while working from home, and Microsoft Power Automate, which is a Robotic Process Automation Program, for lean manufacturing and efficient operations, as these programs are currently required for the employees' works.

Category G

Training courses on quality of life and social activities in order to create happy work mentality, life-work balance management, and help the society at the same time. The Company encourages training courses on sufficiency economy and knowledge on illegal loan, credit cards, and debit cards, while also organizing various social activities for employees to help the society.

Performance

During the COVID-19 pandemic in 2021, one of the most challenging factors for employee development was the restriction on large gatherings of people. As a result, the Company had to adjust training courses and skill development to be increasingly held online and facilitate for employees to access training course information via the Company's application. To comply with government regulations and reduce dangers to employees, the Company was confined to simply holding theoretical sessions for employees, with practical sessions being delayed and postponed. However, in spite of this, the Company still strove to provide the personnel with the necessary training wherever possible without violating the government's regulations. As a result, the Company's total personnel training hours in 2021 is therefore significantly less than that of the previous year.

Category	2019		2020		2021	
	No. of Attendees	Training Hours	No. of Attendees	Training Hours	No. of Attendees	Training Hours
A	496	5,137	445	3,141	**217**	**3372**
B	447	4,515	65	399	**42**	**171**
C	683	4,272	396	1,952	**416**	**2484**
D	1,154	11,070	741	4,742	**599**	**4294**
F	70	242	84	225	**271**	**311**
G	270	3,540	37	747	**0**	**0**
Total	**3,120**	**28,775**	**1,768**	**11,206**	**1,545**	**10,632**

Furthermore, the Company observes its employees' talents and then provides some innovative courses for developing and gaining employees' specific skills, allowing the Company to reduce the cost of hiring outsource, such as PLC programming training, which is a computer programming for controlling machines and robots.

This course was designed by a member of the Sustainability Committee in charge of the maintenance department, who collaborated with the Company's training center to construct this program for staff. This training is aimed to increase employees' computer programming skills while also expanding their awareness of innovation. As a result, the company's outsourced hiring costs can be reduced.

Apart from the AAPICO Training Center's courses, employees in each department are encouraged to exchange information and knowledge among themselves by creating their own short training courses that are both relevant and irrelevant to their job responsibilities. However, the courses are designed to increase any general understandings in contemporary digitalization situations, such as the Metaverse training course, which was shared among the employees in the Business Development department.

Safety, Occupational Health, and Work Environment

Reporting Boundary

One of the most important aspects in Human Resource Management is the consideration for employees' health and safety, especially for the manufacturing industry which requires understanding of sickness and accident prevention in its operations as a necessary precaution of utmost importance. This report will give details of the Company's guidelines and performance in safe operations for only AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Long term target

- 0% level of Injury Frequency Rate (IFR)
- 0% level of Lost Time Injury Frequency Rate (LTIFR)

Short term target 2021 – 2022

- Employees' IFR is no more than 5
- Employees' LTIFR is 0

Performance 2021

- The average IFR rate was 3.74 times per million working hours, which was better than the target provided.
- The average LTIFR rate was 2.80 times per million working hours.

Management Approach

The Company formed the Committee of Safety, Occupational Health, and Work Environment – with nominated manager-level committee members and annually elected operation-level committee members – for the purpose of setting policies and guidelines for preventive safety and occupational health and educating and fostering awareness of safe operations in the employees, with the target to reduce loss and injuries resulting from the Company's operations and to continuously improve safe workplace culture within the Company.

The preventative measures put in place by the Group consist of the following guidelines and activities:

- Established Safety Culture as a guideline for employees, contractors, and visitors in order to ensure safety within the Company's operational areas.
- Arranged for every new employee to undertake the safety training in order to educate and raise their awareness of potential dangers around the workplace, along with how to prevent such accidents from occurring – as required by law.
- Set up Basic Fire Fighting Training and Fire Evacuation Drills so that at least 40% of employees in each department have experiences in Basic Fire Fighting Training, and that every employee must have participated in the Fire Evacuation Drill at least once a year.
- Organized the Safety Week event in order to promote employees' awareness and understanding of operational safety, environmental preservation, and energy saving. The event served as a mean to get the employees involved in the issues of workplace safety awareness through direct participation.
- Providing annual health check-up to all employees in order to evaluate their health conditions and check for any possible sickness that may have resulted due to the Company's operations.
- Arranged for regular trainings related to the topic of Safety, such as Basic Safety Training, Kiken Yochi Training (KYT) to educate the employees on the predictions of possible accidents around the workplace, and Safety training for the usage of various machines in the Company's operations, etc.

- Implemented the Hiyari-Hatto – or Near Miss Activity – into the operations. The Hiyari-Hatto Activity is the practice of reporting and coming up with a solution to prevent an accident from occurring after having spotted a possible precursor to the accident. Each department is to hand in the Hiyari-Hatto Form once per month in order to practice the implementation of this activity into the operations.

Safety Standards During the COVID-19 Pandemic

Due to the continuation of COVID-19 pandemic, the Company consistently operating in line with the measures set forth by the government and various other necessary measures in order to protect and care for the employees' and visitors' health and safety, and to minimize the spread of the pandemic from the Company's operations.

Screening and Cleaning

The Company arranged for a screening area to be set up at the Company's entrance so that every employee and visitor may have their body temperatures measured – with only those with body temperature of no more than 37.5 °C being allowed entry. In addition, every employee will have to regularly perform Antigen Test Kit (ATK) check-up, with outside visitors being required to show evidence of their travelling timelines and evidence of their ATK or RT-PCR check-up taken within the last 72 hours – or by using ATK prepared by the Company – before being allowed admittance.

Furthermore, the Company has prepared cleaning equipment and hand gels around the Company's place of operations as a means to promote hygiene and reducing the spread of COVID-19, while also regularly spray disinfectant around the office, operation areas, public areas, and transports.

Educating about the Pandemic

The Company educates employees on how to prevent the spread of COVID-19 by arranging for training courses on the topic of hygienic conducts and behavioral guidelines in workplace. In addition, the Company made announcements regarding various hygienic measures via the Company's website and media. Furthermore, the Company also arranged online meetings for employees to contact and make inquiries directly with medical staffs regarding COVID-19 and vaccination, while also arranging for all employees to receive 2 doses of vaccination in accordance with government policies. As of 7th February 2021, 99.5% of AAPICO Hitech's employees are vaccinated.

Revision of Operations During Emergency

The Company revised the Business Continuity Plan and made adjustments to the risk evaluations of various factors that affect business and stakeholders, while also considered management plan for the case of virus outbreak so that the Company will be able to swiftly handle the situation and proceed with the business operations as normal. In any case, AAPICO has prepared several operation plans for such situation, such as temperature measurement chart, COVID-19 infection prevention policy, organization chart and person in charge of each department, communication and collaboration chart in the case that an infected individual was found in the factory area, and permission and declaration form for leaving lodging area, etc.

Performance

The Company collects accidents statistical data in every year. These accidents affect both the personnel's well-being, as well as reducing the Company's manpower and economic value. With this in mind, the Company is determined to prevent the occurrence of accidents as much as possible, with the Company's accidents statistical data dating back 3 years shown as follows:

AAPICO Hitech's Accidents Statistical Data

No.	Type of Accidents	2019	2020	2021
1	Minor Accidents – No Leave	2	1	1
2	Leave for no more than 3 days	1	2	1
3	Leave for more than 3 days	0	2	2
4	Loss of Limbs	0	0	0
5	Disabilities	0	0	0
6	Lethal	0	0	0
	TOTAL	**3**	**5**	**4**

From the table, it can be seen that there are fewer accidents in 2021 that resulted in leaves for no more than 3 days when compared to 2020, with the total number of accidents in 2021 compared to 2020 also reduced accordingly. The characteristics of most accidents are related to being hit by fallen objects, which originated from unsafe operational behaviors and environments. After the accidents, the Company immediately investigated the cause and put in place measures to prevent reoccurrence of the accidents. In any case, while the number of accidents may have reduced in 2021, the Company resolves to stay vigilant of any potential risk of accidents as per usual.

Injury Frequency Rate (IFR)

To calculate the statistic on work safety, the Company utilized the calculation of Injury Frequency Rate (IFR), a standard from the American National Standard Institute (ANSI), to assess a company's likelihood of dangerous accidents occurring, which can be used to compare with other companies utilizing the same standard in order to evaluate the companies' workplace safety. The calculation and results for the AAPICO Hitech's IFR is as follows:

Injury Frequency Rate (IFR)

$$= \frac{\text{(No. of employees that received injuries x 1,000,000)}}{\text{No. of total working hours}}$$

	2020	2021
No. of Injured Employees	5	4
Total Working Hours	1,073,280	1,068,288
IFR	**4.65**	**3.74**

Lost-Time Injury Frequency Rate (LTIFR)

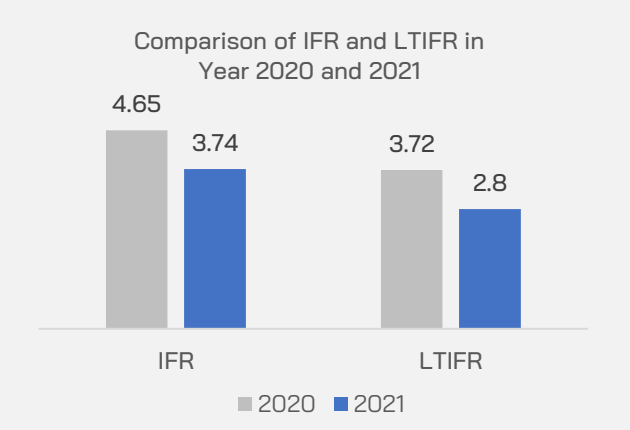
In addition to the data of Injury Frequency Rate (IFR) that the Company collects regularly in every year, in 2021, the Company also utilized the calculation of Lost-Time Injury Frequency Rate (LTIFR) which can also similarly be used to compare with other companies utilizing the same standard in order to evaluate the companies' workplace safety, with method of calculation as follows:

Lost-Time Injury Frequency Rate (LTIFR)

$$= \frac{\text{(No. of accidents that resulted in leaves x 1,000,000)}}{\text{No. of total working hours}}$$

	2020	2021
No. of Accidents that Resulted in Leaves	4	3
Total Working Hours	1,073,280	1,068,288
IFR	**3.72**	**2.80**

From the above tables, it can be seen that both Injury Frequency Rate and Lost-Time Injury Frequency Rate reduced from year 2020, mainly due to the reduction in the number of accidents – with recorded IFR in year 2021 at 3.74 which is in line with the Company's short-term target of no more than 5, and recorded LTIFR at 2.80 which still requires further improvements and operation planning.



Social Responsibility and Community Development

Reporting Boundary

AAPICO Group is determined for its operations to develop sustainably alongside the development of surrounding communities. This report will talk about the activities than the Company took responsibilities to the community, with consideration and care being given to both the Company's own employees and the society and community in the vicinity of its operations.

Long term target

- No complaints regarding Human Rights violation, environmental impacts, and other complaints concerning Social and Environment dimensions from the surrounding communities.
- Achieve 80% of average community satisfaction score regarding the Company's operations by 2026.

Short term target 2021 – 2022

- Achieve 50% of average community satisfaction score regarding the Company's operations by 2022.

Performance 2021

- 0 complaints regarding Human Rights violation, environmental impacts, and other social concerns.
- The company sponsored a total of 22 CSR activities, totaling to over 8 million Baht

Management Approach

As the situation with the spread of COVID-19 still remains as an important factor that caused the community and society to encounter the problems of poverty and shortages of consumer products, medicines, and medical equipment, the Company has seen the importance in providing aid and assistance to the stakeholders. Therefore, the Company has set guidelines for the provision of medical equipment to support medical institutes around its place of operations, while also supporting the community with other concerns at the same time in order to provide moral support to the community during this crisis. This report will include CSR activities for every of the Company's business group in Thailand.

Performance

In 2021, the Company focused on holding community activities that support people affected by the COVID-19 pandemic, especially for those near the Company's base of operations, while keeping in line with government's prevention measures and regulations so as to minimize risk of contacting the disease for every related parties. Therefore, the number of CSR activities that the Company went ahead with was not very high. In any case, AAPICO Group is still determined to provide assistance to the community as appropriate, with the activities can be categorized into 3 groups – including, 1. Donation of necessities and medical equipment, 2. Donation of money to various medical institutes, and 3. Other supports – with the Company sponsoring a total of 22 activities, totaling to a value of over 8 million baht.

Donation of Necessities and Medical Equipment

Donating Paper Boxes for Making Field Beds, Together with SCG

Total 700 Kilograms

Objectives

Due to the increasing intensity of COVID-19 pandemic in year 2021, the demands for beds in field hospitals have also drastically increased. SCG Packaging Public Company Limited (SCGP) has therefore organized the "SCGP Converts Paper to Field Beds Against COVID" project for various organizations to join in – with more than 1,800 donating stations available. SCGP utilized their manufacturing design innovation to 100% recycled paper into "SCGP Paper Field Beds" and donating them to field hospitals around the country, which is an improvement to quality of life as well as promoting the recycling of resources.

The Company sees the importance of quality of life of people in the community and the society, especially during these difficult times with the pandemic, and has decided to join this project with SCGP in donating unused paper boxes and converting them into field beds for the society's benefit.

Performance

AAPICO Hitech donated a total of 700 kilograms worth of paper boxes, averaging to a value of 2.50 Baht per kilograms.

Images Source: 62 องค์กรผนึกกำลังร่วมส่งต่อกล่องกระดาษเหลือใช้ เพื่อรีไซเคิลเป็นเตียงสนามกระดาษเอสซีจีพี. ryt9.com. (n.d.). Retrieved April 12, 2022, from https://www-177.ryt9.com/s/prg/3219848

Donation of Necessities and Medical Equipment

Donating Face Masks

21,000 Pieces

Donating PPE Suits

1,300 Suits

Donating Face Shields

2,100 Pieces

Donating Oximeters

100 Pieces

Objectives

Due to the increasing demands for face masks and other medical equipment related to the prevention and treatment of COVID-19, many hospitals and medical institutes faced a severe shortage of said equipment. The Company therefore volunteered to be a part of the assistance to hospitals, medical personnel, and other related institutes by donating face masks, PPE (Personal Protective Equipment) suits, Face Shields, and Oximeters to alleviate the problems faced by the hospitals and other institutes.

Performance

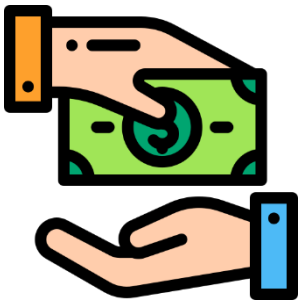
The Company donated medical equipment to medical institutes and related units as follows: 21,000 pieces of face masks, 1,300 PPE suits, 2,100 pieces of face shields, and 100 pieces of Oximeters; with following details:

Donation of Necessities and Medical Equipment

Locations	Details
Chonburi Hospital	▪ Donated N95 face masks, Brand 3M **2,500 pieces** ▪ Donated Oximeters **25 pieces**
Rayong Hospital	▪ Donated N95 face masks, Brand 3M **2,500 pieces** ▪ Donated Oximeters **25 pieces**
Association of Parents for Children with Disabilities	▪ Medical face masks **3000 pieces**
Development Center for Autistics, Chonburi Province	▪ Medical face masks **3000 pieces**
Ayutthaya Hospital	▪ Medical face masks **2000 pieces** ▪ Oximeters **15 pieces**
Bang Pa-In Hospital	▪ Medical face masks **2000 pieces** ▪ Oximeters **10 pieces**
Bang Bo Hospital	▪ N95 face masks **2000 pieces** ▪ PPE Suits **500 suits** ▪ Face Shields **1000 pieces**
Field Hospital at Dhonburi Rajabhat University Samut Prakan	▪ N95 face masks **3000 pieces** ▪ PPE Suits **500 suits** ▪ Face Shields **1000 pieces** ▪ Oximeters **25 pieces**
Thai Industrial Standards Institute	▪ Medical face masks **100 pieces** ▪ PPE Suits **300 suits** ▪ Face Shields **100 pieces**

Donation of Money for Funding the Purchase of Medical Equipment

Donation of Money for Funding the Purchase of Necessities and Medical Equipment



Total 6,320,000 Baht

Objectives

In addition to supporting the necessities required for preventing and treating COVID-19, the Company also provided part of the funding for hospitals and related units for the purchasing of other necessary equipment as is most required by each hospital and unit – so as to aid patients with serious symptoms, as well as patients in other areas.

Performance

The Company provided fundings to hospitals and related units for a total of more than 6,320,000 baht, with details as follows:

Locations	Details
Srithanya Hospital	Donated 5,000,000 Baht
Thammasat University Hospital	Donated 1,000,000 Baht
Field Hospital for Ayutthaya Industrial Workers, Phase 1	Donated 320,000 Baht

Supports in Other Areas

Objectives

In addition to supports provided relating to COVID-19 pandemic, the Company did not neglect to also provide supports in other area as well. As the formats of activities were limited due to the needs to minimize gatherings of large group of people during the current situation, the Company focused its supports to victims of various incidents – especially those near the Company's base of operations; while also providing the necessary support to the employees should they ran into any problems.

Performance

Assisting the Victims of Kingkaew Manufacturing Plant Explosion in Samut Prakan Province

From the fire incident on 5th July 2021 regarding the burning accident at plastic foam manufacturing plant at soi Kingkaew, Samut Prakan; New Era Sales Company Limited and Able Motors Company Limited – representing AAPICO Hitech Public Company Limited – showed their concerns for people in the area who had to leave their homes by providing drinking water for the unfortunately affected people at various evacuation centers around the Company's area.

Donating Money for Employee Facing Fire Accidents

The Human Resource department invited employees to donate money for the fundings to support an Engineer in the Logistics department at AAPICO Plastics Public Company Limited who recently faced a fire accident as a victim of Kingkaew manufacturing plant explosion which burned down his house – with the donation being available via each plant's personnel and admin department. In total, a funding of 7,000 baht was collected and given to the employee.

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