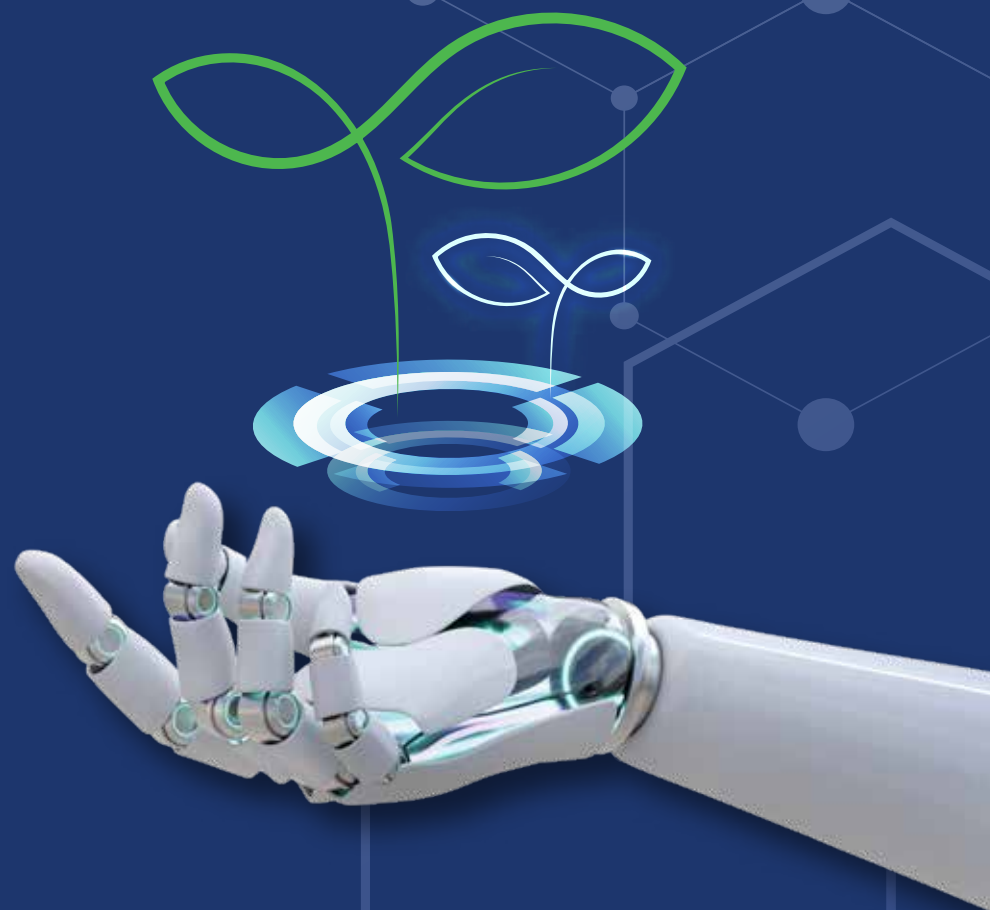




AAPICO HITECH PUBLIC COMPANY LIMITED

Sustainability Report

2022




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 & Machining Parts
- Toolings (Jigs & Dies)

**CAR
DEALERSHIP
BUSINESS**

**THAILAND AND MALAYSIA**

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

**IOT CONNECTIVITY
& MOBILITY BUSINESS**

**THAILAND**

- Smart Factory
- Smart Logistics
- Smart Mobility
- Smart Office
- Smart Location
- Smart Farm

CONTENT

Message from the President and CEO	3
About This Report	5
Company Overview	8
Stakeholders Engagement	28

Sustainability Investment Award	4
Scope of Disclosure	6
Sustainable Management	16
Materiality Assessment	31

1 ENHANCE ECONOMIC VALUE

Corporate Governance	38
Risk Management	45
Creating Shared Value	49
Innovation for Improvement	50
Customer Relationship Management	58
Supplier Relationship Management	62
Tax Governance	66

2 ECO-EFFICIENCY

Environmental Policy	68
Energy	69
Water	73
Waste	75
Air Emission	80
Organizational Carbon Footprint Verification	81

3 ELEVATE QUALITY OF LIFE

Human Resource Management	84
Respecting Human Rights	92
Fair Treatment of Labors	95
Personnel Development	98
Occupational Health, Safety and Environment	102
Social Responsibility and Community Development	106
Greenhouse Gas Verification Certificate	112
GRI INDEX	113

Message from the President and CEO


Mr. Yeap Swee Chuan

President & CEO
AAPICO Hitech Public Company Limited



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 a Global organization with excellence in 4 fundamental values of happiness which are Happy customers, Happy employees, Happy shareholders, and Happy Public. This aligns with the idea of sustainability, which emphasizes responsibility and the impact of actions on society and the environment.

In this 2565 Sustainability report, we have implemented sustainable ideas in every dimension and achieved recognition through being listed in the Thailand Sustainability Investment (THSI) list and the SETTHSI index of the Stock Exchange of Thailand (SET). Additionally, we have also been selected by Thaipat Institute to be part of the ESG100 securities group.

During a time when the world was recovering from the COVID-19 pandemic and the situation was beginning to improve, we were still maintaining strong measures to control and prevent diseases to prepare for any future crises. However, the world continued to face challenges from geopolitical conflicts and the risks of climate change, which greatly affected the economy, environment, and society. AAPICO has never been complacent in applying past lessons to cope with these various risks.

The Company continuously monitored and assessed both short-term and long-term situations to cope with and adjust operations to be agile and in line with the current situation. The Company set strategies and business operations to adapt to global megatrends for sustainable business growth in all three dimensions of environmental, social, and governance (ESG).

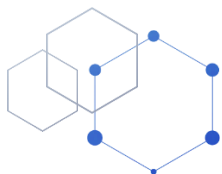
In the year 2022, the Company has placed more emphasis on environmental concerns, aiming to mitigate the impact of climate change and improve the healthy livelihood of society. The Company arranged for official measurement and assessment of carbon dioxide emissions in all three scopes of GHG emissions and reviewed the data to plan ways to reduce the emissions, targeting Carbon Neutrality for the Company in the year 2048. The Company has implemented more innovation and technology in its operations, such as promoting the use of clean energy, installing solar panels system, increasing energy and resource efficiency, and using technology in the production process to reduce errors and waste from production. Additionally, the Company is planning to increase the use of electric cars to replace gasoline cars within the Company in order to reduce the use of fossil fuels and the Company's carbon footprint. Furthermore, the Company has conducted various activities to meet the needs of all stakeholders, including employees, investors, customers, partners, communities, and society. The above is just a part of the Company's ongoing efforts to be a sustainable company.

On behalf of AAPICO, which has been in the automotive industry for over 38 years, I sincerely hope that everyone recognizes the Company's commitment to conducting business with responsibility, as reflected in this report. I would like to take this opportunity to thank everyone who has trusted and supported the Company in driving sustainable growth for the business.



*Thailand Sustainability Investment Award,
received for the 4th year (2018, 2020, 2021, and 2022)
and listed in the SET THSI Index for the period of
July – December 2022*

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



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 2022 Sustainability Report will cover the Group's performance during the period of 1st January 2022 to 31st December 2022.

Guideline for the Formation of the Report

This report has been prepared in accordance with the GRI Standards (GRI Standards Revised 2021): 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 top 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.

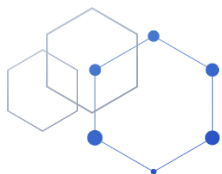
3. Receive Approval by the Company's Executives – The chosen topics and their respective contents are to be sent to the Company's top management for revision and approval before being included in the report.

Contact Channels



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

- Sustainability Section
Unit No. 100/11, Floor 9 (Low Zone)
Sathorn Nakorn Tower, North Sathorn Rd. Silom,
Bang Rak, Bangkok 10500
- aapicohitech@aapico.com
- 02-613-1504



Scope of Disclosure

This report discloses information collected by 32 subsidiaries and 10 associate companies of AAPICO Hitech PLC as below.

Disclosure		ENHANCE ECONOMIC VALUE							ECO-EFFICIENCY						ELEVATE QUALITY OF LIFE					
		1.1 Corporate Governance	1.2 Risk Management	1.3 Creating Shared Value	1.4 Innovation for Improvement	1.5 Customer Relationship Management	1.6 Supplier Relationship Management	1.7 Tax Governance	2.1 Environmental Policy	2.2 Energy	2.3 Water	2.4 Waste	2.5 Air Emission	2.6 GHG Emission	3.1 Human Resource Management	3.2 Respecting Human Rights	3.3 Fair Treatment of Labors	3.4 Personnel Development	3.5 Safety, Occupational Health, and Work Environment	3.6 Social Responsibility and Community Development
Subsidiaries	Name	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	AH	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	AA		●	●			●	●	●							●	●	●	●	●
	ASP		●	●			●	●	●							●	●	●	●	●
	AF		●	●			●	●	●							●	●	●	●	●
	APC		●	●			●	●	●							●	●	●	●	●
	AP		●	●			●	●	●						●	●	●	●	●	●
	AHP		●	●			●	●	●	●	●	●	●	●	●	●	●	●	●	●
	AMK		●	●			●	●	●						●	●	●	●	●	●
	AL		●	●			●	●	●						●	●	●	●	●	●
	AHT		●	●			●	●	●	●	●	●	●	●	●	●	●	●	●	●
	KCX		●	●					●								●			
	NESC		●	●				●	●								●			
	AM		●	●			●	●	●								●			●
	NESM		●	●					●								●			
	TSR		●	●			●		●								●			
	AITS		●	●					●						●	●	●			
	AERP		●	●				●	●						●	●	●			
	AIPL		●	●					●								●			
	AT		●	●				●	●								●			
	AB		●	●				●	●								●			
	ATC		●	●				●	●								●			
	AV		●	●				●	●								●			
	SGAH		●	●					●								●			
	AMI		●	●					●	●							●			
	AAG		●	●					●	●							●			

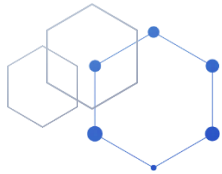
Disclosure		ENHANCE ECONOMIC VALUE							ECO-EFFICIENCY						ELEVATE QUALITY OF LIFE					
		1.1 Corporate Governance	1.2 Risk Management	1.3 Creating Shared Value	1.4 Innovation for Improvement	1.5 Customer Relationship Management	1.6 Supplier Relationship Management	1.7 Tax Governance	2.1 Environmental Policy	2.2 Energy	2.3 Water	2.4 Waste	2.5 Air Emission	2.6 GHG Emission	3.1 Human Resource Management	3.2 Respecting Human Rights	3.3 Fair Treatment of Labors	3.4 Personnel Development	3.5 Occupational Health, Safety and Environment	3.6 Social Responsibility and Community Development
Subsidiaries	AMPK		●	●				●	●								●			
	AMPT		●	●				●	●								●			
	AMSB		●	●			●		●								●			
	AHA		●	●				●	●	●	●	●	●	●	●	●	●	●		
	AMKSB		●	●					●								●			
	AMTSB		●	●			●		●								●			
	AMMG		●	●			●	●	●								●			
Associated Companies and Joint Ventures	ASICO		●	●			●	●							●	●		●		
	MA		●	●				●												
	SI		●	●				●												
	TTSC		●	●				●												
	HM		●	●				●												
	EA		●	●				●							●	●		●	●	
	SA		●	●				●												
	ASD		●	●				●												
	AEC		●	●				●							●	●				
	VROOM		●	●				●												
	PA		●	●				●												

abbreviation	OEM Automotive Parts Manufacturing Business			
	Thailand Subsidiaries		Overseas Subsidiaries	
	AA	AAPICO Amata Co., Ltd.	KCX	Kunshan Chaitai-Xincheng Precision Forging Co., Ltd.
	AP	AAPICO Plastics PLC	AMI	AAPICO Maia, S.A.
	AF	AAPICO Forging PLC	SGAH	Sakthi Global Auto Holdings Limited
	AHA	AAPICO Hitech Automation Co., Ltd.	AAG	AAPICO Águeda, S.A.
	AHP	AAPICO Hitech Parts Co., Ltd.	AGG	AAPICO Germany GmbH
	AHT	AAPICO Hitech Tooling Co., Ltd.		
	AL	AAPICO Lemtech (Thailand) Co., Ltd.		
	AMK	AAPICO Mitsuike (Thailand) Co., Ltd.		
	APC	AAPICO Precision Co., Ltd.		
	ASP	AAPICO Structural Products Co., Ltd.		
	PA	Purem AAPICO Co., Ltd.		

Car Dealership Business	
Thailand Subsidiaries	
AM	Able Motors Co., Ltd.
AMMG	MG Able Motors Co., Ltd.
AMPK	Able Motors Pakkret Co., Ltd.
AMPT	Able Motors Pathumthani Co., Ltd.
NESC	New Era Sales Co., Ltd.
Overseas Subsidiaries	
AMKSB	AAPICO Motors (Kuantan) Sdn. Bhd.
AMSB	AAPICO Motors Sdn. Bhd.
AMTSB	AAPICO Motors (Temerloh) Sdn. Bhd.
NESM	New Era Sales (M) Sdn. Bhd.
TSR	Tenaga Setia Resources Sdn. Bhd.

IoT Connectivity and Mobility Business and Others	
Thailand Subsidiaries	
AERP	A ERP Co., Ltd.
AITS	AAPICO ITS Co., Ltd.
AT	AAPICO Technology Co., Ltd.
ATC	AAPICO Training Center Co., Ltd.
AV	AAPICO Venture Co., Ltd.
AB	AAPICO BIKE Co., Ltd.
Overseas Subsidiaries	
AIPL	AAPICO Investment Pte. Ltd.

Associates and Joint Ventures	
Thailand Subsidiaries	
ASICO	Able Sanoh Industries (1996) Co., Ltd.
MA	Mintn AAPICO (Thailand) Co., Ltd.
SI	Sanoh Industries (Thailand) Co., Ltd.
TTSC	Thai Takagi Seiko Co., Ltd.
EA	Edscha AAPICO Automotive Co., Ltd.
SA	Sumino AAPICO (Thailand) Co., Ltd.
ASD	AAPICO Sodexia (Thailand) Co., Ltd.
HM	Hyundai Motor (Thailand) Co., Ltd.
VROOM	Vroom Co., Ltd.
AEC	AAPICO Electronics Co., Ltd.



Company Overview

General Information (As of 31 December 2022)

Name of the Company / Name in Stock Market	AAPICO Hitech Public Company Limited / AH
Products and Services	<p>The 3 Core Pillars of AAPICO business, which are</p> <ul style="list-style-type: none"> Manufacture of OEM automotive parts which include; <ul style="list-style-type: none"> Metal forming Chassis & Structural Plastics parts Fuel tank & Washer System Forging & Machining Casting & Tooling (jigs and dies) to leading automobile assemblers EV auto parts Car dealerships and service centers <ul style="list-style-type: none"> Ford MG Honda Mitsubishi Mazda Proton Internet of Thing (IoT) Connectivity and Mobility business <ul style="list-style-type: none"> Smart Factory Smart Mobility Smart Location Smart Logistics Smart office Smart Farm
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
Registration Number	0107545000179
Company Website	www.aapico.com
Year Established	1996
Number of Employees	5,365
Total Revenue	28,348.09 THB Million
Registered Capital	Baht 354,842,228.00 (consist of 354,842,228 Ordinary Shares')
Paid-up Capital	Baht 354,842,012.00 (consist of 354,842,012 Ordinary Shares')
Membership of Associations	- Thai Auto-Parts Manufacturers Association (TAPMA) - Electric Vehicle Association of Thailand (EVAT)
Standard and Index	ISO/TS 16949: 2009, ISO 14001: 2004, ISO 14001: 2015, OHSAS 18001: 2007, Green Industry Level 3, ESG100, THSI Index, CGR Rating 5 stars

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 overseas.

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 a 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 SQCDM 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 SQCDM 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



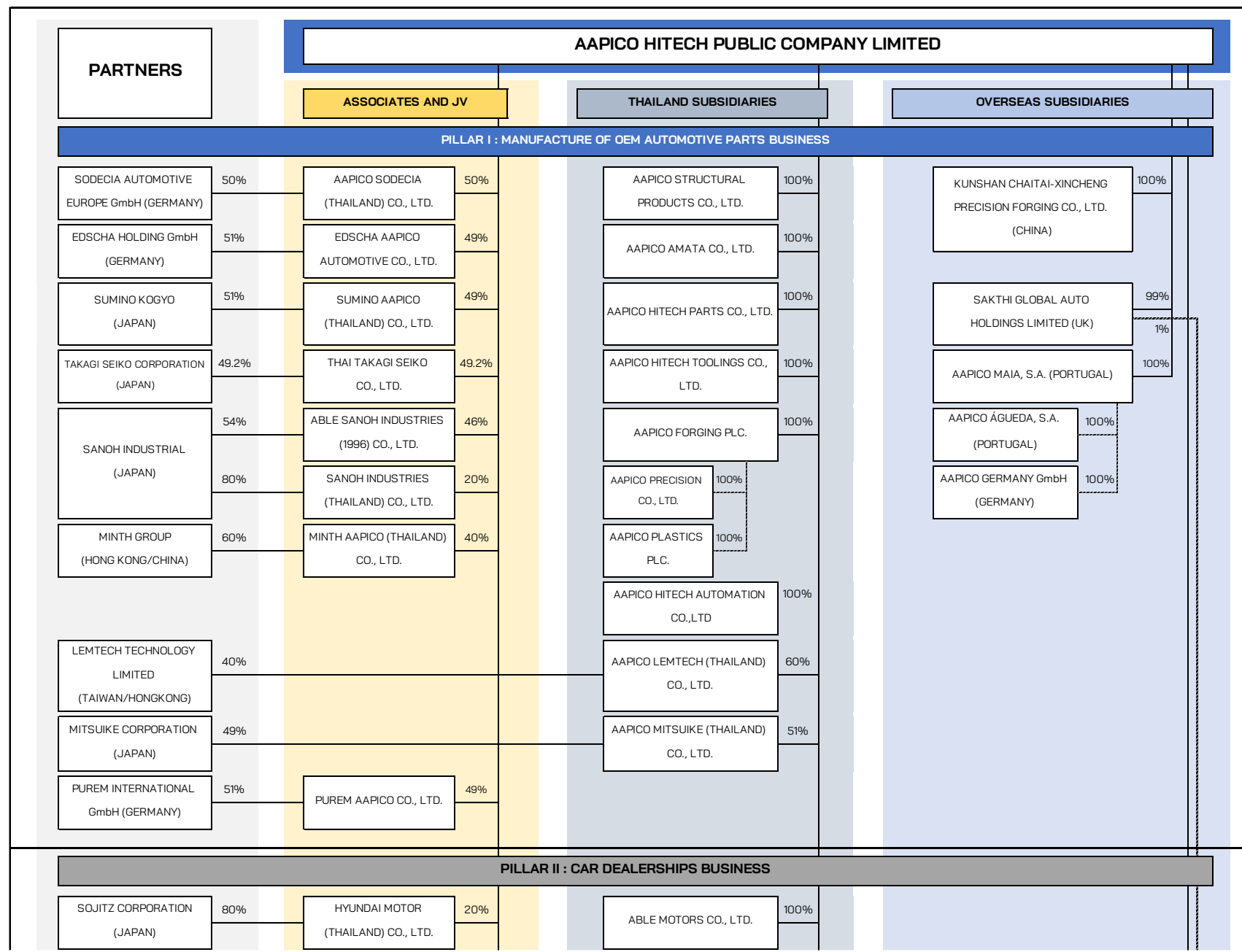
The Company's long-term business plan is Globalization. Currently, the Company has firm base of operations in Thailand, Malaysia, China, India, and Europe. For the time being, the Company is looking to expand and establish the Company's presence into Japan, USA as well as other Asian countries.

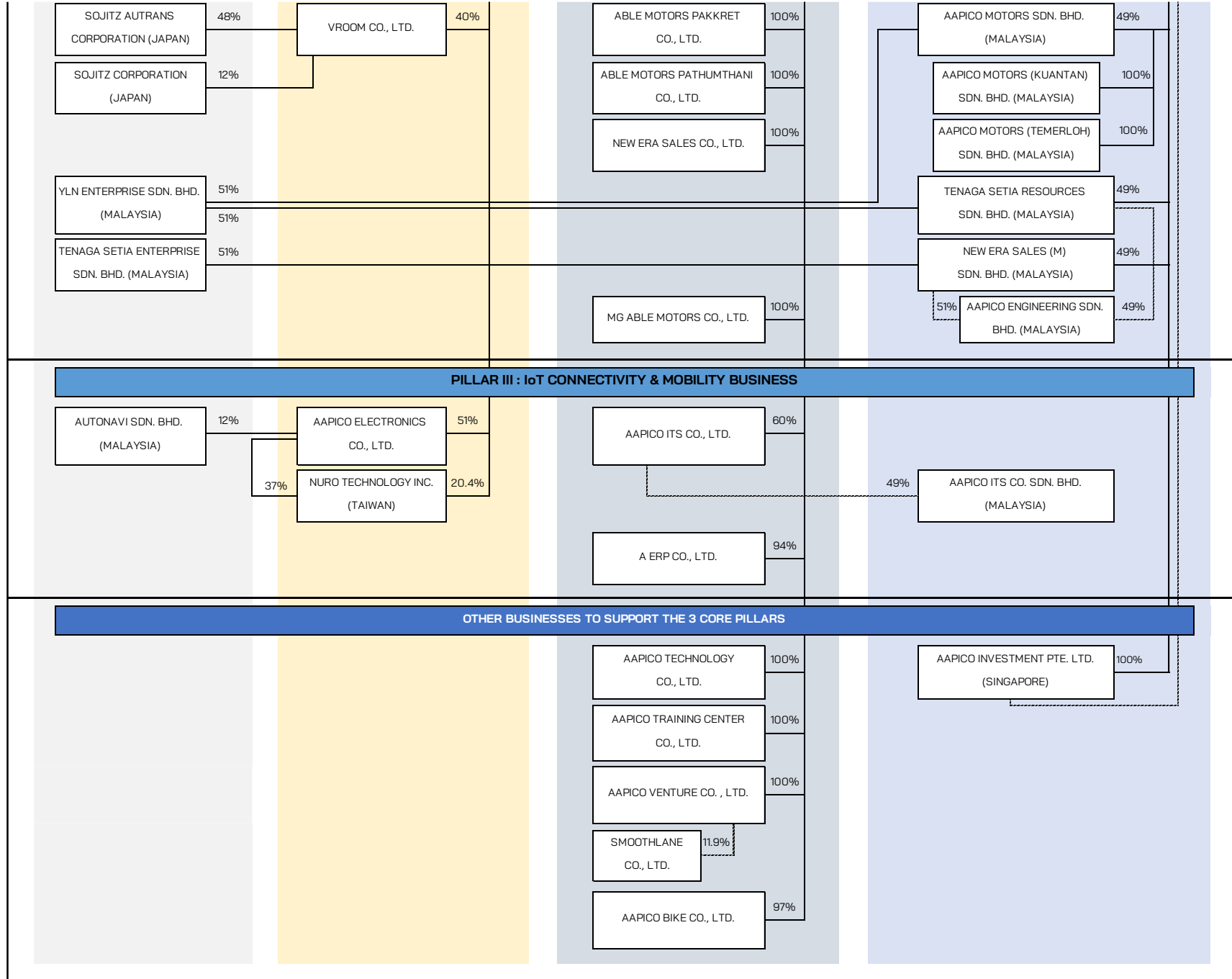
Business Value Chain

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:



Company Structure





ESG Journey

START

2014



- + Announced Social Responsibility Policy and Established a Committee and a Working Group of Social Responsibility Department
- + Published a CSR report on the website www.aapico.com for the first time
- + Awarded 2014's CSR-DIW from the Ministry of Industry

2015



- + Received the Green Star-White Flag Award 2015 (the Good Governance, Environment and Safety Company) from the Industrial Estate Authority of Thailand (IEAT)

2017

- + Received the industrial waste and solid waste management awards 2017 in the branch of Amata Nakorn Industrial Estate and Amata City Industrial Estate



2016

- + Certified Green Industry Level 3 from the Ministry of Industry.
- + Accredited Environmental Management System ISO14001:2004 at AAPICO Hi-Tech factory, Rayong branch and ISO14001:2015 at the AAPICO factory Amata and AAPICO Lemtech

2018

- + Be selected in the Thailand Sustainability Investment List 2018 (THSI) from the Stock Exchange of Thailand (SET)
- + Brainstormed to make sustainability policy, strategy and framework

2019

- + Published a sustainability policy, strategy and framework covering 3 core dimensions (Social, Environment and Corporate governance) for the first time and referred to the Global Reporting Initiative Standards (GRI Standards), which is an international standard in the corporate sustainability report
- + Established a sustainability working group for the first time officially

2021

- + Be selected in the THSI List 2021 from SET and listed in SETTHSI Index for the period of July – December 2021
- + Achieved 5-star rating or “Excellent” score on Corporate Governance from Thai Institute of Directors (IOD) in collaboration with SET
- + Published short-term and long-term targets officially



2020

- + Be selected in the THSI List 2020 from SET
- + Brainstormed each department to set short-term and long-term targets along with sustainability policy and strategy



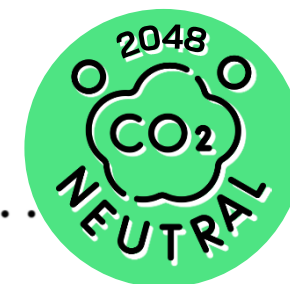
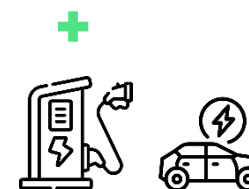
2022

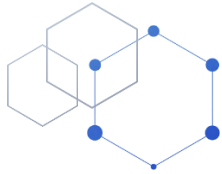
- + Be selected in the THSI List 2022 from SET and listed in SETTHSI Index for the period of January – December 2022
- + Be selected in the ESG100 List 2022 from Thaipat Institute
- + Arranged for the Carbon Footprint Verification for Organization in the Company and got certification by the third-party company



- + Stepped into the renewable energy company by installed the solar rooftops and solar cells in Ayutthaya plant and Rayong branch.
- + Targeted reaching the challenging net zero carbon dioxide emissions goal or

Carbon Neutrality by 2048





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 2022, 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

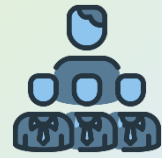
The OEM Auto Parts Manufacturing Business plays an important part in helping drive the country's industry forward. Many different businesses – such as materials, equipment, machines, parts manufacturer, and transportations – are involved in the supply chain. However, as the business operations can both 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.



The Board of Directors

Roles

- Risk analysis on the topics of economy, social, and environment
- Providing advice on management issues



Chief Executive Officer

Roles

- Strategies, targets, and management planning
- Establish the sustainable development policy



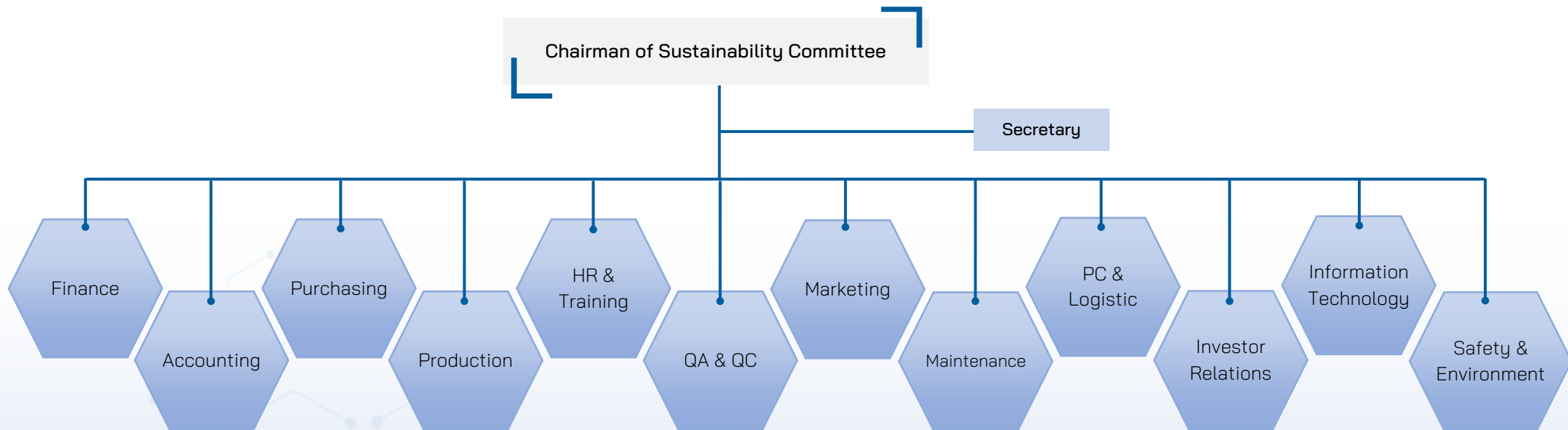
Sustainability Committee

Roles

- Consider the stakeholders and important business issues
- Set up sustainable development action plans to achieve those targets
- Communicate within the Company in sustainable development strategies, targets, and action plans
- Support and follow-up on the action plans to be in line with Sustainable Development Policy and targets
- Report progress to executives and relevant committees

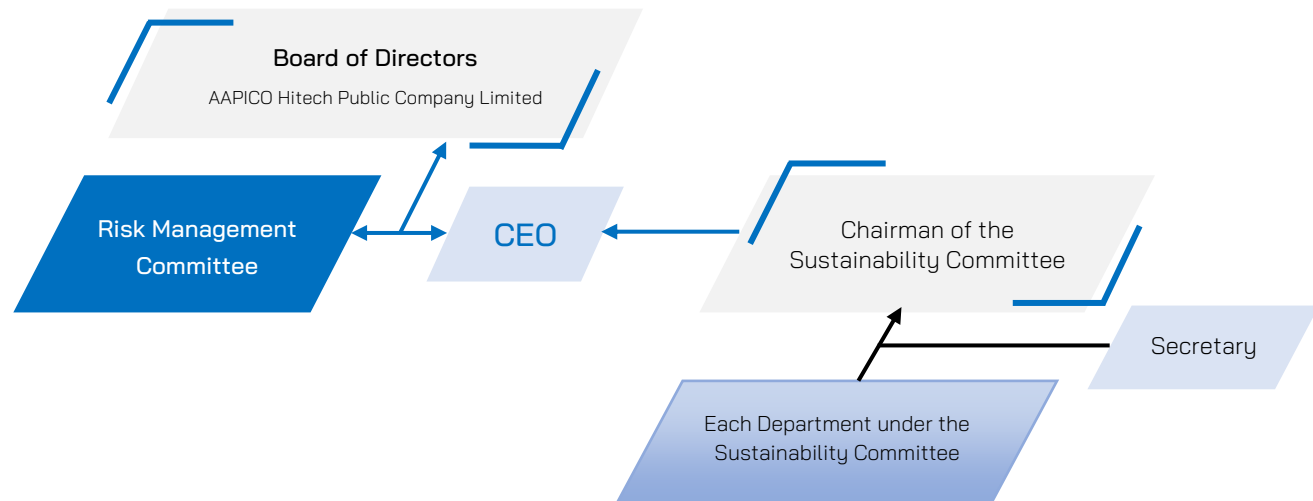
Sustainability Committee's Structure

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.



Becoming Lean, Green, Happy and Digital World Class Organization with 4 Fundamental Values



Creating innovative value for driving better way of life



Vision

Core Value

Sustainability
Commitment

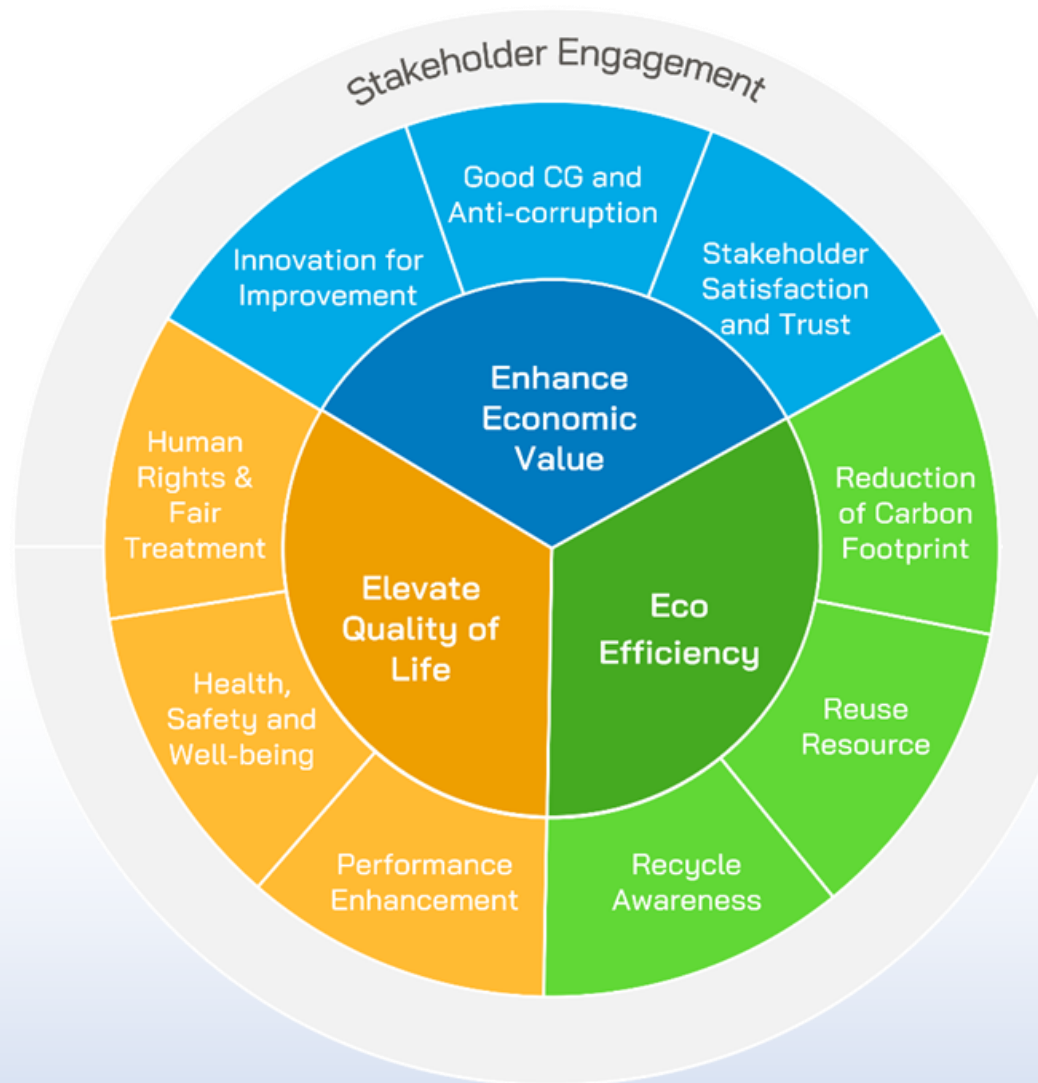
"3E"
Sustainability
Strategy

Reporting &
Alignment

Indices &
Assessment

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 force for UN Sustainable Development Goals (SDGs), AAPICO Group has been continuously supporting their Sustainable Development Goals. For the operations in 2022, 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 2022





Economic/Governance: Enhance Economic Value					
Concept	SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2022
<p>The Company is committed to conduct our business responsibly and with integrity, honesty, transparency, and fairness. AAPICO's business principles are defined by its ethical framework and continuous improvement in response to changes in the economy, society, environment, and corporate governance circumstances.</p>	 	Customers' trust and satisfaction in our high-quality goods and services through our efficient and innovative manufacturing and operations	Achieve average of 95% of customer satisfaction by 2026	Achieve average of 92% customer satisfaction in 2022	Average customer satisfaction in 2022 was 90.24%, which did not achieve the short-term target
	 	Create confidence and attract the interest of shareholders and investors through conducting business with integrity, transparency, and demonstrating accountability to all stakeholders based on good corporate governance practices	The frequency of meetings and activities organized by the Investor Relations department to disclose information transparently and increase opportunities for shareholders and investors to access company information will increase by 15% by the year 2026.	<ul style="list-style-type: none"> ■ 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 	<ul style="list-style-type: none"> ■ Achieve a 19% increase in the number of shareholders in 2022 ■ Achieve Excellent Level (5 stars) in Corporate Governance Report of Thai Listed Company by Thai Institute of Directors (IOD) ■ Revise and improve communication channel and content

Economic/Governance: Enhance Economic Value

Concept	SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2022
<p>The Company is committed to conduct our business responsibly and with integrity, honesty, transparency, and fairness. AAPICO's business principles are defined by its ethical framework and continuous improvement in response to changes in the economy, society, environment, and corporate governance circumstances.</p>	  	<p>Managing supply chains with good corporate governance, integrity, and transparency. Sourcing will not only be based on best cost but will also take into account the impact on the environment and society. The Company aims to raise awareness of the development of sustainable businesses and provide local communities business opportunities for economic growth.</p>	<ul style="list-style-type: none"> Achieve 80% 1st tier critical direct suppliers pass ESG assessments by 2025. 2 direct suppliers will have been evaluated on ESG by a third party by 2026 	<ul style="list-style-type: none"> 100% of suppliers acknowledge and comply with the Company's supplier code of conduct and anti-corruption policy in 2022 	<ul style="list-style-type: none"> Achieved 93% of suppliers were evaluated as Grade A being marked as having satisfactory performance both in quality, logistics, price, safety and environmental management. 100% of the Company's suppliers must be present to acknowledge the anti-corruption policy and the supplier code of conduct. However, there has been no action to comply in writing as a result of the annual supplier meeting being canceled owing to COVID-19 preventative measures, but there is an emphasis on the anti-corruption policy and the code of conduct through the supplier assessment process online.



Environment: Eco-Efficiency					
Concept	SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2022
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% zero waste operation.	   	Reduction of carbon footprint emission through operations innovations efficiency, and minimize negative environmental impacts	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	<ul style="list-style-type: none"> 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 6.5% in 2022 in comparison to 2021 	<ul style="list-style-type: none"> Scope 1 GHG emission was 0.007 tCO₂eq per total production¹ Scope 2 GHG emission was 0.078 tCO₂eq per total production¹ Scope 3 GHG emission was 0.436 tCO₂eq per total production¹ Carbon Intensity (Scope 1+2) was 0.085 tCO₂eq per total production¹ Carbon Intensity (Scope 1+2+3) was 0.521 tCO₂eq per total production¹

¹ Total production means a product volume of 1,000 units or a thousand pieces of products

Environment: Eco-Efficiency					
Concept	SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2022
<p>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% zero waste operation.</p>		Awareness on the enhancement of water conservation and efficient consumption	-	Reduce Water Usage by 3% in 2022 compared to 2021	Water usage increased by 11.63% but decreased by 43.07% when calculating the water usage data with the production volume (per a thousand pieces of products) compared to 2021 ²
	  	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 excluding industrial waste, increased from 2021 by 28.62%, but decreased by 34.40% when calculating the waste data with the production volume (per a thousand pieces of products) compared to 2021 ³

² Water consumption in the area of AAPICO Hitech Public Company Limited (AH) including the area of AAPICO Hitech Public Company Limited (AH) and its subsidiaries in Ayutthaya Province, AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)


³ Waste refers to general waste, solid waste, and hazardous waste, excluding industrial waste, in the area of AAPICO Hitech Public Company Limited (AH) and its subsidiaries in Ayutthaya Province, AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

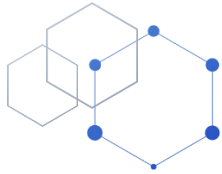
Environment: Eco-Efficiency					
Concept	SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2022
OEM car parts production contributes considerably to greenhouse gas emissions and a large amount of waste, both of which have severe negative effects for the environment 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% zero waste operation.	 	Strict compliance with environmental laws and regulation	- (On the process of discussing technology and timeframe with the Sustainability Working Group)	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 ⁴

⁴ Air pollution in the area of AAPICO Hitech Public Company Limited (AH) and its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

Social: Elevate Quality of Life					
Concept	SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2022
<p>The Company respects human 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. The Company do care about the community. It intends 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.</p>	   	<p>Promoting employee well-being and quality of life in a variety of areas;</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> Achieve at least 89% 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 	<ul style="list-style-type: none"> The average of employees' satisfaction and loyalty level was 85.47%, but did not achieve the short term target 3 innovation training course for employees' skill enhancement The average of training hour for employees was 7.38 hours/person/year The average IFR rate in 2022 was 6.02 times per million working hours, which was better than the target provided⁵ In 2022, the average LTIFR rate was 1.72 times per million working hours, which the Company continues to strive to improve to meet the goals set⁵

⁵ Injury Frequency Rate (IFR) and Lost Time Injury Frequency Rate (LTIFR) in AAPICO Hitech Public Company Limited (AH) only

Social: Elevate Quality of Life					
Concept	SDGs	Material issue to Sustainability	Long Term Targets	Short Term Targets	Performance in 2022
<p>The Company respects human 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.</p> <p>The Company do care about the community. It intends 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.</p>		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 society through the impact of the Company's operations, including community development in terms of overall environmental care and promoting educational opportunities for young people.	<ul style="list-style-type: none"> 0 complaint from the community on environmental and social issues 0 complaint on human rights violation and other social issues from the community Achieve 89% of average community satisfaction score by 2022 	Achieve 50% of average community satisfaction score by 2022	<ul style="list-style-type: none"> 0 complaint from the community on environmental and social issues 0 complaint on human rights violation and other social issues from the community More than 900 households and foundations in the community were supported by enhancing the quality of life and educational opportunities



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

Identify the Stakeholders

By considering various factors, such as responsibilities, relations, and their influence on the Company's operations

Identify the Company's Impact on the Stakeholders

By considering economic, social, and environmental factors




Identify the Stakeholders' Influence on the Company





By considering the Company's finance, strategies, operations, regulations, and reputation

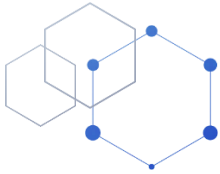
Rank the Importance of the Stakeholders

By considering and identifying the appropriate cooperation guidelines

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	<ul style="list-style-type: none"> Conference Meetings Reports Training / Seminar CSR Activities 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Weekly conference Department conference Intranet Email Employees' training Employees' relation activities Whistleblower 	<ul style="list-style-type: none"> Safe working conditions Personnel development Human rights Loyalty to the company Fair treatment of labors Stable income and welfare
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	<ul style="list-style-type: none"> Shareholders' meeting Annual report Investor relation activities Website Company visits Whistleblower 	<ul style="list-style-type: none"> Corporate governance Business ethics Risk management Stable and sustainable performance Transparent and traceable operations

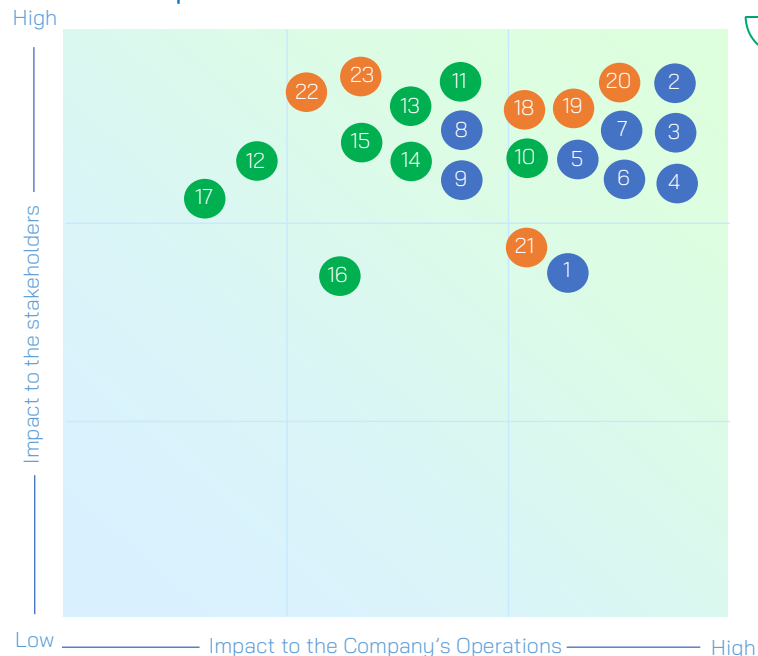
Stakeholders	Expectations	Treatment of Stakeholders	Communication Channels	Sustainability Issues
Supplier 	Profits, Business stability, On-time payment, Transparent business conduct, Fair and clear business contracts, Improving along with the Company	<ol style="list-style-type: none"> 1) Managing the 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 	<ul style="list-style-type: none"> ▪ Annual meeting ▪ Visiting the business partners' company ▪ Meetings ▪ Arranging social activities with business partners ▪ Training / Seminar ▪ Supplier evaluation ▪ Supplier audit 	<ul style="list-style-type: none"> ▪ Supplier management ▪ Fair and transparent purchasing ▪ Joint sustainable growth
Community/ Society 	Health safety, No pollution to the community, Community engagement and development	<ol style="list-style-type: none"> 1) Managing complaints 2) Arranging community activities for engagement contribution 3) Building good relations between the factories and the surrounding communities 	<ul style="list-style-type: none"> ▪ Community visit ▪ Accepting complaints ▪ Activities' support ▪ Providing assistance 	<ul style="list-style-type: none"> ▪ 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	<ol style="list-style-type: none"> 1) Following the government's regulations 2) Cooperate with the government 	<ul style="list-style-type: none"> ▪ Joining seminar conference ▪ Visiting in important occasions 	<ul style="list-style-type: none"> ▪ Coming up with and enforcing regulations for clean factories ▪ Encouraging recycling for zero waste ▪ Operate in compliance with laws and regulations
Competitor 	Fair competitions	<ol style="list-style-type: none"> 1) Transparent and fair business operations 	<ul style="list-style-type: none"> ▪ Becoming a member of an association ▪ Meetings and sharing experience 	<ul style="list-style-type: none"> ▪ 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.

Topics Evaluation Results



Steps for Evaluating Important Topics

1

Identify Important Business Topics

Based on the concerns and goals of the sustainable development, the Company gathers information on sustainability issues that are essential to business operations from inside and outside. In addition, the Company evaluates various issues raised in the last report and considers the impacts on the Company as well as the interests and expectations of stakeholders.

2

Evaluate and Rank the Importance

The Company creates a survey that collects all sustainability concerns and asks internal and external stakeholders to rate their significance and recommend additional subjects of interest. The Company then collects all opinions, groups issues, and prioritizes them based on the level of both positive and negative impacts on business operations in the short and long term, as well as the impact on stakeholders across all three dimensions, including future opportunities in all aspects.

3

Review and Check the Correctness of the Rankings

The Company reviews and validates the priorities of sustainability issues and presented to the chairman of the sustainability working group and management for consideration and approval.

4

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.

Economic

1. Corporate Governance and ethics
2. Risk Management
3. Customer Relation Management
4. Quality of Product and Service
5. Supply Chain Management
6. R&D and Innovations to Improve Operations
7. Performance
8. Compliance and Regulation Observation
9. Personal Data Protection and Cyber Security Regulation





Environment






10. Climate Actions
11. Energy Resource Management and GHG Emission
12. Water Management
13. Air Pollution Management
14. Waste Management and Recycling for Zero Waste Awareness
15. Ecosystem Conservation and Environmental Impact Management
16. Environmental Laws and Regulations Compliance
17. Promotion of Environmental Preservation Initiatives in the Community and Society

Social





18. Supporting Human Rights within the Organization
19. Workplace Safety
20. Personnel Development
21. Cultivating Employees' Loyalty to the Company
22. Fair Treatment of Labors
23. Improving the Community and Encouraging Community Activities







Material Topics and Scope of Affected Stakeholders

Material Topics	Affected Stakeholders							Impact of Material Topics		Company's Indicators	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitor	Risks	Opportunities		
Economy											
1. Corporate governance and business ethics, Compliance with laws, rules, regulations and governance and Cybersecurity and personal data protection.	■	■	■	■			■	<ul style="list-style-type: none">- Risk of corruption and violations of human rights and laws- Lack of credibility and trust from customers, shareholders, investors and employees- Risk from cyber threats	<ul style="list-style-type: none">- Attracting attention and increasing the confidence of customers, shareholders and investors.- Increasing business competitiveness- Good Performance- Guidelines for preventing fraud and Violation of rights and laws- Building confidence in employees about personal data protection	<ul style="list-style-type: none">- Supervision assessment results and good business- Anti-corruption certification from a credible organization- Complaints about good governance and human rights	
2. Risk Management and Value Chain	■	■	■	■				<ul style="list-style-type: none">- Inability in supply chain management, involving a shortage of raw materials, production and inventory problem, delivery of goods was delayed due to operational disruptions. This causes a financial liquidity problem and human rights violations	<ul style="list-style-type: none">- Increasing customers', shareholders', and investors' trust in the company's operations in a sustainable way- Maintaining consistency with suppliers and business partners.- Maintaining reliability in the production process and delivery to customers.- Increasing financial liquidity	<ul style="list-style-type: none">- Business stability- Business return- Quality and price of the product- Rights and benefits from work- Evaluation and selection of suppliers	  

Material Topics	Affected Stakeholders							Impact of Material Topics		Company's Indicators	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitor	Risks	Opportunities		
Economy											
3. Product and service quality, Customer's satisfaction, Customers relationship and performance	■		■	■			■	<ul style="list-style-type: none">- Lack of trust from customers and shareholders.- The company's income declined due to declining sales and increased expenses from sending damaged goods to customers.	<ul style="list-style-type: none">- Increasing business competitiveness- Increasing satisfaction and trust from customers and shareholders- Ability to provide shareholders returns	<ul style="list-style-type: none">- Customer Satisfaction- Business profit	<div></div> <div></div>
4. Research, development and innovation for developing products and working processes.	■	■	■	■			■	<ul style="list-style-type: none">- The ability to adapt business to advanced technology- Competition in terms of price and product quality- Skill and knowledge of employees in the implementation of technology and innovation- Competitiveness in business partners	<ul style="list-style-type: none">- Increasing business competitiveness- Increasing satisfaction and trust from customers and shareholders- Providing returns to employees and shareholders- Improving innovation abilities and increasing opportunities with suppliers- Reducing risks to employees in factories and elevating working processes from innovation development	<ul style="list-style-type: none">- Total profit removed sales and service cost- Customer Satisfaction- Business profit- Employees' engagement and satisfaction- Accidental rates (IFR and LTIFR)	<div></div> <div></div> <div></div>

Material Topics	Affected Stakeholders							Impact of Material Topics		Company's Indicators	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitor	Risks	Opportunities		
Environment											
5. Climate change management, Energy management, Greenhouse gas emissions, Water resources management, Air pollution management, Waste management and circular economy principle to avoid waste, Environmental impact management, Ecosystem conservation, Compliance with Environmental Laws and Promoting environmental protection activities in the community.	■	■	■	■	■	■	■	<ul style="list-style-type: none">- Changes in laws, rules and regulations related to climate change such as the Climate Change Act., Emissions and waste laws and Carbon taxes etc.- Loss of biodiversity and ecosystems- Environmental law violations- Hazards and risks from ignoring the management of natural resources, energy, waste and air pollution- Complaints from the community	<ul style="list-style-type: none">- Maintaining business continuity and building confidence in sustainable business operations with climate change risk management and recognizing the value of biodiversity- Reducing resource usage, which decreases production and operating costs- Increasing business competitiveness- Restoring an ecosystems and biodiversity in communities- Monetization of carbon credits from renewable energy and reforestation project- Improving relationships and the quality of life in the community through participation in activities	<ul style="list-style-type: none">- Decreasing greenhouse gas emissions- Reducing amount of waste- The air pollutants emission is according to regulations.- Reducing water consumption- Reducing energy consumption by renewable energy- Community satisfaction- Complaints about environmental issue- Quantity of activities for the community	<div>7AFFORDABLE AND CLEAN ENERGY</div> <div>8DECENT WORK AND ECONOMIC GROWTH</div> <div>9INDUSTRY INNOVATION AND INFRASTRUCTURE</div> <div>11SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13CLIMATE ACTION</div>

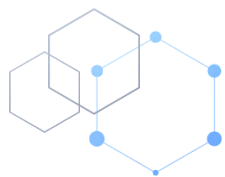
Material Topics	Affected Stakeholders							Impact of Material Topics		Company's Indicators	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitor	Risks	Opportunities		
Social											
6. Supporting human rights and fair labor standard, Encouraging employee loyalty to the organization, employee retention and Fair remuneration and welfare		■				■		<ul style="list-style-type: none">- Policy and practice on labor, human rights and employee welfare between the Company and subsidiaries are inequality.- Violations of human rights and labor laws	<ul style="list-style-type: none">- Increasing employee loyalty to the organization- Appropriate and fair remuneration and welfare allocation to employees- Improving the quality of employees' life	<ul style="list-style-type: none">- Employee turnover rate- The level of employee loyalty to the organization.- Complaints about human rights violations	<div></div> <div></div>
7. Employee development in organization		■						<ul style="list-style-type: none">- Employees skills are inadequate to keep up with fast-changing technology.	<ul style="list-style-type: none">- Increasing knowledge, skills and abilities to work- Increasing career advancement opportunities- Increasing income opportunities and elevating the quality of employees' life- Increasing the level of employee loyalty to the organization	<ul style="list-style-type: none">- Proportion of total training hours attended	<div></div> <div></div>

Material Topics	Affected Stakeholders							Impact of Material Topics		Company's Indicators	UN Sustainable Development Goals
	Customers	Employees	Shareholders	Suppliers	Community/ Society	Government	Competitor	Risks	Opportunities		
Social											
8. Safety, Occupational Health and Working Environment		■			■			<ul style="list-style-type: none">- Disruption in operation caused by accidents and risks.- Decreasing employees' trust and loyalty to the organization- Property loss, Working hours loss and fatality- Ruining the organization's reputation- Increasing employee turnover rate	<ul style="list-style-type: none">- Increasing business competitiveness- Increasing the level of employee loyalty to the organization- Reducing risks to employees in factories and elevating working processes- Increasing working efficiency	<ul style="list-style-type: none">- Accidental rates (IFR and LTIFR)	
9. Social responsibility and participation and Community development		■						<ul style="list-style-type: none">- Employees skills are inadequate to keep up with fast-changing technology.	<ul style="list-style-type: none">- Building good relationships and improving the quality of life in the community by participate in activities- Improving the quality of life and raising income for the community- Enhancing corporate image and reputation	<ul style="list-style-type: none">- Complaints from the community- Community satisfaction- Quantity of activities for the community	    

An illustration depicting various business and economic concepts. It features several interlocking gears in shades of blue and teal. A woman in a business suit sits on a gear, working on a laptop. Another woman floats in the air, holding a large pencil, with a lightbulb above her head. A man stands on a step ladder, reaching up towards a gear being lowered by a crane. Other figures are shown interacting with gears, a large gear with a plus sign, and a large gear with a minus sign. The background is a light blue gradient with a pattern of hexagons and lines.

ECONOMIC

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



Corporate Governance



Long-term Goal

- The frequency of meetings and activities organized by the Investor Relations department to disclose information transparently and increase opportunities for shareholders and investors to access company information will increase by 15% by the year 2026

Short-term Goal

- 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 2022

- Achieve a 19% increase in the number of shareholders in 2022
- Achieve Excellent Level (5 stars) in Corporate Governance Report of Thai Listed Company by Thai Institute of Directors (IOD)
- Revise and improve communication channel and content

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 to the Company's 56-1 One report via the Company's website or scan the attached QR code for the information.



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

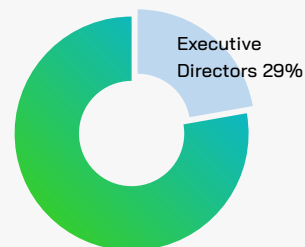


The Company structures the size of its Board of Directors to be appropriate to the size of its business. The AAPICO Board of Directors consists of seven members, two of whom are executive directors namely Mr. Yeap Swee Chuan and Mrs. Teo Lee Ngo who also are executive and authorized directors to jointly sign on behalf of the Company, one director and four independent directors. None of the Board of Directors has any position in the external audit firm that the Company uses. 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.

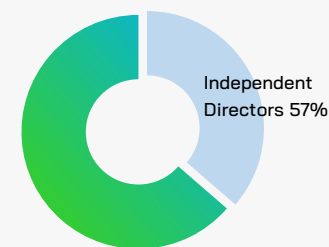
Additionally, the Company set a policy for the Board's diversity in genders, skill, professions, and specialization. To date, the number of the Company's Independent Directors has exceeded that required by law, more than half of the total number of directors. The Company has established minimum qualifications 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 on the topic of Report on Key Performance of Corporate Governance.

The proportion of Board Directors and skill

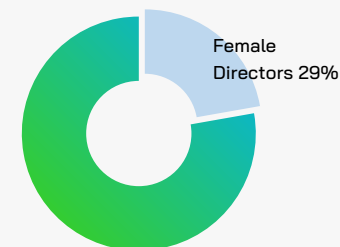
Percentage of
Executive Directors



Percentage of
Independent Directors



Percentage of
Female Directors



Diversity of Board Directors' Skills

Unit: person



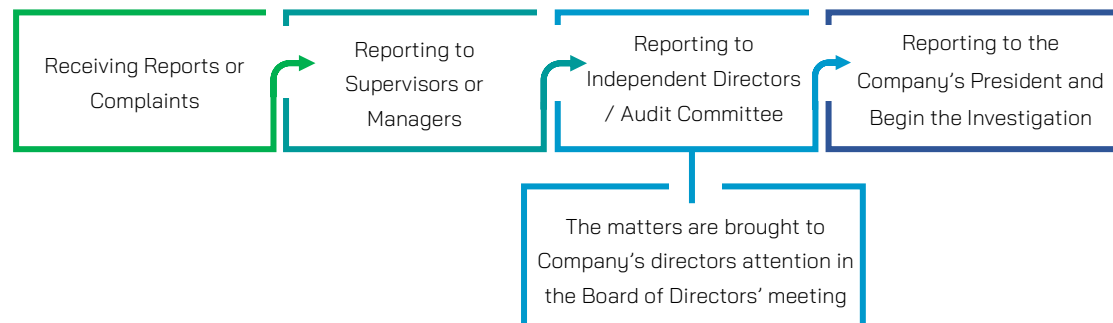
Code of Conduct

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.

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.

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



Cultivating Awareness on Company's Code of Conduct



Internal communication via Company's policy



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



Employee's handbooks for setting up guidelines

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

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 promotes 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 Whistleblower 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

In 2022, AAPICO held 7 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 the internal control system covering the entire organization and international standards. The Nomination and Remuneration Committee held 5 meetings to consider directors' nominations and remuneration and to advise on the succession plan for key management positions in the Company.

The proportion of director attendance was 100% of meetings held during 2022 is disclosed in the table below:

Name	Meeting Attendance in 2022				
	Board of Directors (Total 7)	Audit Committee (Total 4)	Nomination & Remuneration Committee (Total 5)	Risk Management Committee (Total 2)	Annual General Meeting of Shareholders (Total 1)
1) Mr. Yeap Swee Chuan	7/7	-	-	-	1/1
2) Mrs. Teo Lee Ngo	7/7	-	-	-	1/1
3) Mr. Kenneth Ng	7/7	4/4	5/5	-	1/1
4) Mr. John Parker ¹	1/1	-	-	1/1	-
5) Mr. Wichian Mektrakarn	7/7	4/4	-	2/2	1/1
6) Mrs. Vachira Na Ranong	7/7	-	5/5	2/2	1/1
7) Mr. Kaikhushru (Kai) Taraporevala ²	5/5	2/2	3/3	-	1/1
8) Mr. Arvind Mathew ³	3/3	-	-	1/1	-
9) Mr. Jianhui Shi ⁴	2/2	2/2	1/1	-	-
Note : 1. Mr. John Parker resigned as a director on February 28, 2022. 2. Mr. Kaikhushru (Kai) Taraporevala resigned as a director on June 29, 2022. 3. Mr. Arvind Mathew appointed as a director on April 20, 2022. 4. Mr. Jianhui Shi appointed as a director on June 29, 2022.					

Directors' Performance Evaluations

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 SET. There are three sets of assessment forms: for the evaluation of the Board of Directors as a collective body and as individuals; and the assessment of committee performance. The Board of Directors is 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 the directors' performance for the year 2022 is disclosed in the table below:

The assessment results	Rating (%)			Performance
	2020	2021	2022	
Collective Board of Directors	95	95	95	Excellent
Individual Directors	95	97	93	Excellent
Individual Committees	92	96	94	Excellent

Performance Evaluation of Chief Executive Officer

The CEO's performance evaluation was assessed by the Company's independent directors and applies assessment criteria according to the guidelines of the SET. The scoring was based on the CEO's skills and knowledge, yearly accomplishments, and the planning and execution of the Company's long-term plan. The results of the CEO's performance evaluation were then taken into consideration for both the CEO's short-term and long-term remuneration. The assessment form consists of 10 topics as follows:

- | | |
|---|---------------------------------------|
| 1. Leadership | 2. Strategy |
| 3. Implementation of Strategy | 4. Financial Planning and Operations |
| 5. Relationship with Board of Directors | 6. Relationship with external parties |
| 7. Management and Relationship with employees | 8. Succession Plan |
| 9. Knowledge of Products and Services | 10. Personal Characters |

For this year of 2022, the average score of the CEO's performance evaluation results increased from 94% in 2021 to 95% in 2022.

CEO Performance Evaluation	Year			Performance
	2020	2021	2022	
Score (%)	92	94	95	Excellent



Assessment of good corporate governance

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 has been ranked in "Excellent" score, equivalent to 5 stars in 2022 CG rating with the total average score of 90%. This award reflects the Company's sincere attitude towards all stakeholders which the Company commits to respecting the right of the shareholder and build good relationships with all stakeholders.

Year	Score	Performance
2022	87	Good
2021	90	Excellent
2022	90	Excellent



Investor Relations

The Company designated Investor Relations (referred to as "IR") Department as the principal point of contact for communication with shareholders, investors, analysts, SEC, SET and other relevant authorities and 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 aapicohitech@aapico.com
- 8.) Annual General Meeting of Shareholders of the Company

In 2022, IR Department organized activities to increase contact and interaction with stakeholders and allocated time for executives to attend and participate in meetings both in Thailand and abroad. The details of activities in addition to the Company’s 56-1 One report via the Company’s website or scan the attached QR code for the information.



IR Department has various activities in line with the sustainable business development. As the result, the number of shareholders increased by 19% in 2022, achieving the short-term goal. The activities can be summarized as follows:

1. Increasing the frequency of meetings with investors

The Company increased the frequency and channels of meeting investors to communicate information and disclosed the Company's performance to stakeholders and new investors by showing the operations and capabilities with the expectation of increasing funding opportunities. Therefore, the Company had set a target for this project by increasing the frequency of communication with shareholders and investors by 15% compared to the base year of 2021. The details can be summarized as follows:

Activities	Activity frequency rate (times)		
	Target	2021	2022
Site visit	21	12	9
Onsite Roadshow		4	6
Digital Roadshow		2	1
Total	21	18	16

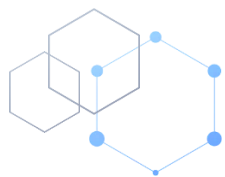
According to the table, the Company held more meetings with shareholders and investors by participating in onsite roadshows. In contrast, The overall number of meetings was decreasing due to shareholders and investors were not likely to attend online meetings than actual meetings, which were difficult to organize because of pandemic causes. As a result, the Company was unable to achieve its target in 2022. However, the IR department will adjust the activities to have more effective communication and set new targets for the next year.

2. Increasing the number of Securities research analysis

Securities research analysis is a channel that helps the Company communicate information and operations with shareholders and investors. If the Company is mentioned in the article, it shows that the Company's operations are attractive and tend to grow in the future. That means securities research analysis can help increase investment and fund opportunities.

Therefore, the Company plans to increase opportunities and investors' attention by aiming to increase the number of analyses from new analysts at least 2 per year through activities every quarter. In 2022, the Company had a total of 10 securities analyses, with only one from a new analyst. As a result, the Company was unable to achieve its target in 2022. However, the IR department will review approaches and goals for communicating with investors, shareholders and analysts to attract attention, create a good image, and increase business opportunities.





Risk Management



Reporting Boundary

The process of risk management in the Company is conducted under the supervision of the Risk Management Committee, which is one of its responsibilities. The Company considers risk management and risk factor assessment as important missions to drive the organization's sustainable and steady growth. In this regard, the Company has disclosed its risk management policy on its website under the Investor Relations section, specifically under the subtopic of Corporate Governance: Good Corporate Governance Policy.

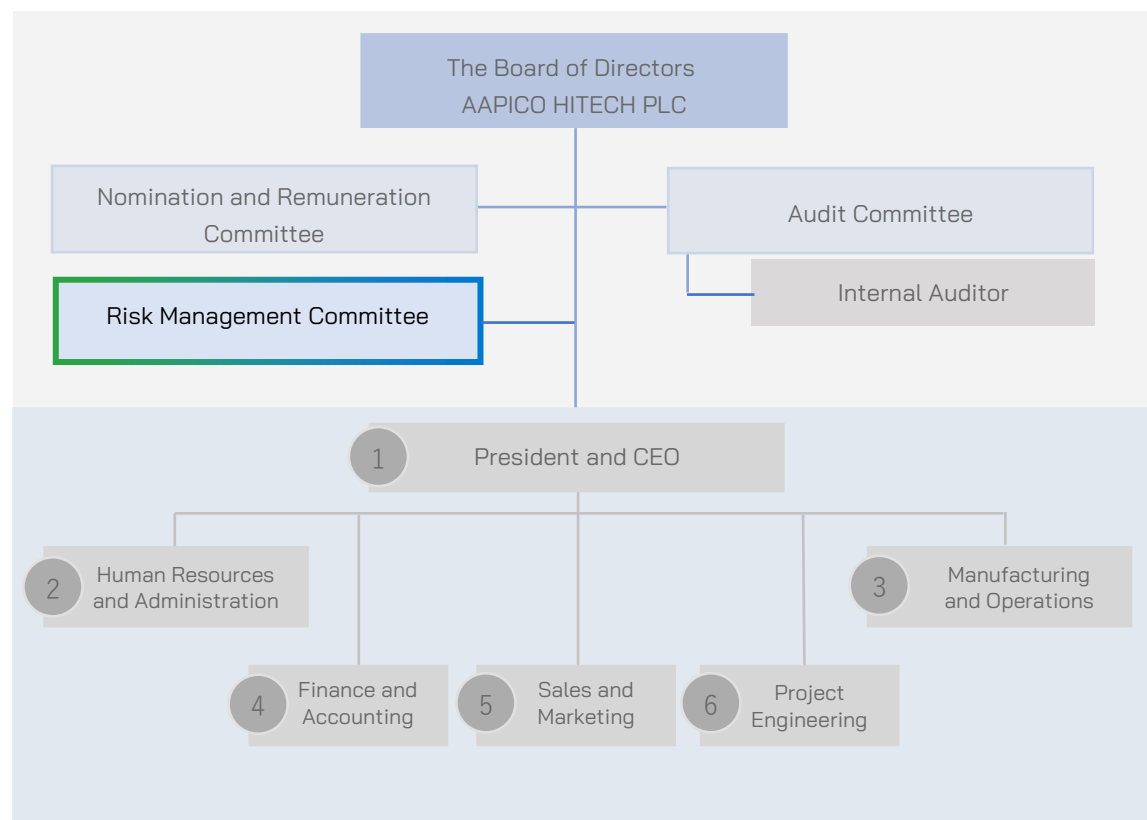
The Company assesses and identifies significant risk factors, as well as establishes control measures to mitigate and/or reduce the likelihood of risks to an acceptable level. However, certain types of risks may be beyond control or have an impact on the financial status and reputation of the Company. In this regard, the Company discloses information on the Risk Matrix, which includes the ranking of risk importance, various risk factors, and approaches to risk management, in the 56-1 One report available on the Company's website under the topic of Risk Management or by scanning the QR code.



This sustainability report will disclose information about the structure of risk management, the risk management process, risk management culture, as well as new emerging risk factors and ESG-related risks and their impacts on the Company's operations. This risk management will cover all three core business segments of the Company, which include the automotive parts manufacturing and distribution business, the automobile dealership and service center business, and the technology connectivity and Internet of Things business.

Management Approach

Risk Management Structure



Risk Management Framework

1

Identify Risk

Indicating and specifying risks involves identifying the causes, both internal and external factors, and considering the overall assessment of strengths and weaknesses, as well as opportunities and threats that may arise from those risks. This includes anticipating the existing risks and potential new risks that the Company may face in the future.

2

Risk Assessment

Assessing and evaluating risks involve using appropriate tools and methodologies to assess both risks and opportunities. This includes considering the potential negative impacts, severity levels, and likelihood of occurrence for each risk and opportunity. Accordingly, prioritization of risks is carried out to determine their significance.

3

Monitoring and Controlling Risks

The management team considers planning projects to prevent and mitigate risks, and delegates tasks to employees in each department to execute the planned actions. Reports on the progress of implementation are prepared, responsibilities are assigned to various sections of the plan, and the outcomes of the actions are identified. The management team must continuously monitor and track the progress of the activities and prepare reports to present to the Company's board of directors for evaluation.

4

Risk Report

A risk report is prepared to present the progress and outcomes of risk management activities across all categories to the Company's board of directors. The purpose is to enable the board of directors to review and provide guidance on the implementation of risk management, as well as to assess the adequacy of the risk management system and the effectiveness of risk management practices. The report also aims to identify and evaluate risks for the upcoming year.

Risk Management Culture

The Company recognizes that risk management culture is akin to a mechanism for managing organizational risks, aiming to ensure the resilience and strength of the organization for sustainable business operations. The primary objective is to foster awareness of potential risks in various operations and promote a responsible approach to risk management. To achieve this, the Company actively promotes and supports various activities to cultivate a sound risk management culture, including the following:

1. Communicating with employees within the organization to create motivation and raise awareness about potential risks that may affect business operations, fostering a sense of responsibility towards risk management and encouraging the identification of opportunities from crises or risks.
2. Establishing an IATF16949 Quality Management System task force comprising personnel from various departments to conduct risk and opportunity assessments within the organization. This initiative aims to identify practices and strategies to reduce risks and enhance opportunities for business operations.
3. Managing employee training on risk management and mitigation within the organization by incorporating risk management as a core component in the Company's training curriculum for employees at all levels.
4. Providing channels for employees at all levels to voice complaints or report incidents that pose risks to business operations, ensuring their active participation in risk awareness and management.

In addition, the Company annually announces and reviews its risk management policies to ensure they are up to date with current events and enable timely preparation and response plans. Furthermore, the Company communicates these policies and risk management plans to the management team, employees at all levels, and all departments throughout the organization. This is done to raise awareness of emerging risk trends, the impact of risks, risk management practices, and shared responsibility in risk management. Detailed information regarding the risk management policies can be accessed through the Company's website or by scanning the QR code.

Performance

In the year 2022, the Company carried out risk management activities as follows:

1. Evaluate and review risk factors.

Identify and prioritize the importance of risks that may impact the Company's operations, while establishing control measures to mitigate and reduce the likelihood of such risks to an acceptable level. In the current year, the order of importance in the Risk Matrix remains unchanged from the previous year. However, the Company has added the issues of supply chain disruption risk and geopolitical risk as areas that require further consideration in order to pursue sustainable development. The Company can provide detailed explanations as follows:



Supply Chain Disruption

Importance	The risk of supply chain disruption due to various crises caused many businesses to halt their operations. Both domestic and international transportation faced limitations, resulting in a shortage of shipping containers. The increased production and transportation costs have had a significant impact. Shortages of certain components have affected the global supply chain, making it impossible to continue production. The aforementioned factors have severely impacted the entire manufacturing sector's supply chain.
Impact	The risk of raw material shortages, as well as delays and/or disruptions in transportation, has led to increased production and transportation costs. Consequently, it has resulted in delays and/or halts in the Company's operations, as well as a reduced ability to compete in terms of pricing.
Risk management plan	The Company assesses the severity and duration of disruptions in the supply chain and establishes action plans to manage risks and minimize potential damages. This is achieved through collaborative discussions with all stakeholders. Additionally, strategies and work processes are adjusted to enhance efficiency, including managing products by prioritizing domestic sourcing over imports and diversifying suppliers. Close control of inventory levels and learning about coping strategies for increased supply chain disruptions are also emphasized. The Company continues to closely monitor the situation to be well-prepared for any future developments.

Geopolitical Risk

Importance	The importance of politics and international relations in investment cannot be overstated as they are significant drivers of investment, economic growth, business performance, market volatility, and business costs. The stability of international relations plays a crucial role in determining investment decisions. However, the potential volatility of political relationships between countries can lead to policy changes, conflicts, terrorism, or war, among other factors that may impact investment.
Impact	Conflicts may have an impact on the economic system, including inflation, exchange rates, interest rates, and price volatility of various raw materials. The interruptions in the supply chain and delayed investment decisions may also occur.
Risk management plan	The Company closely and regularly monitors the global geopolitical situation, particularly the developments and policies that may impact its business both domestically and internationally. Operating in multiple countries across Europe and Asia, the Company stays updated on the geopolitical situation in the surrounding regions through bi-weekly meetings. During these meetings, representatives from each country receive the latest news and information regarding significant events and changes in the geopolitical landscape. Additionally, the Company formulates operational plans to mitigate risks associated with such changes.

2. Health, Safety, Environment, and Communities Risk Management

The Company is aware of issues related to safety, environment, society, and communities. It establishes policies and operational procedures to ensure good management practices for employee health and safety, in compliance with environmental laws and regulations. The Company also reviews and appoints a 5S Standard Committee responsible for monitoring, auditing activities, and evaluating the performance of the 5S principles. This is done to enhance productivity, quality, cost, delivery, safety, and environmental aspects. Additionally, it promotes employee awareness of safety by supporting the identification of hazards and assessing risks both within and outside the production area.

Furthermore, the Company pays attention to the health and safety of its employees in the workplace. Therefore, it assesses the risks and impacts of the announcement of policies regarding the legalization of marijuana and the use of recreational drugs. It also declares control and prevention policies regarding the use of marijuana and recreational drugs within the Company. This is done to appropriately manage their usage according to legal requirements and prevent any potential hazards during work. Additionally, it aims to protect other employees from the disturbances that may arise from the use of marijuana or recreational drugs.

3. Environmental Risk Assessment

The Company regularly reviews and monitors environmental changes, such as river water levels and air temperatures, as it has previously experienced significant flooding in the year 2011, which had a major impact on its business, production, and supply of raw materials. Therefore, the Company remains vigilant and consistently monitors the weather conditions and river water levels. With an increased focus on weather and environmental conditions, the Company has integrated the topic of risks related to climate change and the environment as one of the issues it considers and assesses potential risks that may occur. This allows the Company to be prepared and mitigate potential damages that could impact its business and stakeholders.

4. Management of risks from the spread of the COVID-19 virus

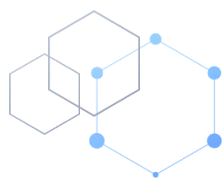
Although the COVID-19 crisis situation in the year 2022 has shown signs of improvement, it remains volatile. Therefore, the Company has carefully considered policies and measures regarding COVID-19 prevention over the past year. The Company has updated its policies and announced mitigation measures, including refining the preventive measures and quarantine criteria for employees, as well as lifting certain regulations to facilitate smooth operations.

The Company continues to operate as usual with heightened measures, such as conducting regular antigen testing, mandating the use of face masks, and practicing social distancing to ensure the safety of all employees and maintain business continuity in the face of this ongoing risk.

5. Business Continuity Plan: BCP

Due to the severity of the COVID-19 virus outbreak, coupled with the assessment of risks from climate change, it has led to events resulting from various weather changes, including natural disasters and resource shortages. These include floods, hurricanes, water scarcity, droughts, and increasingly acidic conditions due to rising temperatures. These events may have an impact on company operations and resource procurement. In order to mitigate such risks, the Company has analyzed the potential impacts on its business and reviewed, improved, and developed a Business Continuity Plan (BCP) to align with the situation, to be prepared to handle any risks that may occur in the workplace, ensuring that operations can continue even in the midst of unavoidable circumstances. Similar to preparing plans for weather changes, one important plan among these is water management. The Company has implemented processes to monitor water levels and has developed water management plans and daily weather checks to reduce the risks of flooding caused by changing weather conditions.





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.

¹ Average Customer Satisfaction in AH, AHP and AHR

² Employees in Thailand and overseas subsidiaries cover 3 core businesses of the Company.

Performance

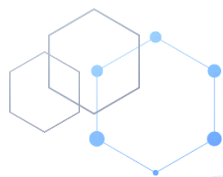
In 2022, the Company's performance for creating shared value to all stakeholders is disclosed as follows:

Stakeholder	Economic Benefits	Economic Value
Customer	Quality Products with Low Costs	Average Customer Satisfaction Level 90.24% ¹
Employee	Salary, Wages, Welfare, Bonus, Provident Fund	Total 2,583 million Baht ²
	Scholarship Funds for Employees' Children	36 Scholarships, Totaling to 110,000 Baht ³
	Personnel Development Courses	Total of training hour 21,923 Hour ⁴
Shareholder	Dividend	Total 1.54 Baht per share Dividend Payout ratio 30%
Supplier	Business Stability	Grade A Supplier evaluation 93% ⁴
Community	Community Development Project	More than 900 households in the community have been supported ⁵
Government	Corporate Income Tax	160 million Baht
Competitor	Experience Exchange	Inspiration for Innovations

³ Scholarships for the employees' children in the areas of AH, AHP, AHT, NESC, and ASICO

⁴ In the business of manufacturing automotive parts in Thailand

⁵ In the business of manufacturing automotive parts and car distributing in Thailand



Innovation for Business Development



Important Issues for Sustainability

- Customer confidence and satisfaction in the products, services, and operations of the Company that are efficiently implemented through innovation in production and operations.

Performance 2022

- The Company has created additional innovations in its operations, focusing on reducing unnecessary employee working time, as well as developing innovations to promote management and reduce the amount of waste generated from production prior to delivery.

Reporting Boundary

Innovation is considered as one of the important factors for the operation of a company, as innovation can help improve production and work efficiency, as well as reduce some costs.

This report will present information on innovation within the scope of the following companies: AAPICO Hitech Public Company Limited (AH), AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Automation Co., Ltd. (AHA), AAPICO Hitech Tooling Co., Ltd. (AHT), AAPICO Hitech Public Company Limited Rayong Branch (AHR), and AAPICO Plastic Co., Ltd. Rayong Branch (APR).

Management Approach

In 2022, the Company focused on innovation aimed at reducing unnecessary working hours for employees and reducing the amount of waste resulting from production errors by using machinery and robots. They also aimed to improve work efficiency by analyzing problems and weaknesses that occurred during the production process and work, in order to develop and expand the process innovation. Quality control was emphasized along with improving work efficiency, increasing productivity, and a greater focus on environmental sustainability.

Furthermore, the Company has plans and goals to develop by creating smart factories and offices, as well as developing employees to adapt and benefit from various innovations and technologies. This is done by incorporating innovative ideas, technology, and supporting the application of innovation and creativity in the production process to increase productivity and efficiency. This includes improving the use of resources and valuable raw materials in line with the Company's expectations of becoming a zero-waste factory. Some projects have been planned and implemented since 2021 until the present.

The main objectives of the smart factory and office policy are as follows:

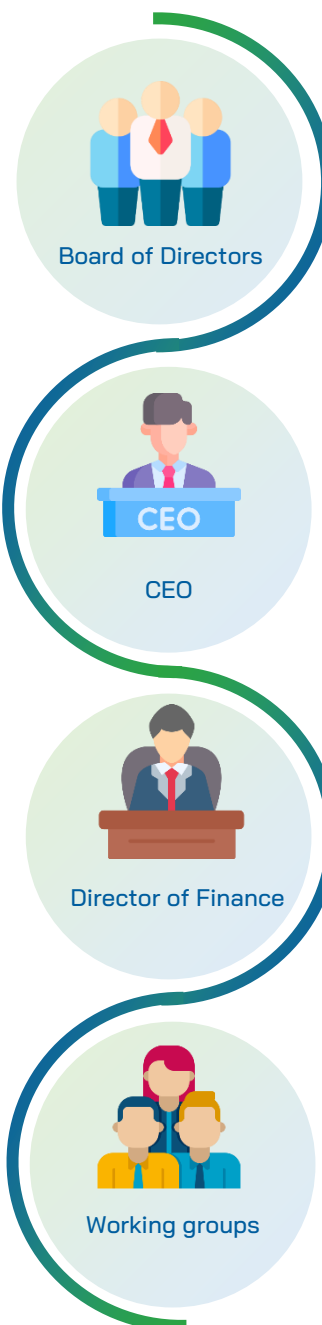
1. To develop work processes to be more efficient and flexible.
2. To increase productivity and product quality.
3. To use resources and raw materials effectively and to recycle them to maximize benefits and reduce waste and garbage from the factories.

The Company focuses on innovation at two levels: creating innovations within the organization or its subsidiaries through QCC (Quality Control Circle) activities and creating sustainable innovation through the Company's development plans and goals, especially in the smart factory and office project



Project Management and Monitoring Report Structure

The work process of both formats is similar, which is to establish committees and working groups for each project. These committees and working groups consist of personnel within the organization who have knowledge and expertise in various areas, especially in information technology (IT), production, and purchasing department. They work together to gather ideas and divide tasks according to their respective positions, conduct experiments, and summarize the results of the experiments. High-level executives act as strategic planners, managing and monitoring project results, providing guidance for projects, assessing the economic viability of various projects, and presenting operational results in terms of economic value to the Company's committees.



Board of Directors

AAPICO HITECH CO., LTD. (Public Company)

- Evaluate risks related to the economy, society and environment
- Provide guidance on management practices.

CEO

- Developed strategies and management plans
- Provided project guidance, and reported progress to the board of directors.

Director of Finance (Team Lead)

Supervise and manage

- Monitor weekly results and provide guidance
- Report project progress to top executives
- Evaluate the economic feasibility of various projects.

Working groups from Information Technology (IT), Production, Purchasing Department

- Planning, inventing, brainstorming
- Conduct experiments and conclusions
- Report progress to executives and relevant committees

Steps of Implementation

1

Analyzing work problems and studying various technological innovations

The various departments' working groups conduct research to assess problems and losses occurring in factories and offices, including in the areas of economics, society, and the environment. They also study interesting innovations and technologies.



2

Brainstorming, Summarizing problems and innovations, and creating sub-projects

The working group gathers ideas by compiling and studying problems and innovations. They then create sub-projects and present the issues that need to be addressed, as well as the innovations that will be applied. The objectives of the project, its targets, the duration of the project, the expenses involved in the implementation, and the expected outcomes are all presented.



3

Propose a sub-project to the Head, conduct experiments, and monitor the results of the experiments

Present sub-project proposals to the head of the working group for consideration, evaluation, and approval. The working group can proceed to create experimental models, conduct experiments, record results, and present them for discussion in the group. The head of the working group will monitor, inspect, and hold weekly meetings to provide guidance on the work process. If there are any problems or issues that arise during the work, they will be addressed immediately. As for sub-projects that have not yet been approved, the head of the working group will provide guidance to the working group to conduct further studies to make the sub-project more effective and achieve the desired objectives.



4

Report sub-project performance to upper management.

When the experimental project achieves its goals, the head of the working group will be presented to the highest level of management. If there are any further suggestions, the head of the working group will be brought back to manage the project again. If upper management approves the idea, it will be presented and reported to the Board of Directors.



Performance

The Company continues to focus on innovation that meets the needs of the workplace, both in reducing unnecessary work time and increasing work efficiency to be more accurate. However, such innovation must have the least impact on the environment and society by supporting the use of renewable energy, reducing waste and unnecessary waste, as well as promoting safe work and good occupational health for employees, responding to the needs and expectations of stakeholders as much as possible. In 2022, the Company was able to categorize its innovation into three categories: (1) Developing consciousness, (2) Innovation to increase work efficiency, and (3) Innovation to reduce waste and waste.



Promotion of innovative culture

The Company recognizes the importance of building awareness in the area of incorporating new ideas into innovation, to stimulate employees to develop and expand their ideas to increase work efficiency at all times. Therefore, the Company has organized QCC and Kaizen projects for its employees every year.

The QCC or Quality Control Circle project is a project that seeks to find the causes of errors, things that do not follow the process, or things that do not meet customer expectations. It also seeks to come up with ways to correct them properly. The Kaizen project, on the other hand, is a project that instills the idea of reducing unnecessary losses, such as defective workpieces resulting from errors, and time wasted from traditional work methods. Therefore, changing ideas or changing work methods to increase efficiency is

something that the Company expects to receive from these activities.

The format of the activities includes both training sessions for employees to promote understanding and knowledge of both projects, as well as various recreational activities to make both projects easier to understand.



For example, there is the Quality Mind activity, which is a quality control project organized by the control and inspection department to support and

encourage employees who are able to detect damaged parts before sending them to other processes. This includes giving small rewards to motivate employees to work more carefully and check their work before sending it to other processes, reducing waste in the production process.

In addition, there is a Kaizen Contest competition where each department presents their own Kaizen activity that can improve their work efficiency. The winner will receive a prize and a certificate from the Company, and the committee will follow up on the progress of the Kaizen project regularly.



Increase efficiency

Smart Factory

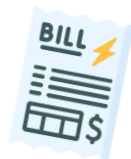


LED High Bay Project

In October 2022, the Company changed the T5 High Bay light bulbs to LED High Bay for improved performance, brighter and more durable light, and energy savings. On average, the daily and monthly electricity consumption decreased. More details can be found in this sustainability report under this environmental category.



Electric power decreased
by 3,780 Watts



The electricity consumption
per month has decreased to
1,360 kilowatts per month.



Solar Rooftop Project

The Company installed solar rooftop systems in its operational area in Rayong province with the goal of reducing electricity consumption and energy costs. There are plans to install additional systems at business sites in various other areas, including in Phra Nakhon Si Ayutthaya province. Further details will be included in this sustainability report under the environmental category.



Total cost reduction
of THB 2.69 million



Solar Street Light project

The Company installed Solar Street Lights in the parking lot area in Phra Nakhon Si Ayutthaya, replacing electricity with solar power for efficient and cost-effective energy use by reducing electricity usage and consumption by 100%, further installations are planned for businesses in different areas. Additional details will be included in this sustainability report under the environment category.

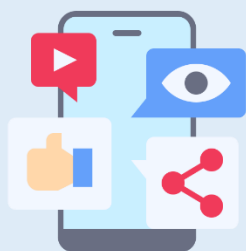


Electric power decreased
by 4,000 Watts



The electricity consumption
per month has decreased to
1,320 kilowatts per month.

Smart Employee

**Employee Self Service (ESS) Program**

Employee Self Service (ESS) program is a program designed to facilitate employee access to company information and personal information through both computers and employees' mobile phones. In addition, it can also be used to create programs that provide convenience for employees to access company information and personal information, which can be viewed through both their computers and mobile phones. Furthermore, it can also be used to facilitate various activities with the Company, such as booking company cars, checking in and out of doors, and checking their own work hours, among others. In 2022, the Company added employee training information to the ESS application, allowing employees to check their own training information and view the necessary training for their job positions. The Company is committed to continuing to develop the ESS application as an important source of information for both the Company and employees in all aspects, in order to increase employee efficiency in their work.

Employees have access to the following information:



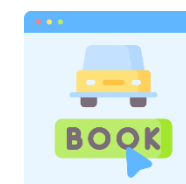
Important company announcement



Employees' timesheet



The Employee training data



Company car booking



Prevention of waste and garbage

Smart Factory



Ultrasonic Thickness Project

Save the cost of discarding workpieces unnecessarily by more than **THB 250,000**



Welding manager Project

Reduce the amount of damages to the workpieces



Gabari Special Control project

0 damaged workpiece



Camera Check Collar project

Reduce error of the workpieces



The Company is aware of the importance of using resources wisely, so they have developed and sought various innovations to use in production to reduce and prevent unnecessary waste and scrap generated from production. They have also made efforts to facilitate employees, such as using Welding Manager to check the accuracy of printed workpieces, using Gabari Special Control master templates to drill holes for nuts and bolts in workpieces, and using cameras to detect defective workpieces from welding. In addition, they have used Ultrasonic Thickness tools to check the thickness of workpieces instead of cutting parts, resulting in cost savings of over THB 250,000 by avoiding unnecessary waste. All of these efforts aim to increase work efficiency, prevent mistakes and facilitate employees.

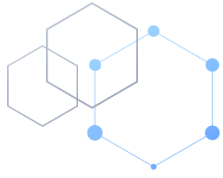
Smart Office

**E-Tax Invoice and E-Billing**

To comply with the paper reduction policy, the Company has changed the format of tax invoices and receipts from paper-based to electronic (E-Tax Invoice and E-Billing). This not only helps reduce resource consumption but also provides convenience to employees, reduces printing costs and eases the burden of document preparation for the Revenue Department. However, as some of the Company's partners are still unable to use electronic documents, there may still be some paper usage. Nevertheless, the Company will promote its partners to switch to electronic channels for issuing tax invoices and receipts in the future.

**Uploading CAD data to OneDrive instead of using CDs**

In 2022, the Company changed the format of sending CAD Data & Drawing samples that the partner companies had to send to the purchasing department of the Company. They replaced the use of CDs with uploading through the Company's OneDrive program, which resulted in saving costs of purchasing USBs for storage, reducing the amount of electronic waste from discarded CDs, and facilitating employees in storing and searching for files. This also reduced the time spent on checking the work before approving payment, leading to increased work efficiency.



Customer Relationship Management



Long Term Target

- Achieve average of 95% of customer satisfaction by 2026

Short Term Target

- Achieve average of 92% customer satisfaction in 2022

Performance 2022

- Average of customer satisfaction in 2022 at 90.24%

Reporting Boundary

Customers are important stakeholders for the Company, and thus, customer relationship management is crucial to ensure sustainable business operations. This report presents information about the Company's activities and customer satisfaction in 2022. This will only include the Company's business of OEM auto parts manufacturing in Thailand which are AAPICO Hitech

Public Company Limited, AAPICO Hitech Parts Co., Ltd., and AAPICO Hitech Public Company Limited (Rayong Plant) as it is the Company's main business with many important customers and long relationship.

Management Approach

The customers' satisfaction, or "Happy Customer", is one of the Company's main missions. The Company therefore focuses on building good relationships 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:

Safety



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.

Quality



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.

Cost



C : Cost

The Company is well aware of the matter of fair competition, and is also striving to improve manufacturing process to ensure the product costs remain within the range of customer satisfaction.

Delivery



D : Delivery

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

Engineering



E : Engineering

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

Management



M : Management

The Company has received ISO/TS 16949: 2009¹ quality standard, environmental management system ISO 14001: 2004 and ISO 14001: 2015², and occupational safety and health OHSAS 18001: 2007³. 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.

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

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.

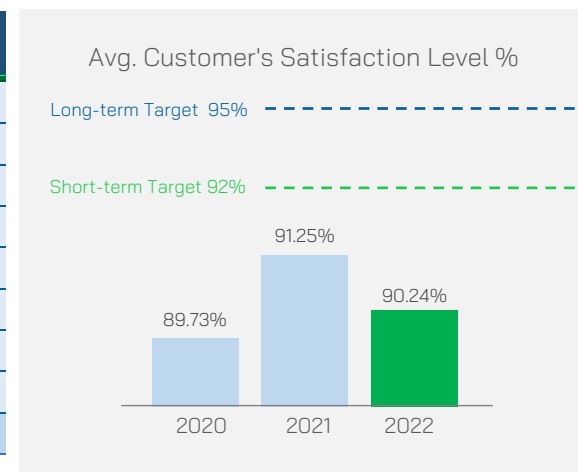


In 2022, the overall score for the company's customer satisfaction was slightly lower than the previous year. However, the scores for delivery and marketing satisfaction have increased to 95.48% and 89.88%, respectively. The company achieved this improvement by utilizing the SQCDM principle, which values punctuality in delivering products to customers and holding online meetings more frequently. Additionally, customer feedback after receiving products has helped to improve the work system of the marketing team.

However, the satisfaction with price in 2022 was 83.15%, which was slightly lower than in 2021. This was due to the rising cost of iron and steel, which are primary materials used in auto parts production. As a result, product costs have increased. Although we were unable to achieve our short-term target of 92% customer satisfaction by 2022, the company is willing to consider suggestions from our valued customers to improve product quality and production in the following year.

Satisfaction	2020	2021	2022
Target %	87.10%	87.05%	87.10%
Quality %	94.64%	91.24%	88.81%
Price %	84.76%	86.34%	83.13%
Delivery %	92.62%	94.10%	95.48%
Marketing Department %	92.86%	88.96%	89.88%
Accounting and Finance %	91.43%	97.29%	95.24%
Production Department %	86.19%	94.10%	94.17%
Quality Department %	88.21%	90.90%	88.10%
Avg. Satisfaction Level %	89.73%	91.25%	90.24%

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



AWARDS & ACHIEVEMENTS

4 OEM Awards



9 Dealership Awards



"Innovation for Sustainability" Project

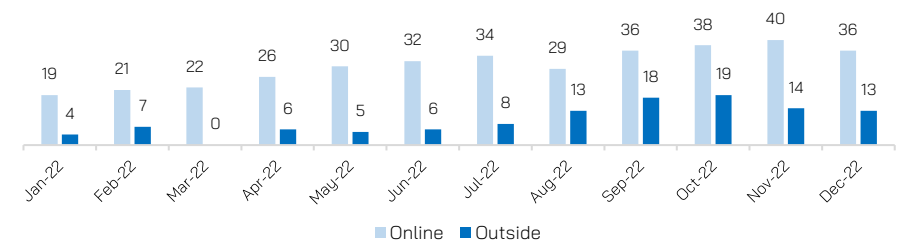
In 2022, the company formed a Sustainability Committee with the purpose of meeting and planning activities that facilitate sustainability in the economy, environment, and social dimensions. The Marketing Department is a member of the committee that initiated projects with a list of completed activities in 2022 as follows:

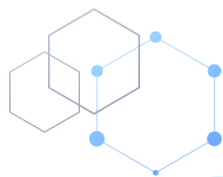
Increasing meeting online instead of onsite

Due to the COVID-19 situation from 2021 to the beginning of 2022, the Marketing Department adopted the practice of communicating with customers via online meetings in accordance with the Company's preventive measures against COVID-19. Although the situation has improved, the department continues to increase the number of online meetings with customers, which has resulted in receiving more suggestions. Additionally, this project can help reduce carbon dioxide emissions from travel.

This project achieved its goals, increasing the number of online meetings with customers by 50% in 2022 and increasing customers' satisfaction by 0.92% compared to 2021.

Monthly Data of Maximize meeting online project in 2022





Supplier Relationship Management



Long-term Goal

- By the year 2025, 80% of Critical Tier 1 supplier have received and passed the ESG risk assessment.
- Within the year 2026, at least 2 suppliers of the Company must undergo ESG risk assessment by external auditors.

Short-term Goal

- All suppliers of the Company, or 100% of them, must participate in listening sessions and consent to abide by the business ethics and anti-corruption policies of the Company by the year 2023.

Performance 2022

- 80% of suppliers have received an A grade in the assessment, indicating their satisfactory performance in terms of quality, transportation, pricing, safety, and environmental management.

Reporting Boundary

The Company emphasizes the importance of its business suppliers as stakeholders and recognizes their crucial role in achieving sustainable success. Therefore, the Company must manage its relationships with suppliers to ensure smooth business operations and mutual growth.

This report discusses the activities and evaluation of suppliers' capabilities in adhering to quality systems, environmental management, occupational safety, engineering, delivery and cost management. It specifically focuses on the automotive component manufacturing and distribution businesses in Thailand, as they are the main businesses with a large customer base. Consequently, the raw materials and products obtained from these suppliers are highly significant for the Company's production and business operations.

Management Approach

Every year, the Company will evaluate and rank both new and existing suppliers. This is done to select suppliers or service providers who have the capability to produce and deliver goods or services according to quality requirements and meet the specifications of ISO 9001:2015/IATF 16949:2016/ISO 14001:2015. The evaluation takes into account various aspects such as quality, price or cost, delivery, safety in the process, maintenance and management of environmental

concerns as well as financial stability. This ensures that the Company can have confidence that its suppliers will be able to operate smoothly, efficiently, with good governance and transparency, and demonstrate responsibility towards the environment and society.

As the Company considers suppliers as important business stakeholders, it has developed a strategy for managing them. This strategy involves inviting suppliers to participate in meetings and activities together, aiming to communicate important information about the Company. This includes business ethics, quality policies, pricing and delivery policies, transparent business practices, anti-corruption and compliance policies, organizational social responsibility policies, and safety policies. These activities provide feedback to suppliers regarding the performance evaluation and collaborative work conducted in the past year.

Before conducting the annual general meetings and activities, the purchasing department will evaluate risks, opportunities and response to risks based on the IATF1949 system. This evaluation allows for the assessment and review of the purchasing department's work with suppliers. If any deficiencies are identified, corrective actions are taken, and strategies are developed to mitigate those risks. The suppliers are notified and made aware of these actions.



Risk, Opportunities and Response to Risks Assessment Steps

1

Risk Assessment, Opportunities and Risk Response

The purchasing department evaluates potential negative risks and impacts, including both the severity level and the likelihood of those impacts. It also assesses opportunities and analyzes methods to mitigate the risks according to the IATF 1949 system.

2

The development of a plan to mitigate undesirable impacts (risks).

Specify the objectives of the project, the details of the implementation process, the timeline for operations, and the person responsible for carrying out the plan to mitigate undesirable impacts.

3

Implement the necessary measures to mitigate those risks according to the established plan.

Execute operations according to the established plan, including preparing progress reports, assigning responsibilities for different parts of the plan, and documenting the outcomes of the operations.

4

Report on the progress of the operations and evaluate the outcomes of the implemented activities.

Provide a report on the progress of the operations and evaluate the work outcomes, while actively soliciting suggestions and feedback to find the best possible approach. These inputs will be used to continuously improve and enhance future work processes.

The Company conducts regular monitoring and audits of suppliers' compliance and performance with ethics and company requirements. Monthly evaluations are conducted, and at least one site visit to suppliers' premises is performed annually. In cases where discrepancies are identified between the supplier's operations and the Company's ethics and requirements, audits are conducted and corrective actions are requested.

Additionally, the Company organizes annual meetings with supplier to receive important business information, an overview of the Company's procurement activities and values during the past year, procurement policies, business ethics, and sustainable business practices. Moreover, awards are presented to outstanding supplier in various areas as a token of appreciation and encouragement for their exemplary performance, adherence to company regulations, and sustained collaboration. The awards include Outstanding Delivery Award, Excellent Quality Award and Outstanding Cost Management Award, presented by the Company.



Performance

Risk And Opportunity Assessment and Response to Risk

In the year 2022, the Company conducted risk assessment, opportunity assessment, and response to risk according to the IATF1949 system. It developed a plan to mitigate undesirable impacts (risks) and promptly implemented corrective measures to address those risks. The key risks identified and the corresponding response can be summarized as follows:

Risk or opportunity require evaluation	Risks	Negative Impact	Severity Level	Likelihood	Average Severity Level and Likelihood	Opportunity	Severity Level	Likelihood	Average Severity Level and Likelihood	Action plans
Changes in weather conditions that result in natural disasters	Unexpected disasters such as severe flooding	Impacts on company operations and sourcing of raw materials	3	1	3	Developing a Business Continuity Plan (BCP) for flood-related disasters to ensure business continuity in emergency situations	3	1	3	Analyzing potential impacts on the business and developing a continuous business operation plan (BCP: Business Continuity Plan)
Price volatility of steel	Purchasing steel at higher prices when steel prices increase	Resulting in higher costs and reduced profits	3	2	6	Negotiating price agreements based on material prices	3	2	6	Implementing a plan for price agreements that adjust up or down based on material prices.

Annual supplier evaluation

In the year 2022, AAPICO Hitech Company Limited (AH) conducted evaluations of its suppliers, totaling 54 in number, with each level of assessment described as follows:

Grade A: This group falls within the "good" criteria of the evaluation and is considered a group that must maintain and adhere to standards.

Grade B: This group falls within the "satisfactory" criteria of the evaluation. Suppliers of the Company must be at least at the Grade B level to be accepted. This group needs improvement to reach Grade A.

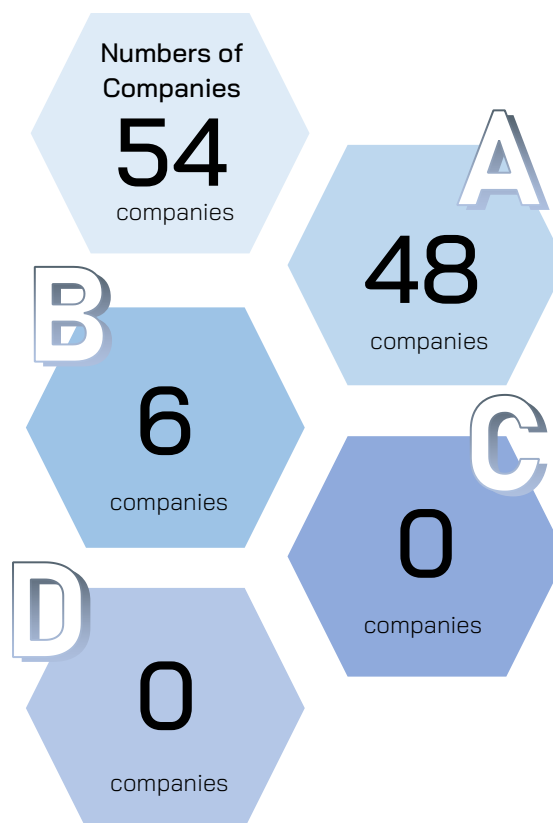
Grade C: This group requires improvement and monitoring in terms of quality and delivery. Meetings and discussions are necessary to find solutions and improvements in order to meet the development goals. If any supplier remains at Grade C for consecutive 4 months, their orders may be reduced or suspended.

Grade D: This group requires immediate corrective actions and must have close control over quality and delivery. Meetings and discussions are necessary to provide guidance for improvements, and a timeline must be set to achieve better standards. In cases where the standards are below the specified targets, if any supplier receives Grade D 4 times within a year or consecutively for 3

months, their orders may be reduced or suspended, or they may even be removed from the Approved Supplier Lists (ASL) with a notification letter issued for their removal from the ASL.

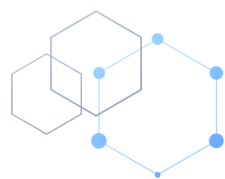
Evaluation result

The results of the annual supplier evaluation for the year 2022 by AAPICO Hitech Company Limited (AH) are as follows:



According to the evaluation results, it was found that the Company has a proportion of supplier that have been assessed at Grade A, which is 48 out of 54 companies. This accounts for 88 percent, indicating an improvement compared to the previous year, 2021.

Grade	2020	2021	2022
Grade A	39	36	48
Grade B	2	9	6
Grade C	-	-	-
Number of suppliers evaluated	41	45	54
Grade A supplier ratio (%)	95.12	80	88



Tax Governance



Reporting Boundary

Tax management is an essential issue for the Company. The Company ensures transparency to stakeholders and investors by duly paying all taxes on schedule. The tax policy of AAPICO, verified by the Company's audit committee, serves as guidelines and procedures for associate companies, as follows:

1 Compliance - AAPICO aims to minimize the administrative burden involved in order to follow tax laws; while also fully and efficiently complying with the tax laws, rules, and regulations in the jurisdictions in which the AAPICO Group operates.

2 Transfer Pricing - Using the arm's-length principle for transactions among companies within the AAPICO Group.

3 Accountability and Transparency - The Company encourages paying taxes on time, while also providing all relevant information requested by the associated state's department without delay in order to accurately establish the Company's tax liabilities.

4 Preventing and reducing significant tax risks - The Company ensures that personnel responsible for tax matters have the necessary skills, technical expertise, and knowledge to fulfill their responsibilities effectively. It also regularly reviews updates and changes to tax legislation to assess their impact on the Company. AAPICO handles general tax cases internally, but external tax advisors are contracted in cases of uncertainties or specific tax areas/jurisdictions to ensure appropriate handling of the process.

5 Tax planning – The corporation intends to use tax benefits as efficiently and legally as possible, without resorting to tax avoidance. All tax payments are clearly mentioned in order to check and reduce the issue of improper payments, which result in fines and surcharges.

Performance

In 2022, the Company had consolidated revenue of 28,348 million baht and paid taxes to the government in the amount of approximately 160 million baht, with a profit before tax in the consolidated financial statements of 2,024 million baht at an effective tax rate of 7.9%. Different from the actual tax paid at 12.1%, with the right to exempt corporate income tax under certain promotional certificates (BOI).

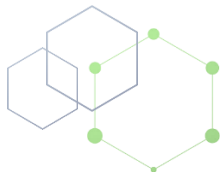
The Company has prepared 56-1 ONE REPORT 2022 with contents that clarify additional details about the financial statements and the list of corporate income tax exemptions by scanning the QR code to access the Company's tax policy or the Company's website [here](#).



ENVIRONMENT

- Environmental Policy
- Energy
- Water
- Waste
- Air Emission
- Greenhouse Gas Emission





Environmental Policy

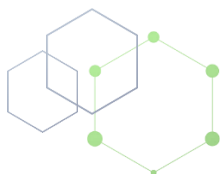


One of AAPICO Group's main business is the manufacturing of OEM automotive parts. Inevitably, this means that the Company's operations will involve factories and the subsequent waste and emission that such operations entail. However, the Company does recognize the importance of the environment and has 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 ISO 14001 standard.
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 of 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



Long Term Target

-

Short Term Target

- Electricity Consumption:
Reduce consumption per total of production by 4%
- Fuel Consumption:
Reduce consumption per total production by 5%

Performance 2022

- Electricity Consumption:
3,933 MWh for annual consumption *which increased by 12.71% from last year*
0.056 MWh per total of production *which reduced 42.53% from last year*
- Fuel Consumption:
100.44 KL for annual consumption *which increased by 117.49% from last year*

Reporting Boundary

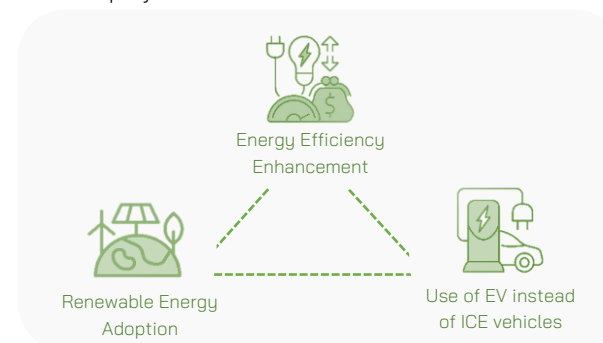
AAPICO Group is aware of the importance of energy efficiency in order to deliver low production costs and competitive product pricing to the market while minimizing the environmental impact on neighboring communities to the greatest extent feasible. Therefore, the Company advocates for its personnel 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 2022. The Company has expanded the scope of data collection to cover the area of AAPICO's facilities in Ayutthaya Province¹ and disclosed aggregate data of the electricity consumption in OEM businesses as mentioned above and compared the electricity consumption only for AAPICO Hitech Public Company Limited (AH) in order to see the trend of the company's performance. This may result in the information reported below being in some way inconsistent with what was reported in previous years.



Management Approach

According to the sustainability framework, the Company is committed to properly controlling energy consumption in the workplace because electricity and fuel are the primary and major energy sources utilized in the manufacturing and service operations. As a result, the Company recognizes the importance of developing management standards and targets for decreasing energy usage in order to benefit the Company by lowering expenses and negative impacts on the environment and community.

The Company encourages its subsidiaries to create activities and innovations that control and reduce the amount of energy consumed within the Company. The management guidelines and details of various projects can be summarized as follow





¹ In the area of AAPICO Hitech Public Company Limited (AH) including the area of its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

1. Energy Efficiency Enhancement

1.1. LED High Bay Lighting Replacement Project

The Company has replaced T5 High Bay light bulb with LED High Bay light bulb in AH, AHT, AHA. The project was completed in October 2022. According to the results, the company reduced energy usage and cost savings by 13.61 megawatt-hours (MWh) per month, or 9.09%, which may be explained as follows:

	Past T5 High Bay	Present LED High Bay
Type of lighting		
Electric power	41,580 watts	37,800 watts
Amount of working hour	12 hours	12 hours
Amount of electricity usage per day	498.96 kilowatt-hours	453.60 kilowatt-hours
Amount of electricity usage per month	14,968.80 kilowatt-hours	13,608 kilowatt-hours

2. Renewable Energy Adoption

2.1. Solar Rooftop Project

The Company has implemented Solar Rooftop panels in the workplace at AAPICO's facilities in Rayong² since 2021 and has recorded the amount of electricity and cost savings achieved.



In 2022, AAPICO Hitech Public Company Limited, Rayong Branch (AHR) and its subsidiary, AAPICO Plastic Company Limited, Rayong Branch (APR), were able to cut energy expenditures by 1.85 million Baht or 8.5%, resulting in energy savings of 1,064.11 megawatt-hours (MWh) and around 848,741 Baht or 6.0%, resulting in energy savings of 499.74 megawatt-hours (MWh), respectively, by installing solar cell systems.

1,563.85 MWh of power were entirely replaced by renewable energy





The total amount of cost reduction was 2.69 million Baht



2.2. Solar Street Light Project

The Company has also initiated a solar street light project by replacing conventional electricity with solar power for the parking lot that are in AAPICO's facilities in Ayutthaya Province³. This initiative is aimed at the efficient and cost-effective use of energy and was completed in May 2022. As a result, the Company was able to reduce energy consumption and expenses at 1.32 MWh per month, or 100%. This project is able to pay back the capital within 3 months which its details could be explained as follows:

	Past Spotlight	Present Solar Street light
Type of lighting		
Number of light bulbs	200 watts for 20 units	30 units for brightness equal to spotlights
Electric power	4,000 watts	0 watts
Amount of working hour	11 hours	11 hours
Amount of electricity usage per day	44 kilowatt-hours	0 kilowatt-hours
Amount of electricity usage per month	1320 kilowatt-hours	0 kilowatt-hours

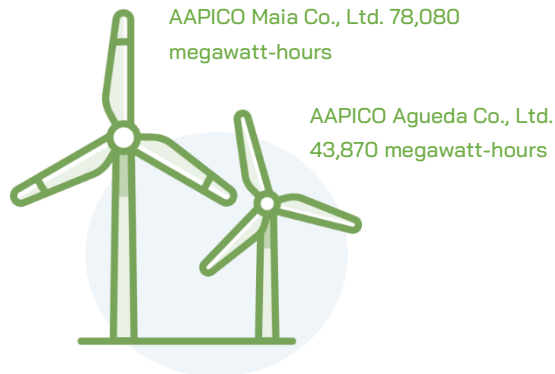
² In the area, AAPICO Hitech Public Company Limited, Rayong Branch (AHR) and its subsidiary, namely AAPICO Plastic Company Limited, Rayong Branch (APR)

³ In the area of AAPICO Hitech Public Company Limited (AH) including the area of its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

2.3. Wind Turbine-generated Electricity Projects

AAPICO Maia Co., Ltd. (AMI) and AAPICO Agueda Co., Ltd. (AAG) have entered into an arrangement with a natural renewable energy producer to acquire renewable energy from wind turbines. All facilities consume 100% of their electricity from clean energy.

Clean energy from wind turbines used during January–December 2022



3. Use of EV instead of ICE Vehicles

3.1. EV Vehicle

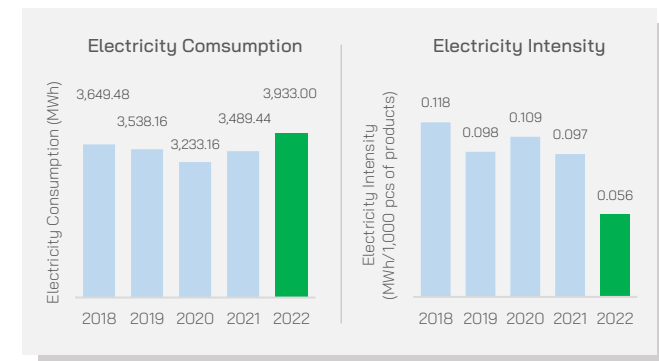
The Company utilizes energy in the form of gasoline and diesel in transportation and production processes. The Company has a plan to reduce the amount of gasoline usage for travel by increasing the proportion of electric vehicles. The Company is currently in the process of studying and planning its operations, which is expected to be implemented and reported in the following year.

Performance

Energy Consumption

AAPICO's facilities in Ayutthaya Province⁴ consumed 10,970.01 MWh of power in 2022. In comparison to total production that year, the Company utilized electricity at a rate of 0.155 MWh per production. However, the Company will consider defining short-term and long-term targets covering the total energy consumption of the facilities in Ayutthaya Province⁴. The company will collect data and disclose its performance next year.

Considering only AAPICO Hitech Public Company Limited (AH), there is an electricity consumption of 3,933 MWh, an increase of 12.71% from the year 2021. However, when comparing the electricity consumption to the production volume in that year, it was discovered that the electricity consumption in 2022 was approximately 0.056 MWh per total production⁵ which has reduced power usage by 42.53% from 2021. The Company achieved its short-term target. That is because the Company's operations are returning to normal, coupled with the increased production volume and implementation of sustainable development projects.



⁴ In the area of AAPICO Hitech Public Company Limited (AH) including the area of its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

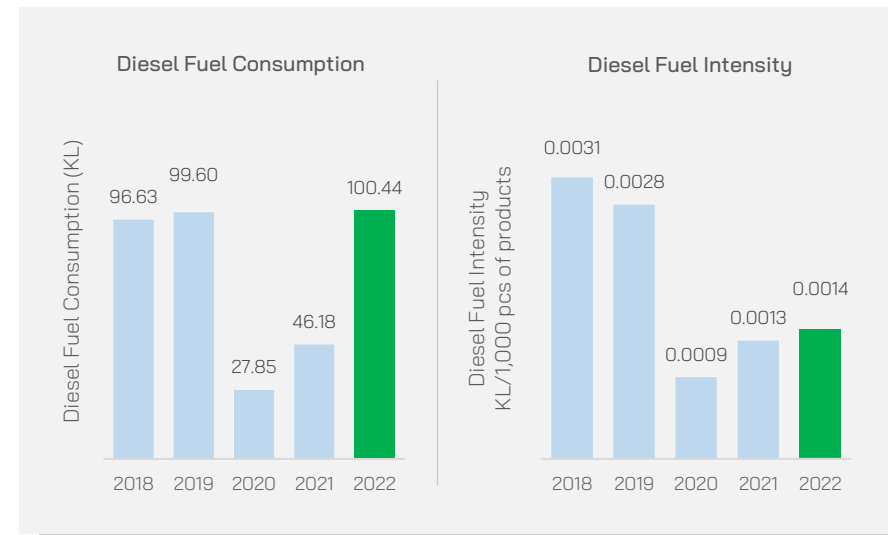
⁵ Total production means a product volume of 1,000 units or a thousand pieces of products

Fuel Consumption

The Company collected data on the amount of gasoline and LPG used in addition to the Company's diesel fuel usage to calculate the operation's GHG emissions in Scope 1. As a result, the Company presents data on the total amount of fuel consumption covering the area of AAPICO's facilities in Ayutthaya Province⁶ to demonstrate the actual fuel consumption and compare specifically the amount of diesel fuel used, which is the major fuel. This helps to show the trend in the Company's performance.

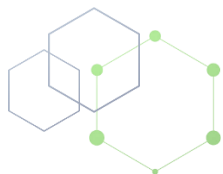
AAPICO's facilities in Ayutthaya Province⁶ have a total fuel consumption including gasoline, diesel, and LPG in the cafeteria at 128.97 kiloliters (KL). When comparing the fuel consumption to the production volume in that year, it was found that the fuel consumption in 2022 was approximately 0.0018 KL per total production⁷. However, the Company will review short-term and long-term targets for fuel utilization of the facilities in Ayutthaya Province⁶, as well as collect data and report performance comparisons for the next year.

Considering only diesel fuel consumption compared to previous years, it is observed that the Company had a volume of diesel fuel consumption in the year 2022 totaling 100.44 KL. However, when comparing the amount of diesel fuel consumption with the production volume in that year, it can be seen that the diesel consumption in 2022 is at 0.0014 KL per total production⁷, which has a much higher oil consumption than in 2020 and 2021. As a result, the Company could not achieve the target because the COVID-19 situation easing in 2022 and the Company operating normally as in 2019 before the outbreak of COVID-19, as well as the increasing number of orders, so the transportation of goods to customers can be carried out as usual. Therefore, the data cannot be compared with 2021 data, but if compared with the data in 2019 with regular operations, it can be observed that the Company has increased production volume and better management in the transportation sector, resulting in a higher percentage of diesel fuel consumption by 0.84%, but a lower consumption of diesel fuel per total production by 49.21% compared to the volume of diesel consumption in 2019.



⁶ In the area of AAPICO Hitech Public Company Limited (AH) including the area of its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

⁷ Total production means a product volume of 1,000 units or a thousand pieces of products



Water



Long Term Target

- -

Short Term Target

- Reduce Water Usage by 3% in 2022 compared to 2021

Performance 2022

■ Water Utilization

50,574 m³ which increased approximately by 11.63% from last year

0.716 m³ per total of production which reduced approximately by 43.07% from last year

Reporting Boundary

AAPICO Group realizes 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 survival. As a result, the Company developed an approach to utilize water efficiently and regularly monitoring the water leakage point to avoid wasting water, which wastes valuable resources and money. This report will give details of the Company's performance in water consumption management in 2022. The Company has expanded the scope of data collection to cover the area of AAPICO's facilities in Ayutthaya Province which are AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Automation Co., Ltd. (AHA), and AAPICO Hitech Tooling Co., Ltd. (AHT) are subsidiaries of AAPICO Hitech Public Company Limited (AH).

Management Approach

The Company encourages employees to recognize the value of water consumption and to advocate for water conservation. To meet the Company's commitment, the sustainability working group began a project to replace water pipes in the area of AAPICO's facilities in order to prevent water loss at various places. The following details can be clarified:

Restoration of pipe Project

AAPICO Hitech Parts Co., Ltd. (AHP) has undertaken a project to replace galvanized steel pipes with polyethylene plastic pipes (PE Pipes) for the water system within its factory in order to reduce water leakage. The project was completed in December 2022, and there was no water leakage. The result of this project is reported by comparing water leakage records from 2021 and 2022 as follows;



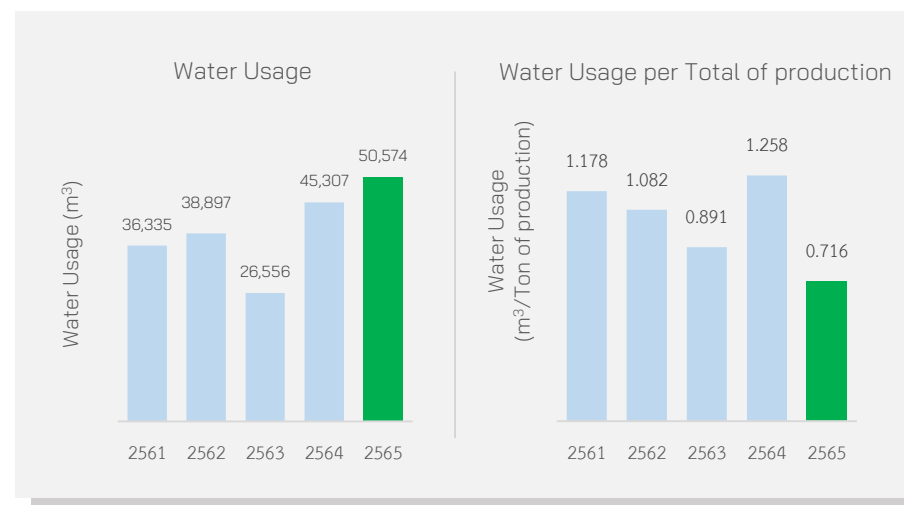
According to the data in the table, Galvanized Steel Pipe has leaked 10 times in 2021. Before change to PE pipe in the late 2022, There is no leakage after that in December. This project is helping to reduce a loss of water resources in the Company.

Month	Galvanized Steel Pipe (2021)	PE Pipe (2022)
January	1	-
February	0	-
March	0	-
April	1	-
May	1	-
June	0	-
July	1	-
August	1	-
September	2	-
October	1	-
November	0	-
December	2	0
Total	10	0

Performance

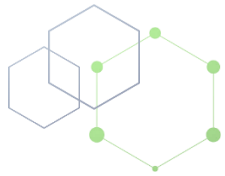
The Company set a target of 3% reduction in water consumption. In 2022, the Company in Phra Nakhon Si Ayutthaya¹ consume 50,574 m³, which increase approximately 11.63% from 2021.

Comparing water usage per total of production, the Company's water consumption in 2022 was 0.716 m³ per production², which decrease of 43.07% from the previous year. The Company achieved its short-term target completely because of the replacement of water pipes in the factory and campaigning on water efficiency.



¹ In the area of AAPICO Hitech Public Company Limited (AH) including the area of its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

² Total production means a product volume of 1,000 units or a thousand pieces of products



Waste



Long Term Target

- Reduce waste generated per production unit by 5% in 2026 in comparison to the baseline year of 2021

Short Term Target

- Reduce waste generated per production unit by 1% per year

Performance 2022

- Total waste generated in Ayutthaya plants is 18,713.22 tons
- Waste generated excluding industrial waste, increased from 2021 by 28.62%, but decreased by 34.40% when calculating the production volume (per a thousand pieces of products)

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 for the employees and the surrounding communities; which will, in turn, also affect the Company's reputation. The Company is committed to creating innovations that reduce the use of resources. Including preventing and reducing waste from the production process to a minimum.

In 2022, the Company has collected more comprehensive data according to the ISO 14064-1 standard, which uses waste data to calculate greenhouse gas emissions. The Company has included industrial waste data in the amount of waste generated by organizations in Ayutthaya plants¹. Therefore, the amount of waste shown in this report cannot be directly compared with previous years. In this case, the Company will compare only solid waste and hazardous waste, excluding industrial waste, in order to see the trend of the Company's performance.

Management approach

The Company has a way to minimize the amount of waste from the production process according to the regulations and report a total of waste disposal to the government annually. The Company provides information on the type of waste, disposal methods, waste sources and data comparison with the previous year.

In 2022, the Company implemented various projects to manage and reduce waste generated from defective production parts before forwarding to subsequent processes or customers in alignment with the sustainable development strategy. The details of projects as follows:



¹ In the area of AAPICO Hitech Public Company Limited (AH) including the area of AAPICO Hitech Public Company Limited (AH) and its subsidiaries in Ayutthaya Province, AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

1. Resource Optimization

1.1 Ultrasonic Thickness Project

The thickness of parts will be designed according to customer requirements. After producing parts, the Company will check thickness by randomly selecting one piece in its corresponding batch and trim some parts of that product. This makes the cut-out items unusable and turns them into scraps, raising the cost and producing waste. Therefore, the Sustainability Working Group recommends the innovation of ultrasonic thickness, which can measure the thickness of an inspection by high-frequency waves. So, we avoid having to trim some pieces, saving money and reducing the quantity of waste generated.



Micrometer



Ultrasonic Thickness

This project started operation in March 2022. The results show that the Company has not lost a single workpiece since the implementation of this project, saving costs from workpiece losses of approximately 250,000 baht between March and December 2022.



The cost of scrapping
inspection in 2022
was 360,636 Baht

The total amount saved
between Mar-Dec 2022
was 250,000 Baht



1.2 Tatters Project

Before delivering products to customers, the Company has a procedure to inspect and clean the workpieces. The project is designed to control and reduce the amount of tatters usage for cleaning product parts through guidelines and training to raise awareness among employees about using resources more efficiently and cost-effectively.

In 2022, the Company was able to reduce tatters usage for cleaning workpieces by 20%, which resulted as below.

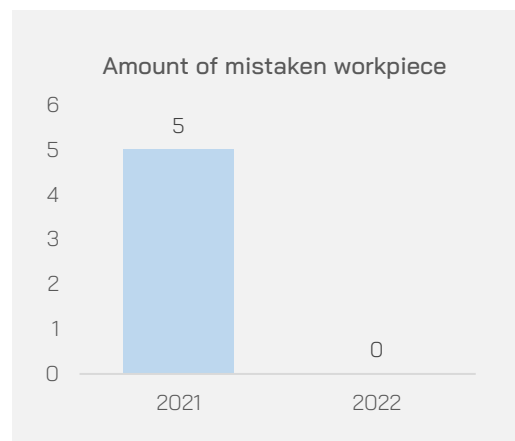
Section	Line	Rug usage before running project (kg)	Rug usage after running project (kg)
Stamping section	Line 1	720	576
	Line 2	1,200	960
	Line 3,4,5	1,200	960
	IMV Line	240	192
Assembly section	ASSY Line	1,200	960
	ASSY IMV Line	240	192
Total amount		4,800	3,840

2. Waste Reduction

2.1 Gabari Special Control for Manual Assembly

The Gabari Special Control is a mold that guides drill holes for inserting nuts and screws into the workpiece. To prevent employee mistakes and damage to the workpiece. Because each type of workpiece has many holes and different positions, the working group has invented this innovation to provide guidance, prevent employee mistakes and reduce waste caused by damaged workpieces.

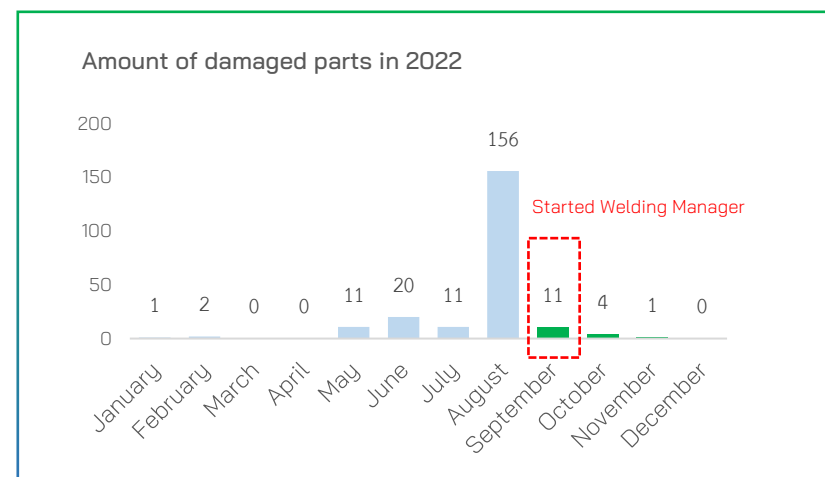
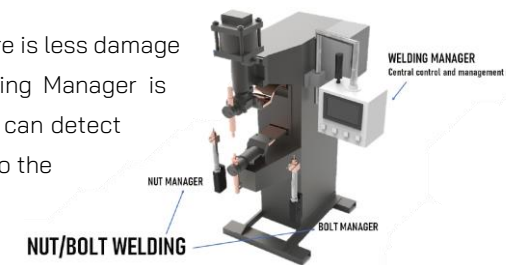
Since this project started in 2022, there has been no mistaken workpiece by an employee after all. It shows that this innovation is a huge benefit to the production process.



2.2 Welding Manager for Poka-Yoke Assy Part

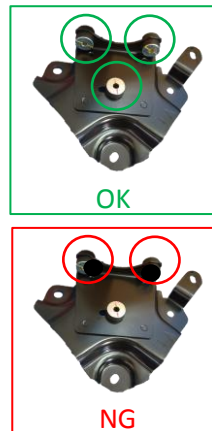
The Welding Manager for Poka-Yoke Assy Parts is used in the assembly line at AH plants. The machine is responsible for inspecting workpieces prior to assembly welding to determine whether the stamping or holes are properly positioned and complete. If the workpiece is incomplete, the machine will alert and pause the process. This innovation will help employees inspect the workpiece before proceeding to the next step. Therefore, imperfect workpieces will not be passed on to customers or get into the next step and then become waste in the end.

As shown in the graph below, there is less damage to the welding assembly after Welding Manager is applied. It shows that this innovation can detect damaged parts before sending them to the next process.



2.3 Camera Check Collar for Assy IMV Line

The Camera Check project uses cameras to detect defective parts in welding assemblies to ensure that every workpiece goes through the production line perfectly. Then the parts are passed on to the next process or delivery to the customer. This is another innovation that helps employees check incomplete workpieces and prevent waste in the production process.



3. Quality Awareness

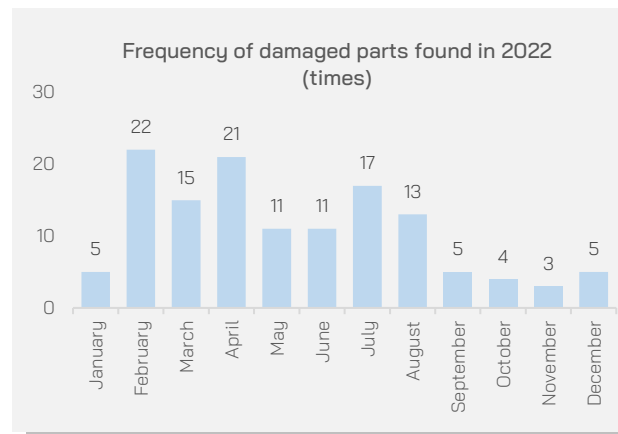
3.1 The Quality Mind project

The Quality Mind project aims to express appreciation and motivation to employees in production lines to detect any defective parts before they are sent to the further processes or the QA&QC

department. This activity is designed to inspire employees to work with precision and attention to detail and to consistently check the quality of the parts before sending to the next process.



During the implementation of the project, employees paid more attention to checking the workpiece. It is considered to create good work motivation for employees, as shown in the graph below.

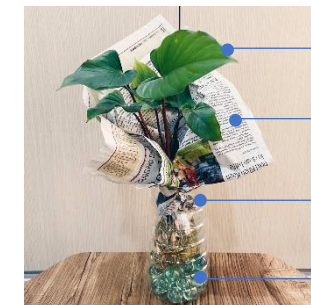


3.2 Fresh Air Forward Project

In 2022, the Company considers sustainability a high priority. In terms of reducing the effects of climate change by setting the goal of being a carbon neutrality company by 2048 and passing on the commitment to customers and stakeholders through the eco-friendly bag that contains a tree with recycled decorations. It will help increase green space and fresh air. details as follows.



Sackcloth souvenir bag printed on 'AAPICO Carbon Neutrality 2048'



Air-filtering plant

Recycled newspaper

Recycled Plastic Bottle

Excess marbles in welding wire process from factory

Performance

In 2022, the Company generate solid waste, general waste, hazardous waste, industrial waste and others. Total waste generated in Ayutthaya plants² is 18,713.22 tons as follows:

Total waste generated in 2022 (Ton)				
Solid waste	General waste	Hazardous waste	Industrial waste	Others
109.5625	9,632.0130	75.9390	8,895.6890	0.0120

Although industrial waste was generated in the second largest amount as shown on the table, the Company disposed of it properly under regulations and annually report the management of industrial waste, general waste, solid waste, both hazardous and non-hazardous, to the Industrial Estate Office in each estate.

However, the data from this year cannot be compared with previous years since the Company did not include industrial waste data in its calculations to show the trend of operating results. It can be summarized as follows:

In 2022, the Company generated waste, excluding industrial waste, totaling 9,817.53 tons, which is an increase of 28.62% from 2021. When calculating the waste data with the production volume, it was found that there was an amount of waste excluding industrial waste about 0.139 tons per total production³, which decreased by 34.40% from the previous year. The Company achieved its short-term target. That is because we always follow the 3Rs principle, which consists of Reduce, Reuse and Recycle, in operation.

² In the area of AAPICO Hitech Public Company Limited (AH) including the area of AAPICO Hitech Public Company Limited (AH) and its subsidiaries in Ayutthaya Province, AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

³ Total production means a product volume of 1,000 units or a thousand pieces of products

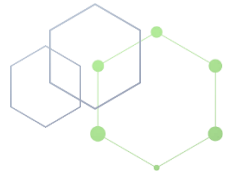


Total Waste generated and Non-hazardous waste in 2022

9,444.80 tons or 96.95%

Per Total Waste generated

Additionally, the Company raises employees' awareness to use resources responsibly and to sort waste for the highest resource circulation and reuse. Furthermore, the Company continues to emphasize the great importance of environmental management throughout the supply chain by selecting partners who care about and take responsibility for the environment on a regular basis.



Air Emission



Long Term Target

- (On the process of discussing technology and timeframe with the Sustainability Working Group)

Short Term Target

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

Performance 2022

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

Reporting Boundary

Air pollution is a well-known cause of environmental deterioration in society and is closely monitored. Furthermore, emissions from factory operations can also affect the health and well-being of workers. With these concerns in mind, the Company takes great care to limit emissions from its operations to comply with government regulations. This report will provide details on the Company's performance in

air emission management in 2022, focusing on the OEM auto parts manufacturing business of the AAPICO Hitech Public Company Limited plant in Ayutthaya, Thailand.

Management Approach

To ensure that air pollution released from its operations is minimized, the Company installed exhausts and air filters around its operation areas, especially in the factory areas. These filters help to limit the amount of air emissions released into the atmosphere to the minimum required. The excess emissions are then measured against the government's regulations to ensure that the Company has not violated them and that its environmental impact is minimal. Therefore, the Company's short-term target is to limit the volume of air pollution emitted from its operations within the permissible range of environmental laws and regulations, as stated in the Ministry of Industry's announcement regarding the determination of the amount of contaminants in the air emitted from factories in 2006.

However, long-term goal planning, which intends to deploy more technology to trap pollution from production, is in discussion with the Sustainability Committee. A progress report is expected to be written next year.

Performance

The Company measures three types of air emissions, namely Carbon Monoxide (CO), Nitrogen Oxides (NO_x), and Sulfur Dioxide (SO₂), which are released from five stacks every six months. Each of these emissions is measured using US EPA Method 10, US EPA Method 7E, and US EPA Method 6C. The results are then combined when both data sets are available. The total measured emissions are compared against the government's regulation limits for each respective emission. The target is to ensure that no emission exceeds these regulations, as shown below:

Air Emission Data

Air Emission (Unit: Metric ppm)	Measured Volume in 2022	Government's Limit	Not Exceed Regulations
Carbon Monoxide (CO)	13.26	690.00	✓
Nitrogen Oxides (NO _x)	1.38	200.00	✓
Sulfur Dioxide (SO ₂)	1.57	60.00	✓





Organizational Carbon Footprint Verification



Long Term Target

- Achieve Carbon Neutrality by 2048

Short Term Target

- Reduce direct greenhouse gas emissions (Scope 1) by at least 0.60% per production unit compared to the baseline year 2021.
- Reduce indirect greenhouse gas emissions from electricity use (Scope 2) by 4% per production unit within the year 2022, compared to the year 2021
- Reduce greenhouse gas emissions from paper use (Scope 3) by 40% per production unit within the year 2022, compared to the year 2021.

Performance 2022

- *Direct greenhouse gas emissions (Scope 1) are at 0.007 tCO₂eq per production unit.*
- *Indirect greenhouse gas emissions from electricity use (Scope 2) are at 0.078 tCO₂eq per production unit.*
- *Other indirect greenhouse gas emissions (Scope 3) are at 0.436 tCO₂eq per production unit.*

Reporting Boundary

The release of greenhouse gases (GHG emissions) is one of the significant causes that impact the environment and humans. Therefore, the Company emphasizes the importance of managing and controlling GHG emissions from production processes to the lowest possible level. This report presents data on the Company's performance in managing GHG emissions in the year 2022. The Company has expanded the scope of data collection to cover business facilities in Bangkok and Ayutthaya provinces. Additionally, data on the sources of GHG emissions within each boundary has been collected more comprehensively. Hence, the data reported in this report cannot be directly compared to previous years due to the mentioned changes, which may result in some inconsistencies with the previously reported information.

Management Approach

In this year, the Company has announced its commitment and set the highest target for sustainable management in achieving carbon emission reduction within the year 2048 B.E. or **Carbon Neutrality by 2048**. This commitment reflects the Company's dedication to being a low-carbon organization and taking responsibility towards society and the environment, including reducing the impacts of climate change and global warming. The Company's sustainability team has initiated environmental activities to help reduce greenhouse gas emissions



and achieve the Company's aforementioned goals. These activities include projects to utilize solar energy as an alternative to electricity, replacing light bulbs for increased efficiency and energy conservation, implementing innovative inspection techniques to reduce waste in the production process, and utilizing technology to minimize paper and oil consumption, among others.

With the aspiration to achieve the set goals, the Company has made improvements in data collection and reporting on greenhouse gas (GHG) emissions resulting from its direct and indirect operations. This covers three scopes, encompassing data collection throughout the value chain, starting from the sourcing of raw materials, design and production, transportation, office operations, and employee travel. In this regard, the Company has expanded the types of data collected to calculate GHG emissions and ensures the accuracy and completeness of data within all three scopes in accordance with the ISO 14064-1 standard, aligning with the GHG Protocol Corporate Standard. The Company provides a comprehensive breakdown of information within each scope as follows:

Scope 1: Direct greenhouse gas emissions from the production process.

Scope 2: Indirect greenhouse gas emissions from the use of electricity.

Scope 3: Other indirect greenhouse gas emissions from various environmental sources, with a breakdown of the data considered within this scope, as follows:

- 1) Purchasing raw materials
- 2) Energy consumption in the organization
- 3) Raw material transportation from suppliers
- 4) Waste generated from organization
- 5) Business-related travel
- 6) Employees' commuting
- 7) Logistics and distribution

The Company utilizes data on greenhouse gas emissions from each scope, calculated based on actual production quantities in that particular year. The unit of measurement used for calculations is per production unit or 1,000 product units, aiming to obtain more accurate data. The Company will use the operational data from this year as a basis for developing strategies and setting targets to reduce greenhouse gas emissions in the upcoming year.

Therefore, the greenhouse gas emissions data disclosed by the Company in the year 2022 has been accurately collected and calculated for each scope. The Company has engaged Advanced Energy Plus Co., Ltd. as its consultant and undergone external verification of greenhouse gas emissions data by Bureau Veritas Certification (Thailand) Co., Ltd., an independent external verifier. The Company will include the certificate of verification of greenhouse gas

emissions data by the external verifier as an appendix to this report.

Performance

Scope 1

In 2022, the Company emitted a direct greenhouse gas (GHG) from the production process in its facilities located in Phra Nakhon Si Ayutthaya Province¹, totaling 497 ton of carbon dioxide equivalent (tCO₂eq). When comparing the quantity greenhouse gases within Scope 1 to the production volume in that year, it was found that in 2022, the approximate emission of direct greenhouse gases was 0.007 tCO₂eq per unit of production.²

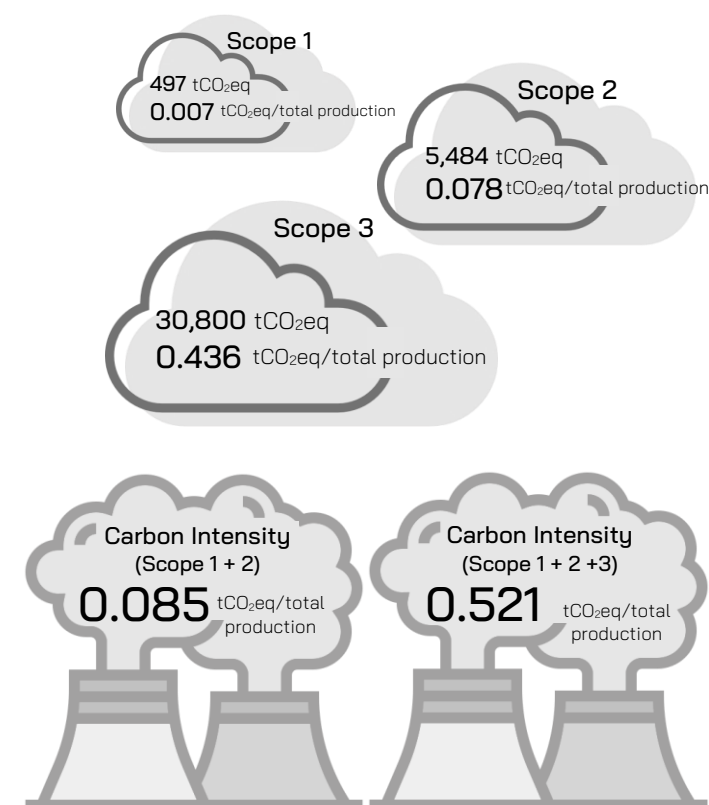
Scope 2

In 2022, the Company emitted approximately 5,484 tCO₂eq of indirect greenhouse gases from electricity consumption within the business premises in Phra Nakhon Si Ayutthaya Province. When comparing the quantity of greenhouse gases within Scope 2 to the production volume in that year, it was found that in 2022, the Company emitted approximately 0.078 tCO₂eq of indirect greenhouse gases from electricity consumption per production unit.

Scope 3

In 2022, the Company emitted a total of 30,800 tons of carbon dioxide equivalent (tCO₂eq) from other indirect greenhouse gas sources within Scope 3 at its

facilities in Phra Nakhon Si Ayutthaya province. When comparing the quantity of greenhouse gases within Scope 3 to the production volume in that year, it was found that in 2022, the Company emitted approximately 0.436 tCO₂eq of other indirect greenhouse gases per production unit.



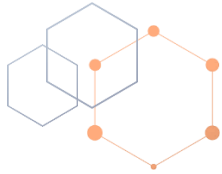
¹ In the area of AAPICO Hitech Public Company Limited (AH) including the area of its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA)

² Total production means a product volume of 1,000 units or a thousand pieces of products

SOCIAL

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





Respecting Human Rights



Long term target

- On average, at least 75% of employees are satisfied and committed to the organization in the year 2026.

Short term target

- On average, at least 60% of employees are satisfied and committed to the organization in the year 2022.

Performance

- In the year 2021, there were no initiatives implemented regarding building employee commitment to the organization. However, the Company recognized its importance and conducted surveys to assess employee satisfaction and gather their feedback more extensively. These initiatives are currently underway and will be revealed in the year 2022.

Reporting Boundary

The Company understands well that human resources are the most valuable asset in driving organizational growth. Therefore, we prioritize the development of our personnel to be good individuals, skilled professionals, and adaptable to the current era where technology plays a crucial role in daily life. With the rapid generation and transformation of information and data, the Company focuses on equipping employees with knowledge, abilities, and the ability to keep up with various innovations and new knowledge. This fosters a creative mindset in applying these innovations to enhance work efficiency, aligning with the Company's vision of becoming a strong and sustainable organization through a digitally driven operational approach (Digital World Class Organization).

In this report, we will discuss the training programs and various activities that promote employee development within the organization. This encompasses the following companies: AAPICO Hitech PLC (AH), AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Automation Co., Ltd. (AHA), AAPICO Hitech Tooling Co., Ltd. (AHT), AAPICO Hitech PLC (Rayong) (AHR), AAPICO Plastic PLC. (Rayong) (APR), AAPICO Amata Co., Ltd. (AA), AAPICO Structural Products Co., Ltd. (ASP), AAPICO Forging PLC. (AF), AAPICO Precision Co., Ltd. (APC), AAPICO Plastics PLC. (APB), Edscha AAPICO Automotive Co., Ltd. (EA), AAPICO Lemtech (Thailand) Co., Ltd. (AL), and Able Sanoh Industries (1996) Co., Ltd. (ASICO).

Management Approach

Management strategies for employee management, outlined by various subtopics, along with the outcomes achieved in each area, are as follows:

Recruitment and Hiring Process

The Company supports continuous growth by recruiting knowledgeable and skilled personnel based on the necessary qualifications for business operations. Additionally, the Company considers fairness and equality by adhering to the recruitment process in accordance with labor laws, regulations, and various provisions specified by Thai labor standards. This process includes knowledge and skills testing, intelligence and emotional assessments, as well as interviews conducted by experienced managers with expertise. The goal is to select suitable candidates through a selection process that begins with job announcements through various channels. After reviewing applications, the Company schedules interviews to assess knowledge, skills, and conducts job interviews with supervisors and executives. Subsequently, the Company undergoes a decision-making process and proceeds to the final approval for hiring.



Job Openings

The Company announces job openings in desired positions through various channels and selects applicants based on their application forms. Additionally, it utilizes phone calls to reach out to individuals who possess the qualifications, inquiring about their interest in participating in further assessments and interviews.



Test of knowledge, skills, and abilities

Once the Company has successfully screened applicants based on their application forms, it will invite them to participate in a knowledge, skills, and abilities test, as well as an emotional intelligence assessment tailored to the respective positions.



Interview

After the candidates have completed the various tests, the Company will review the test results and present them to the management for consideration during the interview process. During the interviews, the managers will evaluate the candidates in various aspects.



Approval of Hiring

High-level executives will be responsible for evaluating the applicants and approving their employment. Afterward, the HR department will contact the selected candidates to schedule their first day of work and orientation.

Performance



Total number of employees

3,266

Total number of new employees

199

In the year 2022, the Company in Thailand hired 326 new employees, accounting for a new hire rate of 20.12% of the total workforce. Additionally, there were 206 employee resignations, representing a resignation rate of 12.72% of the total workforce. Below are the details and comparisons of the recruitment and hiring rates, as well as the employee resignation rates for the past three years:

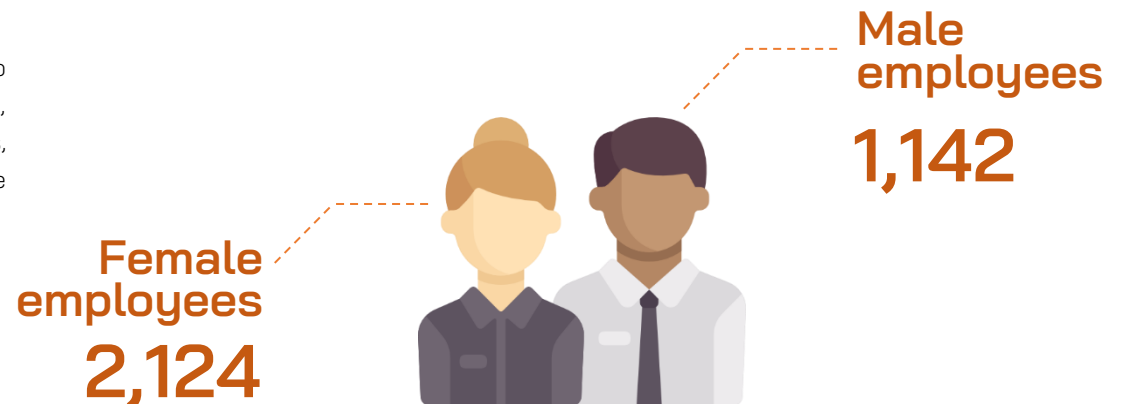
	2020			2021			2022		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Number of new hire	282	129	153	326	225	101	199	128	71
Hiring Rate (%)	10.09	4.62	5.47	20.12	13.89	6.23	6.09	3.92	2.17
Number of Resigned Employees	231	85	146	206	135	71	264	166	98
Resignation Rate (%)	8.26	3.04	5.22	12.72	8.33	4.38	8.08	5.08	3

Employee Diversity

In the year 2022, the Company had a total of 3,266 employees, who can be categorized based on physical characteristics, gender, age range, and nationality. The distribution of employees in various categories, comparing the number of employees in each category over the past three years, is as follows:

Gender

The Company has 2,124 male employees, accounting for 65.03% of the total workforce, and 1,142 female employees, accounting for 34.97% of the total workforce.

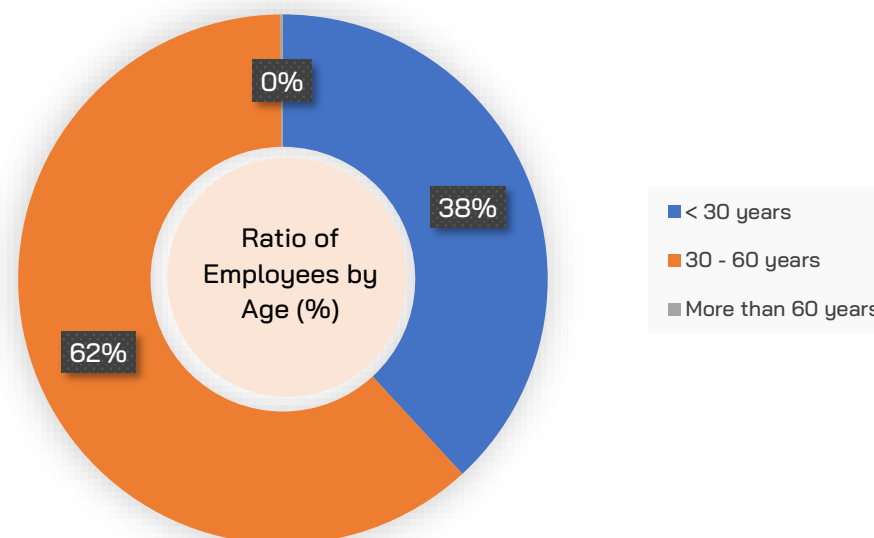


	2020			2021			2022		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Number of Employees by Gender	2,795	1,905	890	2,408	1,761	647	3,266	1,142	2,124
Ratio of Employees by Gender (%)	100	68.16	31.84	100	73.13	26.87	100	34.97	65.03

Age

There are 1,246 employees who are under 30 years old, accounting for 38% of the total workforce. Employees aged between 30 and 60 years old account for 2,015 individuals, representing 62% of the workforce. Additionally, there are 5 employees who are over 60 years old, accounting for 0.15% of the total.

	<30 years	30 – 60 years	More than 60 years
Number of employees	1,246	2,015	5



Supporting the workforce of people with disabilities

The Company recognizes the importance of human values and providing opportunities. Therefore, the Company aims to contribute to community development and the growth of the country's workforce. One of the ways is by supporting the employment of people with disabilities, aiming to improve their quality of life, enhance their skills, and enable them to support themselves and their families, thereby becoming valuable members of society. In Thailand, the Company annually recruits individuals with disabilities as regular employees. In the year 2022, a total of 24 people with disabilities were hired.



Employee benefits and compensation

The Company has a clear and appropriate policy for compensation and benefits that aligns with job levels, responsibilities, and business operations. It considers motivating employees to perform to their fullest potential by implementing a performance evaluation system for each position. This system utilizes effective Key Performance Indicators (KPIs) to measure job performance. The Company also continuously improves its compensation to be competitive, considering economic conditions and the ability to compete within the industry. This is done to attract talented individuals to join the Company and motivate employees to continually improve and develop their job performance.

In addition to that, the Company also allocates comprehensive benefits not only to employees but also extends to their families. For example, there are provisions for medical expenses for parents, spouses, and children of employees. Each benefit is regularly reviewed and adjusted to be suitable and in line with the changing social, economic, and business landscape. Furthermore, a welfare committee is established to involve employees in managing welfare matters and serve as a communication channel between employees and the Company regarding welfare and labor relations. The committee provides assistance and support to employees regarding various welfare issues. Apart from the welfare committee, the Company also appoints additional committees to assist in managing and overseeing employee welfare. These committees consist of representatives from every department and serve a two-year term. The committees include the Bus Committee, the Food Committee, the Sports and New Year Events Committee, the Emergency Loan Fund Committee, and the Funeral Welfare Fund Committee.

Performance



**Total Employee
Compensation
6 million THB**

**More than 1,289 Employees
joined as members of
The Provident Fund**





Financial Welfare Benefits

- Various Funds include the Provident Fund and Social Security Fund
- The AAPICO Savings Cooperative aims to help employees save money and provides low-interest loans to employees, thus reducing their reliance on external debt.
- Retirement benefits scheme in accordance with the law and a long-term benefits plan based on the employees' retirement plan.



Healthcare Welfare Benefits

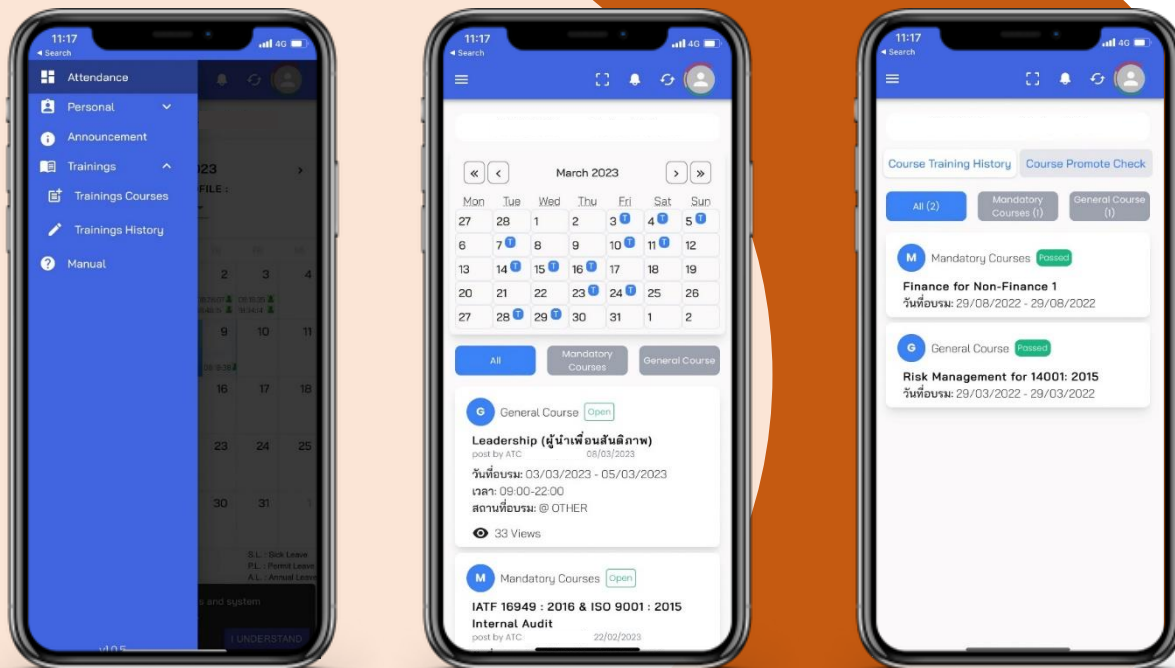
- Annual Health Check-up: Employees working in high-risk areas are eligible for additional specialized health screenings related to exposure to various chemicals.
- Medical Expenses: The Company provides assistance for both employees and their families' medical expenses (parents and children) in cases of a hospital stay of 3 days or more.
- COVID-19 Testing: Regular antigen testing using Antigen Test Kits is conducted to instill confidence and reduce the risk of infection in the workplace.



Other Benefits:

- Lunch: The Company provides lunch for all employees. Uniforms: Employees are entitled to receive new uniforms every year.
- Shuttle Service: The Company has arranged a shuttle service for the convenience of employees' transportation to and from work, as well as for off-site work assignments.

ESS Application checks employees' training data



The Company is aware of the employees' rights to access their personal information, including training data. Therefore, the Company has developed an ESS Application, or Employee Self-Service Application, as an internal app that allows employees to access important company information, training updates, announcements, and employee data. Regarding training, the app compiles mandatory training courses specific to each employee's position, as well as optional courses for employees who are interested. It also keeps a record of each employee's training history. The focus is to enable employees to access information easily and empower them to acquire new skills and knowledge, thus enhancing their future job responsibilities. This app ensures that employees stay informed about company news in a timely manner and aims to foster a good relationship and commitment between employees and the organization.

Employee Involvement and Commitment to the Organization

The Company has conducted a biennial employee engagement survey to listen to the opinions and understand the perspectives of employees regarding the organization. The purpose is to make improvements and changes to the Company's operations, aiming to achieve an 89% employee engagement rate. The survey is divided into 11 sections, which are as follows:

Section 1: Confidence in the business and the organizational image

Section 2: Confidence in management

Section 3: Work environment

Section 4: Organizational management and operations

Section 5: Communication and interpersonal relationships within the organization

Section 6: Compensation, benefits, and employee welfare

Section 7: Job satisfaction

Section 8: Opportunities and advancement in roles, professions, and careers

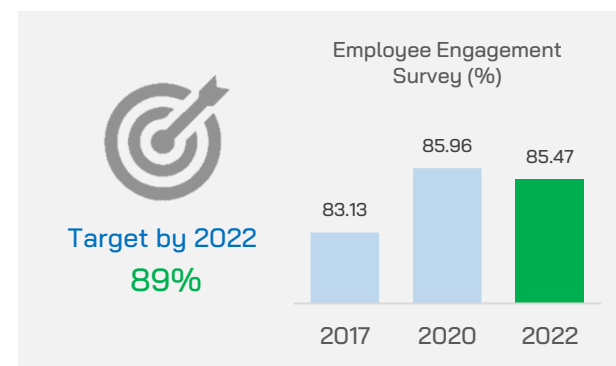
Section 9: Employee roles that impact product quality, service, and customers

Section 10: Quality consciousness

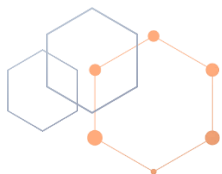
Section 11: Objectives and goals

Performance

The results disclosed in this report will cover the evaluations of AAPICO Hitech PLC (AH) and its Rayong branch (AHR), AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT), AAPICO Lemtech (Thailand) Co., Ltd. (AL), Edscha AAPICO Automotive Co., Ltd. (EA), AAPICO Hitech Automation Co., Ltd. (AHA), AAPICO ITS Co., Ltd. (AITS), and A ERP Co., Ltd. (AERP). According to the assessment findings, in the year 2565, employees demonstrated an average commitment level of 85.47%. Historical data for the past three years can be further elaborated as follows:



Nevertheless, even though the Company has not yet achieved its set target for the year 2022, it remains dedicated to developing the organization into an attractive workplace for employees at all levels and positions moving forward.



Respecting Human Rights



Long term target

■ -

Short term target

- Achieve 89% of average employee satisfaction and engagement score by 2023

Performance

- In 2022, the level of employee satisfaction and engagement with the organization was 85.47%, which has not yet achieved the target. However, the Company will continue to operate according to various standards to achieve the goal by the year 2023
- 0 complaint on human rights violation and other social issues from internal and external

Reporting Boundary

The Company has always prioritized human values as being of the utmost significance and remains committed to conducting business while upholding the fundamentals of respect for human rights including a range of stakeholder groups into every stage. This report presents about the policies, regulations and practices that serve as guiding principles in the treatment of employees and the surrounding communities associated with AAPICO Hitech Public Company Limited.

Management Approach

The Company complies with the standard human rights and the Company's policy No. 5 on mutual respect, where all employees must be treated equally, regardless of race, religion, sexual orientation, belief, social status, political opinion, and differences in other areas. Meanwhile, all stakeholders must treat others with respect and dignity as well.

The Company also 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.

Regarding the foreign labors, we will only employ foreign labors with work permit, and they will be treated equally to Thai employees. When communicating, employees who have trouble understanding Thai will be given translators, and when necessary, training sessions will be conducted in English on topics such as operational regulations, work safety, the quality system, environmental processes, and various operational procedures.

As specified in the contract between the Company and its subcontractors, the Company encourages its business partners and subcontractors to treat their employees with respect for human rights and to completely abide by the law. If the subcontractors violate the law, they are also violating the Company's contract. We have the authority to terminate the arrangements. Additionally, the Company regularly visits the sites of its subcontractors to inspect their operations for quality, safety, cleanliness, and environmental concerns as well as to ensure that workers and communities are treated fairly and in accordance with human rights and labor laws.

Labour Corporate Social Responsibility Policy

The Company has developed Labour Corporate Social Responsibility Policy as a guideline for treating employees in the organization and other stakeholders. The Company focuses on ensuring that everyone is safe in their work and that their rights are upheld to the fullest extent of the law, including the right to freedom in accordance with the fundamentals of human rights. The following guidelines apply

1. The Company shall not have any form of forced labor and not participating in illegal labor.
2. The Company shall not hire or does not support the employment of all forms of illegal child labor.
3. The Company shall support and encourage employees with children for breastfeeding and allow employees take breaks to store milk during lactation as necessary and appropriate, by counting as working hours and shall arrange a place for milk storage.
4. The Company shall not lay off employment, demote, or reduce benefit because of pregnancy.
5. The Company shall respect employees' freedom to form an organization or join an organization and shall not interfere or obstruct the operation of any lawful activities of employees.
6. The Company shall not act or not support any unfair discrimination, according to international standards.
7. The Company shall take action to avoid any trespass or sexual harassment problem by establishing measures as a guideline to prevent and solve problem of trespass or receiving suffer and sexual nuisance.
8. The Company shall take steps to avoid violence by establishing measures as a guideline to prevent and stop the use of violence in the workplace.

9. The Company shall ensure that employees are safe in their work according to the law which employees can refuse to work if they found inadequate safety measures, by informing the supervisor and let those involved to take corrective action immediately, and have the supervisor arrange the appropriate work according to the employee's responsibility while waiting for the correction.

Furthermore, the Company is focusing more on the management of stakeholders' personal information, to comply with the Personal Data Act B.E. 2019, which went into force on June 1, 2022. The Company has issued an announcement regarding its employee and applicant privacy policies to inform about the types of personal information that the Company collects, as well as the reasons for processing such data, the storage period, the processing method, the rights of employees and job applicants, and how to exercise those rights. This was done to reassure that the Company will not breach their privacy rights and will process data in compliance with the policy. Furthermore, the Company's privacy and cookie policies are available on the Company's website. (www.aapico.com)

Please scan this QR Code to read privacy policy

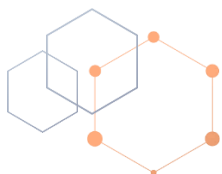


In response to the rapid advancement of technology, the Company has integrated technology into various aspects of its work processes, including the storage of critical information related to the Company, customers, employees, and other stakeholders. Recognizing the importance of leveraging technology while also being aware of potential cyber threats, the Company has provided training to all employees on Multi-Factor Authentication (MFA). This training focuses on implementing a multi-step login process for employees' email accounts to verify their identity before granting access. By equipping employees with knowledge of the system's operation and empowering them to design their own data security solutions, the Company aims to prevent unauthorized access to their accounts and mitigate risks within the organization.

Performance

Throughout the year 2022, the Company and its Audit Committee did not receive any complaints regarding human rights abuses from both internal and external stakeholders. When comparing the performance concerning human rights over the past three years (from 2020 to 2022), it was found that the Company had achieved its target of zero complaints on these issues for three consecutive years.





Fair Treatment of Labors



Long term target

- 0 Case of Fair Treatment Violation issue

Short term target

- -

Performance

- 0 Case of Fair Treatment Violation issue
- 0 Case of Environmental Impact issue

Report Boundary

The Company considers human rights to be one of the most crucial safeguards for all stakeholders. One of the human rights that the Company set as a strict guideline is the fair treatment of labors. In this report, the standards of conduct for Thai, international, permanent, and temporary employees of AAPICO Hitech Public Company Limited will be discussed.

Management Approach

The Company runs business in accordance with its vision and mission, one of which involves prioritizing the well-being of its employees to ensure their happiness and a good quality of life (Happy Employees) through fair employment, adequate welfare allocation, and providing safe and hygienic working conditions. Teamwork, problem-solving, love of family, company, and country are all aspects of the corporate culture that foster productive and pleasant collaboration, as well as mutual respect. These 5 policies will be ingrained in workers at all levels through training and the process of developing the organizational working culture.

The guidelines for ethical business operations

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

Performance



All employees have been treated fairly by the Company in accordance with the rules and standards of business ethics. They must be informed of the policies, guidelines, procedures, welfare, and benefits that are available to them. The Company has also established a complaint line that is open to all staff members. The audit committee and the Company did not discover any accusations of unfair treatment in the previous year whether it is between employers and employees, managers and employees, or employees themselves.

The Company had no complaints on this matter for three years in a row, which was in agreement with the established targets, according to a comparison of the human rights performance in the past three years, 2020, 2021 and 2022.

Complaints	Goal	2020	2021	2022
Number of Complaints	0	0	0	0
Total	0	0	0	0





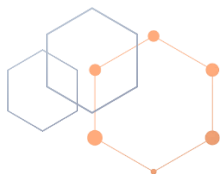
AAPICO Hitech awarded “The Outstanding Sustainability Model Organization in the Thai Capital Market for Supporting Persons with Disabilities of the year 2022”



AAPICO Hitech Public Company Limited or “AH” received the “the Outstanding Sustainability Model Organization in the Thai Capital Market for Supporting Persons with Disabilities of the year 2022” award by the Office of the Securities and Exchange Commission in collaboration with the Department of Skill Development, Department of Employment, Department of Empowerment and Development of the Life of Persons with Disabilities, Ministry of Labor, Thai Listed Companies Association and the Association of Disabled Persons Council of Thailand.

The objective of the ceremony is to honor business organizations in the Thai capital market for having promoted employment for persons with disabilities, according to the development of the quality of life of persons with disabilities under Section 33 or Section 35 of the Persons with Disabilities Empowerment Act B.E. 2007, as well as to encourage other capable business organizations to follow this footstep and also hope that it will be another approach to encourage persons with disabilities to engage in the community as well as decreasing inequality and promoting equality in society

The award is a reflection of the Company’s commitment to conduct business in a sustainable manner and in a way that elevates the quality of life through promoting the well-being of people in the community and the society, as well as upskill and provide educational opportunities, including equal access to welfare. The action is consistent with the Company’s vision to provide communities and employees with core values and sustainable happiness.



Personnel Development



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

- 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

- The total of training hours in 2022 is 21,923 hours

Management Approach

The Company recognizes the importance of its human resources in driving its progress. Therefore, it is crucial to enhance the skills and capabilities of employees to match the requirements of their respective roles. We strive to stay updated with technology and foster creativity to introduce innovative solutions and technologies that deliver maximum value to both the Company and its employees and to bolster the Company's strategy of attaining strength and sustainable growth. This report will explore the courses and activities that foster organizational development across all of the Company's primary businesses in Thailand, namely AAPICO Hitech PLC (AH), AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Automation Co., Ltd. (AHA), AAPICO Hitech Tooling Co., Ltd. (AHT), AAPICO Hitech PLC (Rayong) (AHR), AAPICO Plastic PLC. (Rayong) (APR), AAPICO Amata Co., Ltd. (AA), AAPICO Structural Products Co., Ltd. (ASP), AAPICO Forging PLC. (AF), AAPICO Precision Co., Ltd. (APC), AAPICO Plastics PLC. (APB), Edscha AAPICO Automotive Co., Ltd. (EA), AAPICO Lemtech (Thailand) Co., Ltd. (AL), and Able Sanoh Industries (1996) Co., Ltd. (ASICO).

Performance

AAPICO Training Center Co., Ltd. serves as a centralized entity responsible for delivering a diverse range of courses aimed at developing employees to excel and adapt to the demands of contemporary society. The training programs are categorized according to identified skill requirements and specific training topics for each job function. A curriculum has been established, encompassing both foundational courses applicable across all departments and specialized courses tailored to individual roles. To ensure optimal effectiveness, we carefully select competent instructors, and the outcomes of the training are evaluated by analyzing participants' progress and achievements before and after completion.

Also, the Company provides opportunities for employees to bring expertise linked to their own field of work or an area of interest. Specifically, new inventions that promote productivity or be useful to life in the future are encouraged through an interactive teaching and learning approach that combines both knowledge acquisition and enjoyment. 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 has set up training courses for 5S, QCC, and Kaizen in order to encourage the employees to work systematically; and the Company has 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 has 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 has 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

In the early stages of 2022, the Company faced substantial restrictions on large-scale public gatherings due to the widespread COVID-19 pandemic. As a result, many training programs were transitioned to online learning platforms, significantly limiting the scope of both teaching, and learning activities. However, as the situation gradually improved and the authorities downgraded the COVID-19 threat from an epidemic to an endemic disease, the Company began considering a shift from online courses to on-site training for certain programs, particularly for practical courses. This approach aimed to provide employees in relevant positions with hands-on experience in their respective fields, thereby enhancing productivity. In 2022, the Company dedicated 21,923 hours to staff training, averaging approximately 7.38 hours of training per employee per year.



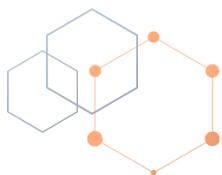
21,923

Training Hours

Avg.

7.38

Hours/People/Year



Safety, Occupational Health, and Work Environment



Long term target

- The injury frequency rate (IFR) of employees is 0.
- The lost time injury frequency rate (LTIFR) of employees is 0.

Short term target

- The injury frequency rate (IFR) of employees does not exceed 5.
- The lost time injury frequency rate (LTIFR) of employees is 0.

Performance

- The average injury frequency rate (IFR) of employees is 6.02 per 1 million working hours.
- The average lost time injury frequency rate (LTIFR) is 1.72 per 1 million working hours.

Reporting Boundary

The health and safety of employees are highly prioritized by the Company, especially in business operations related to manufacturing and machinery that require knowledge and understanding to prevent injuries, illnesses, and work-related losses. This report discusses the guidelines for safe work practices and the performance outcomes in 2021. It encompasses data from AAPICO Hitech Public Company Limited (AH), AAPICO Hitech Tooling Co., Ltd. (AHT), AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Lemtech (Thailand) Co., Ltd. (AL), and Edscha AAPICO Automotive Co., Ltd. (EA).

Management Approach

The Company has established a Health, Safety, and Environment (HSE) Committee, comprising both senior management-level members appointed and operational-level members elected annually. The committee is responsible for setting policies, developing preventive plans, providing knowledge, and supporting employees in cultivating safety-conscious attitudes towards work practices. The primary objective is to reduce loss rates and work-related injuries, fostering a safety culture that promotes continuous improvement.

In addition, the Company conducts reviews of its occupational health, safety, and environmental

policies, encompassing all stakeholders involved in the operations to ensure compliance with regulations and policies regarding safety. This includes promoting the identification of hazards and risk assessments both within and outside the production areas. The Company is committed to disease prevention measures in order to enhance the quality of life for its employees.

The Company has developed a prevention plan that includes guidelines and various activities as follows:

- The Company has established a safety culture to provide guidelines for employees, contractors, and visitors to enhance safety when on the premises of the workplace.
- The Company provides training and workshops on safety standards and practices for both new and current employees to enhance knowledge and awareness of workplace hazards. This includes educating them about accident prevention as specified in the Occupational Health, Safety, and Environmental Protection Act.
- The Company conducts regular health check-ups for employees to assess their overall health and detect any illnesses or conditions that may arise from their work. This allows for timely treatment and the implementation of preventive measures to avoid future occurrences.

- The Company organizes a safety awareness week exhibition to raise awareness and promote understanding among employees about safe work practices, safe driving, and general health knowledge. This includes prevention and management of COVID-19, among other things. The objective of this event is to encourage employee participation in considering their own safety and well-being through various recreational activities. Additionally, there are educational sessions on environmental conservation and energy conservation to enhance understanding and raise employee awareness about the importance of taking care of the environment alongside self-care.
- The Company provides basic fire extinguisher training and fire evacuation drills regularly every year. At least 40 percent of employees in each department must have experience in basic fire extinguisher training, and every employee must participate in fire evacuation drills at least once a year.
- The Company organizes regular training programs related to safety, such as basic safety training, which aims to train employees on analyzing and predicting potential hazards that may occur in the operational area. Additionally, there are training programs focused on safety when operating various types of machinery.



Basic firefighting training and annual fire drills for employees working during the day shift and the night shift.

In addition to that, the Company has also made improvements to various safety policies to align with the current working environment and social conditions. The key policy changes and additions in the year 2022 are as follows:



Relaxation of COVID-19 prevention measures.

Due to the easing of the COVID-19 pandemic situation during the past year 2022, the Company has relaxed and lifted certain policies related to disease prevention measures in order to align with the government's policies and the changing situation. This is also to ensure the flexibility of employees in their work. The following adjustments have been made:

- Canceling body temperature checks before entering the workplace.
- Canceling the requirement to fill out questionnaires and provide travel information for employees within the past 14 days.
- Canceling the Company's regulation for employees to seek permission for traveling to other provinces through the Company's system.
- Canceling the daily reporting of employees' addresses and their health status during long holidays.

- Canceling monthly antigen tests (ATK) for employees. However, during extended holidays, employees are still required to submit ATK test results one day before resuming work. Additionally, external individuals entering the workplace are subject to ATK testing.
- Updating the criteria for quarantine and sick leave for employees who are infected with COVID-19.



Measures to control and mitigate the impact of marijuana and hemp use in the Company

Due to the current policies on marijuana and hemp legalization, where marijuana and hemp are no longer classified as Type 5 narcotics according to the announcement by the Ministry of Public Health, the Company has implemented measures to provide guidance, control, prevention, and monitoring of potential issues that may arise from the use of marijuana, hemp, and their products within the Company. These measures may affect concentration and perception of the potential dangers associated with employees' work, especially those in the production line and operating machinery, as well as employees driving cars and motorcycles. The

following guidelines and regulations have been established:

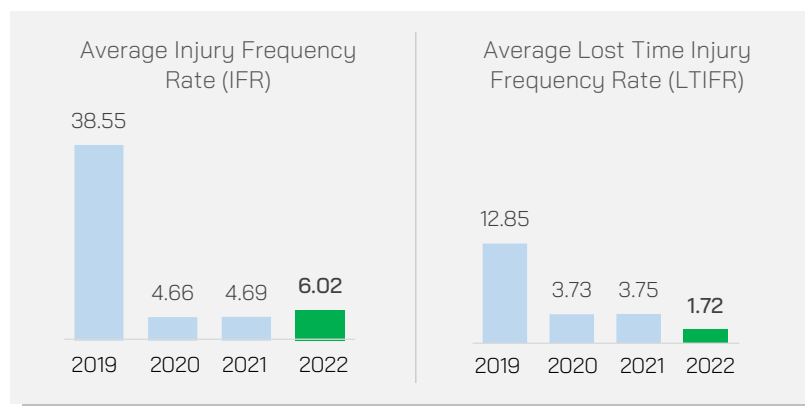
- Prohibition of the use of marijuana and hemp for recreational purposes within the Company.
- Prohibition of the sale of food, snacks, and beverages containing marijuana and hemp within the Company.
- Prohibition of employees in the production line, operating machinery, driving cars, riding motorcycles, working at heights, working in confined spaces, or any other similar work from using marijuana, hemp, or products containing marijuana and hemp.
- In cases where employees require the use of marijuana, hemp, or products containing marijuana and hemp for medical purposes, they must inform their supervisors and the HR department in advance to make the necessary arrangements.

Performance

The Company has regularly collected statistics on accidents, which not only affect the well-being of personnel but also have negative implications for the Company. These include the loss of workforce and a decline in economic value. Therefore, the Company is committed to preventing accidents to the fullest extent possible. The accident statistics can be summarized as follows:

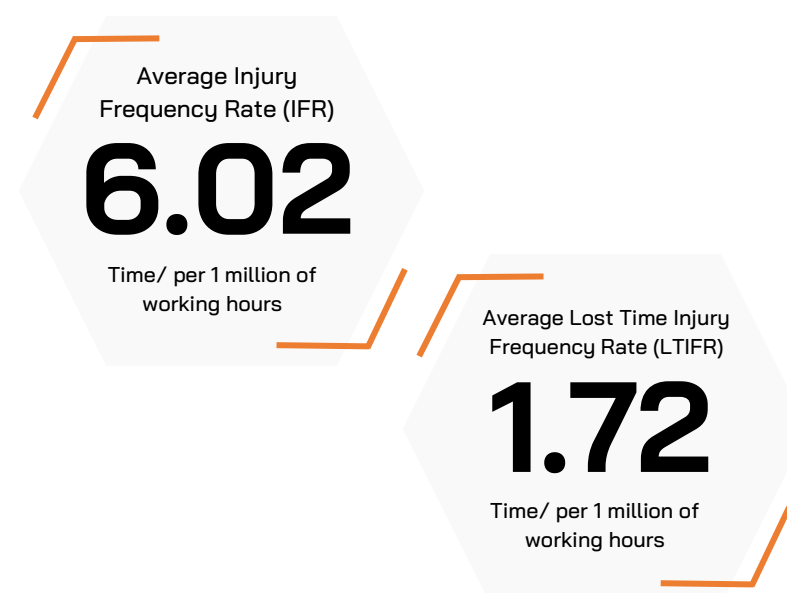
The Company has an Injury Frequency Rate (IFR) and Lost Time Injury Frequency Rate (LTIFR) in its workplace within the Phra Nakhon Si Ayutthaya province¹. On average, the IFR is 9.43 incidents and the LTIFR is 4.72 incidents per one million work hours.

Statistics on accidents in AAPICO Hitech Public Company Limited (AH)

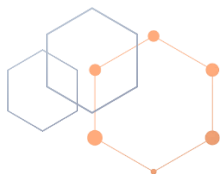


Comparing the statistics with previous years, specifically for the Company AAPICO Hitech Public Company Limited (AH), it can be observed that the Company has an average Injury Frequency Rate (IFR) of 6.02 and an average Lost Time Injury Frequency Rate (LTIFR) of 1.72 incidents per one million work hours. These figures have decreased compared to the previous year but have not yet reached the set target. The majority of accidents are caused by incidents where materials fall and impact vital organs, resulting from unsafe actions and conditions. After an accident occurs, the Company promptly conducts investigations to determine the causes and implements measures to prevent recurrence. The Company remains committed to raising awareness among

employees to ensure compliance with safety regulations, conducting surveys of hazardous areas, analyzing and assessing risks, in order to minimize and prevent potential accidents.



¹ In the area of AAPICO Hitech Public Company Limited (AH) including the area of its subsidiaries in Ayutthaya Province, namely AAPICO Hitech Parts Co., Ltd. (AHP), AAPICO Hitech Tooling Co., Ltd. (AHT) and AAPICO Hitech Automation Co., Ltd. (AHA), AAPICO Lemtech (Thailand) Co., Ltd. (AL), and Edscha AAPICO Automotive Co., Ltd. (EA)



Social Responsibility and Community Development



Long term target

- No complaints regarding human rights violations and environmental impacts, as well as other social and environmental issues from the community as a whole.
- The community's satisfaction rate towards the Company's operations averages at 80% by the year 2026.

Short term Target

- The community's satisfaction rate towards various aspects of the Company's operations averages at 50% by the year 2022

Performance

- No complaints from the community regarding human rights violations, environmental impacts, and other social issues.
- The Company conducted a total of 36 activities for the community and society.

Reporting Boundary and Management Approach

The Company has consistently improved its operational strategies to be more suitable. In the year 2022, many areas across the country faced a severe flood crisis, particularly in the province of Ayutthaya, which is in close proximity to the Company's facilities. Therefore, the Company recognized the importance of providing assistance and support to the affected communities. They implemented a plan to distribute various consumer goods and extended help to the communities in other aspects as well. This report will present the social and community activities conducted by the following companies: AAPICO Hitech Public Company Limited (AH), AAPICO Amata Company Limited (AA), AAPICO Structural Products Company Limited (ASP), AAPICO Forging Company Limited (AF), AAPICO Precision Company Limited (APC), and Able Motors Company Limited (AM).

Performance



800 Households

Close communities and families of employees who have received assistance and support from various natural disasters, including those affected by the COVID-19 pandemic.



33 Organizations

Received support through donations of consumer goods, such as drinking water and food, to contribute and assist each charitable organization in their ongoing operations.



36 Scholarships

Provided annually to employees' academically accomplished children, starting from elementary school to university level, as a means to promote and encourage their dedication to further education.

AAPICO's Flood Relief Effort

Due to the severe flooding situation in 2022, particularly in the vicinity of Phra Nakhon Si Ayutthaya Province where AAPICO Hi-Tech Co., Ltd. (public company) is located, the Company extended assistance to neighboring communities affected by the flood disaster in Moo 10 and Moo 12, Ban Len Subdistrict, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province. This initiative included support for AAPICO employees as well. In total, over 413 households received aid, consisting of relief bags, dry food, medicine, and other essential items. The assistance was distributed among 211 households in Moo 10, 131 households in Moo 12, and more than 71 employee households. This aid encompassed both the general population and bedridden patients, with a total value of 200,000 baht.



413 Families



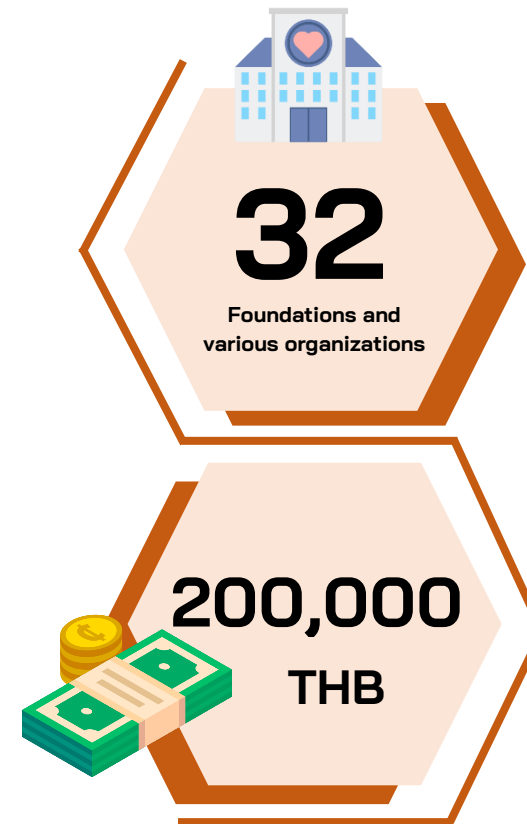
**More than
200,000 THB**





Community Leaders Meeting with Mitsubishi

Able Motors Co., Ltd., in collaboration with Mitsubishi Motors (Thailand), participated in the "Community Leaders Meeting" project. As part of this initiative, they generously donated consumer goods such as drinking water and food to various foundations within the communities of Pak Kret, Lad Krabang-King Kaew, and Pathum Thani. These donations were made on a monthly basis, involving a total of over 32 organizations, with a combined value exceeding 300,000 baht.



100 millions CC of Blood Donated to the Thai Red Cross Society

Due to the COVID-19 pandemic situation in the past few years, many hospitals across the country have been facing a prolonged shortage of blood for over 6 months. This is primarily due to a decrease in blood donations. Under normal circumstances, the Thai Red Cross Society requires 200,000 units of donated blood per month, but currently, they receive only 150,000-160,000 units nationwide. This shortage has affected patients in need of surgeries, regular blood transfusions, and those with sudden blood loss. Recognizing the importance of this issue, AAPICO FORGING CO., LTD. (AF) and AAPICO PRECISION CO., LTD. (APC) have collaborated with the Amata City Industrial Estate in Chonburi Province for the "100 million cc of Blood for the Thai Red Cross Society" project in 2022. This project aims to provide opportunities for those in need throughout the year.



Source: Amata Corporation PCL . "โครงการ 100 ล้าน CC โลหิตขาวอมตะเพื่อสภากาชาดไทย" ครั้งที่ 1." YouTube, uploaded by AmataCorporationPCL, 1 April 2021, https://www.youtube.com/watch?v=AQPnO1j_R4



COVID-19 Victims Support Scheme

Although the current situation of the COVID-19 pandemic is improving, AAPICO AMATA CO., LTD. and AAPICO STRUCTURAL PRODUCTS CO., LTD. remain concerned and ready to provide assistance and support to employees affected by COVID-19 infection in 2022. The "APICO, We Will Survive " project continues to provide relief aid, essential supplies, and medications based on the symptoms to more than 385 households of employees and their families, ensuring that they can overcome this crisis together.



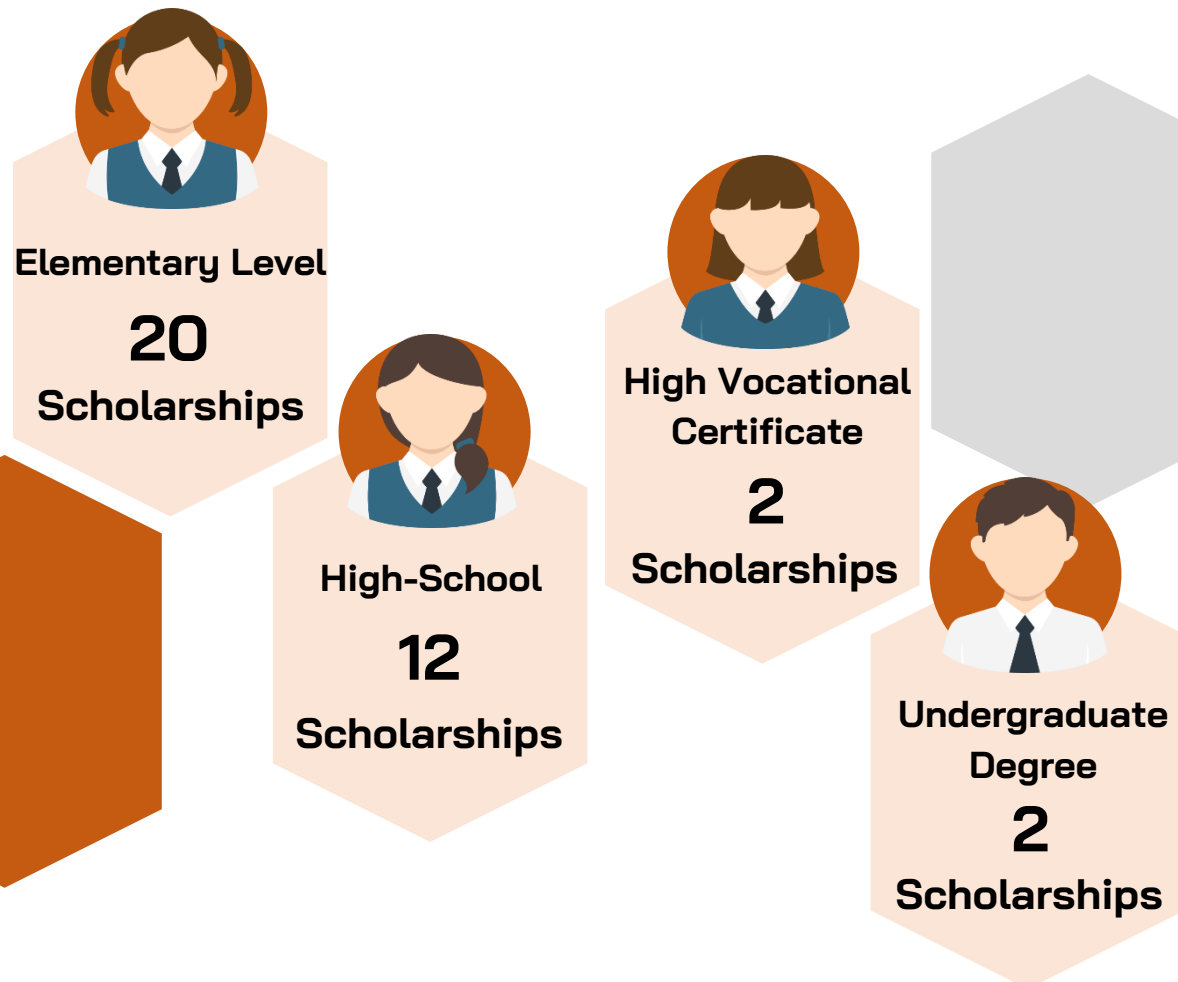
385 Families

200,000 THB



Scholarship Grants

The Company recognizes the importance of employees' families and thus organizes an annual scholarship granting activity for children who excel in their studies. This program covers students from elementary to undergraduate level. In 2022, the Company in Thailand granted a total of 36 scholarships to the children of regular employees from AAPICO Hitech Public Company Limited (AH), AAPICO Hitech Parts Company Limited (AHP), AAPICO Hitech Tooling Company Limited (AHT), New Era Sales Company Limited (NESC), and Able Sanoh Industries (1996) Company Limited (ASICO). The details of the scholarship granting can be found as follows:





BUREAU
VERITAS

Bureau Veritas Certification

Greenhouse Gases Verification Statement

Awarded to

AAPICO Hitech Public Company Limited

99 Moo 1 Hitech Industrial Estate, Tambol Ban lane, Amphur Bang Pa-in,
Ayutthaya, Thailand 13160

**For Organisation Boundaries
Covering**

**OEM Automotive Parts Manufacturing
and its related activities under operation control**

Bureau Veritas Certification has carried out the verification of the quantity of Greenhouse Gas emissions of the above organization as per ISO 14064-3:2019. The Greenhouse Gas emission quantification and reporting is found to be in accordance with the requirements of the standard detailed below

STANDARD

ISO 14064 - 1: 2018

SCOPE OF CERTIFICATION

**DIRECT EMISSION: 497 tons CO₂-equivalent
ENERGY INDIRECT EMISSION: 5,484 tons CO₂-equivalent
INDIRECT EMISSION: 30,800 tons CO₂-equivalent
EMISSIONS DUE TO BIOMASS COMBUSTION: Nil**

REPORTING YEAR: 1ST JANUARY 2022 TO 31ST DECEMBER 2022[#]

LEVEL OF ASSURANCE: LIMITED

To check this certificate validity please call: +66 2 670 4800

Further clarifications regarding the scope of this verification certificate and the applicability of the ISO 14064-1:2018 requirements may be obtained by consulting the organisation.

Certificate Number: **THAILAND/GHG/2023/24**

Date: **21 April 2023**

**Mr. Prawaltong Tongyai Na Ayudhaya
Certification Manager**

*Certification / Managing Office Address: Bureau Veritas Certification (Thailand) 16th Floor, Bangkok Tower, 2170
New Petchburi Road, Bangkapi, Huaykwang, Bangkok 10310, Thailand.
Verification is conducted based on Thai version of Greenhouse Gas report*



GRI Index

Disclosure		Description	Sustainability Report	Remarks
			Page Number (s)	
GRI 2 GENERAL DISCLOSURES				
The organization and its reporting practices				
GRI 2-1	Organizational details		5, 8, 12-13, 95-96	-
GRI 2-2	Entities included in the organization’s sustainability reporting		6-7	-
GRI 2-3	Reporting period, frequency, and contact point		5, 95-96	-
GRI 2-4	Restatements of information		5	-
Activities and workers				
GRI 2-6	Activities, value chain and other business relationships		8-11	-
GRI 2-7	Employees		8	-
Governance				
GRI 2-9	Governance structure and composition		12-13, 17, 39, 45-46	-
GRI 2-10	Nomination and selection of the highest governance body		39	-
GRI 2-11	Chair of the highest governance body		39	-
GRI 2-12	Role of the highest governance body in overseeing the management of impacts		18, 40-43, 45-46	-
GRI 2-13	Delegation of responsibility for managing impacts		17-18, 40-43, 46	-

Disclosure	Description	Sustainability Report	Remarks
		Page Number (s)	
GRI 2-14	Role of the highest governance body in sustainability reporting	18	-
GRI 2-15	Conflicts of interest	40-42	-
GRI 2-16	Communication of critical concerns	18, 40-42	-
GRI 2-17	Collective knowledge of the highest governance body	39	-
GRI 2-18	Evaluation of the performance of the highest governance body	43	-
Strategy, policies, and practices			
GRI 2-22	Statement on sustainable development strategy	3	-
GRI 2-23	Policy commitments	18-27	-
GRI 2-25	Processes to remediate negative impacts	32-35, 46-48	-
GRI 2-26	Mechanisms for seeking advice and raising concerns	32-35, 95-96	-
GRI 2-28	Membership associations	8	-
Stakeholder engagement			
GRI 2-29	Approach to stakeholder engagement	28-35	-
GRI 3 Material Topics			
GRI 3-1	Process to determine material topics	5, 28-31	-
GRI 3-2	List of material topics	29-31	-
GRI 3-3	Management of material topics	21-27, 32-35, 38-77, 80-82, 84, 92, 95-96, 98, 102, 106-107	-

Disclosure		Description	Sustainability Report	Remarks
			Page Number (s)	
GRI 201 Economic Performance				
GRI 201-1		Direct economic value generated and distributed	49	-
GRI 201-4		Financial assistance received from government	14-15, 50-57, 61	-
GRI 203 Indirect Economic Impacts				
GRI 203-2		Significant indirect economic impacts	32-35	-
GRI 205 Anti-corruption				
GRI 205-2		Communication and training about anti-corruption policies and procedures	40	-
GRI 205-3		Confirmed incidents of corruption and actions taken	41-42	-
GRI 207 Tax				
GRI 207-1		Approach to tax	66	-
GRI 207-4		Country-by-country reporting	66	-

Disclosure	Description	Sustainability Report	Remarks
		Page Number (s)	
GRI 302 Energy			
GRI 302-1	Energy consumption within the organization	69-72	-
GRI 302-3	Energy intensity	69, 72	-
GRI 302-4	Reduction of energy consumption	69-72	-
GRI 303 Water and Effluents			
GRI 303-5	Water consumption	73-74	-
GRI 305 Emissions			
GRI 305-1	Direct (Scope 1) GHG emissions	81-82	-
GRI 305-2	Energy indirect (Scope 2) GHG emissions	81-82	-
GRI 305-3	Other indirect (Scope 13) GHG emissions	81-82	-
GRI 305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	80	-
GRI 306 Waste			
GRI 306-1	Waste generation and significant waste-related impacts	75-79	-
GRI 306-2	Management of significant waste-related impacts	76-79	-
GRI 306-3	Waste generated	76-79	-
GRI 306-4	Waste diverted from disposal	79	-
GRI 306-5	Waste directed to disposal	79	-

Disclosure	Description	Sustainability Report	Remarks
		Page Number (s)	
GRI 401 Employment			
GRI 401-1	New employee hires and employee turnover	84-88, 91	-
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	88-90	-
GRI 403 Occupational Health and Safety			
GRI 403-1	Occupational health and safety management system	102-104	-
GRI 403-2	Hazard identification, risk assessment, and incident investigation	48, 103	-
GRI 403-3	Occupational health services	102, 104	-
GRI 403-5	Worker training on occupational health and safety	103	-
GRI 403-9	Work-related injuries	104-105	-
GRI 404 Training and Education			
GRI 404-1	Average hours of training per year per employee	101	-
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	68, 99-101	-
GRI 405 Diversity and Equal Opportunity			
GRI 405-1	Diversity of governance bodies and employees	87	-
GRI 406 Non-discrimination			
GRI 406-1	Incidents of discrimination and corrective actions taken	92-96	-

Disclosure	Description	Sustainability Report	Remarks
		Page Number (s)	
GRI 411 Rights of Indigenous Peoples			
GRI 411-1	Incidents of violations involving rights of indigenous peoples	92-96	-
GRI 413 Local communities			
GRI 413-1	Operations with local community engagement, impact assessment	106-111	-
GRI 414 Supplier Social Assessment			
GRI 414-1	New suppliers that were screened using social criteria	62-65	-
GRI 414-2	Negative social impacts in the supply chain and action taken	62-65	-
GRI 416 Customer Health and Safety			
GRI 416-1	Assessment of the health and safety impacts of products and service categories	58	-



AAPICO HITECH PUBLIC COMPANY LIMITED

No.99 Moo 1 Hitech Industrial Estate, Tambol Ban Lane,
Ampur Bang Pa-In, Ayutthaya, Thailand 13160
Tel. (66 35) 350-880 Fax. (66 35) 350-881
<http://www.aapico.com>