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## *Sustainability Report 2021*

*Asian Phytochemicals Public Company Limited.*

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# Contents

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**4**

*About this Report*

**5**

*CEO's Message*

**6**

*About "APCO"*

**7**

*General Information*

**8**

*Vision and Missions*

**9**

*Shareholding Structure of the  
Company Group*

**10**

*Important Financial  
Information*

**11**

*Revenue Structure*

**12**

*Sustainable Development  
Structure*

**13**

*Great Pride*

**14**

*APCO Sustainable Development Policy*

**15**

*APCO Value Chain*

**16**

*Stakeholder Engagement*

**18**

*Materiality Assessment Process*

**22**

*Sustainable Development Goals  
of the United Nations (SDGs)*

**23**

*Linking to Sustainable Development Goals of the United Nations (SDGs)*

**24**

*Sustainability Management*

**48**

*GRI Content Index*

## About this Report

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*Asian Phytoceuticals Public Company Limited produces a report on sustainable development annually since 2013, according to the Global Reporting Initiative (GRI) – GRI Standards at CORE level and has shown links to the Sustainable Development Goals (SDGs) of the United Nations in 2021. The contents of the report reflect the results of operations of the Company related to the sustainable economic, social and environment. The aims are for the shareholders, stakeholders and investors to learn about the overview of the Company's business operation and its CSR activities in the fiscal year covering the period from January 1 to December 31, 2021. The report details the overall information of only Asian Phytoceuticals Public Company Limited. It does not cover the associated companies that the Company has less than half of its investment and not directly involved in management. The report is published in book form in both English and Thai and online at [www.apco.co.th](http://www.apco.co.th)*

## Message from the Chief Executive Officer

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Asian Phytochemicals Public Company Limited (APCO) operates its business in line with its vision of “striving to be a leader in innovation of healthcare and beauty products based on Thai research and development by Thai scientists of “Thai natural extracts” to promote the life quality of Thais and people worldwide.” Based on over 33 years of experience, we have been able to develop products that meet the needs of customers and have pushed forward our business to grow in a sustainable way adhering to the principles of good governance. We have maintained a balance between economic returns and social and environmental impacts to deliver genuine value to all groups of stakeholders, including employees, customers, and shareholders, as well as business partners and alliances.

In 2021, the world continues to suffer from the COVID-19 pandemic; this has led to people paying attention to the importance of personal and public health care and sanitation since maintaining good health and strengthening immunity will help protect themselves from various diseases. APCO, which strives to be a leader in healthcare and beauty product innovation, is very proud to be part of the movement to strengthen people’s immunity with products that stimulate the increase in Th1- and Th17-related immune system to fight HIV and other viruses. APCO’s “plant-based HIV immunotherapy” has led to HIV/AIDS infected patients becoming healthy and undetected with the virus without the use of antiretroviral drugs for the first time in the world. The success of this innovation was announced to the public at a World AIDS Day event on December 1, 2021. This innovative immunotherapy is clearly supported by scientific evidence demonstrating its efficacy in stimulating Killer T Cells to rapidly destroy viruses with great effectiveness. As a result, the innovation has been well received by the market with sales increasing 17% in one month of December last year and expected to keep the rising trend throughout 2022. At the same time, APCO continues to exert its leadership in the area of stimulating Killer T Cells by applying its innovation to create a more effective cancer immunotherapy.

In addition, to continuously and sustainably respond to the health care needs of consumers in the New Normal era, APCO has developed a new “longevity innovation” formula to care for health at the ‘cellular level’. The formula works to slow down the deterioration of the human body via the mechanism of repairing telomeres, which are at the end of chromosomes and protect the chromosomes against damage. As the telomeres are lengthened by the enzyme telomerase, the consumers will become healthier and stronger while reducing the risk of various age-related diseases and increasing immunity, as well as caring for their health at the cellular level. This has the potential to reduce aging of the body or slow aging up to 5-20 years. APCO plans to rapidly promote the use of this innovation widely among consumers.

We truly hope that our conduct of business on the path to sustainability will create long-term value to all stakeholders and wish to thank you greatly for supporting us to pursue business in line with the vision of our company, leading to APCO’s continued sound growth. We at APCO promise to steadfastly move forward in the advancement of our business while conducting our operation with good governance and social responsibility to create a beautiful and sustainable world.

( Prof. Dr. Pichet Wiriyaichitra )  
Chief Executive Officer



*Asian Phytochemicals Public Company Limited was founded on June 2 , 1988 under the name of “Natural Cosmetics Research Company Limited” with aims to manufacture and distribute the cosmetics products and dietary supplements from natural extracts.*

*Later in 2005 , it was transformed into the public company under the name of “Asian Phytochemicals Public Company Limited.” Afterwards, it was registered in the MAI stock market, bearing the symbol “APCO”, on November 4, 2011 and on May 14, 2018, the Company moved its listed securities trading on the Stock Exchange of Thailand (SET) under the consumer products industry.*

## General Information

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<b>Company Name in Thai</b>	: บริษัท เอเชียัน ไฟytoceuticals จำกัด (มหาชน) (“บริษัทฯ”)
<b>Company Name in English</b>	: ASIAN PHYTOCEUTICALS PUBLIC COMPANY LIMITED
<b>Business Category</b>	: Manufacture and distribute health and beauty products from natural extracts based on the researches and developments of Thai scientists.
<b>Registered Capital</b>	: THB 300 million, comprising 600 million common shares, each of which is worth THB 0.5 per share (December 31, 2021)
<b>Issued and Paid-up Share</b>	: THB 300 million, comprising 600 million common shares, each of which is worth THB 0.5 per share (December 31, 2021)
<b>Head Office</b>	: 84/3 Moo 4 Northern Region Industrial Estate (West side) Super Highway No.11 Rd., Banklang, Muang Lamphun, Lamphun 51000 Tel. 053 581 374 Fax. 053 581 375
<b>Branch Office</b>	: <u>Ratchadapisek Branch</u> 89, 30 <sup>th</sup> Floor, AIA Capital Center Building, Ratchadapisek Rd., Dindaeng, Bangkok 10400 Tel. 0-2646-4800 : <u>Chiang Mai Branch</u> 61/5 Intawarorot Rd., Sripum Sub-district, Muang, Chiang Mai 50200 Tel. 0-5335-8276 : <u>Hat Yai Branch</u> 20,22 Chotivitayakul 5 Rd., Hat Yai Sub-district, Hat Yai, Songkhla 90110 Tel. 0-7455-9464-5 : <u>Chonburi Branch</u> 170/126-128 Moo 3, Samet Sub-district, Muang, Chonburi 20000 Tel. 0-3845-5025 : <u>Esplanade Branch</u> Esplanade Building, Room No. 317, 3 <sup>rd</sup> Floor, 99 Ratchadapisek Rd., Dindaeng, Bangkok 10400 Tel. 0-2660-9011
<b>Registration Number</b>	: 0107548000480
<b>Home Page</b>	: <a href="http://www.apco.co.th">www.apco.co.th</a>



## Vision

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*A leader in innovation of healthcare and beauty products  
based on Thai researchers' studies and developments of "Thai natural extracts"  
to promote the life quality of Thais and people worldwide*

## Missions

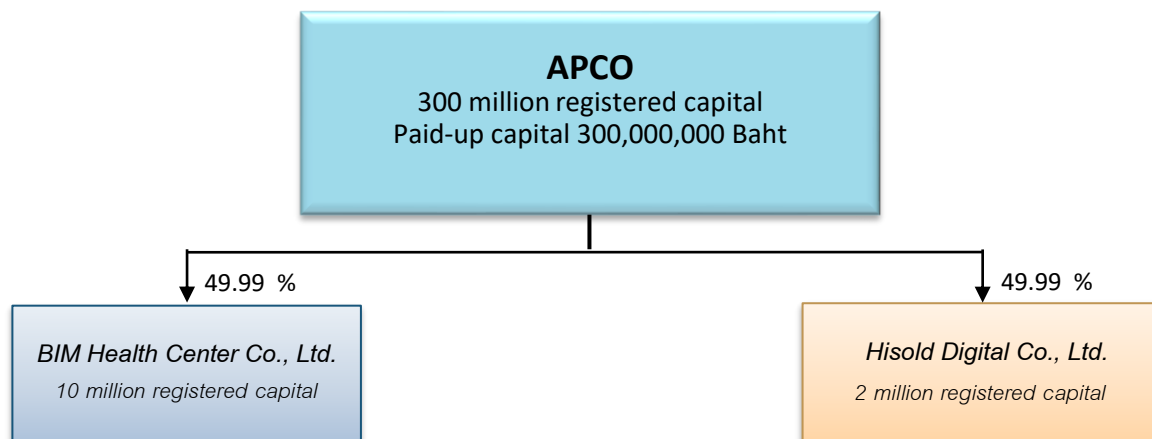
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- ✚ Producing the best health supplements and beauty products with the latest technology of the 21st century
- ✚ Promoting Thai researchers' research on natural extracts
- ✚ Meeting customers' expectations of health and beauty products
  - ✚ Expanding a variety of modern distribution channels
  - ✚ Promoting life quality of Thais and the world's people
  - ✚ Promoting Thai products to international customers
  - ✚ Building the sustainable industry
- ✚ Operating with work ethics that prioritise stockholders, employees and society under the policy of white business
- ✚ Promoting creativity to build a good image of the organisation, stockholders, involved parties and society
  - ✚ Building local and international business partnership
  - ✚ Building customers and partners' trust
  - ✚ Maintaining social responsibility in business operations



## Shareholding Structure of the Company Group

The Company has the shareholding structure of the group companies as follows:



### Associated Company Information

#### 1. Bim Health Center Co., Ltd.

Business Category : Buy and sell dietary supplements and cosmetics which are produced from natural extracts.

Head Office : Paradise Park Building, Room No.GC078, G Floor, 61 Srinakarin Road, Nongbon, Prawet, Bangkok 10250

Registered Capital : 10 Million Baht, divided into 1 Million ordinary shares, par value of 10 Baht

Paid-up Capital : 2.5 Million Baht

#### 2. Hisold Digital Co., Ltd.

Business Category : Buy and sell dietary supplements and cosmetics which are produced from natural extracts.

Head Office : 89, 30<sup>th</sup> Floor, AIA Capital Center Building, Ratchadapisek Rd., Dindaeng, Bangkok 10400

Registered Capital : 2 Million Baht, divided into 200,000 ordinary shares, par value of 10 Baht

Paid-up Capital : 2 Million Baht

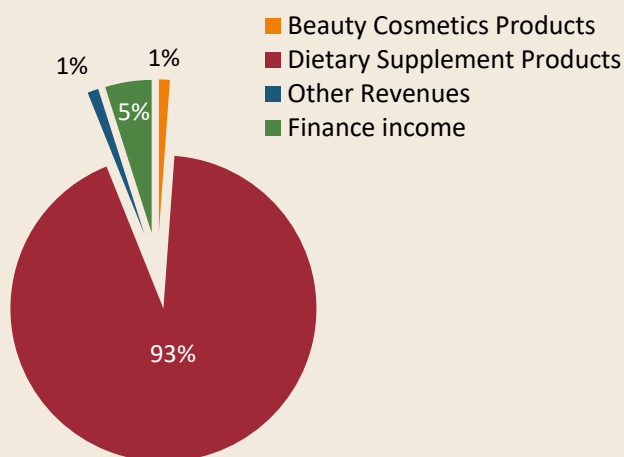
## Important Financial Information

Financial Position Statement	2021		2020		2019	
	Amount	Percent	Amount	Percent	Amount	Percent
<b>Assets</b>						
Current Assets	231,112,496	33.96	240,717,006	34.55	544,522,09	86.47
Non – Current Assets	449,420,385	66.04	456,060,631	65.45	85,236,109	13.53
Total Assets	680,532,881	100.00	696,777,637	100.00	629,758,20	100.00
<b>Liabilities and Shareholders' Equity</b>						
Current Liabilities	47,751,311	7.02	48,874,129	7.01	31,195,996	4.95
Non – Current Liabilities	37,786,625	5.55	52,439,993	7.53	19,371,337	3.08
Total Liabilities	85,537,936	12.57	101,314,122	14.54	50,567,333	8.03
Total Shareholders' Equity	594,994,945	87.43	595,463,515	85.46	579,190,87	91.97
Total Liabilities and Shareholders' Equity	680,532,881	100.00	696,777,637	100.00	629,758,20	100.00
<b>Comprehensive Income Statement</b>			2019		2020	
			Amount	Perc	Amount	Perc
Total Revenue	239,195,680	100.00	265,154,232	100.00	254,332,40	100.00
Cost of Sales	46,263,802	19.34	52,873,611	19.94	51,805,199	20.37
Gross Profit	177,087,725	79.29	194,852,458	78.66	195,849,25	79.08
Profit from operating activities	73,819,854	30.86	75,534,501	28.49	72,356,217	28.45
Profit for the year	68,699,042	28.72	69,975,316	26.39	57,904,155	22.77
EBITDA	113,311,753	47.37	118,786,668	44.80	85,969,681	33.80

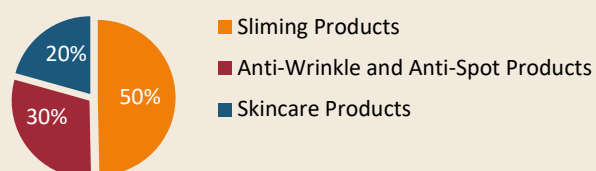
Financial Ratios		2021	2020	2019
Current Ratio	(Times)	4.84	4.93	17.45
Gross Profit Margin	(%)	79.29	78.66	79.08
Profit Rate/ Performance	(%)	35.74	32.84	28.45
Net Profit Ratio	(%)	28.72	26.39	22.77
Shareholders' Equity Ratio	(%)	11.54	11.91	9.70
Rate of Return (Asset)	(%)	9.98	10.55	8.94
Debt Rate per Shareholders	(Times)	0.14	0.17	0.09
Rate Payable Dividend	(%)	107.77	102.89	98.44
Maximum Rate Arbitrary	(Baht)	0.11	0.12	0.10
Number of Shares Issued	(per million)	600.00	600.00	600.00
Book Value per Share	(Baht)	0.99	0.99	0.97
Ratio of Market Price per Equity Shares (P/E)	(Times)	55.46	32.24	33.57

## Revenue Structure

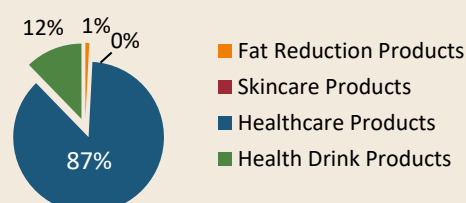
### Revenue by Product



### Beauty Cosmetics Products



### Dietary Supplement Products



Unit: Million Baht

Revenue Structure	2021		2020		2019	
	Value	Percent	Value	Percent	Value	Percent
<b>Beauty Cosmetics Products</b>						
✚ Sliming Products	1.49	0.72	2.10	0.72	4.07	1.47
✚ Anti-Wrinkle and Anti-Spot Products	0.89	0.48	1.41	0.48	4.57	1.66
✚ Skincare Products	0.62	0.37	1.10	0.37	1.52	0.55
<b>Total</b>	<b>3.00</b>	<b>1.57</b>	<b>4.61</b>	<b>1.57</b>	<b>10.16</b>	<b>3.68</b>
<b>Dietary Supplement Products</b>						
✚ Fat Reduction Products	1.98	1.60	4.69	1.60	1.72	0.62
✚ Skincare Products	0.00	0.00	0.01	0.00	0.04	0.01
✚ Healthcare Products	210.49	77.50	227.49	77.50	208.87	75.65
✚ Health Drink Products	29.69	13.39	39.32	13.39	48.64	17.62
<b>Total</b>	<b>242.16</b>	<b>92.49</b>	<b>271.51</b>	<b>92.49</b>	<b>259.27</b>	<b>93.90</b>
<b>Total Sales Revenue</b>	<b>245.16</b>	<b>94.06</b>	<b>276.12</b>	<b>94.06</b>	<b>269.43</b>	<b>97.58</b>
Other Revenues <sup>/1</sup>	3.03	1.85	5.41	1.85	0.69	0.25
Finance Revenues <sup>/2</sup>	12.82	4.09	12.02	4.09	5.99	2.17
<b>Total Revenue<sup>/3</sup></b>	<b>261.01</b>	<b>100.00</b>	<b>293.55</b>	<b>100.00</b>	<b>276.11</b>	<b>100.00</b>

**Note:** <sup>/1</sup> Other revenues consist of the accrued commissions, adjusted as income, service income, profit from sale of assets, profit from exchange rate, etc.

<sup>/2</sup> Financial revenues consists of interest income, profit from the sale of financial assets, dividends received from investments in stocks, etc.

<sup>/3</sup> Total revenue before commission paid to customers was 21.81 million baht in 2021, 28.39 million baht in 2020 and 21.78 million baht in 2019, deducted from sales revenue in accordance with Thai Financial Reporting Standard No.15 "Revenue from Contracts with Customer". Therefore, it does not match the financial statements showing total income in 2021 amount of 239.19 million baht, 2020 amount of 265.15 million baht and 2019 amount of 254.33 million baht.

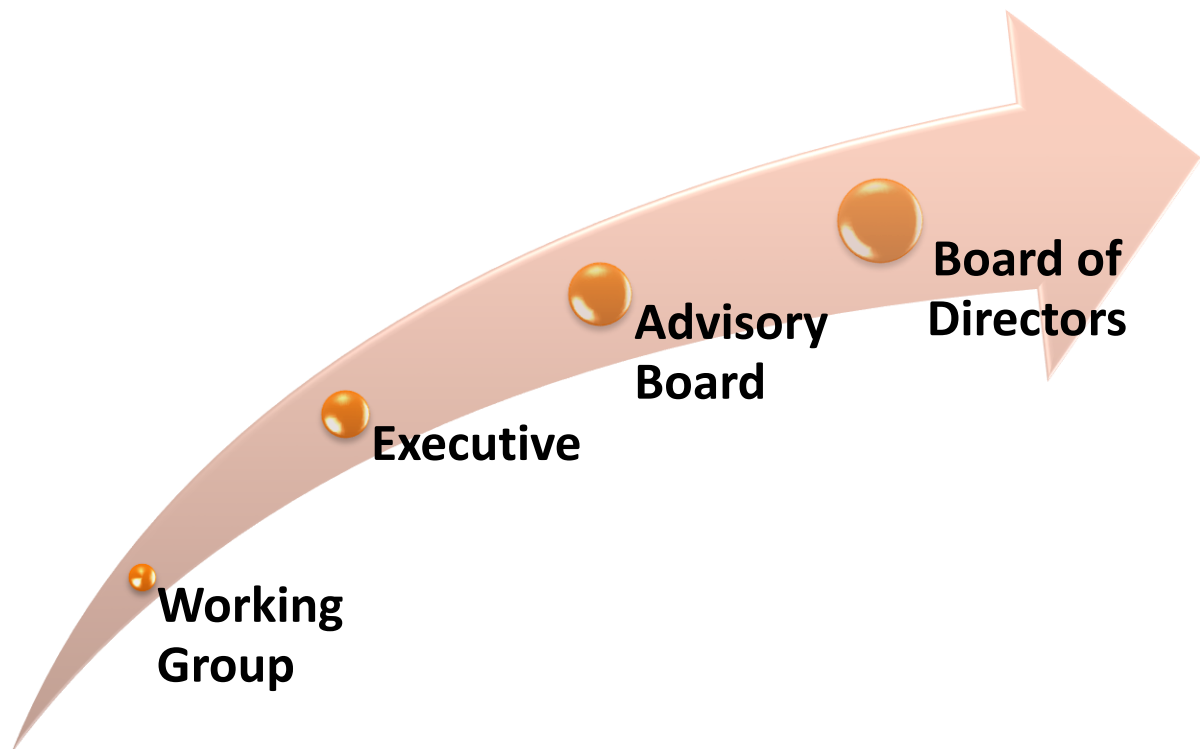
## ***Sustainable Development Structure***

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"APCO" has appointed an advisory team to oversee the Company's sustainable development

The 2 advisory boards consisting of social, economic and educational experts as follows:

1. Assoc. Prof. Arunee Wiriyachitra
2. Dr. Jingjai Hanchanlash



## Great Pride



*Corporate Governance Report  
of Thai Listed Companies 2021*

*4-star rating (very good)*

*from the Thai Institute of Directors Association (IOD)*

*The quality assessment of the 2021*

*Annual General Meeting of Shareholders*

**99%**

*(AGM Checklist) from the Thai Investors Association*



*An honorary award as a model  
establishment for outstanding contributions  
to the Social Security Fund,*

*(making contributions in full and on time)*

*from the Social Security Office, Ministry of Labor.*



## ***APCO Sustainable Development Policy***

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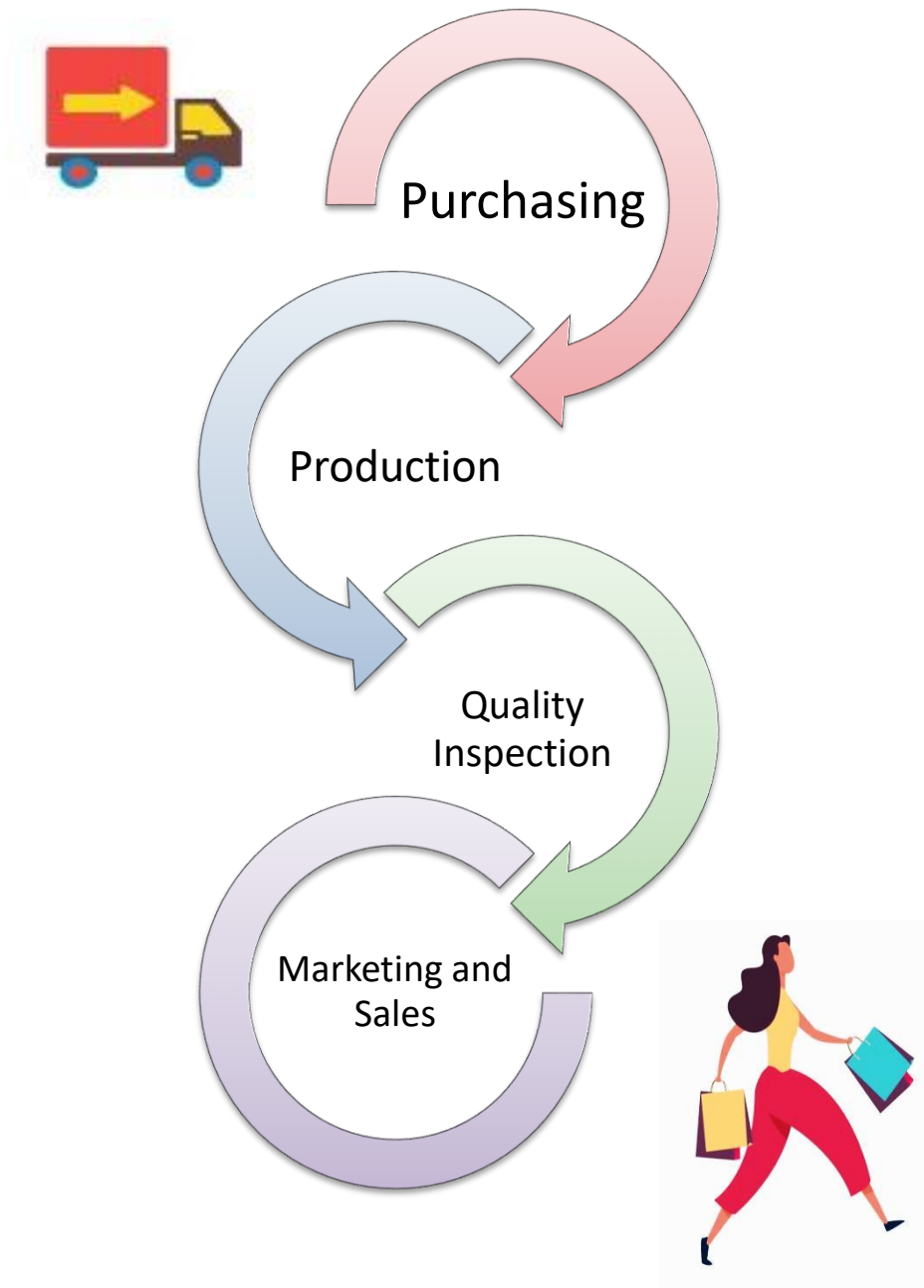
Asian Phytoceuticals Public Company Limited is committed to drive the organization and operate the business with social responsibility by focusing on sustainable development and adding value to society and all stakeholders. The Board of Directors has developed a sustainable business operating framework for the concept, practice, and operating guidelines in a direction that is in line with the corporate sustainability policy and goals as follows:

1. Conduct business with a balanced economy, society, and environment, within the framework of good corporate governance, legal compliance, business ethics, anti-corruption, and promoting compliance with human rights principles. To create sustainable business growth and for the utmost benefit that is fair to all groups of stakeholders.
2. Increase positive impact and reduce the negative impact of operations along with business growth by covering economic, social, and environmental aspects, including creating a sense of performance with social and environmental responsibility.
3. Grow business through the creation of environmentally friendly innovations with an emphasis on the economy and sustainable environment.
4. Disclose transparent sustainability performance in line with the accepted international standard guidelines for continuous development.

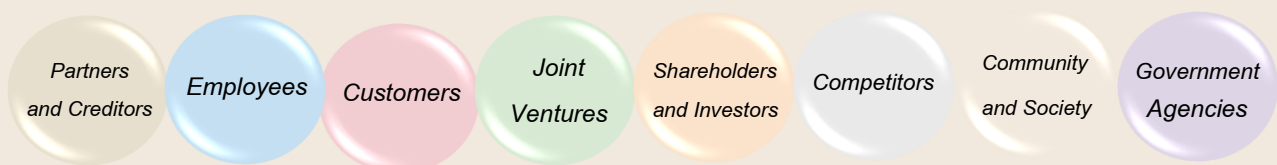
The Board of Directors, the Executives, and all APCO employees are responsible for supporting, advocating, and operating in accordance with the established sustainability management policies and framework.

## APCO's Value Chain

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### Stakeholders throughout the value chain



## Stakeholder Engagement

APCO identifies direct and indirect stakeholders from the impact of the Company's operations throughout the value chain, including purchasing, production, quality inspection, marketing and sales. In 2021, the Company has reviewed and classifies stakeholders into 8 groups: shareholders and investors, employees, customers, joint venture, partners and creditors, competitor, community and society, government agencies. The Company then communicates with stakeholders from various channel of participation in order to hear their opinions and expectations on the key issues of interest to each stakeholder group and integrate with decision-making processes, plan sustainable business operations and find ways to respond appropriately to the expectations of stakeholders.

<i>Stakeholders</i>	<i>Method of Engagement</i>	<i>Expectations / Requirements</i>	<i>Our Responses</i>
<b>Partners and Creditors</b>	<ul style="list-style-type: none"> <li>➤ Contract which is legally binding by law</li> <li>➤ Follow-up on progress in the ongoing work plan as well as listening and solving problems in working together</li> </ul>	<ul style="list-style-type: none"> <li>➤ Compliance with the terms and conditions of the obligation</li> <li>➤ Being a good business partner and having a long term relationship</li> <li>➤ Financial discipline and competence to pay off debt on time</li> <li>➤ Fair and transparent business operations</li> </ul>	<ul style="list-style-type: none"> <li>➤ Fairly comply with the business terms of the agreed parties and have good ethics</li> <li>➤ Build a good relationship with suppliers</li> <li>➤ Pay the debt on schedule</li> <li>➤ Comply with laws and regulations related</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>➤ Employee meetings</li> <li>➤ Executives VS employees meeting</li> <li>➤ Line : Communication within APCO</li> <li>➤ Announcement</li> <li>➤ Message from CEO to Employee</li> <li>➤ Comment box</li> </ul>	<ul style="list-style-type: none"> <li>➤ Equitable and fair compensation and welfare</li> <li>➤ Employee development</li> <li>➤ Career advancement and security</li> <li>➤ Compliance with the terms and conditions of the employment contract</li> <li>➤ Good environment and work safety</li> </ul>	<ul style="list-style-type: none"> <li>➤ Establish a policy to comply with labor laws and pay fair compensation.</li> <li>➤ Provide appropriate training for knowledge and skills.</li> <li>➤ Promote training / seminars</li> <li>➤ Take care of safety and Good hygiene at work</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>➤ Newsletter</li> <li>➤ Counseling by Medical Scientist</li> <li>➤ Factory visit</li> <li>➤ Meet with customers</li> <li>➤ Website : <a href="http://www.apco.co.th">http://www.apco.co.th</a></li> <li>➤ APCO Contact Center 1154</li> <li>➤ Comment box</li> </ul>	<ul style="list-style-type: none"> <li>➤ Product quality</li> <li>➤ Consultation on the use of the product</li> <li>➤ Right product price</li> <li>➤ Ability to respond to customer needs</li> <li>➤ Accurate disclosure</li> <li>➤ Security and privacy of customer data</li> </ul>	<ul style="list-style-type: none"> <li>➤ Develop products and services to be able to standards for both quality and safety</li> <li>➤ Set product prices appropriately</li> <li>➤ Increase communication channels promotion</li> <li>➤ Train staff for serving and solve problems for customers appropriately</li> <li>➤ Business operations with transparency and have a code of conduct</li> </ul>

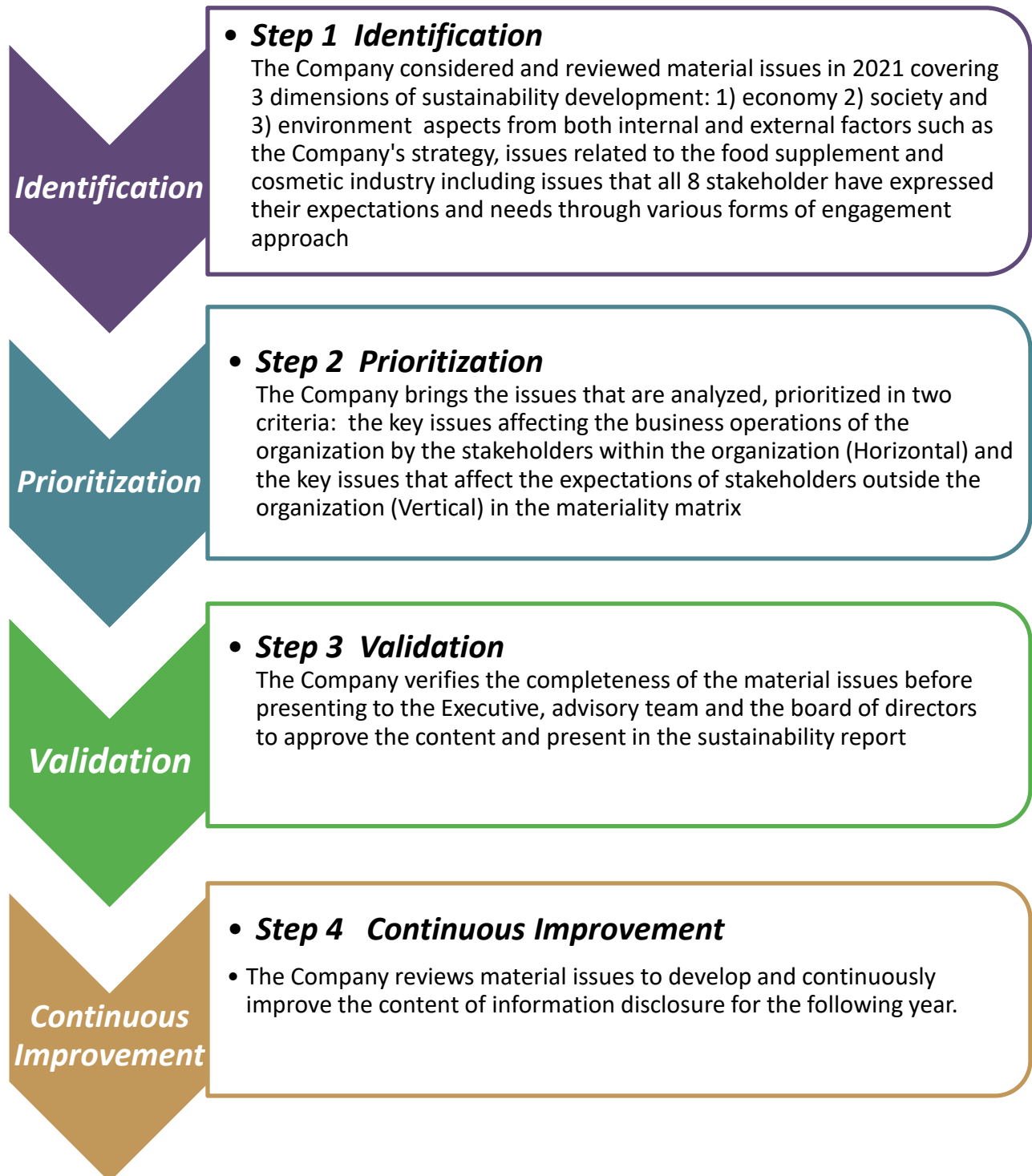


<b>Joint Ventures</b>	<ul style="list-style-type: none"> <li>➤ Integrative negotiation (win-win)</li> <li>➤ Meeting</li> </ul>	<ul style="list-style-type: none"> <li>➤ Fair and transparent business operation</li> <li>➤ Risk Management and Good Corporate Governance</li> <li>➤ Accurate, complete, timely, and transparent information</li> </ul>	<ul style="list-style-type: none"> <li>➤ Conduct business fairly and transparently</li> <li>➤ Disclosure of correct, complete, timely and transparent information</li> </ul>
<b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>➤ Annual General Meeting</li> <li>➤ Annual Report and Suitability Report</li> <li>➤ Investor Relations</li> <li>➤ Website : <a href="http://www.apco.co.th">http://www.apco.co.th</a></li> <li>➤ Shareholders &amp; investors meeting through various activities</li> <li>➤ Opportunity day</li> </ul>	<ul style="list-style-type: none"> <li>➤ Return on performance</li> <li>➤ Risk Management and Good Corporate Governance</li> <li>➤ Equal and fair treatment</li> <li>➤ Accurate, complete, timely, and transparent information</li> </ul>	<ul style="list-style-type: none"> <li>➤ Proper dividend payment to shareholders</li> <li>➤ Managing the organization according to the principles of good governance effectively.</li> <li>➤ Disclosure of correct, complete, timely and transparent information</li> </ul>
<b>Competitors</b>	<ul style="list-style-type: none"> <li>➤ Website : <a href="http://www.apco.co.th">http://www.apco.co.th</a></li> <li>➤ Company news</li> </ul>	<ul style="list-style-type: none"> <li>➤ Ethical business operation</li> <li>➤ Free and fair trade policy</li> <li>➤ No policy in trade competition to obtain illegal and unethical information from competitors</li> </ul>	<ul style="list-style-type: none"> <li>➤ Treat competitors fairly and transparently.</li> <li>➤ Behave within the framework of fair competition.</li> </ul>
<b>Community and Society</b>	<ul style="list-style-type: none"> <li>➤ Social activities and campaigns</li> <li>➤ Visiting of community representatives</li> </ul>	<ul style="list-style-type: none"> <li>➤ Potential impact of the Company's operations</li> <li>➤ Promotion of the quality of life and the creation of the community</li> <li>➤ Environmental Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>➤ Follow the law and various regulations related to the environment</li> <li>➤ Job creation, career promotion for the community and community economic development</li> <li>➤ Cultivating consciousness and educating employees to maintain and care for the environment</li> </ul>
<b>Government Agencies</b>	<ul style="list-style-type: none"> <li>➤ Monitoring government policies from various channels</li> <li>➤ Meetings with government agencies</li> </ul>	<ul style="list-style-type: none"> <li>➤ Compliance with government rules, regulations and laws</li> <li>➤ Product quality and safety</li> <li>➤ Advertising/Packaging Labels and Consumer Protection</li> <li>➤ Social and Environmental Responsibility</li> </ul>	<ul style="list-style-type: none"> <li>➤ Strict compliance with rules, regulations and laws</li> <li>➤ Policy acceptance and cooperation</li> </ul>

## Materiality Assessment Process

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The Company has a 4 step processes to assess the materiality of sustainability by



## Step 1: Identifying Materiality

In 2021, the Company reviews material sustainability issues to ensure that the Company's material issues are truly consistent and responsive to the expectations and needs of stakeholders, and after reviewing the key sustainability issues, 11 important issues should be maintained as follows:

### 1.1 Material Issues

#### Economic



1. Corporate Governance
2. Anti-Corruption
3. Fair Operating Practices
4. Risk Management
5. Innovation Development

#### Social



6. Employee Development and Caring
7. Compliance with Human Rights and Fair Labor Practices
8. Safety and Occupational Health
9. Responsibility for Consumer and Society

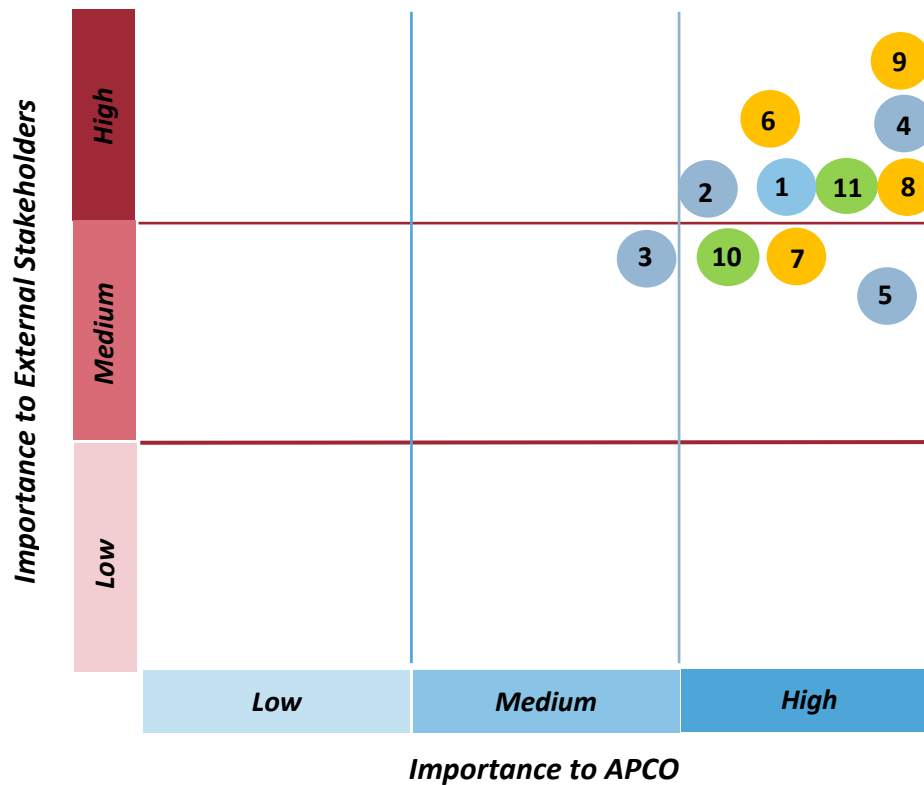
#### Environment



10. Implementation of Environmental Law
11. Environmental Management and Greenhouse Gas Emissions

## Step 2: Prioritization

Results of the prioritization of material issues



### Economic

1. Corporate Governance
2. Anti-Corruption
3. Fair Operating Practices
4. Risk Management
5. Innovation development



### Social

6. Employee Development and Caring
7. Compliance with Human Rights and Fair Labor Practices
8. Safety and Occupational Health
9. Responsibility for Consumer and Society



### Environment

10. Implementation of Environmental Law
11. Environmental Management and Greenhouse Gas Emissions

## Impact Boundary

Materiality	Internal		External						
	APCO	Employees	Shareholders and investors	Customers	Joint ventures	Partners and Creditors	Competitors	Community and Society	
<b>Economic</b>									
1. Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓
2. Anti-Corruption	✓	✓	✓	✓	✓	✓	✓	✓	✓
3. Fair Operating Practices	✓	✓	✓	✓	✓	✓	✓	✓	✓
4. Risk Management	✓	✓	✓	✓	✓	✓			
5. Innovation Development	✓	✓	✓	✓	✓		✓		
<b>Social</b>									
6. Employee Development and Caring	✓	✓						✓	✓
7. Compliance with Human Rights and Fair Labor Practices	✓	✓	✓	✓		✓		✓	✓
8. Safety and Occupational Health	✓	✓							✓
9. Responsibility for Consumer and Society	✓	✓	✓	✓	✓			✓	✓
<b>Environment</b>									
10. Implementation of Environmental Law	✓	✓	✓					✓	✓
11. Environmental Management and Greenhouse Gas Emissions	✓	✓	✓					✓	✓

## Step 3: Validation

The responsible section of the Company provides a summary of material sustainability issues aligning with GRI standard and presenting results to prioritize management and advisory team to verify correctness and consider the completeness of material issues of the Company before presenting the conclusion to the Board of Directors of the Company for approval and then including in the annual sustainability report.

## Step 4: Continuous Improvement

The Company reviews material issues from hearing the opinions and suggestions of all stakeholders regarding the Company's sustainability disclosure to ensure that the communicated material issues are truly consistent with and meet stakeholder expectations to develop and continuously improve the disclosure content in the next year.

## *Sustainable Development Goals of the United Nations (SDGs)*

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The Sustainable Development Goals (SDGs) are a collection of 17 interconnected global goals that established by The United Nations General Assembly in 2015 and intend to achieve by 2030. The 17 goals include:

	GOAL 1: No poverty
	GOAL 2: Zero hunger
	GOAL 3: Good health and well-being
	GOAL 4: Quality education
	GOAL 5: Gender equality
	GOAL 6: Clean water and sanitation
	GOAL 7: Affordable and clean energy
	GOAL 8: Decent work and economic growth
	GOAL 9: Industry, innovation and infrastructure
	GOAL 10: Reduced inequalities
	GOAL 11: Sustainable cities and communities
	GOAL 12: Sustainable consumption and production
	GOAL 13: Climate action
	GOAL 14: Life below water
	GOAL 15: Life on land
	GOAL 16: Peace, justice and strong institutions
	GOAL 17: Partnerships for the goals













## *Consistency with the United Nations*

### *Sustainable Development Goals (SDGs)*

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APCO has ongoing business development goals for sustainability and is committed to its efforts to support the achievement of the United Nations Sustainable Development Goals (SDGs). APCO assessed the alignment of corporate sustainability issues with the United Nations Sustainable Development Goals (SDGs) as follows:

<i><b>Economic</b></i>	
<ul style="list-style-type: none"> <li>❖ Corporate Governance               <ul style="list-style-type: none"> <li>❖ Anti-Corruption</li> </ul> </li> <li>❖ Fair Operating Practices               <ul style="list-style-type: none"> <li>❖ Risk Management</li> </ul> </li> <li>❖ Innovation development</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;"> <b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE  </div> <div style="text-align: center;"> <b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS  </div> </div> <div style="text-align: center; margin-top: 10px;"> <b>17</b> PARTNERSHIPS FOR THE GOALS  </div> </div>
<i><b>Social</b></i>	
<ul style="list-style-type: none"> <li>❖ Employee Development and Caring</li> <li>❖ Compliance with Human Rights and Fair Labor Practices               <ul style="list-style-type: none"> <li>❖ Safety and Occupational Health</li> </ul> </li> <li>❖ Responsibility for Consumer and Society</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;"> <b>3</b> GOOD HEALTH AND WELL-BEING  </div> <div style="text-align: center;"> <b>4</b> QUALITY EDUCATION  </div> <div style="text-align: center;"> <b>5</b> GENDER EQUALITY  </div> </div> <div style="display: flex; justify-content: space-around; width: 100%; margin-top: 10px;"> <div style="text-align: center;"> <b>8</b> DECENT WORK AND ECONOMIC GROWTH  </div> <div style="text-align: center;"> <b>10</b> REDUCED INEQUALITIES  </div> </div> </div>
<i><b>Environment</b></i>	
<ul style="list-style-type: none"> <li>❖ Implementation of Environmental Law               <ul style="list-style-type: none"> <li>❖ Environmental Management and Greenhouse Gas Emissions</li> </ul> </li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;"> <b>6</b> CLEAN WATER AND SANITATION  </div> <div style="text-align: center;"> <b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION  </div> </div> <div style="display: flex; justify-content: space-around; width: 100%; margin-top: 10px;"> <div style="text-align: center;"> <b>13</b> CLIMATE ACTION  </div> <div style="text-align: center;"> <b>15</b> LIFE ON LAND  </div> </div> </div>

## Sustainability Management, *The Company has done the following*

### Economic

The economic operations for sustainable development of the organization are divided into the following main activities:

1. Corporate Governance
2. Anti-Corruption
3. Fair Operating Practices
4. Risk Management
5. Innovation Development

### 1. Corporate Governance

The Company utilizes the 8 principles of Good Corporate Governance for listed companies 2017 of The Securities and Exchange Commission, Thailand (SEC) in guiding the policy development through consideration and approval from the Board of Directors and made in a manual form as guidelines in accordance with the said principles to be used by the Board of Directors, Executives and Employees. The Board of Directors has always reviewed and improved the principles of corporate governance.



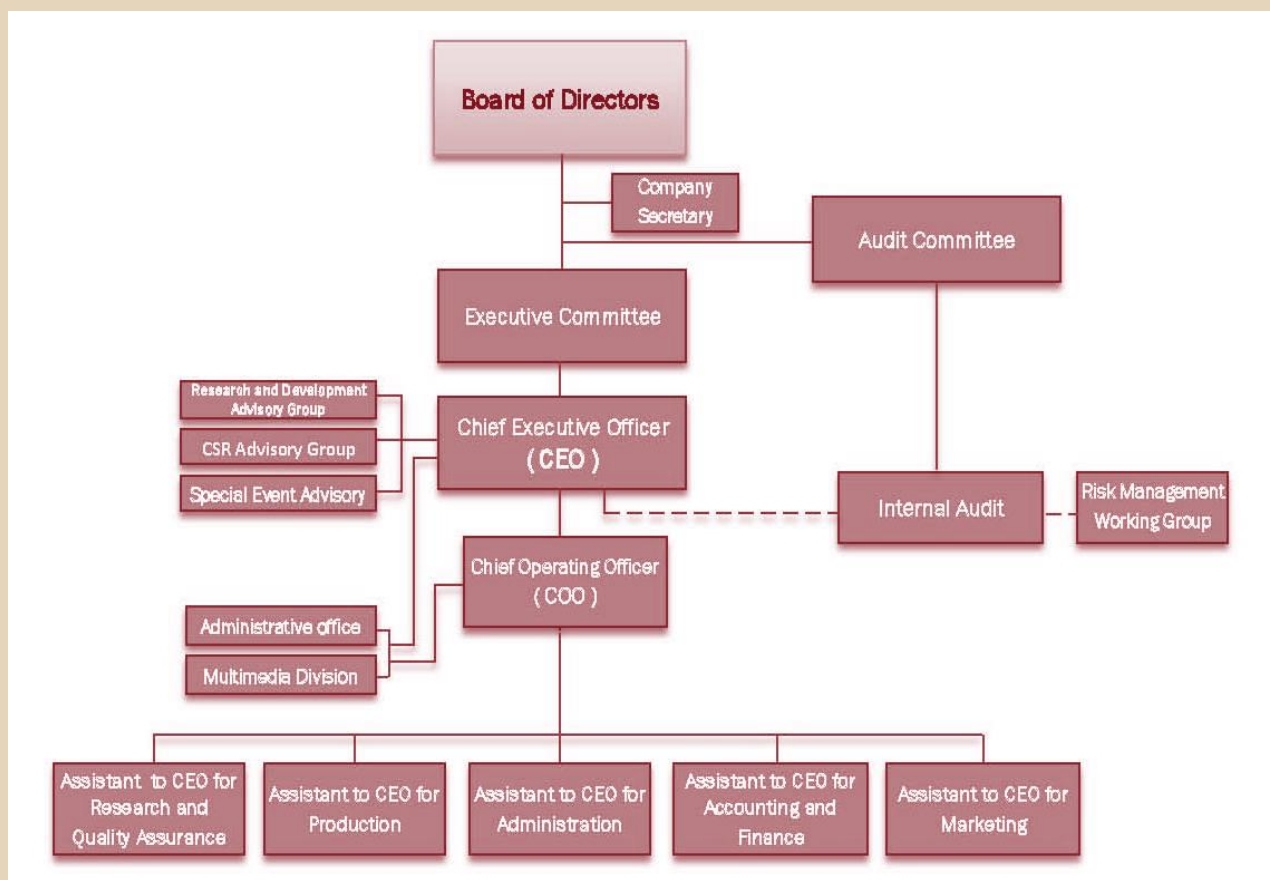
1. Establish Clear Leadership Role and Responsibilities of the Board
2. Define Objectives that Promote Sustainable Value Creation
3. Strengthen Board Effectiveness
4. Ensure Effective CEO and People Management
5. Nurture Innovation and Responsible Business
6. Strengthen Effective Risk Management and Internal Control
7. Ensure Disclosure and Financial Integrity
8. Ensure Engagement and Communication with Shareholders



## Governance Structure

The corporate governance structure of Asian Phytoceuticals Public Company Limited consists of:

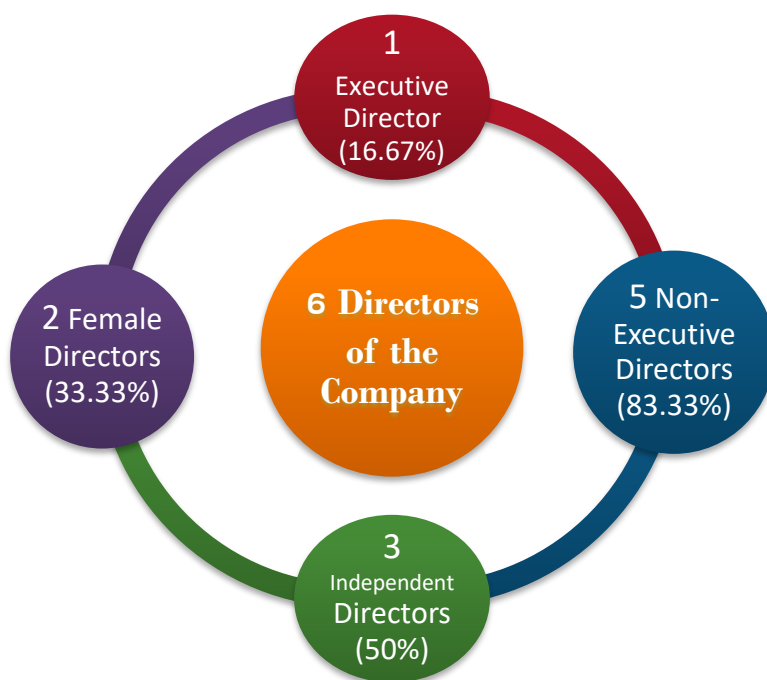
- The Board of Directors
- 2 sub-committees assigned by the Board of Directors, namely the Audit Committee and the Executive Committee
- Management team



The Board of Directors is the top executive of the organization and represents shareholders. It has an important role in corporate governance to monitor the Company's objectives, define vision, mission and business goals and conduct business according to strategies and plans with responsibility, prudence and honesty within the scope of the Company's Articles of Association and according to the law for the maximum benefit of the Company, shareholders and all groups of stakeholders.

The Board of Directors consists of both male and female directors who have knowledgeable abilities and experiences in conducting business that are beneficial to the Company. At present, the Board of Directors has a total of 6 directors, 4 males and 2 females

- One Executive Director (16.67%)
- 5 Non-Executive Directors (83.33%) being 3 independent directors (50%) who act as the Chairperson of the Audit Committee, one female and two male members of the Audit Committee. The Chairperson of the Audit Committee is knowledgeable and experienced in reviewing the accountability of the Company's financial statements



Diversity of knowledge and expertise



In terms of management, the Company has the Chief Executive Officer as the highest leader of the management acts in receiving goals, policies and strategies from the Board of Directors. The Company determines that the Chairperson of the Board of Directors must not be the same person as the Chief Executive Officer to achieve the balance and the review of the management and clearly separated the power and duty of the Board of Directors and the management.



### The Board of Directors Meeting



In the year 2021, the Company held 5 meetings of the Board of Directors. The attendance rate of individual directors is 100% of the entire meeting of the year in order to monitor various operations of the Company including determining the business direction of the Company for sustainability and achieving the goals.

### The Board of Directors' Development

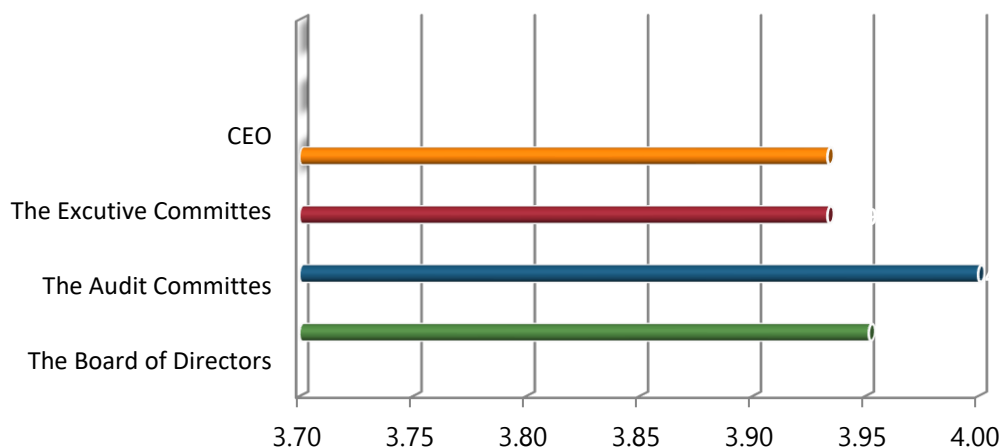
The Board of Directors has the policy to support and provide trainings and workshops to all involved employees in the corporate governance system, such as the Boards, Audit Committee and Executive Committee in order to continuously help improve their performances. Trainings and workshops may be arranged in the office or at other external institutes. All of the Board of Directors must receive training to understand the performance of duties as directors, board members and high-level executives.

Currently, all 6 directors (100%) have attended training courses related to their roles and duties. Organized by the Thai Institute of Directors Association (IOD) : The Director Certificate Program (DAP) and the Director Accreditation Program (DCP), totaling 4 and 3 persons, respectively.

## Performance Assessment

The Company has evaluated the annual performance of the Board, Audit Committee and Executive Committee as a whole and evaluated the annual performance of the Chief Executive Officer at least once a year

The results of the annual performance evaluation in 2021 are as follows:



Note: Based on 4 points from the following scoring criteria

0 = Strongly disagree or there is no action in that regard

1 = Disagree or have a minor action

2 = Agree or proceed with the matter

3 = Quite agree or have an action that is good

4 = Strongly agree or has an excellent process for that matter

( See more details in the 59-1 One Report 2020, "Corporate Governance")

## 2. Anti-Corruption



From its inception, the Company consistently and strictly upholds the policy of white business in its law, morals and ethics. The Company has also made its commitment against corruption by joining the Thailand's Private Sector Collective Action Coalition Against Corruption or "CAC." Moreover, it is determined, as the main policy of the Company, that everyone in the Company shall refrain from asking for or accepting any corrupted benefits from the business partners, as indicated in the Business Code of Conduct. Everyone in the Company is expected to have good understanding on anti-corruption and to conform to the policy. Also, it is expected that the stakeholders learn about the Company's determination to fight corruption. The investigation procedures and penalties for malpractice,

which are as severe as disemployment, are stated in the Manual on Good Corporate Governance and Business Code of Conduct.

All the stakeholders including employees can directly contact or file a complaint or whistle-blowing regarding the offence, fraudulent act, or suspicion of misconducts or any matter which may directly damage the Company by the following methods



The informant will be protected without any disclosure of his personal information to any person. The questions, complaints, and suggestions will be forwarded to the relevant authorities to detect and find out the further solutions.

In 2021, there were **no complaints** regarding corruption, violations or not complying with laws, regulations, regulations, orders, announcements of the Company including good corporate governance and business ethics of the Company.

### 3. Fair Operating Practices

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The Company upholds business ethics in its operation and management. In this regards, the Board of Directors provided the Manual on “Good Corporate Governance and Business Code of Conduct” for the Directors, Executives and Employees of the Company to adhere to as the guidelines for performing their duties in an honest, up-to-standard, high-quality and fair manner. The same practice is expanded to cover the care of every group of stakeholders which are shareholders, employees, clients, partners and creditors, competitors and society. The practice guidelines regarding the rights and benefits of all stakeholders are stated in the

Company's manual on "Good Corporate Governance and Business Code of Conduct" and published on the Company's official website ([www.apco.co.th](http://www.apco.co.th)) as well as the Company's Annual Report.

In 2021, there were no complaints in matters related to competitors or unfair business practices

## **4. Risk Management**

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The Company attaches great importance to effective risk management because it is an important process in business operations that will lead the business to sustainable growth. The risk management process follows the risk management policy approved by the Board of Directors as follows:

### Policy for Risk Management

Regarded as a small-sized company, the risk management committee is not yet formed. As the Company has realized the importance of risk management, the sufficient risk management system is then created by the Board of Directors through a working group of risk management team consisting of executives of each division who need to take charge of risk assessment, plan and creation of risk management measures, assessing risk which might put an impact on the Company's business, and monitoring activities of risk management performed by other internal divisions. In this regard, risk management is the responsibility of all executives including the installation of risk management as a part of performance.

### Risk Management Process

The Company uses the risk management process in accordance with the COSO ERM Framework of COSO (Committee of Sponsoring Organizations of the Treadway Commission). Starting by defining the scope of potential risk to the business, the Risk Management Working Group will work with the head of each department as the risk owners to consider risk factors on a regular basis. When risks are known then they enter the procedure of risk analysis process, risk assessment and risk ranking by assessing the likelihood, impact and then entering the risk reduction process or risk control to be at an appropriate and acceptable level. The internal audit department will monitor and evaluate the efficiency and effectiveness of the risk management plan and method.

In the year 2021, the Risk Management Working Group holds a meeting with senior executives from all departments to consider risk factors, including the efficiency and effectiveness of the risk management approach to reduce the opportunity or impact on the business, image or stakeholders to be at an appropriate and acceptable level in accordance with the Company's risk management policy, especially considering the backup plan for the parties in case of unexpected events such as the outbreak of Coronavirus Disease

## 5. Development of Innovation

The company attaches great importance to research and development to discover new properties of plants and herbs that can be found in Thailand, in order to create innovative products that meet the needs of consumers according to the vision of the company.

On World AIDS Day on December 1, 2021, APCO has announced the success of research and development "Innovative immunotherapy for HIV from edible plants", which is an innovation to help HIV infected people to enter the condition of HIV inactivity or Functional Cure, which means long-term undetected, healthy without antiretroviral drugs, safe and without side effects for the first time of the world.

Innovative HIV immunotherapy from edible plants is another step in research and development to destroy HIV embedded in immune cells to decay together with the implanted cells, without damaging other normal cells, causing the infection to continue to decline, and eventually become undetectable, with a mechanism to stimulate the activity of immune white blood cells Killer T Cell to be strong, able to eliminate and destroy bad pathogens with more effectively, and to enhance the effect with extracts from edible plants which can significantly stimulate white blood cells.





In addition to the ability to destroy infected cells, the innovative immunotherapy also has the ability to quickly restore CD4 to normal human levels of approximately 600 cells/cu.mm., thereby reducing opportunistic infections, and for those infected with antiretroviral therapy and had side effects e.g. headache, nausea, vomiting, diarrhea, flatulence, insomnia, and acute liver or pancreatitis, numbness of the hands and feet, kidney stones until the infected person does not want to take any more of antiviral drugs, innovative immunotherapy can also reduce the side effects of such symptoms, make the infected person healthy, have a good quality of life and can gradually reduce antiretroviral drugs until finally able to stop taking antiretroviral drugs (under close professional supervision). For those newly diagnosed, innovative immunotherapy can be used without ART, which in 2021 APCO succeeded in innovative immunotherapy treatment to help people with HIV/AIDS not detected HIV/AIDS (HIV inactivated) without ART in 8 cases, and 3 successfully discontinued ART.





At the same time, APCO aims to meet the health care needs of people in the New Normal era, by developing the innovative "Wattanachiwa" that is an innovation to repair and lengthen telomeres, which are DNA-enriched chromosome caps, serve to protect the DNA strand from premature destruction, as the shortening of telomeres makes it easier and more sensitive to illness than normal people. It is also linked to degenerative diseases such as diabetes, high blood pressure, coronary artery disease, Alzheimer's, and others. At the same time, APCO aims to meet the health care needs of people in the New Normal era by developing the innovation of " Wattanachiwa ", which is an innovation to repair and increase the length of telomeres, which are DNA-enriched chromosome caps, serves to protect the DNA strands from premature destruction, as the shortening of telomeres makes it easier and more sensitive to illness. It is also linked to degenerative diseases such as diabetes, high blood pressure, coronary artery disease, Alzheimer's, and others.

The rebuilding and lengthening of telomeres will result in aging, slow down aging to the cellular level. Consumers will be healthier, reduce the chance of various diseases from aging, equivalent to reducing the age of 5-20 years, which from consumer data collected by the research team of Asian Phytoceuticals Public Co. Ltd., 10 people, 2 males, 8 females, aged 40-65 years, taking 6 capsules per day for 8 weeks, found that " Wattanachiwa " product was safe based on average blood urea nitrogen, creatinine, SGOT, SGPT values throughout the study and all consumer groups did not experience any adverse reactions during the data collection, and when measuring the length of telomeres, it was found to increase by 20% (1,612+ base pairs), equivalent to 5.8 years of age reduction, along with several improvements in health. This is a new innovation from APCO researchers in increasing the quality of life for those who need health care in this age.



# Social

Social Action for Sustainable Development is divided into the following main activities:

**- Internal Sustainable Development**

- 6. Employee Development and Caring
- 7. Compliance with Human Rights and Fair Labor Practices
- 8. Safety and Occupational Health

**- External Sustainable Development**

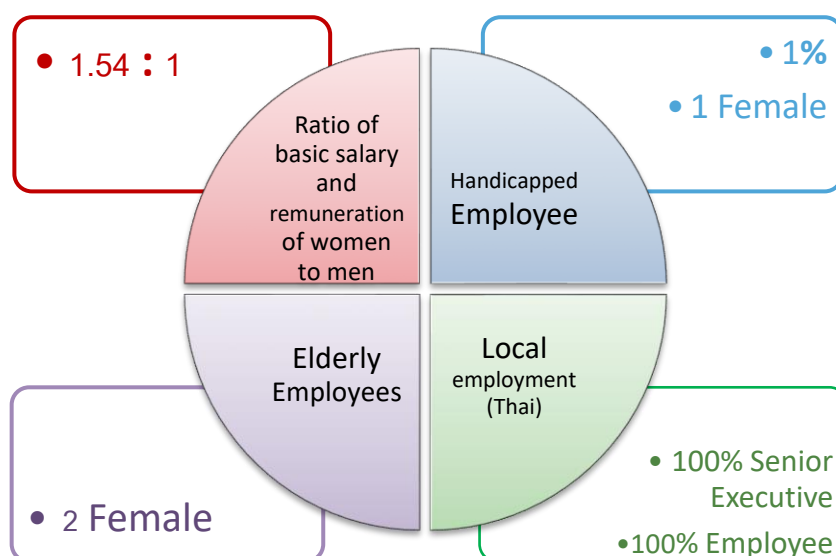
- 9. Responsibility for Consumer and Society

## *- Internal Sustainable Development*

### **6. Employee Development and Caring**

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#### **Employee information for the year 2021**



		2021		2020	
		(Persons)	%	(Persons)	%
<b>Sex</b>					
	Male	44	41.51	45	40.91
	Female	62	58.49	65	59.09
<b>Workplace</b>					
	Head Office	50	47.17	49	44.54
	Ratchadapisek Branch	46	43.40	48	43.64
	Chiang Mai Branch	3	2.83	3	2.73
	Chonburi Branch	3	2.83	3	2.73
	Hat Yai Branch	4	3.77	7	6.36
<b>Employment Type</b>					
	Permanent Employee	106	100.00	110	100.00
	Contract Employee	-	-	-	-
<b>Age</b>					
	18-35 Years	31	29.25	28	25.46
	35-50 Years	56	52.83	61	55.45
	50 Years or more	19	17.92	21	19.09
<b>Level</b>					
	Executive	9	8.49	9	8.18
	Management	14	13.21	15	13.64
	General	83	78.30	86	78.18

#### New Employees

	Male	4	3.77	4	3.64
	Female	1	0.94	4	3.64
<b>Age</b>					
	18-35 Years	3	60.00	5	62.50
	35-50 Years	2	40.00	1	12.50
	50 Years or more	-	-	2	25.00

#### Employees Resign

	Male	4	3.77	5	4.55
	Female	2	1.89	7	6.36
<b>Age</b>					
	18-35 Years	3	50.00	8	66.67
	35-50 Years	1	16.67	3	25.00

	50 Years or more	2	33.33	1	8.33
Turnover Rate					
	% to total employees		5.66		10.91

*\* As December 31, 2021*

"Personnel" is an important resource that drives the Company to achieve its goals. The development and care of personnel will enable the staff to perform at their full potential. This is an important mechanism to help the organization grow steadily and sustainably. The Company has done the following:

### 6.1 Employee Development

The Company has the policy to develop and promote the human resources with better knowledge and understanding to bring effective performance, promoting their advancements of career path, and enhancing the Company's competitiveness in its core businesses.

The training plans for developing its human resources are divided into three parts

- (1) Developing the Company's key potential whereas all employees are educated about its core businesses, acknowledgement of the targets and goals, and awareness of the Company's changes as well as adjustment for the future change.
- (2) Developing the employee's efficacy for better knowledge and expertise by allowing them to take courses relating to their duties in order to master their work skills and providing useful books and reading materials to help promoting their knowledge.
- (3) Developing the leadership especially the departmental heads and other higher positions to lead the roles and teamwork to prepare for the business targets and changes.

In the year 2021, Asian Phytochemicals Public Company Limited has arranged training courses for employees, average training hours are 4.47 hours / person / year, (47.92 % of the total number of employees)





## 6.2 Employee benefits and caring

The Company provides equitable benefits and benefits to employees according to the standards and higher than the standard of Labor Protection Act, such as

- Annual Bonus
- Giving gold as a token of appreciation to the employees working with the Company for 5, 10, 20 and 30 years
- Provident fund, social security
- Incentive pay, allowance for food and engine oil, uniforms
- Providing annual medical check-up for employees to prevent the risk from work-related diseases
- Granting the employees the privilege to buy the Company's products at 50% off prices, up to 1,000 baht/month
- Financial support for funeral in the event that the father, mother, spouse or child of the employee is deceased
- Group Insurance
- New year gifts for staff

As a result, the rate of attendance and resign of employees is low.



## Caring for employees during the COVID-19 situation

In the situation of the epidemic of the COVID-19 virus, the Company has measures to prevent and strengthen employees' health care as follows:

- Provide the Company's immune-boosting products to take care of employees during the COVID-19 virus outbreak, also including introducing and educating employees on how to fight the virus through the Company's communication channels continuously.
- Give alcohol gel to all employees, including setting up alcohol gel spots at various points of the office building and work area.
- Organize activities for employees to sew cloth masks to distribute to all employees
- Measure the body temperature of employees every time before entering the workplace.
- Provide work from home or switch to work to reduce congestion of the workplace, including encouraging the use of online meetings.
- All employees are screened for COVID-19 with an Antigen Test Kit (ATK) on a weekly basis and on the first day of returning to work after a long holiday.
- All employees are required to wear masks at all times while working.
- Set measures for office buildings for outsiders who come to contact the Company. They must wear a mask at all times and measure body temperature before coming in contact and provide alcohol gel at the entrance-exit of the office.

## ***7. Compliance with Human Rights and Fair Labor Practices***

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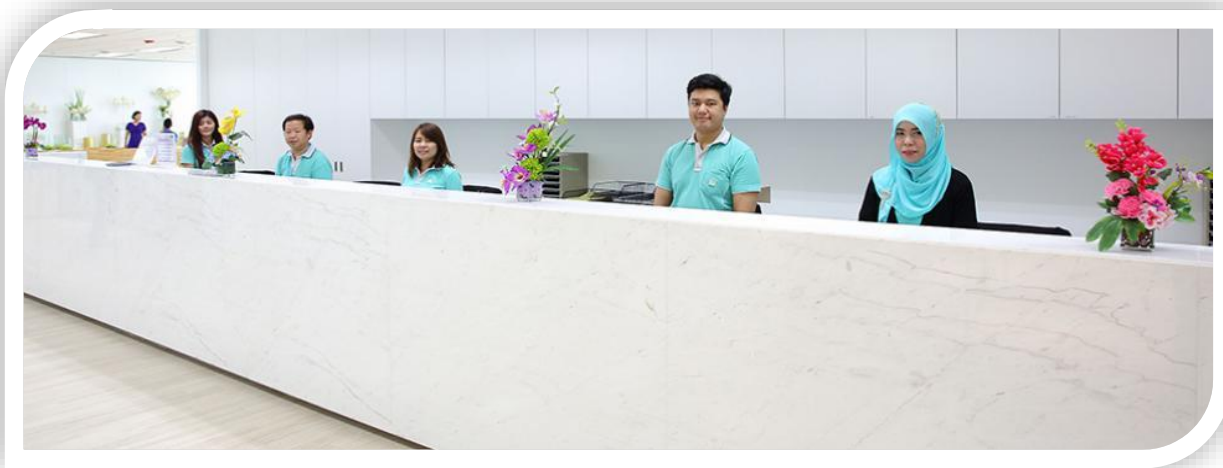
The Company respects the human rights of all employees, and clearly outlines in its policies on human rights policy that the Company intends to treat each and every employee with respect and regards for their personal rights. Moreover, the Company carefully protects the personal information of employees, keeping their information confidential. The Company does not tolerate discrimination of race, nationality, religion, gender, age, disability, or sexual orientation. All illegal acts of discrimination are deemed unacceptable.

The Company adheres to the labor law provisions as a minimum requirement that all employees will receive and some are higher than those prescribed by the Labor Protection Act to ensure equality and fairness for employees. Conclusions of action are as follows:

- No child labor
- Providing a fair compensation according to qualifications and experiences
- Allowing the employees to choose days and time of working

- Allowing functions switched in order to be appropriate for pregnant employees (In the year 2021, no employees taken parental leave)
- Having systematic evaluation process on the employees work performance to be considered for salary adjustment and bonus payment
- Giving opportunities for the employees to voice their opinions regarding the Company's operations
- In the event of termination , the Company pays appropriate severance pay to employees based on the conditions defined by Labor Protection Law
- Employing of persons above 60 years and over
- Proportional employment of persons with disabilities is not less than those required by law.

In 2021, **no practice was found** to be inconsistent with the non-violating human rights policy and no complaints were found about such human rights violations.



## 8. Safety and Occupational Health

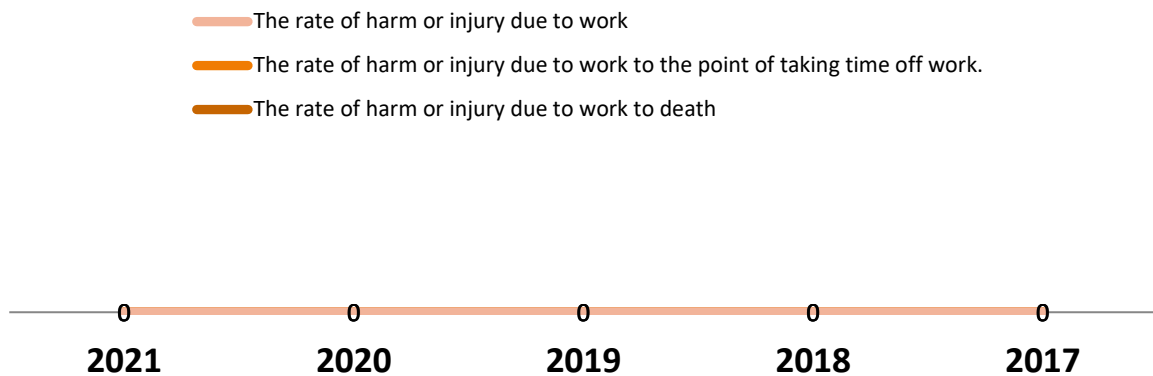
The Company prescribed "Safety, Occupational Health and Working Environment Policy" and disseminated to employees to practice along with the regular duties. The Company appointed the safety officer, Occupational Safety, Health and Environmental Committee according to the law that establishments with 50 or more employees must have a Safety, Occupational Health and Working Environment Committee. The working group has one chairman and three representatives from employers and employees for operating safety and health systematically in accordance with the Company standards and strict legal requirements to achieve a more secure operation. The aim is to be a non-accidental organization, a safe place to work and a good environment for employee hygiene.

Based on this commitment,  
in 2021

**The rate of harm or injury due to work,  
injuries to the point of losing work**

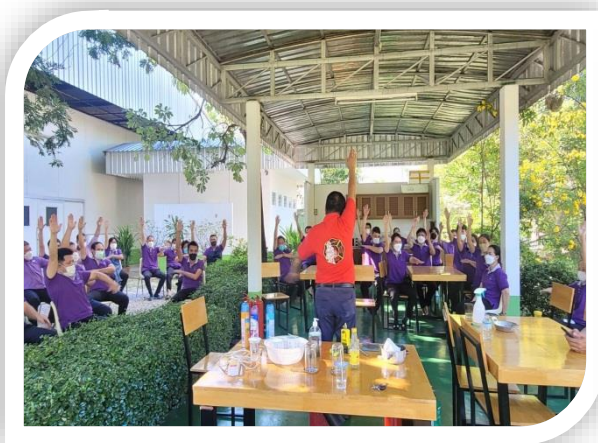
**and death = 0**

### Summary of the rate of harm or injury due to work of employees



In addition, the company has taken safety measures by

- Training fire prevention systems and fire drills for employees at least once a year, including regular checks of fire extinguishing equipment to be ready for use.



- Annual safety inspection for 500 kg boiler and pressure vessel inspection.
- Annual check the cooking gas tank, gas piping system and equipment.
- Test and inspect the fire prevention and suppression system with sprinkler heads, for the location of the liquefied petroleum gas tank.



The Company pays attention to the care of its employees both physically and mentally by providing annual medical check for employees and additional examinations according to risk factors for employees working in risky areas in each type of activity. This includes providing work environment measurements and assessments, which include measuring the intensity of light, noise, and dust in the work area, to ensure that employees work under the proper environment harmless to health, and encourage employees to take care of their health. Employees must leave 30 minutes before the normal time every Thursday - Saturday in order to exercise. The Company provides support for the venue and exercise equipments, including the provision of green space around the workplace for staff to relax and provide a sanitary canteen to employees.

## - External Sustainable Development

### 9. Responsibility for Consumer and Society

The Company presses an importance on consumers and society by implementing sustainable development through enterprise products and services. Focus on the manufacturing procedure to deliver products that are up to international standards, valuable and safe, as well as rendering the highest benefit to the consumers. There is a quality inspection system from the quality inspection department before the product is sold to consumers. The Company serves the customers honestly with its White Business Policy.

#### 9.1 Standard and Safety

The Company has been accredited with standards and systems to build confidence for customers

- Every product is certified by Food and Drug Administration (FDA)
- The Company's products have received Halal certification
- The factory has received Good Manufacturing Practice (GMP) certification



## 9.2 Product Disclosures

The Company has a product information channel to build confidence for customers as follows:

- Television program providing academic information on the effectiveness of the products through the interviews with academicians and consumers, hosted by well-recognized moderators. This information can help the consumers to make a decision before buying



- Many communication channels are available to provide products' information for the consumers, for examples, Facebook, Facebook live, YouTube, Website
- Magazine articles and news in newspapers
- The consumers can buy the products from well-trained sales agent through sales agent channel and obtain close suggestions
- The instruction on product usage is thoroughly explained on the label for the best interest of the consumer.
- Highly qualified academicians are stationed at the regional office branches to give advices and answer questions
- Product testing activities were organized both nationally and internationally in order to show the consumers to the effectiveness of the product



- Permission must be granted by the interviewees prior to every interviews and data collection. Consumers' information will be kept confidential
- The return policy and product recall policy are prescribed as guidelines in case there are problems relating with the products

### 9.3 High Quality Products

- The research and product development team comprises experts in interdisciplinary fields from the universities around Thailand and abroad
- Products have been researched and developed for continuous improvement
- Using natural raw materials that are not harmful to the environment
- Packaging made from recyclable materials

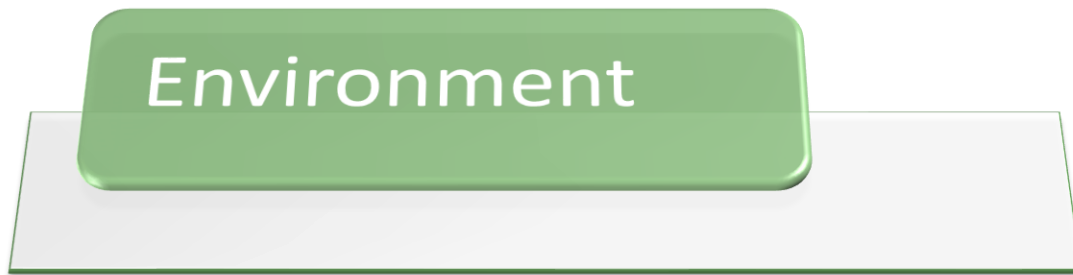
### 9.4 Community Participation

- Donating the Company's products for the care of HIV orphaned children of the Baan Gerda, Lopburi Province. This has been done continuously for the 10<sup>th</sup> year with the aim of enhancing the quality of life of infected orphans, by giving products for free for life. In 2021, the Company has given products to infected orphans a total of 1,000 bottles and also donated money to support the operations of the Baan Gerda Children's Foundation.



- Given to people infected with HIV who have entered the Company's product testing program totaling 1,400 bottles.
- Donating the Company's products for the care of deprived cancer patients
- Providing the information on alternative treatments for illness to the hospitals' personnel
- Improving the quality of life of villagers by creating jobs to supplement incomes from collecting and slicing Garcinia atroviridis. This also helps raising the price of the mangosteen, soybean, black sesame, guava and asiatic pennywort

- Creating jobs and incomes for business partners, for examples, packaging companies, cold storage industry, shipping industry, etc.
- Building Thailand's reputation through the products which are resulted from high-quality researches



Environmental Action for Corporate Sustainability are divided into the following main activities:

8. Implementation of the Environmental Law
9. Environmental Management and Greenhouse Gas Emissions

## ***10. Implementation of the Environmental Law***

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The company focuses on environmental stewardship for sustainable growth along with business, thus establishing guidelines for business activities along the value chain to be carried out with minimal impact on the environment and climate change, as well as to promote continually conserving natural resources, adhering to compliance with laws, local regulations, and measures related to the environment, including the United Nations Sustainable Development Goals (SDGs), recognizing that promoting environmental quality and maintaining ecological balance is a shared mission of all sectors, also a means of building trust among stakeholders, including customers, shareholders, employees, business partners, and local communities.

## ***11. Environmental Management and Greenhouse Gas Emissions***

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In environmental management, the Company gives an importance to its energy usage by protecting and managing its environmental quality with mitigating the environmental impact of the business by improving, modifying and developing the process to become a truly environmental organization. Conclusions of action are as follows:

### **Reduction of GHG Emissions**

- Promoting the recycling of materials, especially the Company's main supplies such as paper to be used on both sides before being digested for use as a shockproof material

- Promoting the adjusting method of document storage from hardcopy documents to scanning and saving documents as soft files
- Choosing appliances that are energy-saving label 5, green label
- Adjusting the air conditioner at 25 degrees. It is required to turn off the air conditioner in the break time and during cold weather
- Turning off the lights in the factory, and in places where there is no need and during lunch time
- Replacing the lamp to save energy
- Using dried leaves to make fertilizer
- Increasing green area to improve and maintain the scenery of the workplace

In this regard, the Company is in the process of studying the guidelines for assessing and verifying the organization's greenhouse gas emissions, both directly (Scope 1) and indirectly (Scope 2) in accordance with the Thailand Greenhouse Gas Management Organization (Public Organization) and use the results as a guideline for management including disclosing information to stakeholders in the future.

## Energy Management

The company always has a key focus on energy efficiency, including energy consumption reduction because it not only brings benefits at the corporate level in reducing production costs but also creates participatory energy conservation and conserve the environment as well. In 2021, the Company's electricity and LPG consumption are at a reduced level as expected.

Performance : Energy consumption in 2021

	2021	2020	2019	2018	2017
<b>Electricity (Kilowatt-hours)</b>	274,836	292,780	281,840	347,260	322,432
<b>LPG (Kg)</b>	4,365	6,543	5,007	10,392	11,307
<b>Diesel (Liters)</b>	-	-	-	5,400	2,800

## Water Management

The Company is located in an industrial estate area. Therefore, it uses water purchased directly from the Industrial Estate Authority of Thailand. However, the Company is still aware of the risk of the crisis of scarcity of water resources that are becoming more severe and widening, therefore, there is a policy to encourage employees to use water economically by adopting 3 R principles is to reduce, reuse and recycle to be adapted as appropriate for the organization.

Performance : Water consumption in 2021

	2021	2020	2019	2018	2017
<b>Water (Cubic Meter)</b>	5,334	4,245	9,660	5,506	5,990

## Wastewater Management

Wastewater from the Company's processes and activities undergoes the treatment process and checks by Global Utilities Services Limited, a private agency certified by the Industrial Estate Authority of Thailand on a monthly basis. It is ensured that effluent quality meets the effluent quality standards in accordance with the Industrial Estate Authority of Thailand Act that do not affect the communities, environments and living organisms in natural water bodies and report to the relevant governmental authorities by law.

Performance : Wastewater quality measurement as of November 17, 2021

	Standard*	Measurable
<b>pH</b>	Between 5.5-9.0	7.4
<b>B.O.D. (mg/L)</b>	not more than 500	14
<b>C.O.D. (mg/L)</b>	not more than 750	28
<b>SS (mg/L)</b>	not more than 200	14

\* Industrial Estate Authority of Thailand Notification No. 76/2560

## Waste Management

The Company has a policy to sort out unused materials by type and store in a systematic manner. Before sending to a disposal person who is authorized by the Department of Factory to be used to landfill or proceed in accordance with the law, divided into

- Organic waste such as food scraps is fermented to make fertilizer
- General waste such as plastic bags, foam boxes and non-recyclable waste is stored for delivery to landfill operations by Thao Boonruang Limited Partnership, a private agency certified by the Ministry of Industry
- Recycled waste such as plastic bottles are sent to the buyer for recycling



- Degradable waste such as raw materials which is left over from production is distributed to make fertilizer

Performance : Total weight of waste for the year 2021

	2021	2020	2019	2018	2017
<b>General Waste (Tons)</b>	2.56	2.97	3.35	4.48	4.92
<b>Recycled Waste (Tons)</b>	1.00	2.20	3.80	5.00	2.25
<b>Degradable Waste (Tons)</b>	18.75	19.95	21.75	15.40	21.10

## Environmental protection

- Participation in the environmental governance project (White flag, green star) of the Industrial Estate Authority of Thailand to promote public participation in supervising factories in industrial estates. The Company received good -excellent assessment results
- The Company has received the green industry certification from the Ministry of Industry
- The Company according to the White Factory Project obtained Standard on Prevention and Solution to Drugs Problems in an Establishment Certificate
- The Company (Branch office) is housed in an environmentally, friendly building with LEED Gold standards (Green Leadership in Energy and Environmental Design), from the prestigious Green Building Institute of America.
- Using natural raw materials that are not harmful to the environment
- Controlling raw material quality since the beginning of cultivation by requiring farmers to stop using pesticides at all stages of cultivation
- In the manufacturing process that produces dust, the Company uses water to trap dust to prevent the spread of dust particles into the atmosphere



## GRI Content Index

	Disclosure	Page	Note
<b>Organizational profile</b>			
102-1	Name of the organization	Cover, 6, 7	
102-2	Activities, brands, products, and services	6, 7, 11	
102-3	Location of headquarters	7	
102-4	Location of operations	7	
102-5	Ownership and legal form	9	
102-6	Markets served	11	
102-7	Scale of the organization	7, 9, 35	
102-8	Information on employees and other workers	35	
102-9	Supply chain	15	
102-10	Significant changes to the organization and its supply chain	6	
102-11	Precautionary Principle or approach	30	
102-12	External initiatives	16	
102-13	Membership of associations	28	
<b>Strategy</b>			
102-14	Statement from senior decision-maker	5	
102-15	Key impacts, risks, and opportunities	30	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behavior	8, 24	
102-17	Mechanisms for advice and concerns about ethics	24	
<b>Governance</b>			
102-18	Governance structure	25	
102-19	Delegating authority	25	
102-20	Executive-level responsibility for economic, environmental, and social topics	12,25	
102-21	Consulting stakeholders on economic, environmental and social topics	16	
102-22	Composition of the highest governance body and its committees	25	56-1 One Report P.81-90
102-23	Chair of the highest governance body	25	56-1 One Report P.83
102-24	Nominating and selecting the highest governance body		56-1 One Report P.94-96
102-25	Conflicts of interest		56-1 One Report P.76
102-26	Role of highest governance body in setting purpose,	25	56-1 One Report P.4, 68



	values, and strategy		
102-27	Collective knowledge of highest governance body		56-1 One Report P.82
102-28	Evaluating the highest governance body's performance	28	56-1 One Report P.99
102-29	Identifying and managing economic, environmental, and social impacts	18	
102-30	Effectiveness of risk management processes	30	
102-31	Review of economic, environmental, and social topics	19	
102-32	Highest governance body's role in sustainability reporting	14,18	
102-33	Communicating critical concerns	16	
102-34	Nature and total number of critical concerns	16	
102-35	Remuneration policies		56-1 One Report P.97
102-36	Process for determining remuneration		56-1 One Report P.97
102-37	Stakeholders' involvement in remuneration		56-1 One Report P.97
102-38	Annual total compensation ratio		56-1 One Report P.97
102-39	Percentage increase in annual total compensation ratio		56-1 One Report P.97
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	15	
102-41	Collective bargaining agreements	16	
102-42	Identifying and selecting stakeholders	16	
102-43	Approach to stakeholder engagement	16	
102-44	Key topics and concerns raised	16	
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	9	
102-46	Defining report content and topic Boundaries	20	
102-47	List of material topics	20	
102-48	Restatements of information	4	
102-49	Changes in reporting	4	
102-50	Reporting period	4	
102-51	Date of most recent report	4	
102-52	Reporting cycle	4	
102-53	Contact point for questions regarding the report	53	
102-54	Claims of reporting in accordance with the GRI Standards	4	
102-55	GRI context index	48-52	
102-56	External assurance		This report is not externally Assured.
<b>Economic Topics</b>			

Management Approach			
103-1	Explanation of the material topic and its Boundary	24	
103-2	The management approach and its components	24-33	
103-3	Evaluation of the management approach	24-33	
Economic Performance			
201-1	Direct economic value generated and distributed	10-11	
Market Presence			
202-2	Proportion of senior management hired from the local community	34	
Anti-corruption			
205-1	Operations assessed for risks related to corruption	28	
205-2	Communication and training about anti-corruption policies and procedures	28	
205-3	Confirmed incidents of corruption and actions taken	28	
Environmental Topics			
Management Approach			
103-1	Explanation of the material topic and its Boundary	44	
103-2	The management approach and its components	44-47	
103-3	Evaluation of the management approach	44-47	
Energy			
302-1	Energy consumption within the organization	45	
302-2	Energy consumption outside of the organization	45	
302-4	Reduction of energy consumption	45	
302-5	Reductions in energy requirements of products and services	45	
Water			
303-1	Water withdrawal by source	45	
303-2	Water sources significantly affected by withdrawal of water	45	
303-3	Water recycled and reused	45	
Emissions			
305-5	Reduction of GHG emissions	44	
Effluents and Waste			
306-1	Water discharge by quality and destination	46	
306-2	Waste by type and disposal method	46	
306-5	Water bodies affected by water discharges and/or runoff	46	
Environmental Compliance			
307-1	Non-compliance with environmental laws and		No such incidents

	regulations		
<b>Social Topics</b>			
<b>Management Approach</b>			
103-1	Explanation of the material topic and its Boundary	34	
103-2	The management approach and its components	34-43	
103-3	Evaluation of the management approach	34-43	
<b>Employment</b>			
401-1	New employee hires and employee turnover	35	
401-3	Parental leave	38	
<b>Labor/Management Relations</b>			
402-1	Minimum notice periods regarding operational changes		Comply with local laws and regulations
<b>Occupational Health and Safety</b>			
403-1	Workers representation in formal joint management-worker health and safety committees	39	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	39	
<b>Training and Education</b>			
404-1	Average hours of training per year per employee	36	
404-2	Programs for upgrading employee skills and transition assistance programs	36	
404-3	Percentage of employees receiving regular performance and career development reviews	36	
<b>Diversity and Equal Opportunity</b>			
405-1	Diversity of governance bodies and employees	35	
405-2	Ratio of basic salary and remuneration of women to men	34	
<b>Child Labor</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	38	
<b>Human Rights Assessment</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments	38	
<b>Local Communities</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	43	
<b>Customer Health and Safety</b>			
416-1	Assessment of the health and safety impacts of	41	

416-2	product and service categories		
	Incidents of non-compliance concerning the health and safety impacts of products and services		No such incidents
Marketing and Labeling			
417-1	Requirements for product and service information and labeling	42	
417-2	Incidents of non-compliance concerning product and service information and labeling		No such incidents
417-3	Incidents of non-compliance concerning marketing communications		No such incidents
Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		No such incidents
Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area		No such incidents



### **Contact Point**

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