

# COPERATE GOVERNANCE POLICY

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UNITED PALM OIL INDUSTRY PUBLIC COMPANY LIMITED



EFFECTINESS DATE FEBRUARY 22, 2024

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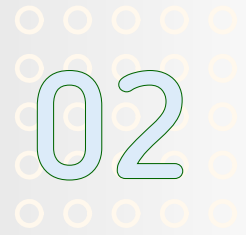
# ANNOUNCEMENT

The United Palm Oil Industry Public Company Limited (UPOIC) has conducted a review of its policies and corporate governance practices. These include policies on conflict of interest management, anti-corruption policies, risk management, and more. The aim is to ensure that the Board of Directors, executives, and employees all adhere to these guidelines in their daily operations, in order to operate our company efficiently, with integrity, transparency, and accountability.

In light of changes related to standard system requirements and the need to enhance certain aspects of best practices to remain current, it is deemed necessary to review both corporate governance policies and relevant regulations. This review aims to group and clarify the importance to stakeholders of each group within the Company, thereby increasing the comprehensiveness of content details. This is to ensure coverage in all dimensions, ranging from effective corporate governance, environmental stewardship, and adherence to human rights principles.

**This is to signify a steadfast commitment to implementing policies in an ethical manner, encompassing all departments throughout the organization. Therefore, it is requested that personnel at every level of the company adhere to this principle consistently.**

( Assoc.Prof Naris Chaiyasoot, Ph.D. )  
The chairman of the Board of Directors



## VISION

The leading sustainable palm oil business company with operational excellence, international best practices, and world-class competitive strengths.

## MISSION

- (1) Building capacity in entire palm oil business value chain from seeding, germinating, plantation, palm oil extraction and related business so as to be competitive and recognizing in the industry.
- (2) Performing the high value palm oil business by focusing on palm oil seed with high yield to fulfill grower requirements of as well as providing the best services.
- (3) Employing advanced technology in production and international management system as well as taking care of the environment, biodiversity, communities, and society.
- (4) Always ensuring the health, safety, and welfare of all employees and building trust and confidence among our customers, grower/suppliers and generating return to shareholders and other stakeholders appropriately.

# 03



## COMPLAINT HANDLING AND COMPLAINT SUBMISSION CHANNELS

If you encounter actions that violate or do not adhere to corporate governance/business code of conduct, you can report them through the following channels:



[www.upoic.co.th](http://www.upoic.co.th)

E-mail : [naris@econ.tu.ac.th](mailto:naris@econ.tu.ac.th)



Address :  
**Assoc.Prof Naris Chaiyasoot, Ph.D**  
Chairman of the Audit and Corporate Governance Committee  
United Palm Oil Industry Public Company Limited  
64 Soi Bangna-Trad 25, Khwaeng Bangna  
Nuea, Khet Bangna, Bangkok 10260  
**\*\* Please specify on envelop " Confidential Document"**

Remark : Protection of the informant or complainant

- The informant or complainant mentioned above shall not be required to disclose their name in any way.
- Following the receipt of a report or complaint, the Audit and Corporate Governance Committee will conduct an investigation to verify the information, or facts presented by the informant or complainant. The findings will be presented to the Company's board of directors within 30 days from the date of notification.
- The complaint handling process follows the Company's code of conduct.



## GOOD COPERATE GOVERNANCE PRINCIPLES

The Company has adopted all 8 principles as part of its operational framework, with an interconnected management structure between the Board of Directors, executives, and shareholders, all conducted fairly.





## COPERATE GOVERNANCE POLICY

The United Palm Oil Industry Public Company Limited (UPOIC) recognizes the importance of the aforementioned corporate governance principles. These principles serve as essential factors in enhancing the organization's operations with transparency, fairness, and equal treatment of stakeholders. UPOIC aims to maintain an efficient management system, coupled with social and environmental responsibility, with the goal of creating sustainable value for the business.

The Board of Directors has duly considered the suitability of adopting the CG CODE and has passed a resolution to implement it in line with the Company's business context. In cases where certain practices cannot be immediately implemented, the reasons will be reported and explained to the Board during their meetings.

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

# GOOD COOPERATE GOVERNANCE PRINCIPLE

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Ensure Engagement and Communication with Shareholders



## Establish Clear Leadership Role and Responsibilities of the Board

1

The Board of Directors, managing director, including the general management, have clearly defined roles and responsibilities within the organization:



### 1.1 Board of Directors

- The roles, duties, and responsibilities of board members
- Directors Concurrently being Directors of other companies
- Board of Directors meeting

### 1.2 The Chairman of the Board

- The roles, duties, and responsibilities of the Chairman.

### 1.3 Managing director

- The roles, duties, and responsibilities of managing director

### 1.4 Company secretary

- The roles, duties, and responsibilities of Company secretary

## Board of Directors

**Board of Directors** is a representative of the shareholders is responsible for overseeing and ensuring that the management effectively administers the business to achieve the best interests of the shareholders.

### SCOPE OF AUTHORITY OF THE BOARD OF DIRECTORS

- 1 Each director shall have one vote and decisions of the meeting shall be by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have an additional casting vote. In case of a vacancy on the Board of Directors otherwise than by rotation, the resolution of the Board of Directors must be passed by a vote of not less than three-fourths of the number of subsisting directors.
- 2 Director who has a personal interest in any matter who shall have no right to vote on such matters.
- 3 Two directors shall be authorized to jointly sign together with the Company's seal affixed. However, the Board of Directors may specify names of the directors authorized to sign and bind the Company together with the Company's seal affixed.
- 4 The Board of Directors may appoint other persons to carry out the Company's business under the Board of Directors' supervision or may confer upon such other persons such powers as they think fit and for such time as they think expedient and any revoke, withdraw, alter or vary any such powers.
- 5 The Board of Directors may pay interim dividends to the shareholders from time to time when the Board of Directors finds the Company has sufficient profit and a report thereof shall be made to the shareholders' meeting at the next meeting.
- 6 Although various transactions are under the authority of the Board of Directors, there are the following cases stated in the Articles of Association to be conducted at the shareholders' meeting.
  - Reviewing the report of the Board of Directors covering the work done during the preceding year as proposed to the meeting by the Board of Directors.
  - Considering and approving the statements of financial position and statements of comprehensive income of the preceding fiscal year.
  - Considering the appropriation of profits, reviewing directors' remuneration and the appropriation of a reserved fund.
  - Election of new directors in place of those who must retire on the expiration of their terms.
  - Appointment of the auditor and fixing his remuneration.
  - The sales or transfer of the whole or substantial part of the business of the Company to other persons.
  - The purchase or acceptance of transfer of business of other companies or private companies to the Company.
  - The making, amendment or termination of contracts relating to the leasing out of the whole or substantial part of the businesses of the Company, the assignment to any other persons to manage the businesses of the Company, or the consolidation of the business with other persons with an objective towards profit and loss sharing.
  - The amendment of Memorandum or Articles of Association.
  - The increase or decrease in the Company's capital or the issuance of debentures.
  - The amalgamation or dissolution of the Company.
  - Other businesses.

## THE ROLES, DUTIES, AND RESPONSIBILITIES OF BOARD MEMBERS

- 1 Participating in decision-making or providing approval for defining the company's vision, mission, strategy, goals, risks, plans, and budgets to achieve efficient and effective outcomes. This includes maintaining competitiveness and fostering good business practices, respecting rights, considering the interests of shareholders and stakeholders, being socially and environmentally responsible, and adapting to rapidly changing business environments. Additionally, supporting innovation within the organization, along with regularly reviewing the mentioned vision, direction, and strategy on an annual basis.
- 2 Control and oversee the management to ensure that they execute the business plan as intended, with the goal of achieving objectives and increasing wealth for shareholders.
- 3 Establish governance principles and promote adherence to these principles throughout the organization. This includes evaluating performance and reviewing these principles at least once a year.
- 4 Establish a code of conduct that covers individuals at all levels, including Board members, executives, and employees, and promote compliance with the policies set forth in this code, including their enforcement.
- 5 Regularly monitor and evaluate the implementation and effectiveness of practices.
- 6 Establish an internal control system, internal audit, corporate governance, and risk management measures, along with regular monitoring of these operations.
- 7 Appoint subcommittees and specify their roles and responsibilities
- 8 Ensure clear communication of the roles, duties, and responsibilities of the Board, Audit and Corporate Governance Committee, Remuneration Committee, Nomination Committee, Risk Management Committee, and Sustainability Committee.
- 9 Responsible for disclosing the financial status of the company in the annual financial reports of the company and its subsidiaries in the form of the "56-1 One Report," as well as providing information and disclosures in accordance with the law and relevant government agencies.
- 10 Establish guidelines for considering the appropriateness of transactions that may involve conflicts of interest.
- 11 Convene committee meetings at least quarterly and hold shareholder meetings at least once a year.
- 12 During committee meetings, there must be a quorum present, which consists of at least half of the total number of committee members, to constitute a valid meeting.
- 13 In the event that the Chairman of the committee is not present at the meeting or is unable to perform their duties, if there is a Vice Chairman of the committee, the Vice Chairman shall act as Chairman. If there is no Vice Chairman or the Vice Chairman is also unable to perform their duties, the committee members present at the meeting shall choose one of the committee members to be the Chairman for that meeting.
- 14 Other duties and responsibilities as specified by laws, regulations, and resolutions passed at shareholder meetings.

## Director's Term of Office

In accordance with Article 12 of the Company's regulations, during each annual ordinary shareholder meeting, there shall be the election of a new committee.

## Directors Concurrently Being Directors of Other Companies

To ensure that directors have sufficient time to perform his duties fully, the Company has set the number of companies allowed for directors to be directors of listed companies not more than 5 companies.

The Company does not set limit for being directors in other non-listed companies because most of Executive Directors are directors of subsidiaries, associates, joint venture, or related companies.

## Board of Director's Meeting

- The Company specifies that the Board of Director's meeting should be held at least once a quarter. However, the Chairman may consider convening additional meetings as necessary. If two or more Board members request a meeting, the Chairman may call for a meeting. In cases where two or more Board members request a meeting, the Chairman shall schedule the meeting within 14 days from the date of the request.
- The Company shall schedule meetings in advance on an annual basis and inform each Board member of the schedule in the months of August or November every year.
- The Company secretary will be responsible for proposing the agenda for the meeting that must comply with the law or relevant regulations. As for items beyond the specified agenda, the Chairman and the managing director will jointly consider them. Each Board member can propose an agenda by submitting them to the company secretary at least 14 days before the meeting. The company secretary will collect and present the proposed agenda to the Chairman for consideration before including them in the meeting agenda.
- The Company will send the documents required for the Board's meeting along with the meeting invitation. These documents will clearly state whether they are for acknowledgement, approval, or consideration. These documents will be sent to the Board members at least 7 days before the meeting (unless necessary or urgent to safeguard the rights or interests of the Company, in which case an alternative method of notification and a meeting date earlier than that can be scheduled). To ensure that each member has time to review the information before the meeting, the Chairman of the Board will allocate sufficient time during the meeting for the relevant executives to present the details. This will enable Board members to inquire for additional information and have adequate time for meaningful discussions, especially regarding significant issues.
- Furthermore, the meeting chairman will provide an opportunity for Board member to express their views independently. In cases where any Board member has a vested interest in the matter under consideration, they shall declare it at the meeting for acknowledgment, and they must refrain from participating in the discussion and have no voting rights on that particular matter.
- The minute of meeting shall be prepared in writing, specifying the date and time of commencement and resolution of the meeting, the names of directors in attendance, and those who were absent. It should summarize the key points presented during the meeting, including topics discussed, deliberations made by the directors, resolutions, and any opposing opinions from directors. The minute should also include the name of the minute recorder and the certifying person. After being certified in the meeting, the company secretary shall be responsible for safekeeping, making it available for examination by relevant parties.

## The Chairman of the Board

The Board of Directors is responsible for selecting individuals who are suitable to serve as the chairman of the board and ensuring that the composition and operations of the board support the exercise of independent judgment in decision-making.

### Selecting a Chairman of the Board Process

The Chairman of the Board of Directors is an independent director or a non-executive director. The position of Chairman and the managing director must not be held by the same person to ensure clear separation of duties. The Chairman of the Board of Directors has the following duties and responsibilities:

1. The Chairman or the appointed person are responsible for convening meetings of the Company's Board of Directors by sending notices at least 7 days before the meeting (unless it is necessary or urgent to protect the company's rights or interests, in which case, alternative methods of notification may be used, and a meeting may be scheduled earlier). This allows the Board of Directors sufficient time to study, consider, and make informed decisions on various matters during the meetings.
2. A role in establishing the agenda for meetings in collaboration with the managing director.
3. Respond for ensuring that the meetings are efficient, allocating enough time for the management to present information, supporting and providing opportunities for the Board members to ask questions and express their opinions freely, controlling the discussion topics, and summarizing the resolutions made during the meeting.
4. A crucial role in promoting the adherence of Company directors to corporate governance principles, such as self-presentation, refraining from voting, and leaving the meeting room when considering agenda items that pose a conflict of interest.
5. Communicate important information to the Board of Directors.
6. Support the Company's directors in attending shareholder meetings and act as the chairman at the meetings, ensuring effective conduct and addressing shareholder inquiries.
7. Support the Board of Directors in carrying out their duties within the scope of legal responsibilities and in accordance with good corporate governance principles.



## Managing Director

The managing director is entrusted by the Board of Directors to carry out the Company's normal business operations, diligently and honestly, in accordance with the approved plans and budgets. They also have a duty to oversee the Company's operations to ensure that the business is conducted for the benefit of the Company, shareholders, and stakeholders in a fair and appropriate manner. This includes ensuring the disclosure of general information and financial information of the Company in accordance with good corporate governance practices and refraining from engaging in any activities that may result in conflicts of interest with the Company and its subsidiaries.

## Company Secretary

The Company must appoint a company secretary in accordance with Section 89/15 of the Securities and Exchange Act, B.E. 2551. The company secretary's responsibilities and duties include:

1. Prepare and maintain the following documents:
  - A register of directors
  - Meeting Invitation for the Board of Directors and Shareholders
  - Meeting Minutes for the Board of Directors and Shareholders
  - An annual registration statement (Form 56-1 One Report)
2. Follow up to ensure that resolutions passed at the Board of Directors / shareholders meeting are implemented.
3. Maintain records of financial reports submitted by the Board of Directors or executives and send copies to the Chairman of the Board and the Audit and Corporate Governance Committee within 7 business days from the date of receiving the aforementioned reports.
4. Provide guidance to the Board of Directors regarding relevant regulations, including overseeing compliance by the Company, the Board of Directors, and the management team to ensure proper adherence.
5. Ensure that the Company discloses information and reports in accordance with the regulations of the SET and the SEC, as well as relevant laws.
6. Coordinate with relevant regulatory authorities.
7. Take other actions as assigned by the Board of Directors and/or the capital market supervisory board.



In addition, the company secretary has been appointed to serve as the compliance unit, responsible for ensuring that the Company, its directors, and executives comply with various regulations and rules of the securities market, the Office of the Securities and Exchange Commission (SEC), the Public Company Act, as well as other relevant laws.

## Define Objectives that Promote Sustainable Value Creation

2



### GOALS

The Company's Board of Directors plays a crucial role in setting the vision, strategy, important policies, and plans of the Company. They consider risk factors and lay down appropriate management guidelines, all based on their social and environmental responsibilities, with sustainability as the goal.

- Participate and make decisions regarding the organization's strategy, ensuring alignment throughout the entire process. Sustainability remains at the core of their considerations. Management should be systematic and comprehensive, including addressing potential risks if sustainability standards cannot be adequately met.
- Set objectives and establish clear indicators in sustainability management. Monitor the progress of all activities, including budget approvals, to achieve goals and related plans clearly.
- Promote communication of vision, mission, and goals to the extent that they become a familiar practice and develop into the culture of the organization.
- Ensure that there is disclosure of operational performance, corporate governance, environmental practices, as well as social and employee care within the organization, for the benefit of investors and stakeholders.



In order to ensure that the recruitment and operations are carried out in accordance with best practices, the following guidelines must be established:

- 3.1 Board member recruitment process
- 3.2 Set remuneration for Board members and executives
- 3.3 Independence of the Board from management
- 3.4 Evaluate the performance of the Board, both collectively and individually
- 3.5 Oversee the subsidiaries, joint venture, and related companies.
- 3.6 Appoint subcommittees





### 3.1 Board Member Recruitment Process

The Nomination Committee is responsible for proposing suitable candidates for the Company's Board of Directors to consider and present to the meeting of shareholders for election based on the criteria stipulated in the Company's Articles of Association. The Nomination Committee conducts the recruitment, assessment, selection, and nomination of candidates who have passed the evaluation to the Board of Directors.

The Company's Board of Directors considers relevant experience for the duties of the Board and also evaluates the abilities that contribute to the Board's thorough and effective operations. These include rational business decision-making abilities, strategic thinking, leadership, as well as professional expertise, integrity, and other relevant personal qualities. The selection process also places importance on benefiting from diversity in various aspects, such as gender, age, ethnicity, and nationality.





## 3.2 Remuneration Setting

### Director's Remuneration

The Remuneration Committee is responsible for considering the criteria and formats for remuneration of the directors and presenting them to the Board of Directors for approval at the shareholder meeting. The remuneration of directors will be based on their experience, duties, scope of roles, and responsibilities, compared to other companies in the same industry. The Committee will use the remuneration survey results of companies listed on the Stock Exchange of Thailand as a benchmark for comparison each year. This is to ensure that the remuneration is sufficient to motivate and retain high-quality directors as per the Company's requirements.

### Executive's Remuneration

The remuneration for senior executives shall be determined according to the criteria and policies considered by the Remuneration Committee on each occasion, which align with the knowledge, abilities, and performance of the Company. The Remuneration Committee shall be responsible for evaluating and proposing an appropriate amount of remuneration for consideration and approval by the Board. The remuneration structure is considered a motivating factor for the management, executives, and senior executives to work in line with the organization's main objectives and long-term business benefits.

*"The Company does not provide any other compensation, except for airfare and accommodation expenses for foreign directors attending meetings. Additionally, the Company purchases liability insurance policies for directors and executives to protect them from risks while performing their duties. However, this coverage shall not apply in cases of intentional wrongdoing, gross negligence, or fraudulent acts."*

***The Board of Directors must include at least one independent director, which constitutes a minimum of one-third of the total number of directors.***

### 3.3 The Independence of the Board of Directors from the Management

**The structure of the Company's Board of Directors consists of:**

- Three independent directors.
- One non-executive director.
- One director.
- Two executive directors.

### 3.4 Evaluate the Performance of the Board, both Collectively and Individually

#### The Board

Self-evaluation of the Board of Directors' performance is required, using the assessment form provided by the SET every December, with each director submitting their completed evaluation to the company secretary. The results will be collected and reported to the Board of Directors for further improvement.

#### The Managing Director

The Board of Directors has evaluated the annual performance of the executive management in terms of key performance indicators that reflect both quantitative and qualitative aspects of business performance. The Remuneration Committee, which consists primarily of independent directors with an independent chairman, is responsible for reviewing these key performance indicators, which are transparent and aligned with the Company's business. The evaluation criteria include:

- Leadership
- Setting and implementing according to the strategic plan
- Financial planning and performance
- Relationship with the Board
- Risk Management and Internal Control
- Creating Value for Shareholders

### 3.5 Oversee subsidiary companies, joint ventures, and associate companies

Senior executives may hold positions as directors or executives in subsidiary companies, joint venture, or related companies within the group of Company, in order to oversee and manage operations in accordance with ethical principles and to maximize benefits for the Group. However, in cases where such positions are held in company outside the Group, prior approval must be obtained from the managing director.



### 3.6 Appointing Subcommittees

**The Board of Directors** appoints the management team to be responsible for the Company's operations. Specific committees may be appointed to be responsible for particular matters as assigned. The Company's auditors are also appointed with the approval of the shareholders' meeting. Additionally, a company secretary is appointed to oversee meetings and ensure compliance with the law.

There are 5 subcommittees as follows:

No.	Committee	Composition
1	Audit and Corporate Governance	3 Independent Directors
2	Remuneration	3 Independent Directors and 1 Director
3	Nomination	3 Independent Directors and 1 Director
4	Risk Management	1 Non-Executive Director and 2 Executive Directors
5	Sustainability	1 Independent Director and 1 Executive Director

Each committee has different roles and responsibilities.

## (1) The Audit and Corporate Governance Committee

### Duties and Responsibilities

1

Conduct an audit to ensure that the Company has accurate and sufficient financial reporting.

2

Consider giving approval for the submission of the Company's quarterly financial statements to the Stock Exchange of Thailand.

3

Conduct an audit to ensure that the Company has suitable and effective internal control and internal audit systems, and consider the independence of the internal audit agency, as well as provide approval for the appointment, transfer, performance evaluation, termination of the head of the internal audit, or any other unit responsible for internal auditing.

4

Conduct an audit to ensure that the Company complies Securities and Exchange Act and, the requirements of the Stock Exchange of Thailand, and relevant laws pertaining to the Company's business.

5

Consider selecting, appointing, and terminating individuals who are independent in performing the duties of the Company's auditors, propose their remuneration, and attend meetings with auditors without management present at least once a year.

6

Review interrelated transactions or transactions that may have conflicting interests to ensure compliance with the laws and regulations of the Stock Exchange of Thailand, with the aim of ensuring that such transactions are reasonable and in the best interests of the Company.

7

Report on the results of the internal audit operations to the Company's Board of Directors regularly every quarter. The report includes the opinions of the Audit and Corporate Governance Committee regarding various aspects of the internal audit, their views on financial reports, the adequacy of internal control systems, and other reports that the Board of Directors should be aware of.

8

Prepare a report by the Audit and Corporate Governance Committee, disclosed in the Form 56-1 One Report format, which must be signed by the Chairman of the Committee. The report must include at least the following information:

- Opinion on the accuracy, completeness, and reliability of the company's financial reports.
- Opinion on the adequacy of the company's internal control system.
- Opinion on compliance with Securities and Exchange Act and the requirements of the Stock Exchange of Thailand, or laws related to the Company's business.
- Opinion on the suitability of the auditors.
- Opinion on transactions that may have conflicting interests.
- The number of meetings of the Audit and Corporate Governance Committee and the attendance of each committee member.
- The overall comments or observations that the Audit and Corporate Governance Committee has received from fulfilling its duties as outlined in the charter.
- Other items that are deemed important for shareholders and general investors to know within the scope of duties and responsibilities assigned by the Company's Board of Directors.

9 Implement processes to ensure that the management establishes a procedure for receiving and overseeing complaint handling.

10 Propose good corporate governance practices to the Board of Directors.

11 Monitor and oversee the performance of the Board of Directors and management to ensure alignment with good corporate governance principles and compliance with the good corporate governance principles of the Stock Exchange of Thailand.

12 Regularly review and improve the Company's corporate governance policies.

13 Report to the Company's Board of Directors on the Company's good corporate governance, along with opinions, best practices, and recommendations for appropriate improvements.

14 The Chairman of the Audit and Corporate Governance Committee and the Audit and Corporate Governance Committee members must attend the Company's shareholders' meeting to provide explanations regarding the Audit and Corporate Governance Committee or the appointment of financial auditors.

15 Conduct a self-assessment of the Audit and Corporate Governance Committee's performance and report the results to the Company's Board of Directors. The evaluation should cover the Committee's overall performance as well as individual assessments.

16 It is stipulated that the Audit and Corporate Governance Committee shall hold meetings at least four times a year. During these meetings, there must be at least half of the total number of appointed Audit and Corporate Governance Committee members present for the meeting to be considered a valid quorum.

17 Regularly review and revise the charter of the Audit and Corporate Governance Committee.

18 Perform other tasks as assigned by the Board of Director.

19 The Audit and Corporate Governance Committee performs its duties and responsibilities within the scope of the Company's Board of Directors' directives. The Committee is directly responsible for the Company's operations to shareholders, stakeholders, and the public.

## (2) The Remuneration Committee

### Duties and Responsibilities

1. Establish policies and guidelines for determining the remuneration of Board members, executives, and management, and present them to the Company's Board of Directors and/or shareholder meetings for consideration and approval.
2. Consider the remuneration of the Company's Board of Directors and management in comparison to other listed companies that operate in the same business, in order to provide motivation for effective management and advancement.
3. Consider proposing guidelines for performance assessment and remuneration for the managing director to the Company's Board of Directors for approval.
4. Submit progress reports and performance results to the Company's Board of Directors every time there is a meeting of the Committee to consider remuneration.
5. Conduct a performance assessment (Self-Assessment) of the Remuneration Committee and report the results to the Company's Board of Directors. The evaluation should cover the Committee's overall performance as well as individual assessments.
6. Regularly review and revise the charter of the Remuneration Committee.
7. Perform other tasks as assigned by the Board of Directors.
8. Specify that meetings of the Remuneration Committee shall be convened as deemed necessary and appropriate by the Remuneration Committee or the Chairperson. However, there must be at least two meetings held annually. During the committee meetings, there must be at least half of the total number of appointed Remuneration Committee members present for the meeting to be considered a valid quorum, and these committee members should be independent to constitute the quorum.

### (3) The Nomination Committee

#### Duties and Responsibilities

1. Consider and review the current composition of the Board to assess its alignment with the Company's strategic needs. Propose recommendations for improvements and suggestions for Board member recruitment that align with this structure. Develop a knowledge and skills matrix for the board (Director Qualifications and Skills Matrix) to assess whether the current Board members possess the necessary knowledge and expertise. Determine whether it is advisable to recruit additional Board members with specific expertise to enhance the overall Board competency.

2. Establish processes and criteria for recruiting individuals that align with the structure and qualifications outlined in Section 1.

3. Evaluate the qualifications of individuals to be appointed as independent directors to ensure their suitability for the Company and in accordance with the criteria set by the SEC.

4. Select, evaluate, and recommend individuals for board membership through a rigorous screening and interviewing process, focusing on individuals with integrity, a commitment to principled work, and a dedication to upholding the highest professional standards.

5. Provide an opportunity for minority shareholders to nominate individuals suitable for board membership, with a specified time frame for nominations to allow sufficient time for consideration and due diligence according to the process set by the Committee.

6. Disclose the recruitment policy and the steps of the nomination process to shareholders to ensure transparency in the director selection process. Additionally, prepare nomination forms that specify necessary information for consideration, including the reasons for support, and include the nominee's willingness to stand for election in that form.

7. Consider the qualifications of individuals to serve as company directors with appropriateness, using the following guidelines in the director selection process.



#### The general characteristics required

- Integrity and responsibility.
- Decision-making based on information and reasoning.
- Work diligently with professionalism and adherence to standards.
- Other qualifications as deemed appropriate by the Nomination Committee.

- Finance, accounting, and internal auditing.
- International marketing
- Commodity
- Risk management
- Industrial management

#### Other knowledge

- Law
- Palm oil business
- Engineering
- Sustainability
- Other specialized knowledge and expertise deemed necessary by the Nomination Committee.

8. Consider and review the development plan for the directors, ensuring that all directors receive appropriate and continuous training to stay informed about the Company's business developments and changes in relevant regulations and requirements. Budgets for director training shall be allocated at an appropriate level each year.

9. Provides the orientation and useful documents for the newly appointed directors to facilitate the performance of their duties.

10. Assess the performance through self-assessment of the Nomination Committee and report the results to the Board of Directors, evaluating the overall performance of the Nomination Committee as a whole and self-assessing individual members.

11. Regularly review the Charter of the Nomination Committee.

12. Plan and execute the recruitment of candidates for the position of managing director to be presented for consideration by the Board of Directors.

13. Oversee the recruitment of senior executives with suitable qualifications, as well as the development and retention of executives within the organization.

14. Perform other tasks as assigned by the Board of Director.

15. Specify that meetings of the Nomination Committee shall be convened as deemed necessary and appropriate by the Nomination Committee or the Chairman of the Committee. However, there must be a minimum of two meetings held annually. During the Committee's meetings, there must be the presence of at least half of the total number of the Committee members, and these members should be independent directors for the meeting to be considered valid.

## (4) The Risk Management Committee

### Duties and Responsibilities

1. Assist the Board of Directors in establishing risk management policies, including considering the appropriate scope and level of acceptable risk each year, in alignment with their responsibilities in managing and maintaining the Company's trustworthiness in conducting business, which is linked to issues of confidence in management and the Company's disclosure of information.
2. Supervise and ensure that the management develops appropriate risk management policies and plans, presents them for approval by the Company's Board of Directors, and disseminates them widely within the Company.
3. Review and evaluate the quality, transparency, and effectiveness of the Company's risk management plans and systems regularly every year. Additionally, supervise and ensure that the management can efficiently manage risk in accordance with the risk policy and strategy within acceptable limits and levels.
4. Review and evaluate the nature of operations, roles, responsibilities, and authorities of the units related to risk management, including establishing guidelines and boundaries for internal risk management within the Company.
5. Ensure that operations are conducted under an efficient process for identifying the Company's risk issues continuously. Establish procedures for assessing the impact of events that do not follow the predetermined assumptions. Allocate necessary resources for proactive risk management regarding those risk issues, considering the Company's acceptable boundaries and levels of risk. Additionally, develop guidelines and processes for predicting uncertain risks that may occur in the future.
6. Supervise the establishment of a documented control system for evaluating process performance and the results of operations related to significant risk factors, at least once a year.
7. Conduct audits and reviews of activities related to risk management efficiency and internal risk control processes within the organization, with the requirement to establish a comprehensive risk control system to ensure that risk management and organizational goals have been achieved.
8. Review the processes and work procedures to ensure the effectiveness of the organization's internal risk control system, which supports decision-making capabilities, accuracy of information disclosure, and the financial position of the Company at an appropriate level.
9. Monitor changes in external factors related to corporate governance practices and the disclosure of risk-related information, especially new risk issues and the anticipated impact on the Company.
10. Present information independently and in line with the Company's business objectives and related risk issues to the Audit and Corporate Governance Committee as well as to the Board of Directors, regarding all types of risks that the Company may face.
11. Review and consider the strategy, policies, levels, and acceptable limits of risk presented by the management. The Risk Management Committee will oversee that various policies are in line with the Company's overall risk profile. The Risk Management Committee will be the broadest authority to consider risk issues, such as risks that encompass the entire organization.
12. Review the reports from the management regarding details, data adequacy, an overview of risk management efficiency, management practices, internal control disclosure, and various recommendations. Also, oversee that appropriate actions are taken.
13. Specify critical risk factors, including defining key performance indicators (KPIs) for the Company and conducting ongoing assessments of various factors as part of the review process and workflow steps to ensure the effectiveness of the Company's internal risk control system.
14. Assist the Board of Directors with their responsibilities regarding disclosure of risk management-related information in the annual report (Form 56-1 One Report) and certify the accuracy of information related to risk management operations.



## **(5) The Sustainability Committee**

### Duties and Responsibilities

1. Establish and review sustainability policies, the nature of operations, roles, responsibilities, and authority of relevant units related to sustainability management, including setting guidelines and boundaries for internal sustainability management within the Company. This should involve considering and assessing the expectations of all stakeholders, selecting significant issues, setting goals, strategies, and plans to meet the needs of stakeholders while ensuring effective corporate governance, environmental stewardship, and compliance with human rights principles.
2. Regularly consider, review, and evaluate the effectiveness of sustainability plans, including ensuring alignment with sustainability policies and strategies.
3. Monitor changes in external factors related to corporate responsibility practices and sustainability disclosures, especially issues arising from global trends, and anticipate their impact on the Company.
4. Disclose information in accordance with the Company's responsibilities for sustainable business operations and address the issues that arise for presentation to the Board of Directors.
5. Review the reports from the management in terms of detail, adequacy of information, the overall effectiveness of sustainability management, the department's performance, internal control information disclosure, and any recommendations. Ensure that appropriate actions are taken.
6. Specify key sustainability issues, including establishing key performance indicators (KPIs) for the Company and monitoring various factors as part of the process, reviewing procedures, and working methods to ensure the effectiveness of the company's sustainability efforts.
12. Undertake the preparation and review of data related to sustainability management in the form of an annual registration statement (Form 56-1 One Report) and present it to the Company's Board for certification of the accuracy of the information related to sustainability operations.

# Ensure Effective CEO and People Management

4

## Board Development and Human Resource Management

The Company arranges orientation programs for new Board members and executives, including factory visits to observe the Company's product manufacturing processes. During these visits, they are introduced to the Company's business model and an overview of its operations, including subsidiaries. Additionally, the Company provides documents to newly appointed board members and executives.

- The orientation handbook, which covers important topics such as the roles and responsibilities, legal prohibitions for Company directors in accordance with relevant laws, and the duties of subcommittees of the Board.
- Principles of good corporate governance and code of conduct of the Company.
- Company's Memorandum of Association and Article of Association
- Latest version of annual registration statement (56-1 One Report Form)



**“THE BOARD PROMOTES AND SUPPORTS TRAINING AND DEVELOPMENT FOR DIRECTORS, EXECUTIVES, AND EMPLOYEES TO ENHANCE THEIR KNOWLEDGE, SKILLS, AND BENEFICIAL EXPERIENCES FOR THEIR ROLES. THIS BENEFITS THE ORGANIZATION AND DRIVES IT TOWARDS ITS GOALS.”**

## Succession Plan

The Board of Directors, in collaboration with the Nomination Committee, is responsible for developing a succession plan for the position of the managing director, which is a critical role. This is to ensure that management can continue smoothly in case the position becomes vacant. The process involves considering and selecting suitable candidates from both within and outside the organization. Additionally, the Board may also consider hiring an executive search firm to assist in the recruitment process.

In the recruitment of managing director, candidates are considered based on their suitability and qualifications. This includes assessing individuals with skills, knowledge, abilities, leadership qualities, essential experiences, and expertise that are highly beneficial to the Company's operations. These qualifications may involve experience in palm oil cultivation, consumer goods trading, a track record of organizational management, or achievements in professions that are beneficial to organizational management. The ideal candidate should have a visionary outlook capable of leading the organization to success and achieving the Company's sustainable development goals. The Nomination Committee will present selected candidates to the Board of Directors for further consideration and appointment.

In cases where managing directors are temporarily unable to perform their duties, the company has designated the following individuals to act on their behalf.

1. **The Account and Finance Manager** is responsible for overseeing and making decisions related to the financial and accounting aspects of the company and its subsidiaries.
2. **Ms. Piyathida Sukchan, Executive Director** is to act and make decision in other matters of the Company and its subsidiaries.

## Nurture Innovation and Responsible Business

5



The Board of Director emphasizes and supports the adoption of new innovations or technologies that add value to the business while creating benefits for customers or stakeholders. The Company also takes responsibility for society and the environment, especially in utilizing various types of waste from production processes to reduce costs and generate sustainable revenue. In the near future, the Company has expectations of further development and expansion into new products.

In addition, the Company must operate transparently, in accordance with the law, align with international best practices, and maintain code of conduct in its operations. Furthermore, it must consider the expectations of stakeholders.

Therefore, the Company has established corporate governance guidelines to promote transparency as follows:

- 5.1 Anti-Corruption Policy
- 5.2 Inside Information
- 5.3 Conflict of Interest
- 5.4 Responsibility towards stakeholders
- 5.5 Compensation for Rights Violations
- 5.6 Measures for dealing with individuals who do not comply with the aforementioned policy and guidelines.





## 5.1 Anti-Corruption Policy

The Company has an official anti-corruption policy, which has been reviewed and approved by the Board of directors, as follows:

“ Directors, management, and employees of the Company are prohibited from requesting, performing or accepting corruption in any form, whether directly or indirectly. This shall be applicable to all business units of the Company. Regular reviews on compliance with the anti-corruption policy shall be made, as well as reviews on implementation to ensure compliance with the policy, practices, regulations, rules, notifications, and laws. In case of breach of the policy, any act considered as facilitation to, or implicated in corruption, shall be subject to penalties as stipulated by the Company policies. ”

### Definition

Corruption refers to the abuse of authority or position without authorization to obtain undue benefits. It includes offering, contracting, demanding, or receiving money, assets, or any other improper benefits from government officials, government agencies, private entities, or individuals, whether directly or indirectly, to induce or facilitate actions or omissions in the performance of duties or to obtain or retain illegitimate business benefits.

**The Company recognizes that corruption have detrimental effects and pose obstacles to the development of society and the economy. It is considered an unethical business practice that can harm the reputation of the Company, its competitiveness, and its acceptability both domestically and internationally. Additionally, it can erode the confidence of shareholders, investors, and stakeholders from all parties.**

## Duties and Responsibilities

- The Company's Board of Directors has the responsibility and duty to establish policies and oversee the implementation of an effective anti-corruption system to ensure that the management is aware of and gives importance to anti-corruption efforts. They are also responsible for promoting and embedding an organizational culture that actively opposes corruption.
- The Audit and Corporate Governance Committee has the responsibility and is accountable for examining the financial and accounting reporting system, internal control system, internal audit system, and risk management system to ensure that they comply with international standards, are adequately structured, up-to-date, and effective.
- The management and executives have the duty and responsibility to establish and promote systems that support the anti-corruption policy, communicate it to employees and relevant parties, and review the appropriateness of various measures and systems to ensure they align with changes in business, regulations, and legal requirements.
- Executives have the duty and responsibility to establish systems for promoting, supporting, and monitoring to ensure that employees and stakeholders from all departments adhere to anti-corruption policies and regulations. Additionally, they are responsible for reviewing the appropriateness of various measures and systems to ensure they align with changes in business, regulations, and legal requirements.
- Subsidiaries must agree to adhere to the anti-corruption policy.
- The Board of Directors, executives, and employees must comply with the anti-corruption policy and must not be involved in corruption, whether directly or indirectly.
- The Company specifies that directors, executives, and employees at all levels must exercise caution against any form of corruption.

## Scope and Practices

### Giving and receiving bribes

It is prohibited to give or receive gifts in any form as compensation for business benefits, and it is also forbidden to delegate or receive gifts on behalf of others.

### Gifts, hospitality, and other benefits.

The giving or receiving of gifts, assets, entertainment, or any benefits from customers, partners, or individuals associated with the Company must be carried out in accordance with code of conduct handbook governing the giving or receiving of gifts, assets, or any other benefits.

### Political contributions

The Company has a policy of not assisting, supporting, or endorsing any political party, political groups, or politicians, whether directly or indirectly.

### Donations for charitable, public welfare, and sponsorship purposes

1. It is transparent, compliant with the law, in line with ethical principles, and does not expect any business returns. Additionally, it does not engage in actions that harm society as a whole.
2. Follow the donation review and approval process according to the Company's regulations for charitable, public benefit, or sponsorship donations.
3. In cases where there are legal concerns that could have legal implications, seek legal advice from a legal consultant.

However, the Company may consider providing support as necessary for communication and convenience in accordance with legal processes or relevant regulations, and there may also be the provision of gifts.

“

Individuals who engage in corruption are considered to be in violation of the Company's code of conduct and may be subject to disciplinary action as per the Company's established regulations. Additionally, they may face legal penalties if their actions are in violation of the law.

”

## Scope and Practices (Cont.)

- The Company is committed to creating and maintaining an organizational culture that firmly believes that corruption is unacceptable, both in dealings with the government and in the private sector.

- Directors, executives, and employees at all levels must not disregard or remain indifferent when they encounter actions that fall under corruption related to the Company. They must report such actions to their superiors or designated responsible individuals and cooperate in investigating the facts. Furthermore, the Company shall establish channels for receiving complaints from external parties in accordance with the Company's established regulations.

- The Company must ensure fairness and protect employees who refuse to engage in corruption or report corruption-related matters involving the Company. The Company shall not demote, penalize, or take negative actions against employees who reject involvement in corruption, even if such actions may lead to the Company losing business opportunities.

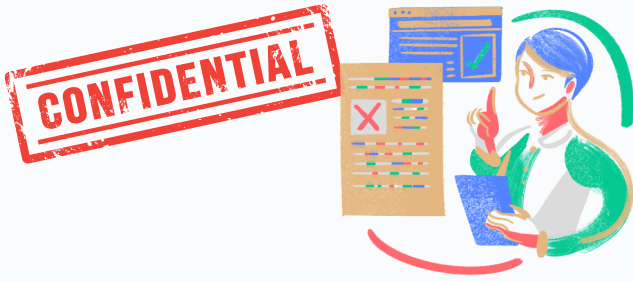
- The Board of Directors and executives at all levels of the Company must demonstrate honesty and serve as good examples in adhering to the anti-corruption policy. The Human Resources department is responsible for disseminating knowledge, fostering understanding, and promoting a sincere commitment to the anti-corruption policy among employees at all levels, making it an integral part of the organizational culture.

- This anti-corruption policy extends to the human resources management process, including personnel recruitment or selection, promotions, training, performance evaluations, and employee conduct. It mandates that supervisors at all levels communicate and ensure employee understanding for use in business activities under their responsibility, effectively controlling compliance with the policy.

- Any actions taken in accordance with the anti-corruption policy should follow the practices outlined in the Company's policies on good corporate governance, code of conduct, regulations, and related company work procedures, as well as any other guidelines that the company may establish in the future.

- The Company requires publicizing the anti-corruption policy and providing channels for reporting complaints or suggestions both within and outside the Company, such as through internal and external media, including email, company website announcements, annual reports, orientations for board members and employees. The Company's policy in this regard complies with the anti-corruption laws of Thailand.





## 5.2 Prevention of Using Inside Information

- Executives shall report their holding of UPOIC's shares and report change of holding to the SEC according to section 59 of the Securities and Exchange Act B.E. 2535 within 3 days of the transaction date and handing copy thereof to the Company Secretary as well as report shareholding to the Board every quarter. Future change of law (if any) shall also enforceable.
- Directors, executives, managers and employees who have access to inside information shall be prohibited from disclosing such information to outside parties who has no duty involving the Company and shall refrain from buying and selling UPOIC's shares in the period of one month prior to the Company's financial statements being announced and at least one day after the date of the financial statements being disclosed.
- Directors and executives shall report to the Board of Directors or the delegated person about their transaction (buy and sell) of the Company's shares at least 1 day before the transaction date and notify SEC within 3 business days after transaction date as specified by the Securities and Exchange Act.
- Directors, executives, managers and employees shall be prohibited from using inside information that may materially affect the UPOIC share price, which has not yet disclosed to the public, for personal gains and/or persuading other persons to buy or sell UPOIC shares. The Company shall take action against violation of the rule which shall be punishable by law.

## 5.3 Prevention of Conflict of Interest

- Directors, executives, or other persons, who enter into related party transaction or transaction containing potential conflict of interest and transaction regarding acquisition or disposal of material assets as defined by the Notifications of the SEC and the SET which are in force on the date of such transaction, shall strictly follow the Notifications. The Company has set the criteria to approve the transaction as follows:
  - Person with interest or potential conflict of interest shall refrain from approving such related transaction.
  - The price or compensation for such transaction shall be under normal business terms and conditions with the benefit of the Company as the main consideration.
  - The Audit and Corporate Governance Committee shall review and give opinion prior to the transaction. If the Audit and Corporate Governance Committee has no expertise in the matter, the Company shall arrange to have independent expert to give opinion to the Audit and Corporate Governance Committee which will be used to review the matter before submitting to the Board and the shareholders' meeting for approval.
  - The Company shall disclose the transaction according to the rule and procedure set out by the SEC and the SET.
- In order to facilitate normal business transaction, the Board has approved in principle to allow the management to do the transaction between the Company and its subsidiaries if the transaction falls into the following categories:
  - A transaction with the same commercial terms as those an ordinary person would agree with any unrelated counter party under the similar circumstances, on the basis of commercial negotiation and without any dependent interest resulted from the status of the director, executive or related person.
  - Reasonable advance payments with the normal course of business operation and reimbursement on an actual basis.

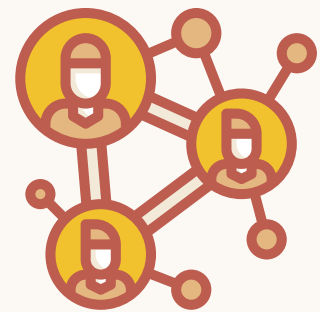
**The management shall report transaction with value over 500,000 Baht which will be reviewed by the Audit and Corporate Governance Committee before presenting to the quarterly Board meetings**



## 5.4 Responsibility towards Stakeholders

The Company has a policy that recognizes the rights and interests of all groups of stakeholders whether they are employees, shareholders, creditors, customers, trade-counterparts, competitors, community and society. The expectations of one group of stakeholders may be different from another group. Therefore, the Company shall ensure that the rights of each group will be protected according to relevant laws and handled carefully and with sensitivity. Procedures are stated as the Company's policy namely Policy and Practice toward stakeholders, and published on the Company's website as follows:

- Human right policy
- Business code of conduct
- Sustainable policy
- Corporate governance policy
- Personal data protection act policy
- Safety, health and environment policy



**Furthermore, the Company has implemented various standards from the quality management system to enhance focusing on role of stakeholders such as:**

### ISO 9001:2015

There is the Quality Management System (QMS) which governs the design, production development, installation and service in order to assure the quality. This system ensures all processes have been controlled and inspected by documentation indicating working procedure. Therefore, it is confident that all employees recognize their roles, responsibilities and working process.

### ISO 14001:2015

There is the environment management system which is most recognized by worldwide organizations. This standard has objective for enhancing the awareness of the importance for environmental management together with business development focusing on preventing pollution and protecting environment. These lead to reduce environmental impact and production costs.

### ISO 45001:2018

There is the standard for occupational health and safety management systems in workplace which protect employees from accidents and occupational diseases. This system is the method to control and reduce hazard and risks from working that affect health, life and properties.

### RSPO

There is the standard for the sustainable palm oil production taking into recognition of the impacts on stakeholders especially the forest as being the source of water. This standard applies throughout the supply chain from upstream to producers.

## 5.5 Measure of Redress and Damage Compensation

If the Board of Directors determines that a stakeholder has suffered damages from any violation of law by the Company, the Board shall take steps to redress the problem as soon as possible as well as finding measure to prevent recurrence of the problem. Appropriate compensation will be given to the person suffered from violation of law.



## 5.6 Measures to Take Action against Those Who Act Contrary to the Policy and Practices Mentioned

- General offenses, such as not adhering to policies, causing damage to the Company's reputation, etc. The Company will take disciplinary action in accordance with its rules and regulations and/or legal action, depending on the nature and severity of the offense and the impact it has caused.
- Financial misconduct, fraud, misuse of internal information, and conflicts of interest will be treated as follows:

In the event that **directors, executives, managers, and employees** commit criminal offenses under laws pertaining to securities and stock markets intentionally, the company will take one or more of the following punitive actions:

- (1) Deduction from salary, wages, or compensation, as well as any other received benefits.
- (2) Termination, dismissal, or removal from the position of director, executive, manager, or employee, on the grounds of willful misconduct causing harm to the company. If the wrongdoer is a company director, the matter shall be presented for consideration of penalties at the shareholder meeting.
- (3) Report of wrongdoing to the Stock Exchange of Thailand and/or the Securities and Exchange Commission.
- (4) Report the initiation of legal proceedings.
- (5) Take any other actions as resolved by the company's board of directors or at the shareholders' meeting.

# Strengthen Effective Risk Management and Internal Control

6

## 6.1 Risk Management

The Company appointed a Risk Management Committee in 2016, with responsibilities outlined in the 'Corporate Governance' section of the One Report.

The Company has established a risk management policy as part of its management practices to ensure that the company's objectives, goals, and various strategies can be achieved as planned. Every executive and employee in the company takes ownership of risks and is responsible for assessing the risks associated with each unit and operational process. They evaluate the effectiveness of existing control measures and propose plans and methods to mitigate risks, which are presented to the Risk Management Committee for consideration at least once a year through scheduled meetings.



## 6.2 Internal Control Management

The Company places importance on internal control system which it regards as a vital management tool to reduce business risk, to build up a confidence of business management, to assist the Company operating efficiency and fulfill expected goal. The internal control system also enhances shareholders' benefits and investment, supports verification and creditability of financial statement reports and operating reports of the Company, prevents loss of assets and assists employees working under laws and regulations.

The Company does not set up an internal audit unit but it has employed Dr. Virach & Associates Office to be the Company's internal auditors since 1999 because the proper role of internal auditor is to independently perform auditing services to assist in the attainment of good corporate governance and develop the efficiency and effectiveness of operations. Internal auditing also delivers an advice on the Company's financial, operation and risk management supporting the Company to achieve its objectives and corporate goal. Therefore, internal auditing process requires transparency and real independence by implementing a check and balance measure. It also can provide an early warning sign of misconduct or corporate corruption. As a result, the consideration being given outsourcing the internal auditors to perform internal auditing functions is appropriate. The outsourced internal auditors can be an eligible intermediary between the management team and the operating units. Furthermore, it also mitigates the problem of internal coordination.



## 6.3 Practices Related to Governance and Control to Prevent and Monitor the Risks of Corruption

### THE COMPANY ESTABLISHES PRACTICES FOR GOVERNANCE AND CONTROL TO PREVENT AND MONITOR THE RISKS OF CORRUPTION. A SUMMARY IS AS FOLLOWS:

- The Company has established internal control systems, internal audit systems, and risk management covering various key functions such as accounting, payment, procurement, etc. This is to prevent and monitor the risks of corruption. Additionally, recommendations for appropriate corrective actions are provided.
- A mechanism has been established for lodging complaints and reporting, covering the entire process from receiving complaints, conducting fact-finding, to summarizing results. This includes safeguarding the complainants and individuals involved. The system is in place to receive complaints, opinions, or suggestions from those who may be affected or at risk of being impacted by the Company's business operations or the conduct of the board, executives, and employees regarding legal or ethical violations, including behavior that may suggest corruption.
  - The Company will keep complaints confidential and will not disclose them to unrelated parties unless required by law.
  - Individuals involved who become aware of or have information related to the complaint must keep the information confidential and not disclose it to other individuals, except when required by law. If there is intentional violation leading to the unauthorized disclosure of information, the Company will take disciplinary action in accordance with its rules and regulations and/or legal action, as appropriate.
- Managers in each department are responsible for monitoring the progress of actions related to a specific complaint and presenting reports to the Audit and Corporate Governance Committees. The Board of Directors is informed of these reports.



# 7

## Ensure Disclosure and Financial Integrity

Accurate, complete, reliable, and timely disclosure of information aids shareholders in making investment decisions, including decisions regarding the exercise of voting rights in shareholder meetings. The effectiveness of the disclosure process has been assessed over time, with information being disclosed and actions taken in various aspects, as follows:

1. The following information will be disclosed in both Thai and English languages, and the data on the Company's website will be regularly updated:

- Corporate governance practice
- Policies and practices regarding stakeholders, including sustainability, quality, safety, occupational health, and PDPA (Personal Data Protection Act) policies.
- Code of conduct
- The nature of the Company's business operations
- Business group structure
- Shareholder structure
- Director structure
- Vision and mission
- Company's Article of Association
- Annual registration statement (Form 56-1 One Report)
- Report and consolidated financial statements
- Invitation to The Annual General Meeting of Shareholder
- Minutes of the Annual General Meeting of Shareholders
- Other news

2. Submission of periodic reports, such as quarterly financial statements and annual registration statement in the format of Yearly Information Disclosure (Form 56-1 One Report), to the Stock Exchange of Thailand and the SEC, accurately and within the prescribed time frame.

3. There are reports of significant changes that may have a significance impact on share prices as per the regulations of the Stock Exchange of Thailand.

4. The Board of Director is responsible for overseeing the accuracy, completeness, and timeliness of financial reporting and the disclosure of important information, in accordance with relevant practices, standards, and accounting policies suitable for the business, and consistently adheres to them. Independent auditors are appointed to conduct audits and are subject to scrutiny by the Audit and Corporate Governance committee to ensure sufficient disclosure of important information and to reflect the financial position and performance of the Company.

5. Executive director is responsible for communicating with both individual and institutional investors, shareholders, analysts, and relevant government agencies.



More information, please contact us via

- Tel: 02-361 8959-87
- Fax: 02-361 8988-9
- E-mail: [company.secretary@upoic.co.th](mailto:company.secretary@upoic.co.th)
- Website



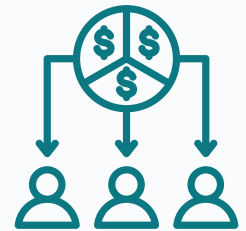
## Ensure Engagement and Communication with Shareholders

8

### (1) Equitable Treatment of Shareholders

There is a process that is appropriate for allowing shareholders to express their opinions, such as proposing agendas, suggesting names of individuals, as well as disclosing information in accordance with good practices that promote Thai investors. This process should be carried out equally and fairly for every shareholder.

Regardless of their gender, age, skin color, race, nationality, religion, belief, political preference, or any physical handicap, the Company values all shareholders by protecting their fundamental rights equally and fairly, including applies the one share one vote principle to ensure the investment confidence.



The Company shall provide a proxy form B, in which a shareholder can give comments on his votes, enclosed in the meeting notices stating clearly the required documents and procedure for appointment of proxy to attend the meeting. A shareholder who cannot attend the meeting in person but would like to exercise his voting right may appoint another person as proxy to attend and vote at the meeting. He may also appoint an independent director as his proxy.

The Company discloses business connected transactions with its subsidiary, which is normal business on fair and at arm's length basis.



## (2) Right of shareholders

- The Company shall hold an Annual General Meeting of Shareholders (AGM) within 4 months of the end of the Company's fiscal year. The meeting will consider the annual registration statement report (Form 56-1 One Report) of the Board of Directors presenting the operational performance of the past year, statements of financial position, statements of comprehensive income, dividend distribution and legal reserve appropriation, election of directors to fill the vacancy caused by expiration of service term, director's remuneration, appointment of auditor and auditor's remuneration.
- At the annual general shareholders' meeting, on the agenda for electing directors to replace those whose terms have expired and determining their remuneration, the company separates the consideration of director elections from the consideration of director remuneration. In the case of a physical meeting, the company uses voting cards for director elections and nominates directors for individual shareholder votes. However, for electronic meetings, shareholders will vote through the company's electronic management system, which is certified by the Electronic Transactions Development Agency and complies with the Electronic Meeting Regulations of 2020. It should be noted that the company's director election process employs cumulative voting, which provides individual shareholders with the opportunity to vote for directors they find suitable and promotes a balanced representation of all votes.
- The Company shall hold an extraordinary general meeting of shareholders as the Board of Directors thinks fit. One or more shareholders holding shares in aggregate of at least ten (10) percent of the total number of issued shares may together join the name list in writing to request to the Board of Directors to call for an extraordinary meeting at any time. However, it is necessary to specify the subject and the reasons for calling such meeting to be clearly stated in such request. The Board of Directors shall proceed to call a shareholders' meeting to be held within forty-five days from the date of receipt of such request from the said shareholders.
- Disclose the resolution of the company's board of directors' meeting regarding the scheduling of the annual ordinary shareholders' meeting, including the disclosure of the meeting agenda and its key content through the information dissemination system of the Stock Exchange of Thailand and the company's website, no later than the next business day following the date of the board of directors' resolution
- In calling a shareholders' meeting, the Company shall prepare a written notice calling the meeting that states the place, date, time, agenda of the meeting and the matters to be proposed to the meeting with reasonable details by indicating clearly whether it is the matter proposed for information, for approval or for consideration, as the case may be, including the opinions of the Board of Directors in the said matters, and the said notice shall be delivered to the shareholders and the Registrar for their information at least 21 days prior to the date of the meeting.
- At a shareholders' meeting, in order to constitute a quorum, there shall be shareholders and proxies (if any) amounting to not less than 25 persons and holding shares amounting to not less than one-third of the total number of shares issued. The Chairman of the Board of Directors shall be the chairman of the meeting and conducting the meeting according to the sequence in the agenda stated in the meeting notice, and it is the policy not to add items to the agenda without advance notice to shareholders.



- In the case of a physical meeting, the use of voting cards will be employed when any individual shareholder abstains from voting or disagrees during the general agenda and for significant matters, such as the appointment of directors, related transactions, acquisition or disposition of assets, amendment of articles of association, and regulations etc.

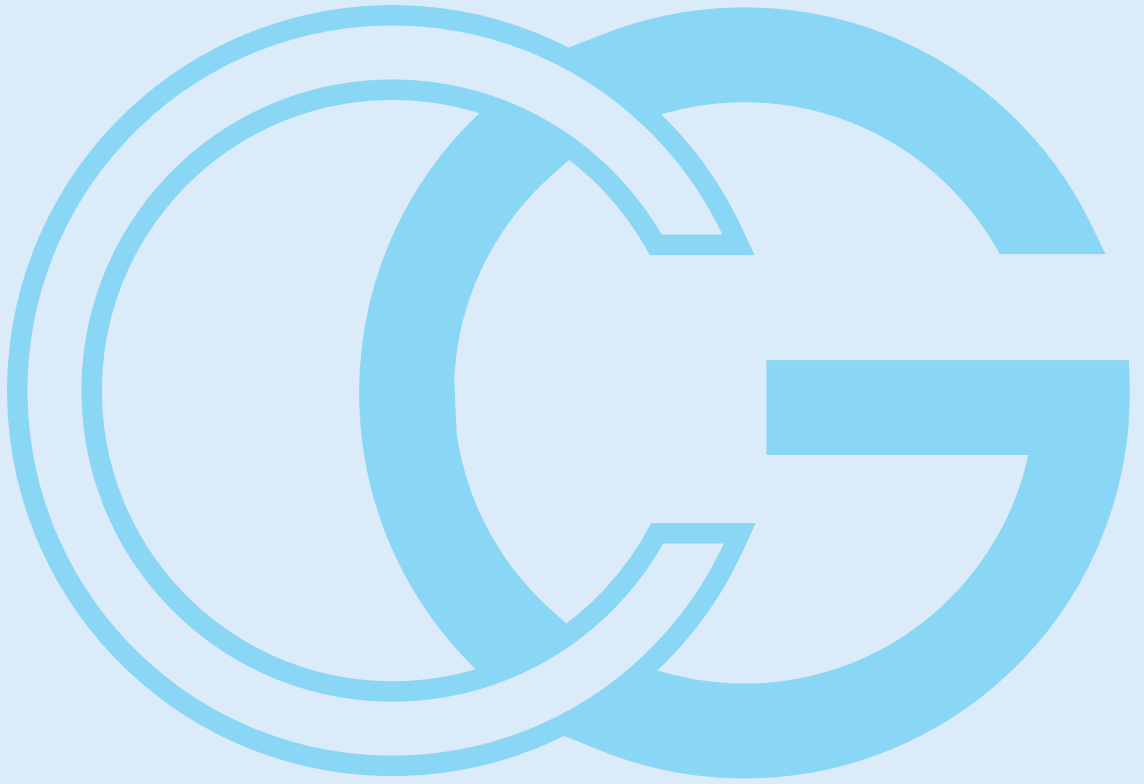
For electronic meetings (E-meetings), shareholders will cast their votes through the company's electronic management system, which is a certified service for meeting control by the Electronic Transactions Development Agency and complies with the Electronic Meeting Regulations of 2020.

- In a regular agenda, the ballot shall be used in the event any shareholder would like to cast a negative vote or abstain from voting. The ballot shall always be used in important agenda such as election of directors, approving connected transactions, acquisition or disposal of assets, amendment of memorandum of association and articles of association.
- Adequate time shall be allocated for the meeting and equal opportunities provided for shareholders to express their opinions and ask questions.
- The Company's policy to facilitate and encourage shareholders to attend and participate at the shareholders' meeting has been established and posted on its website.



- The Company shall post meeting documents and meeting notices in both Thai and English languages on its website at least 30 days prior to the meeting date so that the shareholders can study the information for the meeting in advance.
- The opportunity is provided for shareholders to ask questions and record both questions and answers that are of significant concern, along with explanations from the board of directors. Additionally, a clear recording of the number of votes from shareholders who approve, disapprove, or abstain is made in every agenda item requiring a vote in the meeting report. Two shareholder representatives are invited to act as witnesses during the vote counting process at the meeting, and video recording is maintained throughout the meeting until its conclusion.
- The Company shall disclose the resolutions together with voting result through the SET online system within the next day after the meeting date.
- The Company shall post a draft minutes of the shareholders' meeting on the Company's website within 14 days of the completion of the meeting. The shareholders may inspect the correctness and may make objection if necessary without having to wait until the next meeting to do so.
- The Company participates in SET Opportunity Day, arranged by the Stock Exchange of Thailand. The objective of the event is to provide an opportunity for listed companies to carry out investor relations activities and to clarify information about the business and operations to security analysts, investors and the media who attending the event. The Company always joins the activity at least once a year.





***COPPERATE  
GOVERNANCE  
POLICY***