



Form 56-1 Report/Annual Report 2022



บริษัท ยูเนียนไพโอเนียร์ จำกัด(มหาชน)
Union Pioneer Public Company Limited.

www.unionpioneer.co.th





The company is committed to conducting stable business with sustainability management. The growth of the business must be focused along with social and environmental responsibility, the company establishes goal to prevent and mitigate potential impacts of the business activities on the social environment and take appropriate care of all stakeholders as well. The company incorporated the “Triple Bottom Line” into corporate strategy through the view of 3P: Profit, People, and Planet as well as integrated the United Nations Sustainable Development Goals (SDGs) as a guideline for the Company's goal.

Prosperous Economy

Social Stability

Sustainable Environment

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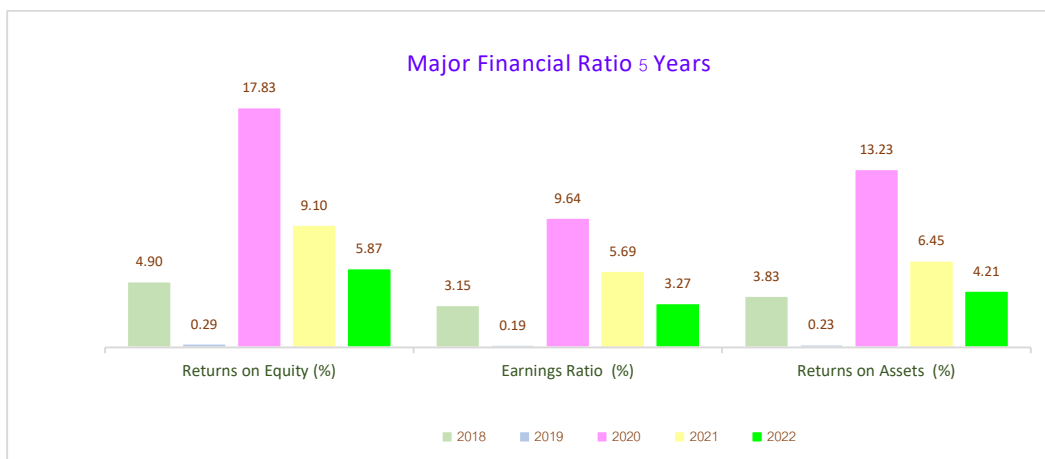
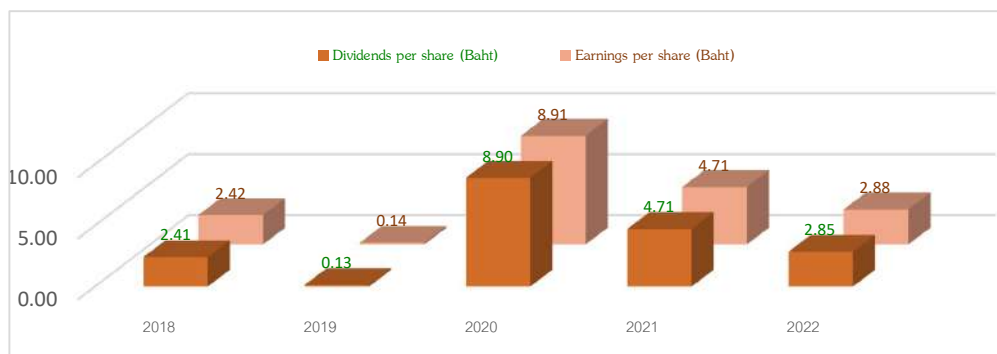
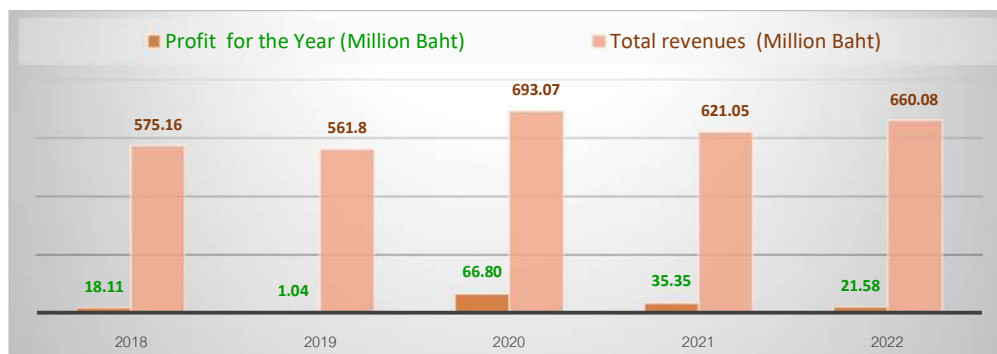
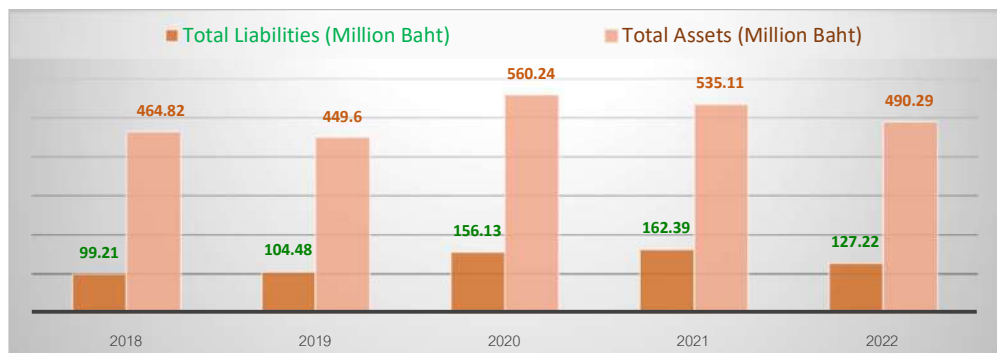
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Statement of comprehensive income	2022	2021	2020	2019	2018
Sales and service income	646,003	605,123	679,643	549,897	560,272
Other Income	14,074	15,925	13,426	12,681	14,890
Total revenues	660,077	621,048	693,069	562,578	575,162
Total Costs and Expenses	632,424	576,935	611,516	563,208	554,342
Interest Expenses	-	-	-	-	-
Finance income	301	389	578	776	-
Finance cost	(1,765)	(1,540)	(1,182)	-	-
Income Tax revenue (expenses)	(4,608)	(7,614)	14,151	(1,672)	2,705
Profit for the Year	21,581	35,348	66,798	1,042	18,115
Other comprehensive income not to be reclassified to profit or (loss) in subsequent periods -net of income tax	4,100	-	(6,946)	(3,460)	4,278
Total comprehensive income for the year	25,681	35,348	59,852	(2,418)	22,393
Earnings per share (Baht)	2.88	4.71	8.91	0.14	2.42
Dividends per share (Baht)	2.85	4.71	8.90	0.13	2.41
Statement of financial position	2022	2021	2020	2019	2018
Current assets	384,197	414,406	439,655	352,682	373,412
Property, plant and equipment-net , Intangible assets	60,167	72,841	72,659	78,334	76,199
Right-of-use assets	27,480	30,537	26,237	-	-
Total Non-Current Assets	18,445	17,324	21,689	18,583	15,206
Total Assets	490,289	535,108	560,240	449,599	464,817
Total Liabilities	127,220	162,395	156,126	104,482	99,207
Registered, Issued and fully paid	75,000	75,000	75,000	75,000	75,000
Share premium	30,625	30,625	30,625	30,625	30,625
Retained Earnings: Allocated and Unallocated	257,444	267,088	298,489	239,492	259,985
Total Shareholders' Equity	363,069	372,712	404,114	345,117	365,610
Total Liabilities and Shareholders' equity	490,289	535,108	560,240	449,599	464,817



Report of the Board of Directors



While the year of 2022 came with recovery in global and Thai economies from COVID-19 pandemic, there were certain circumstances that affected global economy such as the Russia-Ukraine War, the inflation and the increased cost of energy price including the interest rate raised by FED that slowed down Thai economy in the final quarter of the year. The events caused a significant drop in purchasing power where domestic and overseas textile industry were still slow down. When considering medical mask sector, the sale had yet recovered as expected.

Regarding the company performance in 2022, the total revenue was Baht 660.08 million, increased from 2021 by Baht 39.03 million or 6.28%, the international sale was Baht 397.09 million, increased from 2021 by Baht 13.60 million or 3.58%, the domestic sale was Baht 248.91 million, increased from 2021 by Baht 27.27 million or 12.12% and the net profit was Baht 21.58 million, decreased from 2021 by Baht 13.77 million or 38.95% with the earning per share of Baht 2.88.

Looking towards 2023, uncertainties still remain in Thai and global economies due to changes in global politics, economies and societies. Particularly, the prolonged Russia-Ukraine war, the continuous rise in energy cost in Europe and the inflationary pressures on the cost of living are expected to decrease private consumption. Shifting a view to Thai economy, recovery in tourism and increasing public confidence on the next election will show a positive sign for money inflow into the economy, increasing the purchasing power. During volatilities, rapid changes and rising cost of energy that directly affects cost of products, the company still determines to develop products serving the needs of customer at reasonable price, increases distribution channels and improves performance of services. At the same time, the company also emphasizes on punctuality of delivery, manufacturing efficiency and cost management to maintain our competitiveness.

As we recognize importance on code of ethics, corporate governance and anti-corruption, we have implemented these three concepts into our business. We conduct business transparently, with responsibilities on both social and environmental sustainability, while maintaining fair conducts to all stakeholders.

The board of directors highly appreciate all contributions to our successes. For instance, our shareholders and trade partners for your constant supports on the businesses. We also would like to express our gratitude to all management team and staffs for collaboration in delivering products and services with full efforts and capacity. Most importantly, our customers for your continuous reliability on our products and services along these years. We promise to conduct business with honesty and sincerity while keeping the company transparent and auditable. Also, we promise to follow the principles of good governance and undertake social and environmental responsibilities at the same time of growing the company sustainably and delivering satisfied returns to all shareholders as well as excellent products to our customers.

A handwritten signature in blue ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right.

(Miss Dalad Sapthavichaikul)

Chairman



“To be the global leader in manufacturing and distributing innovative elastic products that meet the diverse need of the world market with sustainable development principles.”

Business Overview

UNION PIONEER PUBLIC COMPANY LIMITED

No.1, Soi Serithai 62, Khwaeng Minburi, Khet Minburi, Bangkok 10510

Homepage: www.unionpioneer.co.th



Initial registered capital: 5,000,000 baht (Five million baht)

Company limited registration no. 1122/2516 dated October 08, 1973

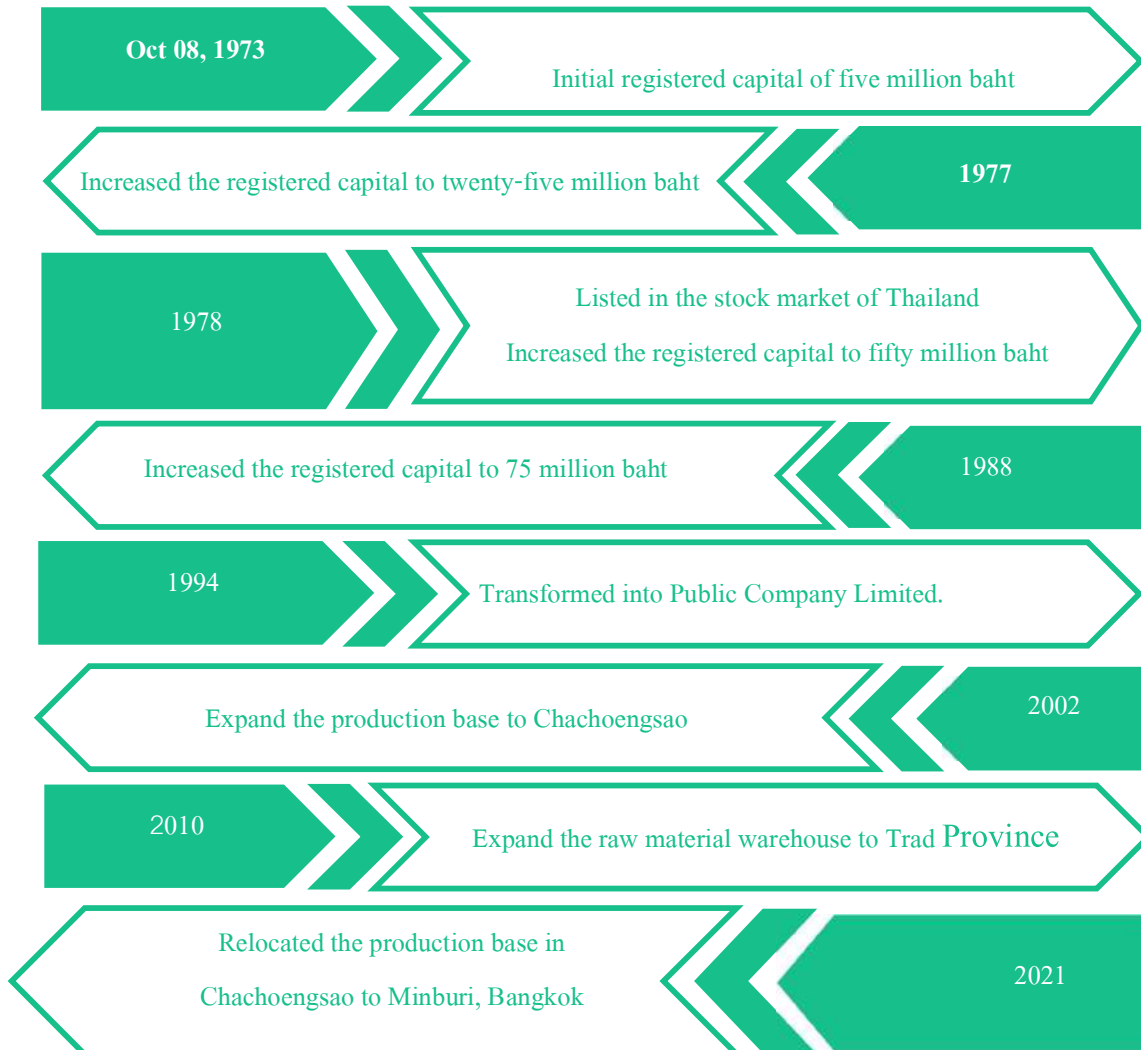
Listed on the Stock Exchange of Thailand on April 21, 1978.

Registered as “**UNION PIONEER PUBLIC COMPANY LIMITED**” on March 30, 1994, with registration no. **0107 53700 1013**

Paid-up Capital: 75,000,000 baht, of which 7,500,000 ordinary shares are held with a par value of 10.00baht per share

Objective: Operate a business in elastic rubber manufacturing such as elastic rubber tape, elastic braid, elastic webbing, elastic rubber for exercise and medical equipment.

Major Incidents



Vision

“To be the global leader in manufacturing and distributing innovative elastic products that meet the diverse need of the world market with sustainable development principles.”



Mission

1. Generate continuous sales growth.
2. Produce good quality, safe products to consumers with an on-time delivery principle.
3. Strengthen the company through innovation
4. Develop human resources to be more competent.
5. Commit to managing internal operations to be more effective and efficient.
6. Consistently create an impression and satisfaction to customers.
7. Be responsible for all groups of stakeholders.

Core Values



Core Values

S - Sense of owner : Performing duties with care. Protecting the company's interest by taking care of the assets, maximizing resource utilization, and not using company assets for personnel purposes.

P – Performance Excellence : To achieve the objective and goal, we must perform duties with commitment, dedication and continuous self-improvement, be responsible for the assigned task, apply the information technology system to work and develop business excellency with a better working method and process improvement.

I – Innovation : To achieve the company goal, we should possess innovative thinking, find new market opportunities through systematic innovation and integrate new technology innovation into systems and operations.

R – Responsibility for Stakeholder : Responsibility for stakeholders means taking care of all interested parties, including shareholders, customers, business partners, creditors, competitors, employees, government agencies, communities, society and the environment. Considering the legal rights and agreements of all concerned parties with the company, supervise the stakeholder's benefit, prevent, rectify or remedy the direct or indirect impact of the company's operation with good corporate governance principles and carry out activities that would strengthen good relationships with each stakeholder group.

I – Integrity & Ethics : To conduct business and perform duties with honesty, comply with the company's business ethic, laws and regulations, good morals, fairness, transparency, equal treatment and non-discriminatory.

T – Teamwork : To perform duties with our best effort and efficiency, respect each other, provide constructive suggestions and collaborate closely in problem-solving.

Important Policy

are disclosed in the “Good Corporate Governance Manual”

Part IV Anti-Corruption policy are as follows:

- 4.1 Anti-Corruption Policy
- 4.2 Political Neutrality Policy
- 4.3 Charitable Contribution and Financial Support Policy
- 4.4 Giving or Receiving Gifts / Property/Benefit Policy
- 4.5 Publication of Anti-Corruption Policy
- 4.6 Report clues and complaints.

Part V

- 5.1 Quality and Environment Policy
- 5.2 Safety and Health Policy
- 5.3 Energy Conservation Policy
- 5.4 Social Responsibility Policy
- 5.5 Anti-Drug Policy
- 5.6 Security Policy
- 5.7 Hearing Conservation Project Policy
- 5.8 Corporate Risk Management Policy
- 5.9 Information Technology System Control Policy
- 5.10 Human Resource Management Policy
- 5.11 Pregnant Employee Protection Policy
- 5.12 Communication Policy
- 5.13 Information Disclosure Policy
- 5.14 Use of Insider Information Policy

The Company has disclosed details of each policy on the Company's website.



Nature of Business

The Company's products are manufactured and distributed under "Venus" trademark and OEM. Most of the company's products are used as raw materials/components for different finished products, such as baby and adult diapers, garments and textiles, medical devices, face masks, or other industries, according to the customer's business nature.

Elastic for Disposable Diapers



Elastic in this group is the rubber thread, used as elastic components in the rim of legs and waists for baby and adult disposable diapers. The company's rubber thread is produced from natural or synthetic rubber blocks in various sizes according to the customer's usage and requirement.

Elastic for Garment and Textile

Elastic is used as an apparel component to support and hold the garment in the right position, such as the rim of the legs and the waist of pants and swimwear. Elastic in this group includes rubber tape, elastic braid, elastic webbing & crochet, covering yarn and elastic for cloth and disposable facemasks.



Elastic for Automotive Industries

Elastic is used as car seat components. Braided cords and woven straps are also used to fasten parts and vehicle interiors in the automotive industry.



Elastic for Medical Devices:



- *Elastic Bandage*

Elastic Bandage protects and treats muscle sprains and strains from routine activities and other recreations. It is widely used in the medical

- *Conforming Bandage*

The non-sterile conforming bandage for secondary dressing application adjusts to body contours without restricting any movement.



- *Tourniquet*

A tourniquet is used to wrap the arm for blood drawing for laboratory testing or blood donation, it also can be used to stop bleeding from the accident

- *Esmarch Bandages*

Esmarch bandage is used to control and exclude blood flow during surgical procedures, primarily in minor hand and foot operations.



- *Anti - Slip*

Anti-Slip is used to keep instruments in place for easy retrieval during surgery.

- *Elastic Bands for Exercise and Physical Therapy*

Resistance bands are versatile strength training tools with various levels for workouts. Physical therapists recommend it for the patient or older adults in prescribing specific exercises for recovery. It is small, light, and handy and can be used to work out at any place.



The company's products have been certified with OEKO-TEX STANDARD 100, Quality Management System: ISO 9001:2015, Environmental Management System ISO 14001:2015, Quality management systems for Medical Devices ISO 13485:2016 and Food and Drug Administration Thailand and the United States (FDA)

Economic and Industrial Condition

Market and Competition

In 2022, many events affected the stability of the global economy; the Russia-Ukraine war, global supply chain crisis, continual inflation, an increase in interest rate by the US Fed and tensions in the Taiwan Strait. But overall, the global economy still expanded after the covid-19 restriction was lifted, which benefited tourism and related industries.

Thailand's export has expanded despite a slow demand in the last quarter. The better-than-expected arrival of tourists caused the overall Thai economy to expand throughout 2022.

The company's business in 2023 grew along with the business partners' recovery. The company achieved an on-time delivery mission with a dedicated effort in dealing with various problems and obstacles arising from the supply chain crisis, increase in raw material cost, soar in sea freight cost and uncertainty in maritime ship routing and scheduling. Even though the global supply chain disruption had been easing during the 2nd year-end, the company encountered another challenge of a slowdown in the global demand, especially our trading partner: the United States of America.

Key Competitive Strategies

Efficient cost management and on-time delivery during supply chain disruption are critical competitive strategies that drove the company to grow continuously in 2022. Expanding business into new regions and Sustainable Development Goals (SDGs) will be an important competitive strategy for the company's long-term business operation.

Customers' Characteristics

The company's main customers are manufacturers and brand owners of disposable diapers, underwear, and swimwear that have been in contact for a long time and have a good relationship. The company continues to focus on collaborating with customers in product development, delivery systems, and other operation management to maximize the benefit of the supply chain.

The Company does not depend on any customer for more than 30% of the total revenue.

Target Customer Segment.

- 1) Manufacturers and brand owners of disposable diapers, underwear and swimwear.
- 2) Contract manufacturers that produce for brand owners.
- 3) Small manufacturers and consumers via the company's wholesalers and retailers in domestic and foreign countries
- 4) Companies that sell medical supplies and equipment.
- 5) Face mask manufacturer.

Distribution

1. The company manufactures and distributes directly to factories that have the potential to purchase. The company also has wholesalers and retailers channels to facilitate small factories that cannot order in large quantities.
2. Our main export markets are America, Asia, and Europe.



Industry Trends and Competitive Conditions 2023

Even though covid-19 danger has been receding, people have become familiar with a new normal daily life. The global economy is still vulnerable to geopolitical instability, economic uncertainty and social changes. Manufacturers are facing intense industry competition. Manufacturers must respond promptly to diverse macro and micro environments to maintain competitiveness and achieve the business objective and goals.

Product Procurement



Although the company's products vary in style, color, and usage, the primary raw materials are similar, such as natural rubber, synthetic rubber, rubber chemical, elastic threads, yarns, and dyes. All these raw materials have been selected from domestic and foreign production sources that possess good quality and environmental management in the production process and comply with international human rights principles of fair and equitable employment.

Raw materials Shortage : Natural rubber or Natural latex is our primary raw material used in the production process; it comes from the milky fluid in the bark of the rubber trees. The Thai government promotes rubber plantations in all regions of the country. As a result, the production volume is enough for domestic consumption and exportation. Although natural rubber's harvest time is seasonal and prices fluctuate according to the futures market, the company can efficiently manage the cost and inventory with a natural rubber reservation policy. To prevent any shortage of natural rubber raw material, the company has the policy to procure natural rubber from a subsidiary of Saha Union group, which possesses its plantation and processed factory in Trad and Chanthaburi province and other domestic manufacturers. The company has prepared backup suppliers with domestic choices for other raw materials, especially those imported from foreign countries. As a result, the company still has sufficient raw materials for production during supply chain disruption from the covid-19 pandemic. The proportion of domestic : foreign purchasing Year 2022 66.20 % : 33.80 %

Impacts of technology changes on the material used. Most of the company's products are used as raw materials in the garment and textile manufacturing industry, and there are no significant changes in those technologies. But the environmental impact of greenhouse gas emissions from textile waste, agriculture, production, and transportation results in more stringent requirements on chemical and raw material standards. Garment and Apparel companies are looking for raw materials which are renewable, degradable, reusable, safe for consumers, and environmental-friendly.

The production quantity over the past three years are as follows:

Actual production quantity	Unit	2022	2021	2020
Elastic Rubber, Elastic Braid, Elastic Webbing.	Thousand Kgs	3,019	3,378	3,882

Product research and development

2022 was marked by many destructive disasters, including hurricane Ian which struck the US and Cuba. Floods, cyclones and drought killed and displaced millions of people across the globe. The extreme weather events caused severe human suffering from food insecurity, drought, mass displacements and loss of life. These events underline the importance of the “Loss and Damage Fund” recently agreed at COP27 to provide financial support to people in developing countries who have suffered huge losses due to a climate crisis they have not caused.

THE STANDARD 10 อันดับภัยพิบัติจากโลกรวน ที่สร้างมูลค่าความเสียหายสูงสุดในปี 2022			
เหตุการณ์	เสียชีวิต	พลัดถิ่น	มูลค่าความเสียหาย (ดอลลาร์สหรัฐ)
เฮอริเคนเอียน ในคิวบาและสหรัฐฯ	130 คน	40,000 คน	1 แสนล้านดอลลาร์
ภัยแล้งยุโรป	-	-	2 หมื่นล้านดอลลาร์
น้ำท่วมจีน	-	239 คน	1.23 หมื่นล้านดอลลาร์
ภัยแล้งจีน	-	-	8.4 พันล้านดอลลาร์
น้ำท่วมออสเตรเลีย	27 คน	60,000 คน	7.5 พันล้านดอลลาร์
น้ำท่วมปากีสถาน	1,739 คน	7 ล้านคน	5.6 พันล้านดอลลาร์
พายุยูนิซพัดถล่มเบลเยียม เยอรมนี ไอร์แลนด์ เบเน룩แลนด์ โปแลนด์ และอังกฤษ	16 คน	-	4.3 พันล้านดอลลาร์
ภัยแล้งบราซิล	-	-	4 พันล้านดอลลาร์
น้ำท่วมในจังหวัดควาซูลู-นาตาล และอีสเทิร์นเคปของแอฟริกาใต้	459 คน	40,000 คน	3 พันล้านดอลลาร์
เฮอริเคนฟิโอน่า ในแคริบเบียนและแคนาดา	25 คน	13,000 คน	3 พันล้านดอลลาร์

อ้างอิง: Christian Aid เผยแพร่วันที่ 27 ธันวาคม 2022

SUSTAIN

2023
NEXT
NOW

Source: Top 10 world disasters that created the highest damage value in 2022 by Patamas Chanaratcharak 28.12.2022



In order to limit the rise in global average temperatures, the company has committed to reducing greenhouse gas emissions in order to achieve carbon neutrality by 2030. This can be done through product design development, the selection of renewable/harmless/environmentally friendly raw materials

and raw material recovery from waste stream. Our implemented projects are as follows:

1. “Raw material recovery from waste streams” Project: We can mix 25% of waste rubber in the pilot process while the finished good still possesses an acceptable and mechanical properties. This pilot research will be developed on a commercial scale in the future.
2. “Faster degradability of rubber tape” Project: Refer to our in-house empirical testing year 2022; part of the rubber tape has been degraded from the land burial test. The company has cooperated with Petrochemical and Material Technology (PETROMAT) to develop a faster degradability of rubber tape formula.
3. “Increase the recyclable raw material percentage” Project: The company starts with recyclable packages or packages that use recycled raw material. This project will be further applied with thread raw materials.

** Development of user and environmentally-friendly rubber tape for the European market will be implemented in 2023 **

Environmental impact management.

The company's factory is located in Bang Chan Industrial Estate, which has the requirements and laws of the Industrial Estate Authority of Thailand (“IEAT”) to control overall operations, including the environmental impact process. The company has strictly complied with industrial land usage conditions, Factory Act requirements, and ISO14001:2015 certified.

The waste products from the production process have been managed by an authorized waste management company certified by the Department of Industrial Work.

The company has estimated and controlled environmental quality by S.P.S. Consulting Service Co., Ltd., an external accredited private analytical laboratory registered and licensed by the Department of Industrial Works. The environmental measurements and collecting samples have been done to analyze the following matters: atmospheric noise levels, chimney air quality, business air quality, enterprise heat level and wastewater quality analysis. The results of the measurements are within the standards prescribed by law. The external

organization that receives environmental measures will prepare a report on the company's environmental quality audit results and analysis results. The company will then submit to the relevant government agencies such as the Department of Industrial Works, the Office of Labor Protection and Welfare, etc.

The company's business operations are not project-based or high-value piecework that takes time to deliver. Therefore, there are no jobs that haven't been delivered.

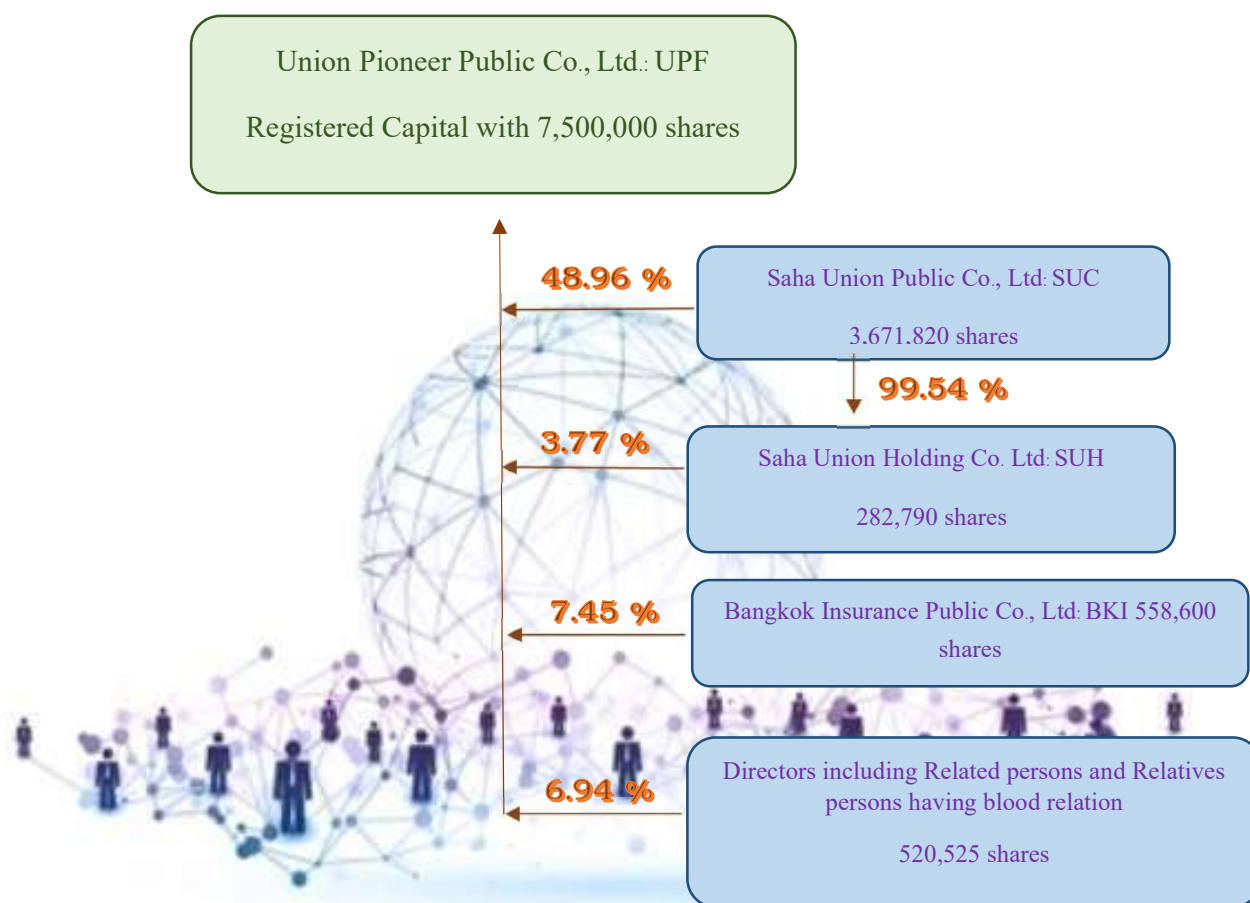
Assets in Business Operations.

Main fixed assets as of December 31, 2022

Asset type	Ownership	Net Value (Million baht)	Obligation
1. Land 15 rai 2 ngan 72 sq.m.	Company-owned	6.17	No obligation
2 . Buildings	Company-owned		
2.1 Office and factory five buildings		2.26	No obligation
2.2 Partial land lease and factory building	Lease from Union Zojirushi Co., Ltd.	0.69	The leasing period is effective for one year.
2.3 Land lease and building for warehouse.	Lease land from Thai Rubber Enterprise Co., Ltd. Warehouse building is company-owned.	5.35	The land leasing period is effective three years.
3. Machinery and Equipment.	Company-owned	45.40	No obligation
Total 1. 2. 3.		59.87	
Intangible assets are computer programs and software copyright.	Company-owned	0.29	No obligation

The company does not have subsidiaries, associates, patent assets, concessions, collateral property, and any obligation. The Company does not have any business restructuring, and no new property appraisals were made during the past accounting period

Shareholding Structure of the Group



Relationship with Major Shareholder and the Shareholder Information

The Company's Major shareholder is Saha-Union Public Company Limited (SUC) which holds 52.73% of the Company's shares including related persons and is located at 1828 Sukhumvit Road, Kwaeng Phra Khanong Tai, Khet Phra Khanong, Bangkok 10260

The Company has transactions with major shareholder and companies in the Saha-Union Group. Most of these transactions occurred in normal business transactions, such as purchasing-selling goods and raw materials by gathering the purchasing quantities of raw materials for better bargaining power. Such related transactions are mainly for the best benefit of the Company with no conflict of interest. The details of the related transactions in 2022 are shown at the topic "Related Transactions"

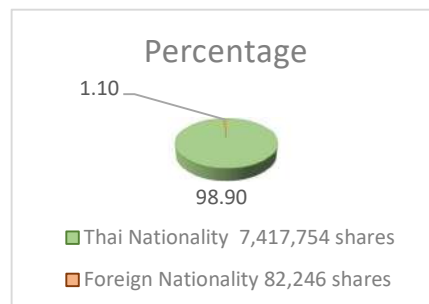
The Company has no cross-shareholding with major shareholder. There is no subsidiary company and associated company. There is no shareholding in other companies and no a pyramid shareholding structure.

For the past 3 years, there has been no significant change of Control Authority in the Company. The Company has no associated company and subsidiary.

Capital Structure and Dividend Policy

The Company has the details of its capital structure as of December 31, 2022, as following

Registered Capital	75,000,000.00	Baht
Paid-Up Capital	75,000,000.00	Baht
Ordinary Share	7,500,000	Shares
@ Par Value	10.00	Baht



Shareholders

The number of shareholders at the book closing date on March 31st, 2022.

Proportion of ordinary shares held by Non-Strategic Shareholder

on the book closing date equal to 27.08 % of the total issued shares of the Company

Other Securities Issuance

- (1) The Company does not have any convertible securities. There are no other securities which are not ordinary shares.
- (2) The Company does not issue other securities and does not offer any debt securities e.g. debentures, bill etc.

List of the top 10 major shareholders as of the book closing date arranged by
company Thailand Securities Depository Co., Ltd. as follows:

No.	Shareholders	Ultimate Shareholders	No. of Shares	% of Total Shares
1.	1.1 Saha Union Public Company Limited	Darakananda Group	3,671,820	48.96
	1.2 Saha Union Holding Company Limited	Saha Union Public Company Limited	282,790	3.77
2.	Bangkok Insurance Public Company Limited		558,600	7.45
3.	Mr. Sumate Darakananda		491,365	6.55
4.	Mr. Nithiphan Darakananda		430,075	5.73
5.	Mr. Phanut Yoothong		78,600	1.05
6.	MARUE NISSAN CO., LTD.		78,000	1.04
7.	Mr. Parinya Leamthai		71,900	0.96
8.	Mrs. Sumporn Krairerg		64,450	0.86
9.	Mr. Waranon Boonchananantakood		55,000	0.73
10.	Mr. Weerapat Poonsakudomsin		45,700	0.61

Direct and Indirect Shareholding of directors and executives, spouses, minor children as at December 31, with two-year comparison

Name – Surname	Position	Number of shares In 2021	Number of shares In 2022	Number of shares Increasing (Decreasing)	Shareholding %
1.Miss Dalad Sapthaivichaikul Spouse Minor child	Chairman	- - -	- - -	- - -	- - -
2 Mrs. Nuntawan Sakuntanaga Spouse Minor child	Independent director/Chairman of Audit Committee	- - -	- - -	- - -	- - -
3. Mr.Wanchai Rattanawong Spouse Minor child	Independent director/Audit Committee/Chairman of Nomination and Remuneration	- - -	- - -	- - -	- - -
4..Mr. Komon Iamwatcharin Spouse Minor child	Managing Director	- - -	- - -	- - -	- - -
5. Mr. Chutindhon Darakananda Spouse Minor child	Director	3,840 - -	3,840 - -	- - -	0.05 - -
6.Mrs. Chantornree Darakananda Spouse Minor child	Director	20,000 - -	20,000 - -	- - -	0.27 - -
7.Mr. Vacharaphong Darakananda Spouse Minor child	Director/Nomination and Remuneration Committee	- - -	- - -	- - -	- - -
8.Mr. Nanthiya Darakananda Spouse Minor child	Director	- - -	- - -	- - -	- - -
9. Mr. Kollat Tangchitkul Spouse Minor child	Independent director/ Audit Committee/Nomination and Remuneration Committee	- - -	5,320 - -	- - -	0.07 - -
Mr. Sikavej Sopaphan Spouse Minor child	Human Resource Manager	- - -	- - -	- - -	- - -
Mr. Wiwat Jongkonrat Spouse Minor child	Accounting & Finance Manager (who has the highest responsibility in accounting and finance)	- - -	- - -	- - -	- - -
Mrs. Sureeporn Chompunutyanyong Spouse Minor child	Sales & Marketing Manager	- - -	- - -	- - -	- - -
Miss Warunee Khumtong Spouse Minor child	Quality Assurance Manager	- - -	- - -	- - -	- - -

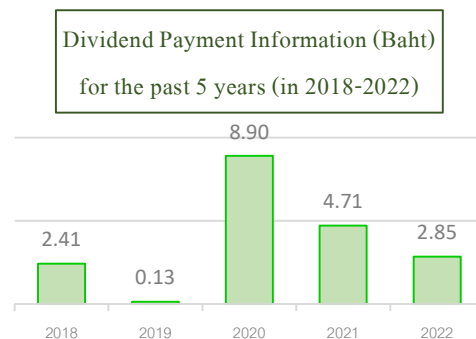
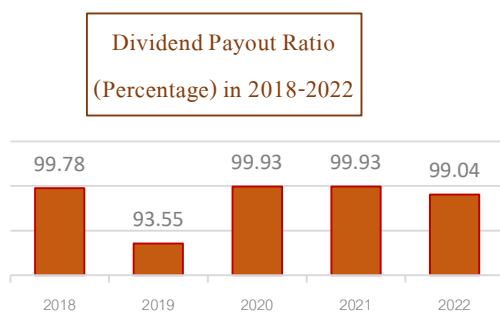
The shareholding of the directors is both for direct ownership of shares and indirect one such as shares held by their spouse and minor children, as 0.32% (* including related persons).

For the past year, none of the Company's directors has held more than 25 percent of the total issued shares of the Company. Moreover, the Company has measures to prevent the trading of shares using inside information in a manner that violates / does not comply with the rules of the SET and the SEC.

Dividend Payment Policy

“Depending on the performance of the Company, at a rate not less than 1/3 of the annual net profit, after deducted accumulated loss (if any), from the separate financial statement of the company.”

The Board of Directors’ Meeting No. 3/2023 on 15th March 2023 resolved to approve the annual dividend payment of 2022 to the Annual General Meeting of Shareholders on 19th April 2023 at the rate of 2.85 Baht per share



Investors can learn more about the Company from;

The Company’s annual registration statement (56-1 One Report) can be found at SET

or at the Company’s website.



Risk Management



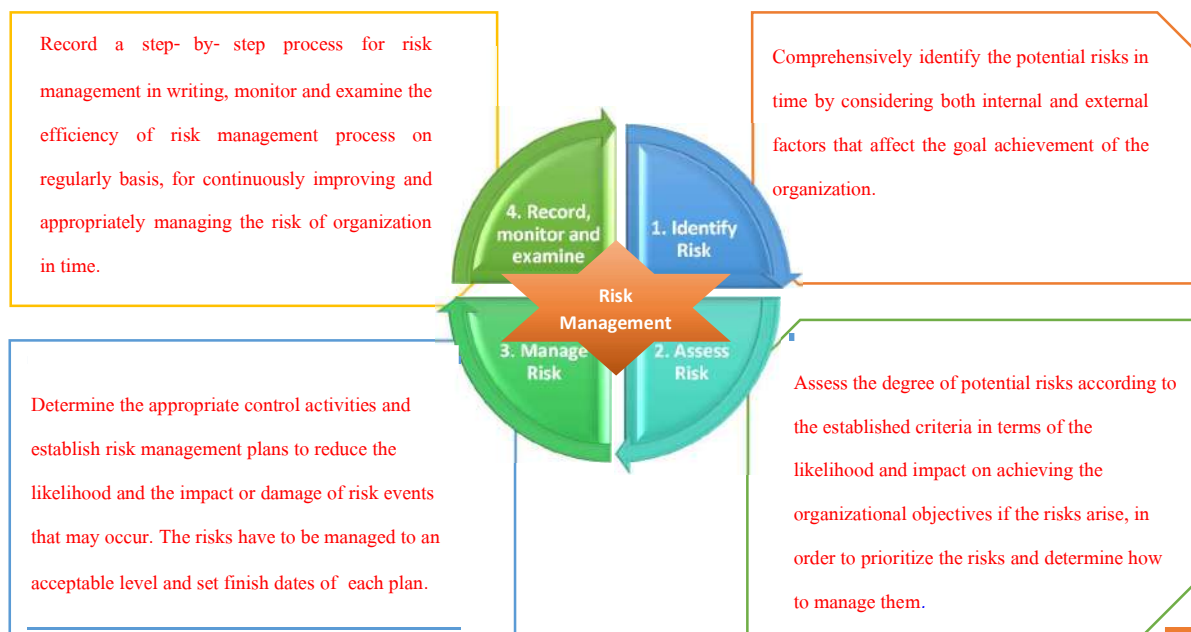
UPF realizes on the importance of sustainable risk management to have confidence in achieving goals for stakeholders. The Company uses the risk management framework according to the international standards of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) to be appropriately applied for success throughout the organization. The Company has set a risk management policy to cover all organizational activities in order to drive it as an integral part of the work culture in the organization.

Risk Management

Board of Directors assigned the Managing Director to appoint the Risk Management Sub-Committee to set the measures to manage risks at a controllable and acceptable level by continuous monitoring of the effectiveness and evaluation of risk management by;

- Assigning the highest responsible person at the operational level for risk management, namely Mr. Wanaphong Kanacharoen, Manager of Braid Production Section.
- Assigning the highest responsible person for the internal audit of the organization by reviewing the internal control system and the risk management system, namely Mr. Natphawat Thomwan, Manager of the Internal Audit Section, which is independent of the Risk Management Sub-Committee.

The company has established risk management guidelines to control and manage risk effectively. As a result, critical and significant risk management has been implemented. Continuous monitoring of risk has been reported to the audit committee every quarter accordingly.



Business Risk Factors

1) Risk from economic conditions

In 2022, many countries continuously relaxed covid-19 protocol, enabling a positive economic recovery. In the meantime, International sanctions imposed on Russia bring in an energy shortage with increased global inflation. As a result, the growth and expansion of Thai economy in year 2022 were not as expected. There are various public investment projects and government measures to distribute the money into the market, but consumers are still worried and prefer to spend only on necessary products. Travel and tourism are expected to recover from China's re-opening policy.

In order to improve the company's competition proficiency and mitigate the economic and energy risks, the company has implemented the market expansion strategy to different regions and conducted cost-lean-production efficiency continuously such as increasing production efficiency projects, research and development, etc. Type text here

2) Risk from exchange rate fluctuations

The company mitigated the exchange rate fluctuation risk by closely following up on global political, economic and other relevant aspects, complying with the management of forward contracts, matching receivable currency with payable currency and opening foreign currency deposit (FC), so that the company is able to project the revenue and cost efficiently.

3) Risk from rubber price fluctuation

Major factors causing natural rubber price fluctuation are an imbalance of supply and demand in the world market, government policy and weather conditions which directly affect latex productivity.

The company has implemented risk management on rubber price fluctuation by purchasing the natural rubber block during the harvest season at a competitive price and reserving the raw material quantity for 6 months of consumption to prevent the raw material shortage risk.

4) Emergency Risk

The ministry of public health announced that COVID-19 was no longer classified as a "dangerous disease" effective Oct 01, 2022. Even though life had returned to normal, the company was still aware of the danger and informed all employees to strictly follow preventive guidelines so that the business would be able to operate smoothly.

5) Risk from personal data protection law

The Personal Data Protection Regulation Act (PDPA) was fully enforced in 2022. The company has established operating guidelines for all stakeholders' personal data in compliance with regulations. The company communicated, educated and supervised the operations of personnel in accordance with the following guidelines:

- Notification of Privacy Policy
- Requesting permission to use the information according to the rights of the data subject
- Collection of user data only as necessary under applicable legal regulations in Thailand.
- Implementation/Transfer
- Managing when data leakage
- Data destruction, etc.

Driving Business for Sustainability.

Sustainability Management Policies and Goals

The company is committed to conducting stable business with sustainability management. The growth of the business must be focused along with social and environmental responsibility, the company establishes goal to prevent and mitigate potential impacts of the business activities on the social environment and take appropriate care of all stakeholders as well.

The company incorporated the “Triple Bottom Line” into corporate strategy through the view of 3P: Performance, People, and Planet, integrated the United Nations Sustainable Development Goals (SDGs) as a guideline for the company's goal. In addition, it can reduce environmental, social and governance risk (ESG) in all company’s business processes accordingly.



Stakeholders Impact Management in Business Value Chain.

Value Chain

The company continuously values the importance of the business value chain and relevant stakeholders. Paying attention to every process from upstream to downstream, with management of environmental, social and economic impacts and promote good corporate governance throughout the life cycle of product and service.



Stakeholder participation in the business value chain

There are 6 groups of company stakeholders with procedures to meet their expectations, communication, and participation channels. The company operates the business with good governance principles, respects all stakeholders' rights and strengthens each group's cooperation according to the role and duties. The company considers positive, negative, direct, and indirect impacts to create equal satisfaction for all stakeholders.



The following table shows six key stakeholder groups' expectations, the company's expectation management, communication and engagement channels.

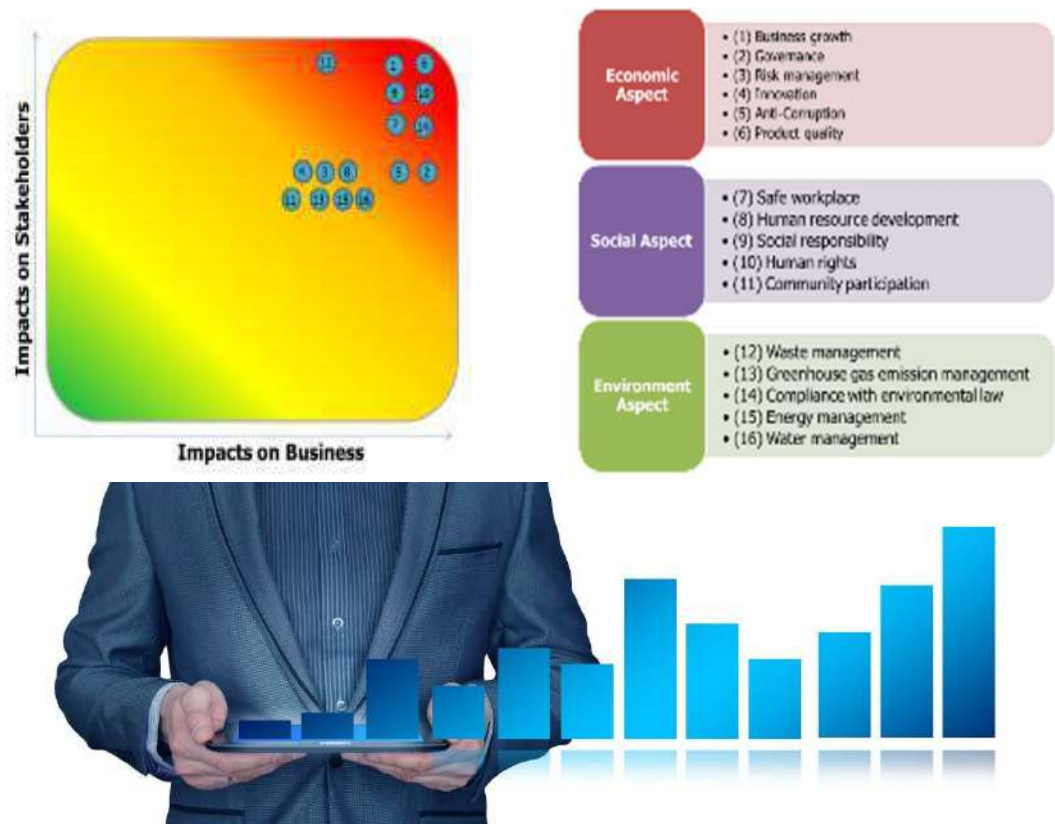
Stakeholder	Stakeholder's expectation	Expectation Management	Communication and Engagement channels
Shareholders	<ol style="list-style-type: none"> Good corporate governance Protection of rights and equality. Equal treatment of Shareholders Good and consistent return on investment. Good business operating performance and sustainable business operation. Careful risk management Transparency of information 	<ol style="list-style-type: none"> The company operates the business with good corporate governance principles. The company promotes and facilitates the exercise of shareholder rights. The company is aware of and gives importance to basic shareholder's rights. The company treats shareholders equally and fairly. The company pays dividends appropriately and consistently according to the actual performance. The company operates the business with sustainable management principles. The company manages risk with comprehensive aspects appropriately. The company discloses transparent, reliable, accurate, and complete information for decision-making. 	<ol style="list-style-type: none"> The company hosts the annual general meeting of the shareholders. The company discloses information through the Stock Exchange of Thailand system and the company website. Website: www.unionpioneer.co.th The company has assigned a person in charge of Investor relations to answer the inquiries. The company reports the quarterly and annual performance results.

Stakeholder	Stakeholder's expectation	Expectation Management	Communication and Engagement channels
Customer/ Consumer	<ol style="list-style-type: none"> 1. Supply products in variety, meet customer needs, safe and high quality, and have a reasonable shelf-life. 2. Products are produced with social and environmental responsibility concerns. 3. Ease of access through a variety of distribution channels 4. Availability and speedy supply of products. 5. Proper price 6. Customer confidentiality 7. Service readiness before, during, and after product delivery. 8. Operate business with integrity, transparency, fairness, and no corruption. 	<ol style="list-style-type: none"> 1. The company produces quality products up to the standard, which concerns consumer safety and after-sales service. 2. The company uses eco-friendly raw materials in production. 3. The company has a customer complaint channel and corrective action procedure. 4. The company operates with integrity and fairness and does not violate customer/consumer rights. 5. The company does not receive bribes in any form directly or indirectly from the customers. 	<ol style="list-style-type: none"> 1. Visits customers to introduce new product series and listen to customers' needs and suggestions. 2. Conduct a customer satisfaction survey. 3. Organize activities and events to reach customers such as Trade Exhibition 4. Have a concise channel to handle customer complaints and suggestions. 5. Being able to reach company and product information at Website: www.unionpioneer.co.th 6. Report quarterly and annual performance on the website.
Trade partners/ Creditors	<ol style="list-style-type: none"> 1. Fair Trade 2. Equitable Treatment. 3. Good governance management 4. Sustainable supply chain management 5. Ability to support business operation. 6. Collaborate with partners in product development. 7. On-time debt settlement. 8. Strictly comply with the terms of the contract. 9. Operate business with integrity, transparency, fairness, and no corruption. 	<ol style="list-style-type: none"> 1. The company treats trade partners/creditors fairly and equally. 2. The company cooperates with trade partners/creditors who comply with production and safety standards and are environmentally friendly. 3. The company keeps the confidentiality or trade information of business partners and creditors. 4. The company develops mutual understanding and relationships in exchanging information and collaborates to value-added product development. 5. The company does not accept any benefits other than stipulated in the agreement. 6. The company complies with the agreement and settles the debt as specified. 	<ol style="list-style-type: none"> 1. The company communicates and brainstorms for constructive product development. 2. The company visit trade partners to listen to comments and suggestion. 3. The company provides an anti-corruption policy to trade partners. 4. The company conducts a supplier satisfaction survey (twice a year). 5. The company reports quarterly and annual performance on the website.
Competitors	<ol style="list-style-type: none"> 1. Operate business and compete with transparency, fairness, and according to the rules. 	<ol style="list-style-type: none"> 1. The company operates businesses with integrity and fair competition. 2. The company does not destroy competitors' reputations by slander. 3. The company does not violate intellectual property/copyrights. 4. The company does not solicit competitors' secrets with an inappropriate and unethical method. 	<ol style="list-style-type: none"> 1. Being members' associations related to the rubber industry.

Stakeholder	Stakeholder's expectation	Expectation Management	Communication and Engagement channels
Employees	<ol style="list-style-type: none"> 1. Fair compensation and compliance with the economic situation. 2. Good labor practice. 3. Career opportunity and advancement. 4. Capability and knowledge development for job improvement and life enhancement. 5. Safe workplace environment. 6. Work-Life balance 	<ol style="list-style-type: none"> 1. The company provides compensation appropriate to relevant knowledge and skills. 2. The company values employees with equal treatment and no discrimination at all levels. 3. The company promotes the knowledge and skill development of employees. 4. The company promotes a happy, healthy and safe working environment. 5. The company respects human rights, the fundamental right of not disclosing employees' data to unrelated parties. 6. The company provides communication channels to employees for suggestions and complaints related to work. 	<ol style="list-style-type: none"> 1. Communicate and exchange ideas via Company Line Group. 2. Suggestion box 3. E-mail: md_upf@unionpioneer.co.th ac_upf@unionpioneer.co.th 4. Hotline to Managing Director 5. Public relations board 6. Seminars and Socializing activities of special events. 7. Welfare committee meeting 8. Performance appraisal assessment
Community, Social and Environment	<ol style="list-style-type: none"> 1. Operate a business that does not affect the community or manage impacts resulting from business. 2. Manage waste products from business operations efficiently. 3. Participate in community activities. 4. Comply with law and regulation. 	<ol style="list-style-type: none"> 1. The company regularly organizes activities to establish understanding and trust with the community. 2. The company has preventive and corrective measurements to manage the operational impacts that affect the community. 3. The company administers the environmental management system to be consistently effective. Control the environmental measurement result following the rules and regulations. 4. The company promotes and educates employees' awareness of environmental protection. 5. The company supports environment and energy conservation activities by producing and consuming eco-friendly products. 	<ol style="list-style-type: none"> 1. Community Relation Activities (participation in community activities) 2. Website: www.unionpioneer.co.th 3. The company reports quarterly and annual performance on the website 4. Factory visit. 5. Annual inspection and measurement. 6. Telephone and Email 7. Complaint Channel.

Priority Assessment.

To manage sustainable development effectively and efficiently, the company has conducted year 2021 sustainability assessment covering opportunities and risks in three dimensions as economic, social and environmental, with a summary as below:



UPF Commits to Creating a Prosperous Economy.

For almost 50 years, the company has been conducting business with fairness, honesty, transparency and responsibility to all stakeholders in accordance with good corporate governance principles and business ethics, a solid foundation for sustainable business development. The company has communicated to our business partners aware of the “Good corporate governance” and “Anti-Corruption policy” and announced the intention to aim toward “Collective Action Coalition Against Corruption: CAC) in the Year 2021



In 2022, the company emphasizes educating anti-corruption knowledge to employees at the manager level and department head first.



Deliver good quality and safe products to customers.

The company has committed to producing consistent quality elastic products from the beginning of the raw material selection and stringent production process, aiming to reduce customer complaints and increase customer satisfaction.

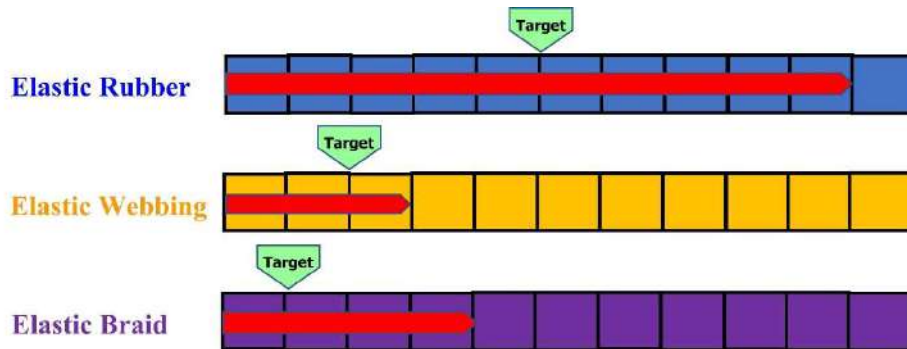
YEAR 2022 ASSESSMENT RESULT

CUSTOMER SATISFACTION

90.14%

TARGET YEAR 2022 NOT LESS THAN 90%

The year 2022: Numbers of customer complaints.

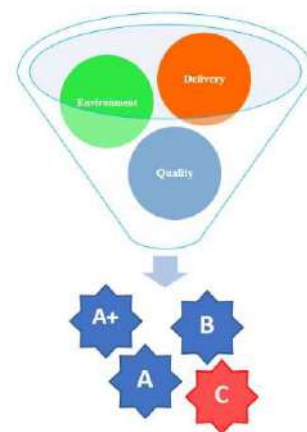


Good quality and safe products are the primary issues the company pays attention to. The company has sent samples of three product categories, including elastic rubber tape and thread, elastic braid and elastic webbing, to test OEKO-TEX STANDARD 100 CLASS I and confirmed all three types of products are free from residues that affect babies, which is the most stringent required level.

Collaborate with Business Partner in Potential Development.

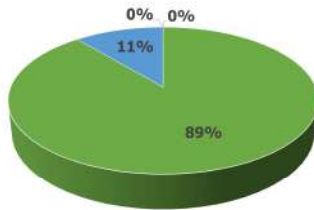
The company's proficiency is enhanced by a reasonable price and suppliers' on-time delivery. The company treats suppliers equally with partner assessment under three dimensions; quality/service, delivery, environment. The company evaluates trade partners twice a year then grades A+, A, B, and C accordingly.

Trade partners who do not meet the criteria will receive a C grade, and the company will review and visit partners who got C grades for two consecutive years to get the solution.



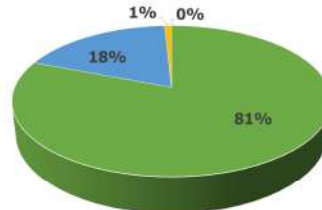
Trade Partners' Performance Evaluation Result Year 2022

**1st Evaluation
result**



89% A+
11% A
0% B
0% C

**2nd Evaluation
result**



81% A+
18% A
1% B
0% C

The company and its trade partners have a good business relationship, collaborate in developing good quality and safe raw materials with integrity, transparency and in accordance with business ethics and regulations.

Build Product Strength thru Innovation Create Competitive Strength through Innovation to meet customers' needs.

The company realizes that innovative product development would drive the company to be more competitive and sustainable in the long term. The company has collaborated with outside institutes such as Rubber Research Technology (RTEC) of Mahidol University and Petrochemical and Material Technology (PETROMAT) for innovative product development.

UPF's commitment to build a sustainable society.



Year 2022 was another year that all business sectors were affected by the economic recession from the COVID-19 pandemic, causing many business operations to slow down and have to adjust their business strategy for survival. Union Pioneer Public Co.,Ltd has adjusted the operations for business sustainability and taking care of stakeholders, employees, community and society. The company is committed to developing innovative production processes and eco-friendly products that are safe for users and environment.



Deliver good quality and safe products



Employee care



Share back to society

Deliver good quality and safe product to consumers.



“Product Safety is an important thing that the company delivers to users for safe use and bring happiness to the consumers.

Good quality and safe products for consumer usage is the most important factor for sustainable business operation. The company has been continuously cooperating with both in-house and outside institutions to research and develop innovative products that are user-friendly and meets the needs of the consumer.

The company’s products have been certified by Textile Testing Institute in Switzerland for product safety that will not cause irritation to the skin under OEKO-TEX Standard 100 Class 1, which confirmed that all products are free from residues that affect babies, which is the most stringent level. The company is also aware of the ESG business model; environment, social and governance responsibilities , a direction toward sustainable business development.



Human Resource Management.

Employee Care

“Build a happy workplace, Develop human resource skills, Aim for safety and Work life balance”

Build a happy workplace



The company values employees’ happiness, management implements happy workplace activities according to the rights, welfare and benefits that employees should receive from tiring work, which will result in good product quality and ultimately satisfy customers.

“Promote employees’ skills and abilities”

The company has encouraged employees at all levels to develop knowledge and skills for advancement in career path without discrimination. The company define learning method into 3 types as follows:



1. Learning from training: in-house, outside and online. The supervisor would support the subordinate to train the lack-of skill which is necessary for the assigned job.



2. Self-learning.

Employees can learn by themselves through the UPF U Smart Learning system, which contains knowledge content, job skills and being able to study 24 hours a day through an online system. The system has been developed since July 2022 and continues to the present as an alternative for employees to enhance their learning skills.



3. Develop skills and experience from assigned work. These skills can be trained by supervisors, on-the-job training so that employees can utilize their skills to solve problems, make decisions and continuously improve the working procedures for efficiency.

Performance year 2022

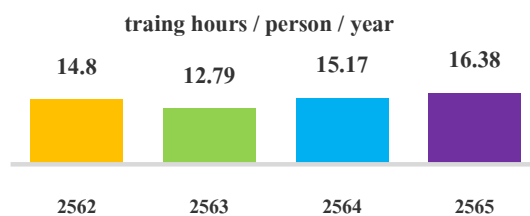


Performance Indicators (KPIs) 2023

1st Goal: The percentage of no-repeat employees receiving training is 25% per average of all employees per year.



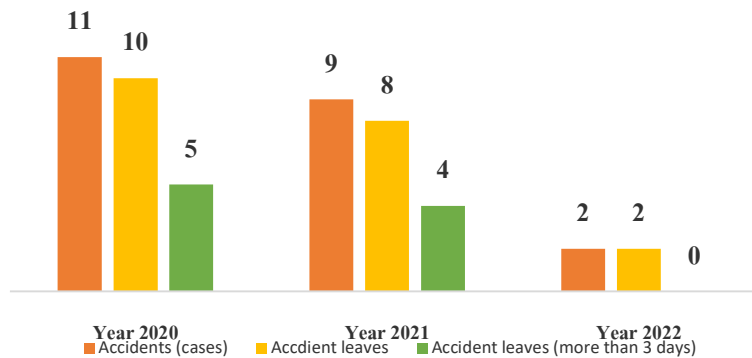
2nd target: Training hours not less than 15.5 hours per employee per year.





“Aiming for Safety” The company realizes the importance of safety, occupational health and working environment management. The company establishes a policy to cover all aspects of safety to comply with required laws and standards and promotes a corporate culture for all employees at all levels to monitor the possible accidents to improve a safe workplace and “aiming toward zero percentage of accidents.”

Accident Statistic Year 2020-2022



Health and Safety Activities.

1. Implement occupational safety, health and working environment policies.

To reduce accidents at work, the company has adopted occupational safety, health and working environment policies with employees’ operational control to comply with requirements, regulations and laws, including risk assessment, prevention and control of work risk.

2. Appointing safety committees and occupational health and safety officers at various levels

Safety committees and officers oversee the employee’s operation, provide safety management, advice, monitoring and reporting in the workplace, and engage staff in programs that ensure safe practice in the workplace. Safety officers at all levels must attend training for safety skills and potential development according to the required regulation and be able to utilize the knowledge with the corporation.



3. Encouraging company employees to attend safety training courses as required by law.

Primary fire fighting, annual fire evacuation drills, dormitory fire evacuation drills, first aid, emergency drills, chemical spill / natural gas leak/steam boiler explosion drills. Annual training is has been implemented to practice and create emergency awareness.

4. Safety document submission and Safety education to employees via communication and public relations. The company has strictly followed the regulation in submitting the safety documents to the relevant government agency, communicating and publicizing safety promotion through various channels company's voice broadcast, and line group with the concept "Happy and safe workplace, go back home with good health condition"

5. Implementation of the safety plan, security safety maintenance system and reviewing safety operations. The company has established a system to implement the safety plan. Measuring, monitoring and evaluating the safety performance. Inspect and test systems and equipment regularly, especially safety equipment such as fire alarms, fire extinguishers and other safety equipment, ensuring that all employees and contractors are safe during working.



6. Preventive measures of COVID-19. The company has been continuously campaigning employees to comply with preventive measures for COVID-19 with the following principles:

1. Encourage and support COVID-19 vaccination among the workforce.
2. Measuring body temperature before entering the operational area throughout the organization.
3. Provide alcohol hand sanitizer at necessary points within the company area.
4. Spray disinfectant to kill the COVID-19 virus within the company area.
5. Establish pick-up and delivery points of documents and parcels to minimize contact opportunities.
6. Clean public contact areas regularly.
7. Create awareness of wearing masks and washing hands regularly and campaign social distancing via sign board and broadcasting.
8. Establish measures to visitors.



“Work-life balance” It is very important to equally prioritize the demand of work and the demand of personal life. The company has established the working hours and overtime management policy to avoid long hours working which might bring unhealthy life patterns and unsustainable working culture to the employees and company. The company has established work-life balance principle as follows:

1. Set goals for daily activities.
2. Respect employees’ leisure time.
3. Encourage learning and developing skills for career advancement.
4. Employees spend more time with themselves and family.
5. Take care of yourself for good health.



“Human Rights”

“Human rights and being happy together in UPF family”

The company values the importance of human rights, respect rights according to international human rights principles such as human dignity, rights, freedom, equality, mutual respect, protection and remedy. The company proceeds the business operation with caution, careful and avoids any action that would violate or affect directly or indirectly to human rights of employees and all stakeholders. Although some businesses might indirectly have an impact to stakeholders, the company would respect the rights and freedom of all levels of employees equally, with no discrimination against gender, ethnicity, skin color, age, sexual orientation, gender expression, race or national origin, disability, pregnancy, religions, political affiliation, marital status and congenital disease.

Provides opportunities to all employees to develop skills, knowledge and capability as a foundation for future career growth without discrimination as every one is considered equal.



Citizenship and social responsibility

“ Create benefits Sustainable business share back to society ”



In 2022, despite being affected by the epidemic of the Coronavirus 2019, the company must continue to operate in this crisis like many companies. to keep the business alive In a situation that has been affected by the economy from both inside and outside the country But the company still adheres to the principles of good governance. by conducting business with transparency, fairness, honesty Take into account all groups of stakeholders. adhere to human rights principles Therefore, the Company has set "Social Responsibility Policy" to provide guidelines for taking care of society, which is divided into 2 major groups:

1. Group of employees because it is considered a society within the factory. take care of employees by setting fair employment conditions have appropriate welfare Provide equal opportunities for career development and advancement Including paying attention to the working environment to be safe and hygienic.

2. Overall social groups and communities around the factory It is a society outside the factory that needs to be taken care of and shared back to society. by promoting projects or activities that are beneficial to society community and environment To improve the quality of life of people in society and communities, control, prevent and reduce the impact of activities within the company that will affect the environment. To be in accordance with the objectives and goals of the Company and in accordance with the specified legal requirements. as well as developing processes and methods for the most cost-effective and efficient use of resources. and encourage employees to be generous and considerate to their friends in society Know how to make sacrifices for the common good for a livable society. through the activity “UPF, share back to society”

Corporate Social Responsibilities Activities (CSR) Year 2022



Contribution to school and Minburi community on National Children day



Provide books to Minburi Youth Center to promote knowledge learning.



Release EM (Effective Microorganism) to clean canal in front of the company on Environmental



Saen Saeb Canal Cleaning Volunteer Project
At Wat Bamphen Nuea School and Wat Bampen Nua Pier



Donate high-flow oxygen aerator
to Nopparat Ratchathani Hospital



Donate wooden pallets to flood-affected communication at Bangchan Industrial
Estate Office.



Sponsor exercise band as awards to Red Cross Fair 2022 at
Federation of Thai Industries.



UPF Blood Donation Activities

UPF's commitment to “Sustainable Environment.”

The company is very aware and committed to environmental management. based on business operations Comply with laws, requirements, regulations and standards. related to business operations strictly Environmental management planning to solve problems that may affect the environment that may occur both directly and indirectly. In addition, the company also pays attention to energy consumption for worthiness and maximum benefit, reducing waste, controlling the quality of wastewater to the outside. Promote the use of office supplies and environmentally friendly production processes. Develop production processes to be more efficient while saving resources. And promote the environmental management system according to international standards ISO 14001: 2015, including reducing greenhouse gas emissions from various processes of the organization. To reduce pollution and impact on the environment sustainably.



“Environmental Management”

To achieve the environmental management goal, the company has set the "Quality and Environment Policy" and "Energy Conservation Policy" with operational planning and implementation. The company has developed work processes and products to be a green business by developing a lesser waste production system, controlling wastewater treatment system and reducing pollution that causes impacts on the ecosystem, climate change and the environment. Create awareness of all levels of employees about global environmental situations, and use recycled packaging from kraft paper.





Environmental Conservation Activities.

1. Activity to use cloth bags: Most plastic bags are derived from crude oil, a non-renewable source of raw materials. Furthermore, plastic bags are disposable and for one-time usage. The company has distributed cloth totes to

all employees and promoted them to use cloth bags to reduce the consumption of plastic bags which can directly save our planet.



2. “Energy Conservation Activities” Industrial factories are major contributors to pollution and environmental damage. The company realized that energy conservation is necessary for long-term business sustainability and has been promoting various energy conservation campaigns such as turning on-off the light bulbs and air conditions under a specific time; 30 minutes after and before office hours, turning off the computers and electrical devices, machine modification for energy consumption saving, utilize translucent roof that allows day light get into the factory area.



3. Sustainable Packaging Plastic and Packaging are wasteful and impact the earth’s ecosystem, resulting in global warming. To reduce the environmental impact, the company incorporates the principle of the “Circular Economy” into eco-friendly packaging solutions from the packaging design, for example, The packaging of multiloop band which is produced from recyclable and biodegradable craft paper.

Water Management.



Water is one of the important resources that the company uses in the production process. The company has treated

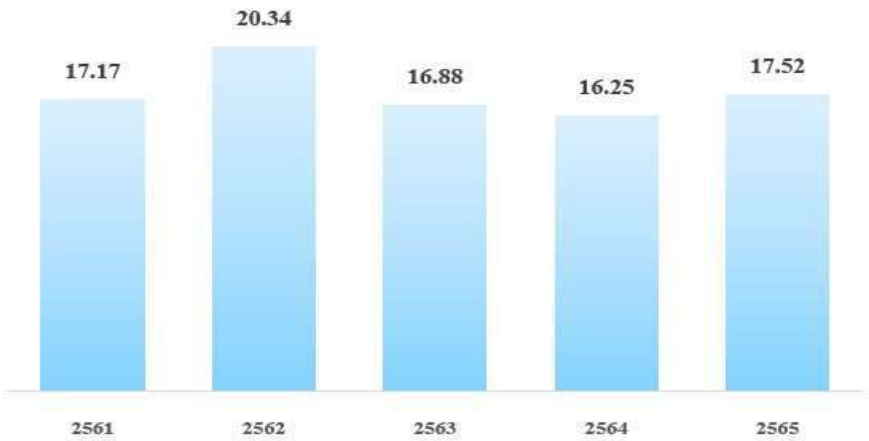


the dying water with an “ activated sludge process” before releasing it into the canals. The company has conducted water quality inspections to ensure that the water released into the canal meets the standard value required by law.

The company has recycled the water used in the cleaning process of rubber products through filter plate and reused it in the production process again, which is regarded as the most effective water resource management per the circular economy principle and reduce the impacts on the environment.

Water consumption per unit of production.

Target: units per metric ton of production.



Waste Management.

The company has implemented the waste management system covering waste from the production process, office operation and factory surrounding as follows:



1. Production process waste management. The industrial waste bins are placed at each necessary operation area. The waste bins will be collected at the industrial center for further approaches as (1) landfill (2) fuel blending by mixing waste with commercial fuels into alternative fuel (3) Selling to other companies for further process into required finished goods.

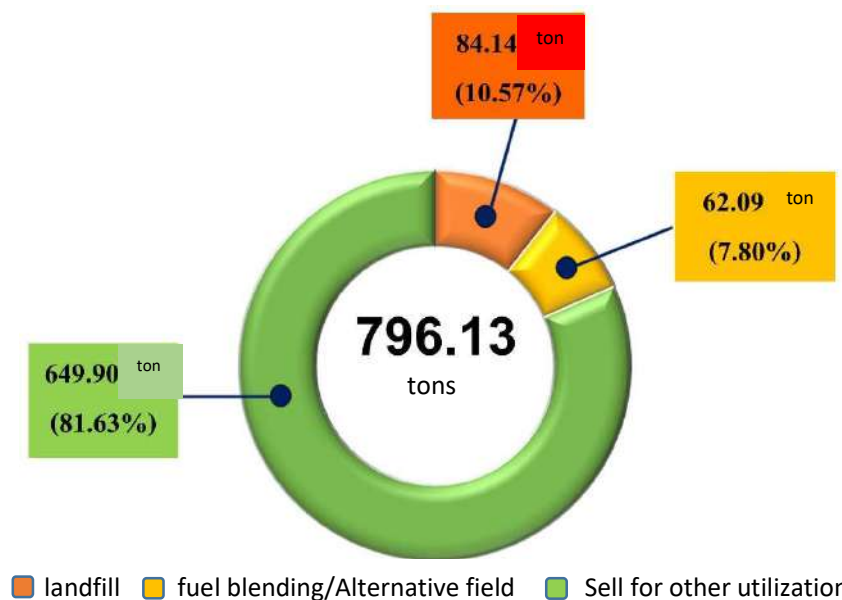
2. Office waste management The company has educated employees to sort and dispose of the waste into the right bin as general waste, recycle waste and hazardous waste accordingly. The company also encourages employees to fully utilize the front and back of the paper. The company hires a legally certified disposal service provider to handle hazardous waste.



3. General area waste management The company promotes the importance of waste sorting by providing knowledge to employees through various channels such as broadcasting, online media, brochures and daily training time.

Waste Management Performance Year 2022

% of waste disposal to landfill.



Air management

Climate change (Climate Change) today affects humans, creatures and environments which are becoming more and more violent every day Climate variability or the occurrence of global warming. Occurs because of the effects of the accumulation of greenhouse gases (Greenhouse Gas) in the atmosphere than usual.



This causes the earth's atmosphere to store more heat energy. As a result, the balance of energy has changed. The greenhouse effect (Greenhouse Effect) is caused by various human activities. Deforestation and industrial emissions If the activities that cause pollution are not changed and the environment is not taken care of, it will cause even more impacts in the future. The company has foreseen that doing business should be a part of maintaining a good environment and believes that if we start taking action, it will result

in positive changes to the climate. The company has started to develop and create new innovations to be applied in work processes and production processes that will have less impact on the environment. Including the selection of resources that will be used to produce products, the impact on the environment must be assessed. especially reducing greenhouse gas emissions The company has shown its determination in such matters and therefore has set a goal that "The company will be a carbon neutral organization (Carbon Neutrality) by 2030" and also places importance on compliance with the scope of laws, rules, regulations and obligations. Related to eliminate problems affecting the air environment system



Energy Management



Nowadays, energy consumption in everyday life, travel, and transportation has a huge demand for energy. Especially in industrial sectors that consume a lot of energy from business growth. Business expansion in order to meet the needs of consumers. In addition, when the population has increased steadily. This makes the demand for energy more exponentially. Therefore, the company foresees that energy consumption in industrial plants if there is no way to improve will have a greater impact in the future. As a result, the company has to invent, develop, improve work processes and production processes. To make the most cost-effective and efficient use of energy resources. in order to maintain energy resources to be used sustainably as well as encouraging employees to be aware of the benefits of using energy. How to use energy efficiently and energy conservation through activities as follows:

Office Energy Saving: Replace fluorescent light bulbs with LED light bulbs that are brighter with the same energy consumption and with longer shelf life also.

Factory Energy Saving: Use translucent roof for skylight and improve the production equipment with inverter system for efficiency.

Enhancing Energy Knowledge for Employees: The company realizes that energy conservation should start with persons who consume



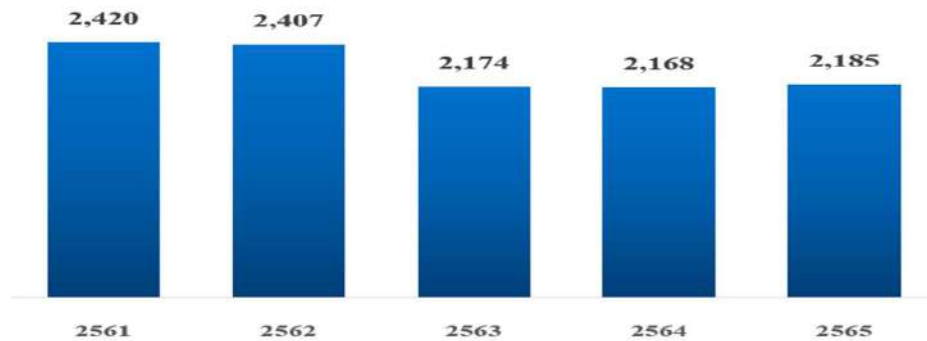
energy. Employees at all levels are encouraged to join the energy conservation campaign such as turning off the light while not in use and turning on the air conditioner half an hour later than the office time and turning it off half an hour before going back home. By the way, employees can apply energy conservation behavior in their

daily life as well.



Electricity consumption per unit of production.

Target Year 2022: 2,124 kWh per metric ton production



Existing common energy from nonrenewable sources is a major factor in greenhouse gas emissions. Thus renewable energy from wind, solar and biomass will reduce the impact of climate change. To reduce the amount of greenhouse gas emissions in accordance with Sustainable Development Goals (SDGs), The company has studied and planned to install the solar panel on the company's roof in 2023

Activities to reduce environmental impact

The company has encouraged employees to propose annual Kaizen Activities to develop and improve their work reduce waste and increase production efficiency. In 2022, two activities have passed the criteria and reduce environmental impact as follows:

- Activities to reduce mesh strainer no. 16 at the compound process: reduce the disposal of used mesh strainer from reusing three times to four times, can save the disposal of mesh strainer from 0.76kg/production to 0.35kg/production unit, decreased by 0.41kg/production unit.



- Activities to reduce fabric usage in the production process at calendering process: reduce the disposal of fabric from reusing two times to three times.



Tax Policy Union Pioneer Public Company Limited is committing to sustainable business growth. The company strictly adheres to good corporate governance principles, business ethics and complies with all relevant laws and regulations. The Company ensures that its management of taxes is carried out fairly and transparently. With the

responsibility to all the stakeholders, we realize the importance of being a good taxpayer that proper tax payment can contribute to society's sustainability.

Guidelines

1. Use tax incentives for maximum efficiency under legal requirements, including compliance with government officials and related organizations' financial and tax disclosure regulations.
2. Submit the tax within the time specified by law, manage the payments or request tax returns for the organization's highest liquidity.
3. Study and consider tax implications regularly, considering the company's best interests if a new tax law is enacted or a new transaction occurs.
4. Carry out tax planning, study law and regulation to implement correctly and entirely by the rules, procedures, and conditions stipulated.
5. Appoint a party responsible for overseeing tax matters. Coordination with government agencies about tax matters must be done through the designated responsible party to ensure that all relevant information will be timely submitted, reduce the risk of tax disputes including providing company's operation information based on facts upon request or call for an inspection from a government agency.
6. Provide knowledge and understanding of tax laws to the person in charge, so that they can implement correctly and entirely by stipulated rules, procedures and conditions.

Tax Risk Management

To perform tax duties effectively and ensures compliance with tax law and regulation, the company has implemented important tax risks management as below:

1. Assess and analyze tax implications if laws or regulations change, set operation guidelines to comply with tax law and regulation, ask for opinions and suggestions from relevant government agencies of any doubts to ensure the careful management of tax.
2. Set process of preparing and paying taxes accurately and on time, proceed with accounting record completely, regularly review tax calculation, have recorded the tax data and report systematically and appropriately.
3. Promote and encourage training and tax knowledge to relevant employees regularly.
4. Establish tax compliance review, coordinate with internal and external auditors on tax-related risks or damages.
5. Report important tax issues to the management and the board through the chief executive of the accounting and finance department.

Tax Report

The company has set a tax policy to supervise the operation and tax benefit application entirely and correctly. To achieve maximum efficiency of tax implementation, the company also complies with financial and tax information disclosure regulations to the government and all stakeholders. The company believes that good tax practice contributes to a country's overall economic and social development.

In 2022, the company's effective tax rate was 17.59 percent, lower than the statutory tax rate (20 percent) because it is entitled to exemption of tax and duties follows:

Royal Decree no.437	Employee training expenses
Royal Decree no.499	Employment of disabled employees.
Royal Decree no.639	Employment of elderly employees
Royal Decree no 642 695	Investment in new machinery
Royal Decree no 663	Donation to school and hospital
Royal Decree no. 733	Purchase of ATK (COVID-19) testing kits for employees

Management Discussion and Analysis

Business Overview

In 2022, the Global economy including Thailand has recovered from the impact of COVID-19. But still, many events caused the global economy to slow down in the last quarter such as the Russia-Ukraine war, continual inflation, higher energy prices and an increase in interest rates by the US Fed. All these factors eventually reduce the consumer's purchasing power. Garment and Textile industries have been slowed down, demand for elastics earloop for masks hasn't recovered as expected, while energy cost and labor costs have been increased by government policy. As a result, the company's overall earning performance decreased from 2021

Business Operating Results and Profitability

Transaction	For the Year ended 31 st December (Unit: Million Baht)			
	Year		Increase (Decrease)	
	2022	2021	Amount	%
Total Revenues	660.08	621.05	39.03	6.28
Costs and Expenses	632.42	576.93	55.49	9.62
Profit (Loss) -Net	21.58	35.35	(13.77)	(38.95)

In 2022, the Company had revenue from sales at 660.08 million baht, increasing from the year 2021 by 39.03 million baht or 6.28%, attributed to export sales that increases from the previous year by 13.80 million baht or 3.60 % from the medical category. Domestic sales increased from the previous year by 27.08 million baht or 12.21%. from local business recovery during 1st-3rd quarter. Other revenue has been reduced from the previous year by 1.85 million baht or 11.62% from the reduction in waste product selling as production efficiency has been improved. The cost of sales increased by 55.49 million baht or 9.62% from higher electricity costs and the higher price of synthetic rubber; the key raw material being used in the production.

According to the Company's financial statements, the net profit was 21.58 million baht or 3.27% of total revenue, compared with the year 2021 with net profit of 35.35 million baht or 5.69% of total revenues.

The profit decreased by 13.77 million baht with the earning per share of 2.88 baht, mainly resulting from the higher raw materials and production costs.

Significant Financial Ratios

Debt to equity ratio : In 2022, the Company had a debt-to-equity ratio of 0.35 times, lower than in 2021 at 0.44 times, indicating that the debt ratio is still low compared with the equity.

Return on Equity (ROE) : According to the Company's financial statements, the net profit was 21.58 million baht, representing a return on equity of 5.87%, lower than that of 2021 with a return on equity ratio of 9.10%.

Liquidity Ratio : was 7.40 times, increased from 2021 which was 5.44 times due to a decrease in current assets from account receivable received during period.

Inventory turnover : was 3.42 times, increased from 2021, which was 2.90 times due to higher raw material and production costs from electricity expenses.

Asset Management

As of 31st December 2022, the Company's financial position was analyzed from changes in the assets, liabilities and shareholders' equity as follows;

Transaction	For the Year ended 31 st December (Unit: Million Baht)			
	Year		Increase (Decrease)	
	2022	2021	Amount	%
Total Assets	490.29	535.11	(44.82)	(8.38)
Total Liabilities	127.22	162.40	(35.18)	(21.66)
Total Shareholders' Equity	363.07	372.71	(9.64)	(2.59)

Assets

The Company's total assets at the year ended 2022 were 490.29 million baht, with the proportion of the asset consisting of current assets at 78.36%, property, plant and equipment at 12.21%, and other assets at 9.43% when compared to the year 2021 which was decreased by 44.82 million baht or 8.38%. The main changes were

from the decrease in trade accounts and other receivables which amounted to 117.32 million baht as of the year ended 2022, and declined from 2021 at 31.29% due to payments coming in during the period.

Trade and Other Receivable : As of 31st December 2022, trade accounts and other receivables showed the value as the net realized gain amounting to 117.32 million baht, decreased from the year 2021 by 53.43 million baht or 31.29%. The company did not have any debt settlement issues with customers. The company has set the unrealized value of payment in accordance with financial reporting standard no. 9 at 0.44 million baht.

Liabilities : The Company had a total liability of 127.22 million baht, which decreased by 35.18 million baht or 21.66%, from last year, mainly due to the decrease in trade account and other payables being settled within the period.

Shareholders' Equity : The Company had shareholders' equity of 363.07 million baht, which decreased by 9.64 million baht or 2.59% from last year, mainly due to the lower net profit from operations than last year.

Liquidity and Capital Sufficiency

Analysis of Changes in Capital.

As of 31st December 2022, Cash and cash equivalents amounted to 88.34 million baht, increased by 34.58 million baht from last year, which contains the details of the acquisition and uses of cash in the year 2022 as follows;

Transaction	For the Year ended 31st December (Unit: Million Baht)	
	2022	2021
Cash Flow from (used in) operating activities	88.16	22.60
Cash Flow from (used in) investing activities	(14.00)	(3.22)
Cash Flow from (used in) financing activities	(39.58)	(70.46)
Cash and cash equivalents at the beginning of year	53.76	104.84
Cash and cash equivalents at the end of year	88.34	53.76

- Net cash from operating activities decreased due to lower operating result of the Company.
- Net cash used in investing activities increased due to investment in machinery for production and investment in government bonds.
- Net cash used in financing activities decreased due to the decrease in the annual dividend payment of last year.

Liability and Off-Balance-Sheet Management

The Company disclosed in Note 24 of the financial statements and the consolidated financial report as of 31st December 2022 was summarized below.

- Last year there were no special transactions or transactions that came from abnormal operations.
- There was no significant change after the date specified in the latest financial statement that may affect the financial status and operating results of the Company.
- There was no effect from the shareholding restructure of group companies on the operating results of the Company.
- The Company had no guarantee for outsiders or any obligation in project investment or other similar obligations that may affect its operation.

Factors Affecting Business Operation in the Future

Outlook for 2023: The global economy remains uncertain due to political-economic and social changes, especially the protracted war between Russia and Ukraine, the ongoing energy crisis, cost of living crisis from inflation. All these factors affect public consumption to reduce. As for Thailand, the economic situation has gradually recovered from the tourism sector, and public confidence for the upcoming big elections will increase more money in circulation, people will have more purchasing power. Despite the rapid changes in the economic environment and energy crisis that directly affects to cost of products, the company continues to strive to develop products to meet customer needs with a reasonable price, increase channel of distribution, improve service quality, on-time delivery and improve the production efficiency and cost management to be more competitive in the market.

The company realizes the importance of adopting principles of good corporate governance, code of conduct, and anti-corruption to conduct the company business with transparency, sustainability, social and environmental responsibility and fair treatment to the stakeholder. The company has a risk management team consisting of executives and workgroups from each department to establish an effective risk management framework, control, oversee and review the risk management policy to cover and always comply with economic, social and environment. The risk management team always has a meeting to follow up on risk management results to find ways to control and manage risk at acceptable levels. ‘.

Board of Directors' responsibility for Financial Reporting

The Board of Directors is responsible for the Company's financial statements and information in the annual report. Such financial statements are prepared in accordance and consistency with the Accounting Standards for Publicly Accountable Entities. The aforementioned financial statements are generated in accordance with generally accepted accounting/ standards by implementing the appropriate accounting policies on a consistent basis, with careful consideration, including adequately disclosing the essential information in the Notes of financial statements that the independent auditors give unconditional comments on the independent auditors' report.

The Board of Directors has maintained an appropriate and efficient internal control system to ensure that the account recordings are correct, complete, and sufficient to protect the Company's interests and to devise protection against fraud or other suspicious activities.

The Board of Directors has appointed the Audit Committee which are the Independent Directors, are also Non-Executive Directors. They are responsible for the quality of the financial statements and internal control system, for the views of the Audit Committee are reported in the Audit Committee's report in the Company's Annual Report.

The Board of Directors is confident that the good corporate governance, risk management and internal control system of the Company is satisfactory to ensure reasonably the credibility of the Company's financial statements as of 31st December 2021 that are revealed the financial position and operating results correctly and appropriately in the significant matters.

On behalf of the Board of Directors

Union Pioneer Public Company Limited.



(Miss Dalad Saphavichaikul)

Chairman




(Mr. Komon Iamwatcharin)

Managing director

General Information and Other Significant Information

General Information and Other References

<p>Securities Registrar</p> 	<p>Thailand Securities Depository Company Limited (TSD) The Stock Exchange of Thailand Building, 1st Floor, Tower B (next to the Chinese Embassy) No. 93, Ratchadaphisek Road, Kwaeng Din Daeng, Khet Din Daeng, Bangkok 10400 Telephone (66)2 009 9000 Fax : (66)2 009 9991 Call center (66)2 009 9999 http://www.set.or.th/tsd</p>
<p>Auditors</p>	<p>Mrs. Poonnart Powcharoen, Certified Public Accountant, Registration No. 5238 (2nd year in auditing) or Mr. Krisada Lertwana Certified Public Accountant Registration No. 4958 Ms. Wilailak Laohasrisakul, Certified Public Accountant, Registration No. 6140</p> <p>EY Office Company Limited, Floor 33, Lake Ratchada Building No. 193/136-137 Ratchadaphisek Road, Klongtoey, Bangkok 10110 Telephone (66)2 264 0777, (66)2 264 9090 Fax (66)2 264 0789</p> <p>The aforementioned auditors are the authorized auditors who are approved by Securities & Exchange Commission (SEC), are independent and have no interest and no relationship with the Company, its directors, executives or major shareholders that may cause any conflict of interest with the Company over the past 3 years.</p>

Other Significant Information

- The Company doesn't have any other information that may affect significantly to the investors' decision.
- The Company does not issue and offer new ordinary shares or issue transferable subscription rights to the general public.

Legal Dispute

In 2022, the Company had no legal disputes that negatively affected the Company's assets more than 5% of the shareholders' equity as of the fiscal year end, and no disputes that significantly affected business operation of the Company, as well as no lawsuits caused by the normal business of the Company (According to the Notification of



the Capital Market Supervisory Board No. TorJor. 44/2556 Re: Rule, Conditions and Procedures for Disclosures regarding Financial Position and Operating Results of the Securities Issuers)

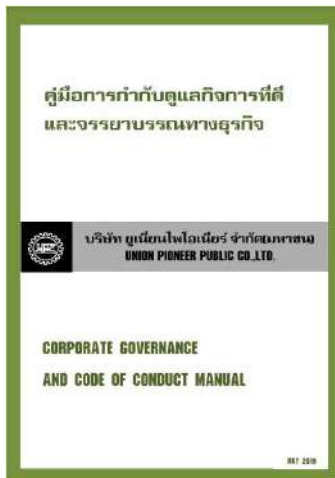
In addition, the Company did not have any disputes related to employment or corruption and business operations that significantly affect society and environment in any way.

Secondary Market

The Company has no securities listed on the Stock Exchange in foreign countries.

Financial institutions that the Company regularly contacts (in case debt securities issuances)

The Company does not have any operations in relation to this matter.



Corporate Governance

The Board of Directors recognizes the importance of good corporate governance, commits to conducting business with transparency, verification and adhered to running the business with morality without corruption and taking into consideration of stakeholders.

According to the board's meeting no. 5/2019 on 22nd May 2019, the board reviewed and approved the good corporate governance principles version 2012 (CG principles) and the new code of conduct; which is an integration of social, environmental issues and corporate governance (environmental, social and governance: ESG). The principles of good corporate governance year 2017 (CG Code), criteria for the survey of corporate governance of Thai listed companies (CGR) and the quality assessment criteria for the annual general meeting of shareholders (AGM) have been applied to supervise, monitor and review in organization development for an ethical, transparent and verifiable management system which build confidence for shareholders, investors, and all stakeholders. The Board will consider applying the guidelines that have not been implemented once a year. (Code 1.4.1,1.4.2,3.5.1) (Code 1.2.3,1.2.4)

The Board of Directors' Meeting no. 11/21, held on November 24, 2021, reviewed to improve the good corporate governance policy and the company's code of conduct manual, including monitoring and evaluating the policy implementation to ensure that it has been deployed to suit the business.

Overview of Corporate Governance Policy and Practice

The Board ensures that good corporate governance principles and business ethics knowledge will be disseminated to employees at all levels; directors, executives and all employees through communication in each department, including focus on creating awareness for employees thru orientation, explaining the principles and guidelines for all employees' understanding and used as a guideline for operations.

Policies and Practices relating to the Board of Directors

The board has established a good corporate governance policy and provided manual of disclosing information relating to good corporate governance guidelines, management practices, roles and duties of board of directors, roles and responsibilities of chairman, obligations and duties of managing director, sub-committees, the nomination of directors, directors' remuneration, independence of board of directors from management, directors' development, evaluation of directors' performances and internal control, including monitoring and evaluating the policy implementation once a year.

Details are disclosed in Section Corporate Governance Structure and Section Corporate Governance Performance Report.

Policy and Practice relating to Stockholders and Stakeholders

The company adheres to conduct the business under good corporate governance principles considers transparency, ethics and all groups of stakeholders to grow sustainably. In the past year, the board has consistently supported the company's compliance with the stock exchange of thailand's principle of good corporate governance for listed companies. The structure and guidelines of good corporate governance are divided into five parts as follows:

5 Principles of Good Corporate Governance

Principle 1: Rights of shareholders (CG Code 8)

Principle 2: Equitable treatment of shareholders (CG Code 8, 6)

Principle 3: Role of stakeholders (CG Code 4, 5, 7)

Principle 4: Disclosed information and transparency (CG Code 4, 5, 6, 7)

Principle 5: Responsibilities of the Board of Directors (CG Code 1, 2, 3, 4, 6)

Principle 1: Rights of shareholders (CG Code 8)

The Board of Directors realized the right of the shareholder according to the mandatory law, take care and treat shareholders equally, protect fundamental rights such as the right to buy, sell and transfer shares, receive dividends, receive company information, attend shareholders' meetings, voting rights, rights of appointing a proxy to participate in the meeting on his behalf, Expressing opinion and asking questions in shareholder's meeting and right to propose agenda to be included in the meeting, etc.

The company has encouraged all groups of shareholders to exercise their rights by establishing guidelines as follows [\(CG Code 8.1.1\)](#)

Taking care rights of each shareholder

- Encourage shareholders to exercise their rights without violating or depriving other shareholders' rights.
- The right to receive the company's information sufficiently and timely.
- Facilitate and encourage shareholders including institutional investors to attend the meeting and exercise their right to vote at the shareholder's meeting.
- The right to approve the election of the auditor and set the audit fees.



1) Before shareholder meeting

The company holds annual shareholders' meetings and follows the Securities and Exchange Commission (SEC) guidelines.

The company encourages shareholders to propose matters and submit questions in advance for the board's consideration, criteria for question submitting was from October 1st, 2020 until December 31st, 2020, at least five months before the shareholders' meeting or three months before the end of the accounting period. The prescribed criteria has been disseminated on the company's website. [\(CG Code 8.1.2, 8.1.5\)](#)

In 2022, the company held the annual general meeting of shareholders in the meeting room on the 9th floor. Saha-Union Public Company Limited, Headquarters Building, Head Office No. 1828 Sukhumvit Road, Phra Khanong Tai Subdistrict, Phra Khanong District, Bangkok 10260 . The Company closed the register book to collect names under Section 225 of the Securities and Exchange Act B.E. 1992 on March 30, 2022



2) Invitation of Shareholders' meeting and related documents. [\(CG Code 8.1.3\)](#)

Thailand Securities Depository Co., Ltd. (TSD), the company's registrar, submits invitation of shareholder's meeting, annual report, Proxy form B and C to shareholders. Meeting documents both in Thai and

english versions had submitted to shareholders on April 04, 2022, at least 14 days in advance, published on the company's website on March 18, 2022, more than 30 days before the shareholder's meeting date, advertised in newspaper to inform date, time, place and meeting agenda three consecutive days before meeting date during 30-31 March and 1 April 2022.

3) Annual General Meeting of Shareholders.

In 2022, the company held an annual general meeting of shareholders on April 20, 2022; with nine out of nine directors attending the meeting, two were online. The meeting was transparent and consistent with the excellent practice of holding the shareholders' meeting of the listed company. An independent proxy Ms. Rungthip Phakamonphat, from Shaha Phatana shareholders who are independent persons as witnesses in the vote counting.

The company has provided guidelines to facilitate and encourage all groups of shareholders to attend the shareholders' meeting, strictly follow the government directions on COVID-19 preventive measurement and practice.

- The company has applied electronic technology and barcode system with shareholders meeting such as registration and vote counting.
- The company's registration officers prepared stamps in advance to facilitate shareholders and proxies, encouraged shareholders and proxies to use ballots for every agenda, ballots are separated for each agenda. Before starting the meeting, the chairman informed the shareholders of the voting method and vote counting in each agenda according to the Company's Articles of Association.
- The vote counting has been based on the majority resolution of shareholders who attend the meeting and exercise their votes. Unless otherwise required by the law, the vote-counting result will be announced after the end of the session of each agenda.
- The meeting agenda has been specified as an agenda for acknowledgment or approval, including divided into topics such as in the agenda relating to directors and has separated the election of directors and approval of remuneration for each agenda ([CG Code 8.2.8](#))

- Agenda for the election of directors were to be in details such as name-surname, age, education, experience, date starting the position as director, training on duties and skills, years of directorship, with/without interest in many ways with the company, types of directors to be nominated, number of shareholding including meeting attendance in the previous year.
- Propose the shareholders to determine the remunerations for the directors who were already approved by the Nomination and Remuneration Committee of the company

The company provides the shareholder the right to ask questions and concerns, expressing opinions within a reasonable time on each agenda. Importance questions and answers are recorded in the meeting minutes for shareholders who do not attend the meeting. Without notifying the shareholders in advance, the chairman will proceed with meeting according to the agenda, will not add agenda or change order of agenda, will not consider matters other than those specified in the notice.

4) After the Annual General Meeting of Shareholders.

- **Disclosure of meeting resolution:** After the meeting, the company discloses the shareholder's annual general meeting resolution, including voting results, notified in a newsletter to the Stock Exchange of Thailand and on the company's website.
- **Minutes of Annual General Meeting of Shareholders:** The company has recorded the minutes of meeting accurately and thoroughly, each agenda includes essential information such as details of the number of shares, the proportion of shareholders attending the meeting in person and by proxy, list of directors and managements attending the meeting, procedure and voting method, meeting resolution, voting results in each agenda, including shareholders' inquiries, clarification, and opinion proposed at the meeting. The company submitted the minutes of the annual general meeting of shareholders to the Stock Exchange of Thailand on April 29, 2022, which was within 14 days after the meeting date (CG Code 8.3.2) The company has disclosed minutes of the meeting on the company's website for shareholders verification and submitting to the ministry of commerce within the legal time requirement.



Principle 2 Equitable Treatment of Shareholders

The Board of Directors is aware of all groups of shareholders; whether they are major or minor, individual or institutional, foreign or domestic, the company provides them with equal rights for the highest benefit of shareholders as below:

1) Protection of Shareholders' right

The company emphasizes the importance of treating the shareholders equally and fairly; for the Annual General Meeting of Shareholders of the previous year, the Company has set the principles as below:

- Propose matters in the meeting agenda and propose questions in advance. According to last year 2021's minutes of meeting, no shareholders raised any matters to be included in the meeting agenda.
- Shareholders who cannot attend the meeting can appoint an independent director to represent their rights. The company has specified relevant information of independent directors such as name, surname, type of directors, age and address. Independent directors who are to be retired by rotation will not be presented as a proxy to prevent with / without interest issues. The proxy letters form B and C are attached with the sent-out annual general meeting of shareholders' invitations; shareholders can choose any form of a proxy letter to determine their voting direction. The company has prepared stamp duty for proxy form attachment at the registration point.
- Provide rights to shareholders with one share one vote principle.
- No agenda added other than those specified in the invitation letter for the annual general meeting of shareholders.

Prevention of the use of inside information is in the section of Business Ethics.

Directors' interest

Establish guidelines and procedures for reporting on interest and securities holding as below:

- 1.) The Board of Directors supervise and manage transaction that may contain with/without interest, as well as provide guidance and procedures to make such transactions follow the process of operation and disclosure of information as required by general trade condition and law for the maximum benefit of the company and shareholders, The stakeholders should not participate in the decision. [\(CG Code 6.3.2\)](#)

- 2.) Before considering the agenda, directors must report their interests and stock holding following the rules, conditions, and procedure specified. The director that has a with/without interest in the agenda under consideration will not attend the meeting or abstain from voting. (CG Code 6.3.3)
- 3.) To prevent any transfer benefits arising from “connected transaction” between the company and persons who may have a conflict of interest, the company must propose a “connected transaction” to the audit committee for consideration and comment, then present it to the board of directors and the shareholders’ meeting for further review and approval. If the audit committee does not have expertise in related “connected transactions,” the company will allow the auditor to give an opinion and be used in the decision of the audit committee and the Board of Directors. (CG Code 6.3)
- 4.) In the past year, no directors and executives have violated/do not comply with asset trading rules according to the regulations of the Stock Exchange of Thailand / the Security Exchange Commission, Thailand.

Category 3 Role of Stakeholders.

The Board of Directors has established guidelines of the company’s operations related to stakeholders such as shareholders, employees, customers, business partners, creditors, competitors, community and society. The company must treat all stakeholders equally and fairly according to the agreement, legal rights and human rights that conform to good corporate governance principles. Established guidelines are as below:

Additional information on each topic can be found on pages 46-56 of the Corporate Governance and Code of Conduct Manual.

- 1) *Roles to Shareholders.* The company is striving to develop business with a stable and sustainable financial position with operating return on business to increase the value of shares for shareholders.
- 2) *Roles to Trade Partners and Creditors* The company has dealt with dealers, contractors and partners accordingly to the procurement process without any special preferential treatment. The company has established guidelines to deal with trade partners and creditors as below:

Trade Partners: The Board of Directors has established guidelines to treat all business partners equally and fairly. The regulations in procurement and selection of vendor/contractor/consultants are based on maximizing

the company's benefit, with transparency, bias-free, auditable, and employees are strictly prohibited from receiving any benefit.

Creditors: In the past year, the company has complied with a commitment to creditors, treated all creditors per trade agreement, had no default payment and never received any benefit.

3.) Roles to Customer The company is committing to develop better products and services continually, collaborate with the customer to develop and research good quality products that meet customer needs, provide fast and reliable service, do not take any advantage of customers, develop eco-friendly and safe products, maintain customer's confidentiality and do not misuse customers' information, develop customer's satisfaction by having a concise channel to handle customer complaints and suggestions and being able to implement the action promptly.

4) Roles to Competitors The company operates the business with integrity, fair competition, within rules of good competition, and trade regulation. The company does not solicit competitors' secrets with an inappropriate and unethical method.

5) Roles to employees The company has human resource management policy that encourages all levels of the employee to work with their knowledge and fully maximize their ability, provide compensation reasonably, equally, and appropriately, has welfare by regulated requirements such as social security and compensation fund, additional welfare to enhance the quality of life, retirement fund, provident fund, and other benefits as below:

(1) Hearing Conservation, measured with the following actions

- All executives, supervisors, employees, and related parties must support the hearing conservation project and give an opinion for improving the safety of working conditions.
- Health surveillance of loud noise by surveying the area, putting a hearing protection sign to wear the earplug and indicating noise levels with the sound map.
- Health surveillance of hearing by testing on hearing capability of staff by a certified external organization.

(2) Fire evacuation training: For the past year, in order to educate employees and staff to be always well prepared for fire prevention and safety, the company has organized fire evacuation drills and fire drills as required by law.

(3) The company emphasizes taking care of the employee's health by encouraging all employees to have annual health check-ups arranged by the company.

(4) In the past year, the company has conducted environmental training sessions as below:

- Carbon Footprint of Organization ISO 14064
- Mechanisms to reduce greenhouse gas towards carbon neutrality.
- Environmental and Safety Laws
- Circulation economy toward greenhouse gas reduction.
- Climate change measurement and management.
- Establishment of an environmental management system

(5) The company adheres that business success must accompany employee safety. A safe working environment is a fundamental right that every employee can get equally. All executives and employees are assigned to take care of their own department's safety determined by the safety policy, occupational health and working environment. Additional information can be found on page 67 of the Corporate Governance and Code of Conduct manual on the company's website. The company has established the "Occupational Safety, Health and Environmental Committee" and "5S committee" to represent all employees to improve and implement the safety project for better working life.

The company has disclosed information and statistics rate of the accident year 2021 under safety workplace topic on Driving business for sustainability article.

(6) The company still operates the policy on supporting the employees' health promotion program, collaborates with Nopparat Hospital in reducing NCDs Non-Communicable diseases, which caused by the effect of the employees' lifestyles such as alcohol, smoking, lack of exercise, consuming an excess of salty-sweet foods, stress and carried out a policy on escorting pregnant employees by giving the importance on exemplary health conservation and works which will not be dangerous for the mother and their child (fetus).

6) Roles to Society, Community and Environment. The company realizes that business sustainability should go along with responsibility to society, community and environment. The company has summarized "CSR in process" and "CSR after process" on the topic of "Driving Business for Sustainability."

7) Role to the Government. In 2022, the company paid tax in full amount within the time specified by the law. The company supports the government policies in protecting the nation's benefits by complying with all legal requirements, including withholding tax, company's income tax, value-added tax, customs duty, signboard tax, building tax and stamp duty. The company also complies with other factory requirements such as fuel and environment control requirements, labor law, safety and occupational health law. The company also set up additional tax policies, including tax benefits and tax management.

The company has established the "Anti-Corruption Policies" with additional information that can be found on pages 57-63 of the Corporate Governance and Code of Conduct Manual.

Category 4 Information Disclosure and Transparency.

The Company has disclosed important financial and non-financial information accurately, completely, transparently and timely in accordance with the regulatory requirement. The shareholders and stakeholders can reach information easily and equally for an investment decision. The board has prepared the board's responsibility on financial reports together with auditor's report (CG Code 7.1) in Thai and English version through various channels such as the Stock Exchange of Thailand's notification system and company's website.

Maintain Financial Reliability and Information Disclosure.

The Board of Directors has taken care of preparing financial reports and important information disclosure. The company has assigned Accounting and Finance Department Manager as the highest responsible person in the accounting and finance department and Investor relations. Accounting Section Manager responsible to control and supervise all accounting transactions. The above-mentioned persons in charge possess qualifications, knowledge, and experience according to job specifications stipulated in the Management details.

In the past year, the company has disclosed financial statements, financial status analysis, and operation results (Management Discussion and Analysis) every quarter to the Securities and Exchange Commission and Stock Exchange of Thailand office. The auditors have certified the company's financial statements without any conditions; there is no late delivery or amended history. Disclosed issues are as below:

- 1) Disclose information according to accounting periods which are financial information and non-financial information via the SET Link of the SET and on the company's website for the shareholders, investors, and regulators to acknowledge the information completely, timely, and be able to use them for consideration thoroughly and fairly. (CG Code 7.1.4)
- 2) Disclose the shareholders' structure transparently.
- 3) The company's management will bring important "connected transactions" to the board or shareholders' meeting for approval. Disclosures show related parties' name lists of connected transactions, relationships, nature of transaction, conditions, value, and connected transaction reason. In the past year, all connected transactions belonged to ordinary business transactions. (CG Code 6.3)
- 4) Disclosure of audit and other service fees, considered by the audit committee. Details are on the topic "Auditor's Remuneration."
- 5) Disclosure of the role and duties of committees and sub-committees includes the management structure, interest disclosure, and frequency of each director's attendance compared to meetings being held throughout the year in Form 56-1 (One report).
- 6) The company has disclosed the remuneration of directors and senior management, reflecting each individual's duties and responsibilities, including the form or nature of the compensation. The nomination and remuneration committee has considered directors' remuneration compared to comparable companies listed on the stock exchange of Thailand that are in the same industries. More information is in the summary of the remuneration of all committees. Information is disclosed on the company's website as below (CG Code 7.6):
 1. Company's vision and mission.
 2. Nature of company's business
 3. Financial statement and reports on financial position and performance of current and previous years.
 4. Submit and disclose the annual registration statement Form 56-1 (One Report) to the supervisory authority within three months from the end of the accounting period. The information can be downloaded from the website of the Stock Exchange of Thailand and on the Company's website.
 5. Disclosure of resolutions to the shareholders meeting shall be done one day after the meeting, the resolution consists of the date, time, place, agenda of the shareholders' meeting, directors' opinions and closing date of the share registration book.

6. Disclose invitation to the shareholders meeting and related documents on the company's website 30 days in advance of meeting date.
7. Submit and disclose the minutes of the shareholders' meeting to the stock exchange of Thailand within 14 days after the meeting date, also on the company's website.
8. Company's policies, good corporate governance and code of conduct manual.
9. Company's rules and regulations.

Investor Relation: Mr. Wiwat Jongkonrat
Accounting and Finance Manager (CFO)

Tel no.: 02-517 0105 till 8 ext. 211

E-mail: wiwat@unionpioneer.co.th

The company has published the person in charge and contact channel through Investor Relation Information on Company's website.



Categories 5 Board of Directors' Responsibilities.

1. Duties and Responsibilities of the Board of Directors. (CG Code 1.3)

The Board of Directors has duties to perform in accordance with the law, objectives, company's rule, and resolution of shareholders' meeting, has a vital role in formulating policy, vision, company strategies, including supervising, monitoring, and auditing management's operation, assess the operating performance with planned one, define corporate governance policy, business ethics, important business policy and supervise the management operates the business effectively and efficiently for the best benefit of the company.

Additional information can be viewed at section corporate governance structure and board's important information.

2. Board of Directors' Meeting. : Details are disclosed in the section report on Governance Performance.
3. Directors' Remuneration : Determination of the director's remuneration structure, consideration of remuneration, other compensations, remuneration criteria, details of each director's remuneration, meeting attendance of directors in and board performance assessment in the past year are all disclosed in Section Governance performance report.
4. Knowledge Development for Directors and Executives.
 - 1) The company promotes and supports directors to attend training courses related to director's performance improvement, such as the DCP, DAP course of IOD, etc as well as supports to have a better understanding of laws, rules, standards and risks related to current business operation. Information on training and knowledge development of the company's directors are disclosed in the annual report (CG Code 3.8.2, 3.8.3, 3.8.4)
 - 2) The company has provided an orientation to new directors in accordance with the stock exchange of Thailand's guidelines within one month after holding the position. The management department would provide important information to new directors including objective, goal, vision, mission, corporate value and nature of business as guidelines of good corporate governance principle. (CG Code 3.8.1)
 - 3) The board has formulated a succession plan for company's senior management positions to prevent business operation interrupt. The managing director reports the results of the succession plan to the board at least east once a year (CG Code 4.1.3)

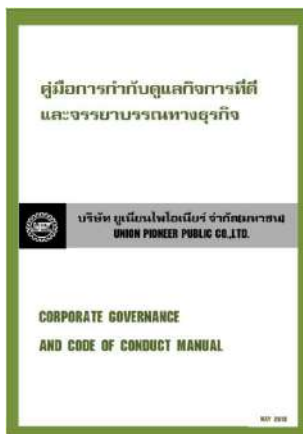
Courses of the Thai Institute of Directors Association (Thailand Institute of Directors: IOD)

AACP-Advanced Audit Committee Program	DCP-Director Certification Program
ACP-Audit Committee Program	DDE-Director Diploma Examination
BFI -Boardroom Success through Financing & Investment	ELP - Ethical Leadership Program
BMD-Boards that Make a Difference	FN-Finance for Non-Finance Director
BNCP - Board Nomination and Compensation Program	FSD-Financial Statements for Directors
CDC-Chartered Director Class	RCC-Role of the Compensation Committee
DAP-Director Accreditation Program	ROM-Risk & Opportunity Management

In 2022, there are no training courses for Directors.

Board of Directors' training information relating to the roles, duties and skills of being a director

Courses	Miss Dalad Saphavichaikul	Mrs.Nuntawan Sakuntanaga	Mr.Wanchai Rattanawong	Mr.Komon Iamwatcharin	Mr.Chutindhon Darakananda	Mrs.Chantornee Darakananda	Mr.Vacharaphong Darakanada	Mr. Nanthiya Darakananda	Mr.Kollatat Tangehitkul
AACP	-	-	17/2014	-	-	-	-	-	25/2017
ACP	10/2005	43/2013		-	-	-	-	-	-
BFI	-	7/2019		-	-	-	-	-	-
BMD	-	9/2019		-	-	-	-	-	-
BNCP	-	-	5/2018	-	-	-	-	-	-
CDC	-	-	-	-	-	-	7/2013	-	-
DAP	-	-	110/2014	163/2019	17/2004	5/2003	2/2003	2/2003	113/2014
DCP	9/2001	166/2012	201/2015	-	-	-	69/2006	212/2015	-
DDE	4/2001	-	-	-	-	-	19/2006	-	-
ELP	13/2018	21/2021	-	-	-	-	-	-	-
FN	1/2001	-	-	-	-	-	-	-	-
FSD	-	31/2016	-	-	-	-	-	-	-
RCC	-	-	-	-	-	-	15/2012	-	-
ROM	-	1/2021	-	-	-	-	-	-	-



Code of Conduct

The Company is committed to conducting business with integrity, transparency, accountability and fairness to all related parties. The board has set the “Code of Conduct” as the company's business operations guideline and established “business ethic” as a work practice for directors, executives and employees to follow and promote ethics within the organization. There were no violation of company’s business ethic in the past year.

The company has focused and encouraged employees to comply with business ethics. The following actions are considered to violate the company’s code of conduct.

- Not comply with the code of business conduct and ethic.
- Recommend, encourage or support others not to comply with the code of conduct.
- Neglecting to ignore any violations or non-compliance with the code of conduct
- Not cooperating or obstructing to investigate the facts of violation or non-compliance with the Code of Business Conduct.

According to company regulation by the human resource department, actions that violate the code of conduct will be subjected to punishment and may be subject to penalties if the act is an offense under the law.

1. Prevention of conflict of interest.

The company has established policy and guidelines on the prevention of conflict of interest, as can be seen below:

- Do not perform anything contrary to the company’s business interest directly or indirectly; cause the company to lose benefit, receive lesser benefit than it should be, or share benefit from the company.
- With regard to the connected transaction policy, comply with the rules of the capital market supervisory board and the disclosure of information and operation of the listed companies in the stock exchange of Thailand, as well as regulation, law, notification and orders.
- Do not do anything directly or indirectly compete with the company's business.
- Not seeking personal business benefit with the company, such as selling products and services to the company.

2. Use of inside information.

The company established the measurement to prevent the use of inside information that has not been disclosed to the public or make use of the information for personal or other benefits (CG Code 7.5.1) can be found in Section 5, Clause 5.14, internal information policy, pages 84-85 and section 2.3, preventing the use of insider information, pages 20-21 of the good corporate governance manual as a guideline for related persons.

- 1) It is strictly prohibited to disclose or use the company's confidential information for personal or other benefits.
- 2) Do not disclose inside information and documents to outsiders; make use of that information for personal or their associate's benefits, such as trade secrets, production formulas, production techniques.
- 3) Do not use not yet publicly disclosed information for oneself or others' benefits or take any action that may cause a conflict of interest with the company.
- 4) Prevent the use of inside information in trading of company security. The secretary arranges a schedule in advance each year to inform the directors and executives the date that they should avoid trading company securities that 14 days before the disclosure of the quarterly and annual financial statements until 24 hours after the disclosure of such information to the Stock Exchange of Thailand (SET).
- 5) The company's managing director and four executives under managing directors (as defined by the securities and exchange commission) are obliged to report changes in their securities holdings, including spouse and underage children (according to the notification of the office of the securities and exchange commission no. Sor Chor. 38/2018 subject: preparation report on changes in securities holdings) annually or when there is a change. The company secretary will keep this report and send a copy to the chairman of the audit committee within seven working days from the date of receiving.
- 6) Disclose the number of shares held by each director in the previous and current year in Form 56-1 and the annual report. In the past year, no offenses committed by the directors and senior management, and employees involved in the use of inside information were shown.

3. Anti Corruption (CG Code 6.4)

Union Pioneer Public Company Limited has announced the anti-corruption policy; more details can be found in the good corporate governance handbook and code of conduct principle no. 3.5, pages 49-50 and part 4, pages 57-63, including practices relevant to employees and all groups of stakeholders through various channels, focusing on nurturing good operating practices, increasing all forms of anti-corruption awareness and creating an organizational culture under good corporate governance and compliance with business ethics. To build confidence and meet the expectations of all stakeholder groups, the company also encourages business partners and customers to support anti-corruption in all forms to build trust with all stakeholders, to be part of development in our nation's society, economy and fair business practice.

On December 22, 2021, the company received certification as a member of the Thai Private Sector Collective Action Against Corruption (CAC).

4. Whistleblowing Guideline and Procedure

To ensure that complaints, suggestion and whistleblowing being reported from employees or all group of stakeholders will be effectively handled with transparency, honesty, fairness, confidentiality, and timely, the company has a clear policy as follow:

1) Stakeholders and employees can report wrongdoing or complaints to directors, company secretaries or the internal audit office directly at the contact address by letter or E-mail address

Whistleblowing or complaint channel:

Email : ac_upf@unionpioneer.co.th to the audit committee

: md_upf@unionpioneer.co.th to the company's managing director

Letter : Audit committee Union Pioneer Public Company Limited.

No.1, Soi Serithai 62, Khwaeng Minburi, Khet Minburi, Bangkok 10510

Complaint box : Drop the complaint into the red box in front of the Saha Union's security guard station at Bang Chan

Telephone : Hotline 0-2-517-0105-8 ext. 111 to Managing director

2) Upon receiving a complaint or whistleblowing, the recipient shall consider information or evidence for validity, if the information is valid and is affected or potentially affected to the company, the issues will be further registered, investigated, concluded with a corrective action plan.

3) The company will inform the director of the investigation results. The company is ready to protect employees or stakeholders who provide information and assist the victim of misconduct and fraud from any kinds of threats or unfair acts.

5. Measures and guidelines for protecting employees, complainants or whistleblowers

According to the company's management process and guidelines for protection, the company will not disclose the name of complainants or whistle-blowers, keep them as confidential information of the company for their own protection in order not to cause trouble to them and set up a fact-checking committee to consider transparency and fairness to whistleblowers

In 2021, the Company has taken action to promote “Ethics within the Organization” for all employees to know and learn about the principles of good corporate governance and business ethics. including important policies through communication channels such as

- 1) Create an online system for employees through scanning QR CODE to view the information, which can be accessed at any time, whether they are located inside or outside the company.
- 2) Public relations through online media, the company's line application group
- 3) Public relations boards in each area of the Company
- 4) Through meetings for executives to communicate to their subordinates such as production line's morning talk.
- 5) Communicate via the company's broadcast during break time for all employees to be informed and operate under the framework of ethics, morality, honesty which create a foundation for the company to grow sustainably.

Major Changes and Developments of Policies, Practices and Corporate Governance in the past year

The company believes in and realizes that conducting business with good corporate governance is vital for efficient and sustainable operation and creating long-term value for shareholders and stakeholders. The company has provided an excellent transparent, auditable internal management and control system, respected the right of shareholders and equitable treatment of shareholders, maintained financial credibility, disclosed information entirely and timely during the year 2020 – 2021. The company received the performance assessment from various reliable regulatory agencies and organizations as follows:

Ranking - Listed Companies

Please enter search criteria

Issuer

Sector

Score Level

Issuer: UNION PIONEER PUBLIC COMPANY LIMITED

Symbol: upf

Assessment Type: ☒CG Score ☒AGM Level ☒Thai-CAC ☒THSI

Search

Reset

Sustainability Development by Industry (1 record(s) found)

Symbol	Company Name	CG Score ^{1/}	AGM Level ^{2/}	Thai CAC ^{3/}	THSI ^{4/}	Sector
UPF	UNION PIONEER PUBLIC COMPANY LIMITED	<div><div></div></div> 4	<div><div></div></div> 4	Certified	n/a	SET - FASHION

¹ CG Score 2020 from Thai Institute of Directors Association (IOD)

(Guideline for results presentation)

² AGM Level 2021 from Thai Investors Association

³ Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of October 24, 2021) are categorised into:

- companies that have declared their intention to join CAC, and
- companies certified by CAC.

⁴ The Stock Exchange of Thailand : the record of listed companies with corporate sustainable development "Thai sustainability Investment 2021" included:

- SET and mai listed companies passed the assessment conducted by the Stock Exchange of Thailand: THSI (SET) and THSI (mai)
- SET listed companies passed the assessment conducted by the Dow Jones Sustainability Indices (DJSI)

Last updated on 30 January 2022

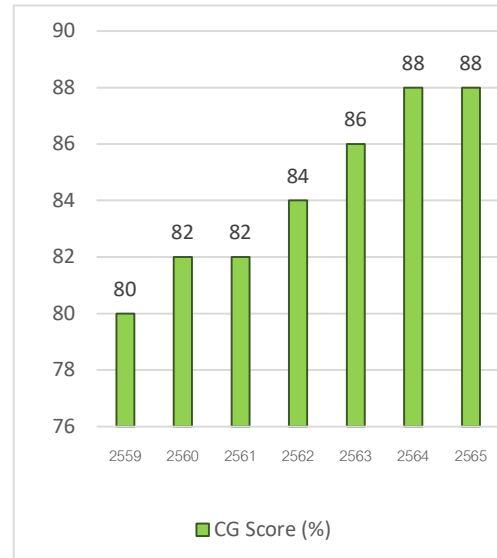
Corporate Governance Practices Assessment Report of Listed Companies -CGR Year 2022



The company has maintained an excellent, high-level standard for six consecutive years.

The board has regularly reviewed the company's good corporate governance practices, monitored CG improvement and best practices to apply with the company's business accordingly.

In the past year, the Company received a 4-star rating on corporate governance of Thai listed companies (CGR) from the Thai Institute of Directors Association (IOD), supported by the Stock Exchange of Thailand.



Thai Private Sector Collective Action Against Corruption (CAC)

The Company has been certified as a member of the Thai Private Sector Collective Action Against Corruption from 30 June 2020 to 30 June 2023



Union Pioneer Public Company Limited has been recognized by Thaipat Institute as one of the listed companies in the ESG100 for the years 2016, 2017, and 2021 as a listed company with outstanding environmental, social and governance performance.

Compliance with Good Corporate Governance principles in other matters : The company has applied good corporate governance principles for listed company year 2017. However, in the year 2022, there were still some issues that the company was unable to cover in the following areas

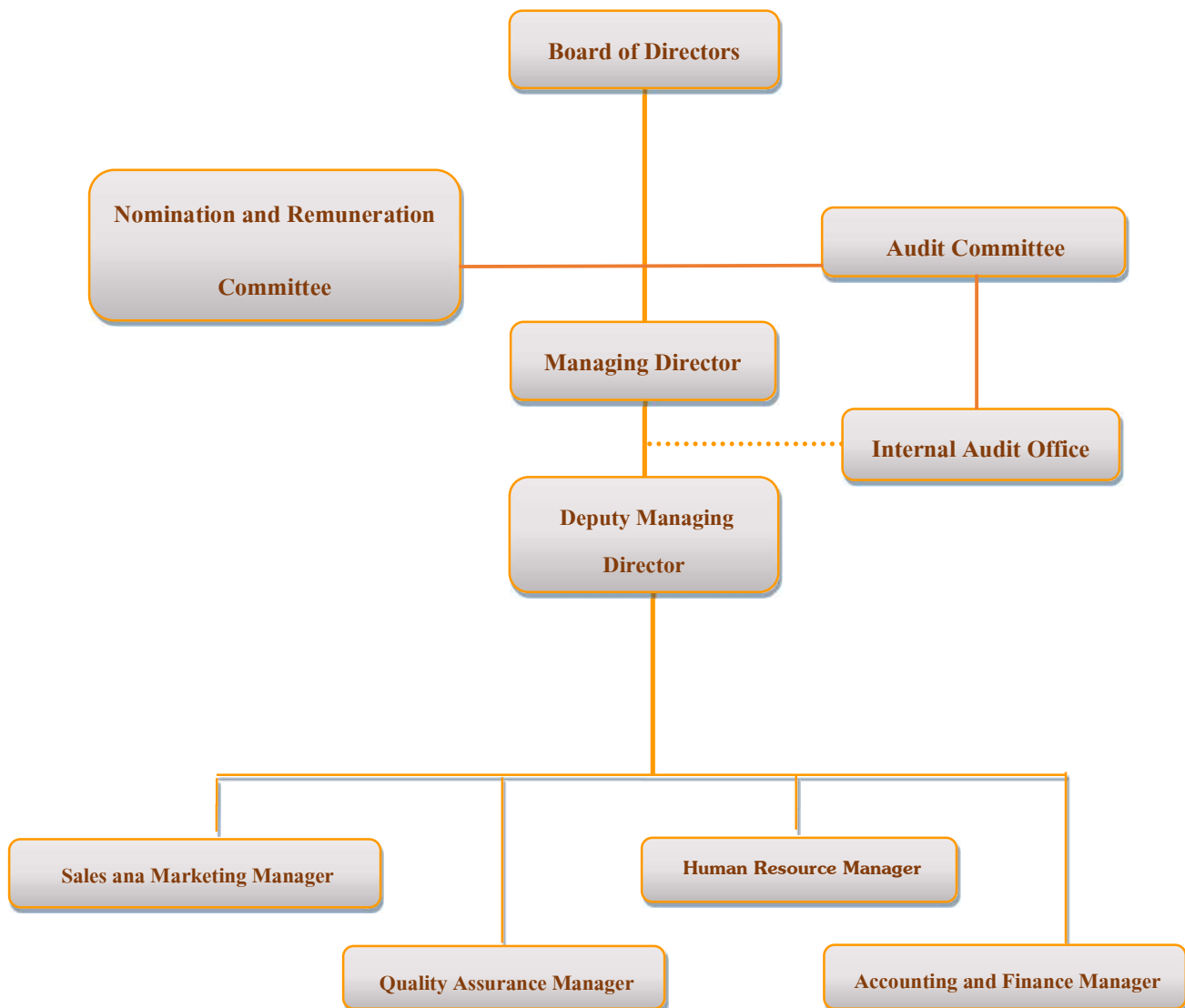
Unimplemented issues	Alternative measures/reasons
1. The chairman of the board should be an independent director	The chairman of the board is a non-executive director who possesses business knowledge, experience and good leadership skills. In addition, the board has clearly defined the roles and responsibilities of the chairman and managing director. The board balances the authorization between management and governance by having three independent directors out of nine directors. It emphasizes the benefit of the company, shareholders and all stakeholders.
2. The board of directors should consist of more than half of the independent director	<p>The structure of the board consists of three independent directors out of the total of 9 directors</p> <ol style="list-style-type: none"> 1. The chairman and the managing director are not the same person. 2. The chairman of the board is not a member of the executive committee, nomination and remuneration committee, or being assigned to have administrative responsibilities. In addition, in the year 2021, the Board has agreed, as proposed by the nomination committee, that the current composition and qualification of the board is appropriate and efficient in the performance of duties of the board.
<p>3. Each independent director shall not take the position for more than nine consecutive years from the day of the appointment.</p> <p>4. Determination of the most extended number of consecutive terms for independent directors and sub-committees.</p>	The board does not strictly specify the most extended number of consecutive terms for independent directors and sub-committees as the continuation of the independent directors and sub-committee are more beneficial to the company; directors who hold the position continuously are people who have knowledge, abilities, experience and have a good understanding of the nature of business operations, have freedom to express their opinions and suggestions that are useful to the company, do not relate to major shareholders or do not have authority in controlling or not being persuaded or dominated by the management. They have the qualifications of an independent director according to the SEC and the SET regulations.

Unimplemented issues	Alternative measures/reasons
5. The nomination and remuneration committee is an independent director as a whole.	The nomination and remuneration committee consists of three members, with at least two independent directors and the chairman of the nomination and remuneration committee is an independent director.

Corporate Governance Structure and Significant Information about the Board of Directors, Sub-committees, Executives, Staffs, etc.

Corporate Governance Structure

Union Pioneer Public Company Limited gives precedence to compliance with good corporate governance principles, and the rules of the Securities and Exchange Commission of Thailand for the employees at all levels in the organization from the board of directors, sub-committees, executives and staffs. This is considered as an important system for corporate governance with chain of command, by supporting, reviewing, independence, including the separation of duties, according to the management structure.





Miss Dalad Sapthavichaikul

Chairman

Age 66 years

Education

- Master's Degree in Computer Science, University of Illinois at Urbana – Champaign, U.S.A.
- Bachelor's Degree (First Class Honor) in Economics, Chulalongkorn University

IOD's Training

- Ethical Leadership Program (ELP) Class 13/2018
- Audit Committee Program (ACP) Class 10/2005
- Director Certification Program (DCP) Class 9/2001
- Director Diploma Examination Class 4/2001
- Finance for Non-Finance Director (FN) Class 1/2001

Experiences

- May 2014 – 1 November 2022 Chairman, Union Plastic Public Company Limited.
- 2018 – 1 March 2022 Chairman, Computer Union Co., Ltd.
- May 2014 – 19 June 2020 Director, The Royal Hotel Co., Ltd.
- May 2015 – 20 May 2020 Chairman, Union Textile Industries Public Company Limited.
- January 2017 – December 2017 Vice Chairman, Saha-Union Public Company Limited.
- 2004 – 2017 Director, Computer Union Co., Ltd.
- 2012 – 2016 President, Saha-Union Public Company Limited.
- 2011 – May 2014 Director, Union Plastic Public Company Limited.
- 2012 – May 2012 Director, Union Pioneer Public Company Limited.
- 1999 – 2011 Director, Saha-Union Public Company Limited.

Current Positions : Listed Companies

- 1 January 2018 – Present Chairman, Saha-Union Public Company Limited.
- June 2012 – Present Chairman, Union Pioneer Public Company Limited.

Current Positions : Saha-Union Group Companies

- Present Chairman and Director, Other Companies in Saha-Union Group
- March 2014 – Present Chairman, Union Thai-Nichiban Co., Ltd.
- 2013 – Present Chairman, Union Zojirushi Co., Ltd.
- Chairman, Union Micronclean Co., Ltd.
- Chairman, Union Stainless Steel Products Co., Ltd.
- 2012 – Present Chairman, Union Nifco Co., Ltd.

Other Companies

- 11 May 2022 – Present Chairman Board of Executive Directors, Sukhumvit 62 Medical Limited.
- December 2017 – Present Vice Chairman, Navavej International Hospital Public Co., Ltd.
- August 2015 – Present Director, Sukhumvit 62 Medical Limited.
- 1989 – Present Director, Processing Center Co., Ltd.

Years of Directorship

11 years (since 1 January 2012)



Mrs. Nuntawan Sakuntanaga

Independent Director / Chairman of the Audit Committee

Age 64 years

Education

M.B.A., in Marketing and International Business UNIVERSITY OF WISCONSIN at MADISON, USA

B.Ac., in Finance and Banking CHULALONGKORN UNIVERSITY

IOD's Training

- Ethical Leadership Program (ELP), Class 21/2021
- Risk and Opportunity Management, Class 1/2021 (IOD organized with AWC)
- Boards that Make a Difference (BMD), Class 9/2019
- Boardroom Success through Financing & Investment (BFI), Class 7/2019
- Financial Statements for Directors (FSD), Class 31/2016
- Audit Committee and Continuing Development Program (ACP), Class 43/2013
- Director Certification Program (DCP), Class 166/2012

Other Training

- Corporate Governance Program for Directors and Executives of State Enterprises and Public Organization, Public Director Institute (PDI) Class 12/2013

Experiences

- July 2014 – April 2020 Independent Director / Chairman of the Corporate Governance Committee, PTT Public Company Limited
- October 2017 – 30 September 2018 Permanent Secretary, Ministry of Commerce
- October 2016 Director General, Department of Internal Trade, Ministry of Commerce
- October 2015 Director General, Department of Intellectual Property, Ministry of Commerce
- October 2013 - 2015 Director General, Department of International Trade Promotion, Ministry of Commerce

Current Positions : Listed Companies

- January 2020 - Present Independent Director / Chairman of the Audit Committee, Union Pioneer Public Company Limited

Current Positions : Saha-Union Group Companies - None -

Current Positions : Other Listed Companies

- June 2022 – Present Independent Director / Audit Committee member, SCBX Plc.
- March 2022 – Present Independent Director / Audit Committee member, Siam Cement Plc.
- September 2018 – Present Independent Director / Chairman of the Corporate Governance Committee, Asset World Corp Plc.

Other Companies / Institutions

- 11 May 2019 – Present Commissioner, The Securities and Exchange Commission, Thailand
- April 2019 – Present Chairman, The Gem and Jewelry Institute of Thailand (Public Organization)

Years of Directorship 3 years (since 1 January 2020)

Years of Independent Directorship 3 years (since 1 January 2020)



Mr. Wanchai Rattanawong

Independent Director / Audit Committee / Chairman of the Nomination and Remuneration Committee

Age 59 years

Education

- Ph.D. (Manufacturing Engineering) Swinburne University of Technology, Melbourne, Australia
- M. Eng. (Computer Integrated Manufacturing) Swinburne University of Technology, Melbourne, Australia
- Master of Education (Physics) M.Ed. (Physics) Srinakharinwirot University (Prasarnmitr)
- Bachelor of Education (Physics) B.Ed. (Physics) Srinakharinwirot University (Bang Saen)

IOD's Training

- Board Nomination and Compensation Program (BNCP) Class 5/2018
- Director Certification Program (DCP) Class 201/2015
- Director Accreditation Program (DAP) Class 110/2014
- Advanced Audit Committee Program (AAP) Class 17/2014

Experiences

- 2017 – 2018 Director, Bangkok Mass Transit Authority
- 2016 – 2018 Senior Vice President for Corporate Capacity Development, University of the Thai Chamber of Commerce (UTCC)
- 2012 – 2015 Dean, Faculty of Engineering University of the Thai Chamber of Commerce (UTCC)
Director of the Institute of Research and Development Logistics, Thai Chamber of Commerce University (UTCC)

Current Positions

Listed Companies

- 1 January 2021 – Present Independent Director / Audit Committee / Chairman of the Nomination and Remuneration Committee, Union Pioneer Public Company Limited

Saha-Union Group Companies

- 17 June - Present Director, Computer Union Co., Ltd.

Other Listed Companies

- 2015 - Present Independent Director / Chairman, Sonic Interfright Public Co., Ltd.
- 2014 – Present Independent Director / Audit Committee, PTG Energy Public Company Limited

Other Companies

- 2017 – Present Director, LRDI (Thailand) Co., Ltd.

Other Positions

- 2018 – Present Director of the Institute of Research and Development Logistics, University of the Thai Chamber of Commerce (UTCC)

Years of Directorship 2 years (since 1 January 2021)

Years of Independent Directorship 2 years (since 1 January 2021)



Mr. Komon Iamwatcharin

Managing Director

Age 65 years

Education

- Bachelor's degree, Faculty of Economics, Thammasat University

IOD's Training

- Director Accreditation Program (DAP) Class 163/2019

Experiences

- 2014 – 2019 Deputy Managing Director, Union Pioneer Public Company Limited
- 2009 – 2019 Sales and Marketing Manager, Union Pioneer Public Company Limited
- 2009 – 2014 Assistant Managing Director, Union Pioneer Public Company Limited
- 1992 - 2008 Sales Manager, Saha-Union Public Company Limited (Bangchan Branch)

Current Positions

Listed Companies

- January 2020 – Present Managing Director, Union Pioneer Public Company Limited

Saha-Union Group Companies

- None –

Other Companies

- None –

Years of Directorship

3 years (since 1 January 2020)



Mr. Chutindhon Darakananda

Director

Age 63 years

Education

- Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor's Degree in Industrial Engineering, Stanford University, U.S.A

IOD's Training : Director Accreditation Program (DAP) Class 17/2004

Experiences

- 24 January 2019 – January 2020 Managing Director, The Royal Hotel Co., Ltd.
- March 2017 – February 2018 Vice Chairman, The Royal Hotel Co., Ltd.
- 2002 – January 2018 Vice Chairman / Managing Director, Union Thread Industries Co., Ltd.
Vice Chairman / Managing Director, Union Industries Corp., Ltd.
- May 2014 – February 2017 Director, The Royal Hotel Co., Ltd.
- 1992 – February 2017 Vice Chairman, Venus Thread Co., Ltd.
- 2007 – 2012 Vice Chairman (Investments in China), Saha-Union Public Company Limited
- 2001 – March 2009 Director, Union Energy (China) Co., Ltd.
- 1993 – 2007 Director, Union Textile Industries Public Company Limited
Director, Union Pioneer Public Company Limited
Director, Saha-Union Public Company Limited
- December 1990 – 2006

Current Positions : Listed Companies

- 6 May 2017 – Present Director, Union Pioneer Public Company Limited
- 2013 – Present Vice Chairman, Saha-Union Public Company Limited
- January 2011 – Present Nomination and Remuneration Committee, Saha-Union Public Company Limited

Current Positions : Saha-Union Group Companies

- Present Chairman, Vice Chairman and Director, Other Companies in Saha-Union Group
- 19 April 2022 – Present Chairman, Union Textile Industries Public Company Limited
- November 2018 – Present Chairman, Saha Union Holding Co., Ltd.
- 11 March 2018 - Present Chairman, The Royal Hotel Co., Ltd.
- February 2018 – Present Chairman, Union Spinning Mills Co., Ltd.
Chairman / Managing Director, Union Business Management Co., Ltd.
Chairman / Managing Director, Union Thread Industries Co., Ltd.
- May 2017 – Present Director, Union Nifco Co., Ltd.
- March 2017 – Present Director, Venus Thread Co., Ltd.
- November 2015 – Present Director, Union Zojirushi Co., Ltd.
- 19 February 2013 – Present Director, Union Textile Industries Public Company Limited
- 2013 – Present Director, Union Garment Co., Ltd.
Director, Union Micronclean Co., Ltd.
Chairman / Managing Director, Union Industries Corp., Ltd.

Current Positions : Other Companies

- December 2017 - Present Director, Navavej International Public Company Limited
- April 2017 – Present Director, Sukhumvit 62 Medical Limited

Years of Directorship

6 years (since 6 May 2017)



Mrs. Chantorntree Darakananda

Director

Age 59 years

Education

- Doctor of Medicine, Chulalongkorn University
- Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University

IOD's Training : Director Accreditation Program (DAP) Class 5/2003

Experiences

- April 2015 – 13 March 2022 Director, Computer Union Co., Ltd.
- 2009 – March 2017 Deputy Managing Director, Venus Thread Co., Ltd.
Deputy Managing Director, Union Zip Co., Ltd.
- 1990 – February 2017 Director, Ladphrao Hospital Public Company Limited
- September 2014 – 2016 Executive Vice President, Saha-Union Public Company Limited
- 2013 – September 2014 Director, Saha-Union Public Company Limited
- 2002 – 2014 Director, Pro-Lab Co., Ltd.
- 2002 – 2009 Director, Union Textile Industries Public Company Limited
- 2002 – 2008 Deputy Managing Director, Union Thread Industries Co., Ltd.
Director, Saha-Union Public Company Limited
Deputy Managing Director, Union Industries Corp., Ltd.
- 1994 – 2008

Current Positions : Listed Companies

- January 2017 – Present President, Saha-Union Public Company Limited
- April 2015 – Present Director, Union Pioneer Public Company Limited
- June 2014 – Present Director, Union Plastic Public Company Limited

Current Positions : Saha - Union Group Companies

- Present Director, Other Companies in Saha-Union Group
- March 2017 – Present Director, Union Zip Co., Ltd.
- March 2016 – Present Director, Union Thai-Nichiban Co., Ltd.
- May 2015 – Present Nomination and Remuneration Director, Union Textile Industries Public Company Limited
- April 2015 – Present Director, Union Zojirushi Co., Ltd.
Director, Union Nifco Co., Ltd.
Director, Union Rubber Products Corp., Ltd.
Director, Thai Rubber Enterprise Co., Ltd.
Director, Union Stainless Steel Products Co., Ltd.
- January 2015 – Present Director, Union Textile Industries Public Company Limited

Current Positions : Other Companies

- December 2017 – Present Director, Navavej International Public Company Limited
- August 2015 – Present Director, Sukhumvit 62 Medical Limited

Years of Directorship

7 years 9 months (since April 2015)



Mr. Vacharaphong Darakanada

Director / Nomination and Remuneration Committee

Age 57 years

Education

- Bachelor's Degree in Physics, Harvey Mudd College, California, U.S.A.

IOD's Training

- Chartered Director Class (CDC) Class 7/2013
- Role of the Compensation Committee (RCC) Class 15/2012
- Director Diploma Examination Class 19/2006
- Director Certification Program (DCP) Class 69/2006
- Director Accreditation Program (DAP) Class 2/2003

Experiences

- May 2014 – March 2017 Director, The Royal Hotel Co., Ltd.
- 2007 – March 2014 Managing Director, Union Technology (2008) Public Company Limited
- 1990 – May 2013 Director, Computer Union Co., Ltd.
- 2007 – 2011 Director, Union Zojirushi Co., Ltd.
- 2007 – 2008 Director, Union Thai-Nichiban Co., Ltd.
- 2001 – December 2006 Director, Union Textile Industries Public Company Limited
- 1999 – 2000 General Manager, Saha-Union Public Company Limited (Sriracha Operation)
Assistant Manager, Venus Thread Company Limited

Current Positions : Listed Companies

- April 2000 – Present Director, Union Plastic Public Company Limited
- April 1999 – Present Director, Union Pioneer Public Company Limited
- February 1992 – Present Director, Saha-Union Public Company Limited

Current Positions : Saha-Union Group Companies

- Present Director, Other Companies in Saha-Union Group
- September 2015 – Present Director / Acting Managing Director, Union Stainless Steel Products Co., Ltd.
- 2012 – Present Managing Director, Union Zojirushi Co., Ltd.
- 2009 – Present Managing Director, Union Thai-Nichiban Co., Ltd.
- 2008 – Present Director, Union Nifco Co., Ltd.
- 2007 – Present Director, Thai Rubber Enterprise Co., Ltd.
Director, Union Rubber Products Corp., Ltd.
- May 2007 – Present Director, Union Stainless Steel Products Co., Ltd.

Current Positions : Other Companies

- None -

Years of Directorship

23 years 8 months (since 28 April 1999)



Mr. Nanthiya Darakananda

Director

Age 54 years

Education

- Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor's Degree in Applied Physics, University of California, Davis, U.S.A.

IOD's Training

- Director Certification Program (DCP) Class 212/2015
- Director Accreditation Program (DAP) Class 2/2003

Experiences

- 1996 – September 2013 Director, Union Button Corp., Ltd.

Current Positions : Listed Companies

- April 1998 – Present Director, Union Plastic Public Company Limited
- April 1996 – Present Director, Saha-Union Public Company Limited
- April 1993 – Present Director, Union Pioneer Public Company Limited

Current Positions : Saha-Union Group Companies

- None -

Current Positions : Other Listed Companies

- June 2019 - Present Director, Winnergy Medical Public Company Limited

Years of Directorship

29 years 8 months (since 22 April 1993)



Mr. Kollatat Tangchitkul

Independent Director / Audit Committee / Nomination and Remuneration Committee

Age 39 years

Education

- Master of Science in Technology Management, University of Illinois at Urbana-Champaign, Illinois, U.S.A. (2009)
- Bachelor of Business Administration International Business Management Program, Assumption University (2006)

IOD's Training:

- Advanced Audit Committee Program (AACP) Class 25/2017
- Director Accreditation Program (DAP) Class 113/2014

Experiences

- 2010 – 2012 Sales & Marketing, Global Sales Executive, Kuehne & Nagel (Thailand) Company Limited
- 2007 – 2009 Sale & Marketing, USA Trade Sales Representative, NYK Line (Thailand) Company Limited

Current Positions : Listed Companies

- 2020 – 31 December 2022 Nomination and Remuneration Committee, Union Pioneer Public Company Limited
- 2017 – 31 December 2022 Audit Committee, Union Pioneer Public Company Limited
- 2014 – 31 December 2022 Independent Director, Union Pioneer Public Company Limited

Current Positions : Saha-Union Group Companies

- None -

Current Positions : Other Companies

- Present Director, CargoFast Company Limited
- 2004 – Present Director, Niyom Service Company Limited

Years of Directorship 9 years (since 1 January 2014)

Years of Independent Directorship 9 years (since 1 January 2014)

Mrs. Chadaporn Jiemsakultrip

Company Secretary

Age 60 years

Education

- Bachelor's Degree in Business Administration (Management), Sukhothai Thammathirat Open University
- Certificate in Business Administration (Accounting), Vocational College, Bangkok Technical Campus, (Current Named Rajamangala University of Technology Krungthep (RMUTK)), Bangkok

Training

- CGR Workshop 2019 "Enhancing Good Corporate Governance based on CGR Scorecard", Thai Institute of Directors (IOD)
- Company Secretary Program (CSP) Class 27/2008, Thai Institute of Directors (IOD)
- Effective Minute Taking (EMT) Class 11/2008, Thai Institute of Directors (IOD)
- Fundamental Practice for Corporate Secretary (FPCS 28), Thai Listed Companies Association
- Smart Disclosure Program (SDP), The Stock Exchange of Thailand
- CSR for Corporate Sustainability (Preliminary Course) (P01)
- CSR Reporting
- Sustainability Risk and Materiality Analysis (S04)
- CSR Evaluation and Data Management (S05)
- Sustainability Reporting (S06) SR Center and Sustainable Business Development Institute, The Stock Exchange of Thailand
- Customs Professional Program, The Customs Department

Experiences

- July 2008 - 2013 Assistant to the Company Secretary, Saha-Union Public Company Limited

Current Positions

- January 2016 - Present Company Secretary, Union Pioneer Public Company Limited
- January 2016 - Present Company Secretary, Union Plastic Public Company Limited
- January 2014 - Present Company Secretary, Saha-Union Public Company Limited
- January 2009 - Present Company Secretary, Union Textiles Industries Public Company Limited

Years of secretary position

7 years (since 1 January 2016)

Roles and Responsibilities of the Company Secretary

The Company Secretary has the duties according to the law section 89/15 and 89/16 under the Securities and Exchange Act (No.4) B.E.2008 effective on 31st August 2008, with responsibility, awareness and trustworthy thus taking the position according to the laws, objective and company's regulations, resolutions of the Board of Directors, including resolutions of the shareholders. The Company disclosed the information concerning educational background, experience and duties and responsibilities at the resume of Company Secretary and Chief Compliance Officer of the Company.

Roles and Responsibilities of the Company Secretary, as required by laws

1. Prepare and keep the documents listed below:
 1. Registry of Boards
 2. Documents on invitation of board of meeting, board of meeting report and the Company's annual report.
 3. Documents on invitation of meeting of shareholders, shareholder meeting reports.
2. Keep and secure the documents with the interest from the directors and executives and send the documents according to the law section 89/14 to the chairman to verify within 7 days from the date that the documents were received.
3. Act according to the requirement of Capital Market Supervisory Board

Moreover, the Company Secretary also has other duties as assigned by the Company or the Board of Directors as listed below:

- Be a Chief of Compliance Unit to give advice on lawsuits and regulations related and actions with, should be taken to supervise and operate the activities of the board of directors as the law.
- Action on arranging the general board of director meeting and shareholder meetings.
- Coordinate within the company to act according to the board of directors and meeting of shareholders' resolution
- Corporate in-charge of such as The Stock Exchange of Thailand, The Securities and Exchange Commission (S.E.C) and to supervise the disclosure of information and to report the information to the public correctly and completely according to the law.
- Provide orientation, significant documents/information to the newly appointed directors, cooperated with directors to have necessary training courses for directors or specific committees.
- Perform any duties as assigned by the Company.

Independence of the Board of Directors and Management

1. Separating the Position of Chairman of the Board and Managing Director

Board of Directors encourages the good corporate governance by determining that the Chairman of the Board of Directors is not the same person with the Managing Director, as well as clearly segregating the authorities and roles according to the approval authority procedure and operation after passed approval of the Board of Directors, so that the Board of Directors can independently check and balance the operation of the Management.

2. Balance of the Authorities of the Board

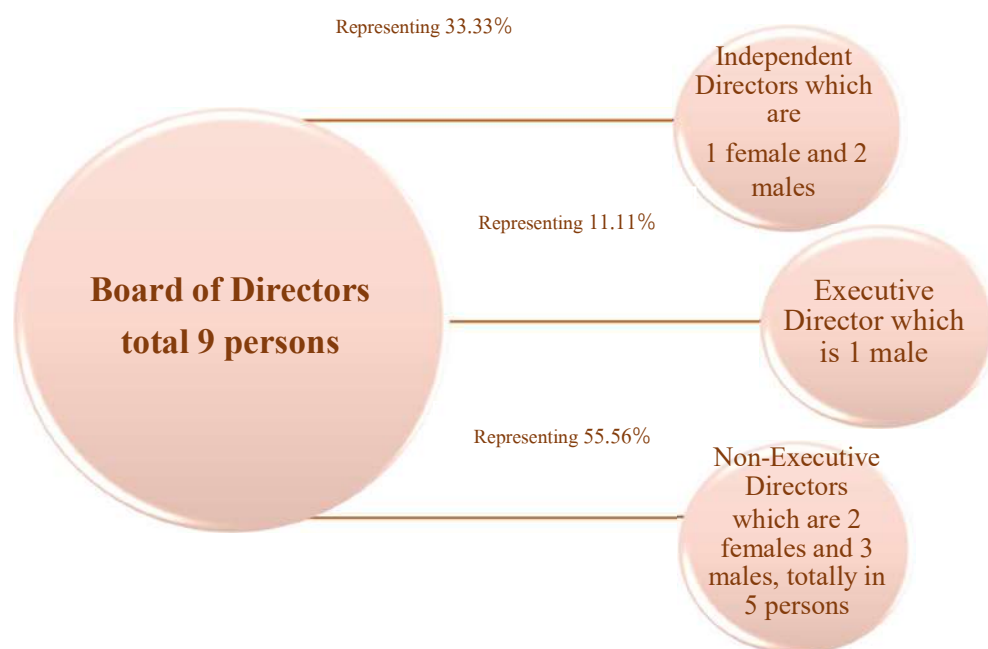
Board of Directors appropriately provides the Board of Directors' composition and clearly segregation of roles, duties and responsibilities between the Board of Directors and the Management. All directors are independent in expressing their opinions on the Company's operations with honesty and integrity, protection the interests of the Company without controlling as well as being responsible for the performance of duties under the laws, rules the Company, as well as the resolutions of the Board of Directors' meeting and the Shareholders' Meeting

Composition of the Board of Directors (CG Code 3.1.4)

The Board of Directors consists of 9 directors, who have various qualifications in terms of professional skills, experience, knowledge, abilities and specific characteristics necessary to achieve the Company's main objectives and goals, gender and age, etc., including having qualifications not prohibited under the Public Limited Act and the law on Securities and the Stock Exchange. (CG Code 3.1.1)

The Board of Directors is independent in decision-making on operations and drives the Company to grow and achieve sustainable economic, social and environmental goals.

There is a clear management structure, balance and auditability. There is a clear segregation of roles and duties and the responsibilities between the Board of Directors and the management.



List of the names of Board of Directors on 31st December 2022

Name-Surname	Position	Type of Director	Authorized Director	Assignment Start Date
1. Miss Dalad Saphavichaikul	Chairman of the Board	Non-Executive	✓	2012/1/1
2. Mrs. Nuntawan Sakuntanaga	Chairman of the Audit Committee	Independent	-	2020/1/1
3. Mr. Wanchai Rattanawong	Audit Committee /Chairman of the Nomination and Remuneration Committee	Independent	-	2021/1/1
4. Mr. Komon Iamwatcharin	Managing Director	Executive	✓	2020/1/1
5. Mr. Chutindhon Darakananda	Director	Non-Executive	✓	2017/5/24
6. Mrs. Chantornree Darakananda	Director	Non-Executive	✓	2015/4/22
7. Mr. Vacharaphong Darakananda	Director/ Nomination and Remuneration Committee	Non-Executive	✓	1999/4/28
8. Mr. Nanthiya Darakananda	Director	Non-Executive	✓	1993/4/22
9. Mr. Kollatat Tangchitkul	Audit Committee /Nomination and Remuneration Committee	Independent	-	2014/1/1

Scope of Authorities and Duties of the Board of Directors

According to the rules and regulation of Company, the Board of Directors has the authority to make decisions and control the operations of the Company, except the following matters required the approval by the Shareholders' Meeting before operating.

In this regard, the directors or persons who may have conflicts or have interests, have no right to vote on this matter.

1. Matters required by law to have resolutions of the Shareholders' Meeting
2. Connected transaction with a large transaction size (20 million baht or 3% of net tangible assets – NTA, whichever is higher)
3. Acquisition or disposal of important assets with a transaction size of more than 50% but not more than 100% (calculated as type of assets)

Duties and responsibilities of the Board (CG Code 1.4.1)

1. Perform duties with responsibility, caution and honesty including having to comply with laws, objectives, company regulations as well as the resolution of the shareholders' meeting except in matters that need to be approved by the shareholders' meeting before proceeding, such as matters that the law requires the resolution of the shareholders' meeting, related transactions and significant asset trading according to the rules of the Stock Exchange of Thailand or as specified by other government agencies. (CG Code 1.3.1)
2. Determine policies, plans and strategies of the company, consider and approve important matters relating to the operations of the company, such as financial goals, budgets, and supervise the management to operate in accordance with the policies, plans and strategies that are effectively and efficiently defined.
3. Consider and approve the assessment of the adequacy of the Company's internal control system on an annual basis and prepare a report on the responsibility of the Board of Directors towards financial reports, as disclosed in the annual report and Form 56-1.
4. Provide clear channels for reporting clues, process after receiving complaints and measures to protect the whistleblower, as details are in topic "Anti-Corruption Policy" on page 62-63)
5. Supervise and control the operation to comply with the laws, regulations and the guidelines of the regulatory agencies related companies, with no action on violation of the official rules. The Board of Directors shall carry out their duties with care and skill thorough practice.
6. Control the operation to be in accordance with good corporate governance under morality that is "Virtue, Quality and Benefits." As well as being a part in specifying the standard regulations of good conduct in the workplace. These ethic policies were posted in a conspicuous place. It is noticeable and conveyed to a concrete practice of all employees. The Company had tracked the performance and related matters in accordance with the ethic policy on regularly. (CG Code 1.2.3)
7. Specify the measurement and policies about the conflict of interest, in case the company (if any) doing any kind of transactions with major shareholders, directors, executives and any individual related to the mentioned parties. These measurement and policies must be followed as the general conditions of trading and will be same as common parties by considering the maximum benefits of the company.
8. Specify the policies in case the company approved the transactions that dealt with related person in a long-term commitment (if any) such as selling and buying products, etc. It will be performed according to the conditions that have been agreed on for all of the time that have been committed with the company.
9. Provide an reliable accounting system, financial reporting and auditing including the accurate preparation of financial reports at the end of the accounting period of the company to show the financial status and operating results in the past year to be true, complete and accurate according to generally accepted accounting standards and be audited by the company's auditor before presenting to the shareholders' meeting for consideration and approval.
10. Arrange an internal controlling system and internal audit in work operation, financial reports and operation in accordance to regulations and policies.
11. Establish the office of Internal Audit, which is a division within the company, is independent in the performance of duties. It is responsible for the internal audit by reporting the results of the audit report directly to the Audit Committee and the Managing Director.
12. Appoint the Risk Management Committee, which have the responsibility in analyzing and managing risk in order to specify the preventive measurement in risk management to be in an acceptable level, and continuously monitored the effectiveness and efficiently of risk

management. The Audit Committee reports this progress to the Board of Directors every quarter.

13. Continuously develop knowledge and ability to perform work and attend training or participate in courses related to the performance of directors' duties or seminars that are continuously increasing knowledge of work performance.

Responsibilities of the Chairman are as follows (CG Code 3.2.3)

1. Supervise, monitor and ensure that the duty of the Board is efficient and achieve the objectives and main goals of the Company.
2. Ensure that all directors are involved in promoting ethical corporate culture and good corporate governance.
3. Set the board meeting agenda by discussing with the managing director and having measures to ensure that significant issues are included in the meeting agenda.
4. Allocate sufficient time for the management to propose enough matters for directors to carefully discuss significant issues, to encourage the directors to express their opinions carefully and freely.
5. Strengthen the good relationship between executive directors and non-executive directors, and between the board and management.

Responsibilities of the Managing Director

1. Be responsible for the Company management in accordance with the resolutions of the Board of Directors, and other responsibilities as assigned by the Board of Directors.
2. Approve and sign on expenditures documents under the credit limit according to the rules of approval signing with determined credit limit.
3. Be responsible for ensuring that the Company has accurate accounts and financial reports that are fully disclosed.
4. Be responsible for the actual counting of inventory and proper inventory control.
5. Be responsible for monitoring debtor's repayment and controlling outstanding debts according to the debt repayment schedule.
6. Prepare an annual budget plan with a target return.
7. Conclude the operating results report including presenting the monthly and quarterly financial statements to the Board of Directors.
8. Perform any various matters that have been approved by the Board of Directors..

Term of Office of the Board of Directors

1. Determine the directors holding positions for 3 years
2. In each annual ordinary meeting, one-third of the total number of the board members will be at the end of their terms. If the number of the board cannot be exactly divided, the closest number to one-third will suffice.
3. The director who has to resign in the first year and second year after the company's registration will need to draw lots. In the following year, the director with the longest position has to resign.

The director who expires from the term of office can be nominated for the position in the board again.

4. Other than expire from the term of office, the director terminated from the following reasons:
 - He/she pass away.
 - He/she resigned from the board.
 - Lack qualifications and posed a prohibit characteristics which defined by law.
 - The shareholders vote of not less than three-quarters of the overall votes in the shareholders' meeting and have the overall stocks not less than half of the total shares of the overall voting at the shareholders' meeting.
 - He/she was dismissed by the court order.
5. The director who resigned from the Board, need to submit the resignation letter to the company. The resignation will be effective from the day the letter has been submitted.

Appointment of Directors of the Board

1. In selection on the Board of Directors, the persons who have been nominated are already considered by the Nomination and Remuneration Committee who recruited the appropriated qualified persons, will be proposed to the Board of Directors for approval prior proposing to the shareholders at the Annual General Meeting for further selected at director selection agenda. The implementation of the articles of association as follows.

- 1) One shareholder has one vote per one share
- 2) In the directors' election, the method in electing is either done by elected one individual director or to elect one group of director, until the number of directors are completed the requirement, with the respect to the resolution of the shareholders' meeting. But in each vote, the shareholder must vote with total existing votes as the topic 1), all votes can not be separated and given to any persons or groups.
- 3) The voting in the directors' election will use majority vote, if the number of votes are equal, the chairman of the meeting will be the arbiter.

The 29th Annual General Meeting of Shareholders held on 20st April 2022 resolved to extend the terms office of the directors of the Board for another term with the following directors:

1. Miss Dalad Saphavichaikul 2. Mr. Chutindhon Darakananda 3. Mr. Nanthiya Darakananda

For the past 5 years, directors, executives and authorized persons has complied with the Securities and Exchange Act B.E. 2535 or the Derivatives Act B.E. 2546 by;

(1) No act of dishonesty or gross negligence

(2) No disclosure or disseminating the false information or concealing factual information that should be disclosed in significant matters which may affect the decision making of shareholders, investors or related persons.

(3) There is no unfair act or taking advantage of investors in securities or derivatives trading, or having or having been involved in or supported such action.

Sub-committees

The Board of Directors has appointed directors who are knowledgeable and appropriately expertise to serve as sub-committees in various fields to assist in the corporate governance of the Company, by studying the details and the scope of work which each sub-committee is responsible to increase the operating efficiency of the Board of Directors, because they can consider and discuss issues with more specific details. Sub-committees will regularly report each meeting results to the Board of Directors' meeting for acknowledgment and report the annual performance over the past year to the shareholders.

At present, there are 2 Sub-committees of the Company as follows:

- **Audit Committee (CG Code 6.2.1)**

Qualifications and Composition of the Audit Committee:

1. The Audit Committee is composed of the independent directors according to the definition of the Company, who are appointed by the Annual General Meeting of the Company or the Board of Directors which appointed one of them acting as the Chairman of Audit Committee.
2. Not being the director assigned by the Board of Director to make decision on the operations of the Company, Parent Company, Subsidiary Company, Associated Company, Same Level Subsidiary Company, Major Shareholder or the Authorized persons of the Company.
3. Not being the director of the Parent Company, Subsidiary Company or Same Level Subsidiary Company which are listed company only.
4. The Audit Committee has to consist of at least three directors, with Mrs. Nuntawan Sakuntanaga, the Chairman of the Audit Committee Mrs. Nuntawan Sakuntanak, Chairman of the Audit Committee who have knowledge and sufficient experience to review the reliability of financial statements.
5. The Audit Committee has to have other qualifications, as prescribed by the Securities and Exchange Commission (SEC), in addition to the qualifications and specific characteristics of the Audit Committee, and the Independent Director as well.

Term of Service: The office term of Audit Committee is 3 years. The Audit Committee members who vacate upon the expiration of the office term, may be re-appointed. When the Audit Committee member is vacant as a result of reason other than the end of office term, the Board of Directors shall appoint any person with fully qualifications to be the Audit Committee member in order for the number of committee members to be fully size as prescribed by the Board of Directors. This person will be the Audit Committee member for the remaining office term of the resigned audit committee only.

No.	Name-Surname	Qualification	Position
1	Mrs. Nuntawan Sakuntanaga	Independent Director	Chairman of the Audit Committee
2	Mr. Wanchai Rattanawong	Independent Director	Audit Committee
3	Mr. Kollatat Tangchitkul	Independent Director	Audit Committee

The Board of Directors has established an internal audit office which is a section within the Company under a chain of command of the Audit Committee, operates according to the audit plan and reviews the internal control system. The Audit Committee quarterly summarizes the audit results of the Internal Audit Office to the Board of Directors' meeting for acknowledgment.

The Internal Audit Manager of the Company is Mr. Nattpawatch Thomwan appointed as the Secretary of the Audit Committee.

With the resolution of the Board of Directors' meeting No. 12/2020 on 23rd December 2020 approved the use of the audit committee regulations instead of the regulations on 15th November 2017.

Charter of the Audit Committees with Duties and Responsibilities ((CG Code 6.2.2, 7.1.2) as following;

1. Review the Company's financial statement to ensure its' accuracy and adequacy to be in accordance with accounting standard.
2. Review that the Company has an appropriate and effective internal control system and internal audit system and consider the independence of the internal audit unit, as well as approve the appointment, rotate or dismiss an internal audit manager.
3. Review that the Company complied with the Securities and Exchange Act, regulations of SET and other related regulations concerning with the business operation of the Company.
4. Nominate, select, terminate the employment of appropriate independent authorized auditor to act as the Company's auditor and propose remuneration for that individuals. In addition, attending the meeting with the auditor without management party of the company at least once a year.
5. Examine that all connected transactions and other transactions with a conflict of interest have been complied with laws and regulations of SET to ensure that all transactions are reasonable and will generate the best benefits for the Company.
6. Review the correctness of reference documents and self-assessment on anti-corruption of the Company according to Thai Private Sector Collective Action Coalition against Corruption (CAC).
7. Provide the Audit Committee report in the annual report of the Company. The mentioned report shall be signed by the chairman of the board and should at least comprise with the information listed below:
 - (1) Opinion on the accuracy, completeness and credibility of the Company's financial report.
 - (2) Opinion on the adequacy of the company's internal control system and risk management system.
 - (3) Opinion on the compliance with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand or other laws which related to the Company's business.
 - (4) Opinion on the suitability of the Company's external auditors.
 - (5) Opinion on the transaction that might have a conflict of interests.
 - (6) Frequency of the audit committee meetings and the attendances of each committeeman.
 - (7) Opinion or overall observations that the Audit Committee received from the operation as the charter or the regulations of the Audit Committee.

- (8) Other transactions that the shareholders and investors should be aware of within the scope of authorities which has been assigned by the Board of Directors.
8. Inform the executives to resolve the errors that have been detected and also quickly solve those errors.
9. Follow up and evaluate the performance in which the audit committee seen as important.
10. Other operations that have been assigned by the Company's Board of Directors.

- **Nomination and Remuneration Committee** : is composed of three directors who have been appointed by the Board of Directors, consisting of two- third of independent directors, representing 66.67 percent, for the transparency and independence in operating their duties. Chairman of the Nomination and Remuneration Committee is an Independent Director and is not the Chairman of the Board of Directors. (CG Code 3.3.1, 3.4.1)

Mrs. Chadaporn Jiemsakultrip, Company Secretary, is assigned to be the Secretary of the Nomination and Remuneration Committee.

No.	Name-Surname	Qualification	Position
1	Mr. Wanchai Rattanawong	Independent Director	Chairman of the Nomination and Remuneration Committee
2	Mr. Kollatat Tangchitkul	Independent Director	Nomination and Remuneration Committee
3	Mr. Vacharaphong Darakananda	Director	Nomination and Remuneration Committee

Duties and Responsibilities of the Nomination and Remuneration Committee:

1. Determination on criteria and methods for nominating the Board of Directors. (CG Code 3.3.2)
2. Duties in recruiting and select the qualify individuals and propose the name to be nominate as new director to the shareholders' meeting for approval as a Director. (CG Code 3.3.2)
3. Specify method of remuneration for directors. (CG Code 3.4.2)
4. Determine the remuneration and its forms for directors and propose to the Board meeting for consideration. (CG Code 4.3)
5. Specify criteria and methods for recruiting suitable person to be a Managing Director. (CG Code 4.1.1)
6. Review criterias and methods for nominating directors to propose to the Board of Directors prior to the selection of directors who complete their terms. In case the Nomination Committee nominates current directors, they will also consider the performance of such directors. (CG Code 3.3.3)

The Details of Executives

Chief Executive Officers of the Company have the authority to perform the operation under policy, strategy and objective determined by the Board of Directors.

Moreover, they have responsibility in expenditure controls and investments on the scope of work as the approval of the Board of Directors in the annual plans, operate in compliance with human resources policy, resolving problems or any conflicts affecting the organization, and maintain efficient communication to related persons.

- There is a clear definition on the duties and responsibilities of the Board of Directors and the Executive Committee. Chairman of the Board is not the same person as the Managing Director and has no relationship with the executive committee in order to separate their roles.
- There is a clear segregation of responsibilities between the Board of Directors and the Executive Committee, resulting to no intervention on their duties and responsibilities.
- There is a clear definition on the authorities of the Executive Committee at each level in writing by strictly separating the responsibilities whether the approval, accounting transaction record and asset protection for rechecking and balancing.
- Chief Executive Officers of the company have never been employees or partnerships of EY Office Limited which the Company had been using the service for auditing for the past 2 years.

Name – Surname	Position
1) Mr. Komon Iamwatharin	Managing Director
2) Mr. Wiwat Jongkonrat	Accounting & Finance Division Manager (who has the highest responsibility in accounting and finance)
3) Mr. Sikavej Sopaphan	Human Resource Manager
4) Mrs. Sureeporn Chompunutyanyong	Sales & Marketing Manager
5) Miss Warunee Khumtong	Quality Assurance Manager

Note: According to the Notification of the Securities and Exchange Commission No. KorChor. 17/2551, the definition of “executive” means a director, a manager, or the next four executives succeeding the manager, a person holding equivalent position to the fourth executive, including a person holding the position of manager or equivalent in accounting or finance departments.

1. Mr.Wiwat Jongkonrat

Age: 43 Years

Position: Accounting & Finance Manager (Appointed on January 1st, 2017)
Chief Financial Officer (CFO) (Appointed on January 1st, 2017)

Education:

- Bachelor's Degree, Business Administration (Accounting), Rajamangala Institute of Technology
- Master's Degree, Economics, Ramkhamhaeng University

Proportion of shareholding: None

Family relations between directors and executives: None

Training in 2022:

Dharmniti Seminar & Training Company Limited

- Summary of Accounting Standards and Financial Reporting Standards Revised Year 2022
(Online training, 6 hours of CPD in accounting)
- Pivot Table Excel (Workshop).
(Online training, 3 hours of CPD in accounting & 3 hours of other)

Experience:

- 2015 – 2016 Internal Audit Section Manager, Union Pioneer Public Company Limited
- 2013 – 2014 Internal Audit Supervisor, Union Pioneer Public Company Limited

Current Position:

- 2017-Present Accounting & Finance Manager, Union Pioneer Public Company Limited and appointed as a Chief Financial Officer (CFO)

Opinion of the Audit Committee regarding training courses and work experience of the Chief Financial Officer (CFO)

For the training courses of the Chief Financial Officer (CFO) the Audit Committee considers that such courses are consistent and beneficial to the company and the number of training hours of such courses is according to the Federation of Accounting Professions.

For the work experience of the Chief Financial Officer (CFO), the Audit Committee considers that such experience is directly beneficial to the business operation and the duration of such work is in accordance with the announcement.

2. Mr. Sikavej Sopaphan

Age: 43 years

Position: Human Resources Manager (Appointed on January 1st, 2016)

Education:

- Bachelor's degree of Engineering Program (Chemical Engineering), Kasetsart University
- Master's degree of Business Administration (General Management), Ramkhamhaeng University
- Master's degree of Human Resource and Organization Development, National Institute of Development Administration

Proportion of shareholding: **None**

Family relations between directors and executives: **None**

Experience:

- 2012-2015 Human and Resource Section Manager, Union Pioneer Public Company Limited
- 2010-2011 Assistant Human and Resource Section Manager, Union Pioneer Public Company Limited
- 2007-2009 Assistant Environment and Safety Manager, Union Pioneer Public Company Limited

Current Position:

- 2016-Present Human Resources Division Manager, Union Pioneer Public Company Limited

3. Mrs. Sureeporn Chompunutyanyong

Age: 50 years

Position: Sales and Marketing Manager (Appointed on September 2nd, 2019)

Education

- Bachelor's Degree, Faculty of Business Administration (International Business Management), Assumption University.
- Master's Degree, Business Administration (General Management), Assumption University.

Family relations between directors and executives: **None**

Experience:

- 2013-2018 Part time Lecturer, Rajamangala University of Technology Thanyaburi
General Manager Value, Pharma Co.Ltd.
- 2004-2012 Export Marketing Manager, Pan Asia (1981) Co., Ltd.
- 1994-2003

Current Position: Sales and Marketing Manager, Union Pioneer Public Co.,Ltd.

- 2019-Present

4. Miss Warunee Khumtong

Age: 46 years

Position: Quality Assurance Manager (Appointed on January 1st, 2019)

Education

- Bachelor's Degree, Science in Chemical Engineering, Chulalongkorn University
- Master's Degree, Business Administration (Innovation Management), Ramkhamhang University

Family Relations with Other Directors: None

Experience:

- 2012-2018 Quality Assurance Section Manager, Union Pioneer Public Co., Ltd.
- 2010-2011 Assistant Quality Assurance Section Manager, Union Pioneer Public Co., Ltd.
- 2001-2009 Research and Development Supervisor , Union Pioneer Public Co., Ltd.

Current Position

- 2019-Present Quality Assurance Division Manager, Union Pioneer Public Co., Ltd.

5. Miss Thirada Malithon

Age : 43 years

Position : Accounting Section Manager (Appointed on October 1, 2022)

 Chief Accountant (Appointed on May 1, 2022)

Education

- Bachelor's Degree, Bachelor of Accounting (Accounting), Sripatum University

Proportion of shareholding: Non

Family relations between directors and executives: None

Training in 2022

Stock Exchange of Thailand

- Summary of significant issues on TFRS for PAE in 2022 (Online training 6 hours)
- PDPA for Accounting and Finance (Online training 3 hours)

Thai Chamber of Commerce

- Human resource development in the digital age. (Online training 2.3 hours)

Dharmniti Seminar & Training Company Limited.

- Employee benefit calculation. Problems of preparation and corrective solution guideline according to accounting standards. (Online training, 6 hours of CPD in accounting)

- In-depth financial statement preparation and financial statement submission for 2023 (7 hours of CPD in accounting).
- General Meeting of Federation of Accounting Professions Under the Royal Patronage of the Year 2022 (Online training, 2 hours of CPD in accounting)

EY Company Limited.

- CFO's challenges with Financial Reporting in the age of economic fluctuations. (Online training, 3 hours).

Experience :

- 2021-2022 Accounting Section Manager, Union Pioneer Public Co., Ltd.
- 2021-2022 Chief Accountant, Union Pioneer Public Co., Ltd.
- 2013-2017 Senior Accountant, Biomin Co., Ltd.
- 2010-2012 Senior Accounting & Financial, Major Development Public Co.Ltd.
- 2007-2010 Accounting Officer Muramoto Electronic Public Co.,Ltd.

Current Position

- 2021-Present Accounting Section Manager, Union Pioneer Public Co.,Ltd.
- 2021-Present Chief Accountant, Union Pioneer Public Co.,ltd.

Opinion of the Audit Committee regarding training courses and work experience of the Chief Accountant

For the training courses of the Chief Accountant, the Audit Committee considers that such courses are consistent and beneficial to the company and the number of training hours of such courses is according to the Federation of Accounting Professions. She has the qualifications and conditions of being an accountant in accordance with the rules prescribed in the Notification of the Department of Business Development.

For the work experience of the chief accountant, the Audit Committee considers that such experience is directly beneficial to the business operation and the duration of such work is in accordance with the announcement.

Remuneration Policy of Executive Directors and Executives

The Board of Directors has established the remuneration structure which is the motivation for the managing directors, chief executives, and every level of employees to work consistently with the purposes and the Company's benefit in long term by;

- Considering the appropriate proportion of salary, other short-term benefits such as bonuses and long-term benefits such as provident fund paid to employees when retirement in addition to retirement pension. (if working until retirement)
- Determining the remuneration policy from the remuneration level of a comparable business in the similar industry, as well as the operating performance of the Company.
- The Company has a policy regarding the criteria for annual performance assessment which all levels of personnel are aware of.

Total remuneration of executive directors and executives

The remuneration of Managing Director and Executives is in accordance with the principles and policies that have been determined by the board of directors, which will be considered from the operation results of the company, including duties and responsibilities and the performance of each executive. The remuneration for the 5 executives such as salary, bonus and social securities in the total amount of 6,901,566.52 Baht (6,381,466.50 Baht in the previous year).

Besides salary and bonus as mentioned, the company had paid the 5 executives in form of provident fund as in 3 percent of the salary in year 2021 total of 104,976.00 Baht managed the fund by BBL Asset Management Co., Ltd. (96,336.00 Baht in the previous year).

The Company does not have a program to offer the warrants issued to purchase ordinary shares to executives and employees (ESOP).

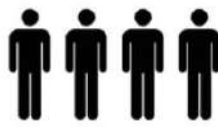
The Details of Employees

Personnel Structure

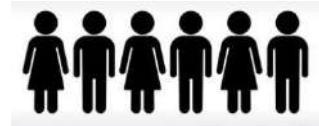
The Company has 530 employees as of 31st December 2022.



246 female production workers



139 male production workers



145 office workers

In 2022, the Company employed 5 disable persons and paid contributions under Section 34 to the Fund for Promotion and Development of the Quality of Life of Disable Persons for 1 person at the amount of 104,229.00 baht.

In 2022, the employee turnover rate of the Company is 2.86%.

The Company has reviewed and planned the annual manpower rate for sufficient and appropriate personnel preparation to the work quantities forecasted in each year.

For the past three years, there has been no significant change in the number of employees of the Company and there is no labor dispute.

Total Employee Compensation

In 2022, the Company paid compensation to employees totaling 162 million baht, which included salary and wages, subsidies, resignation allowances. Social Security Contribution Provident fund contributions, gratuity, compensation fund contributions

Personnel Development

The Company has a plan to develop personnel to have knowledge and expertise in working by surveying the training needs of employees (Training Needs), recruiting courses that will provide knowledge of work-related, and has an annual training plan which will help develop personnel and help increase operational efficiency.

Last year, the Company encouraged and supported the Company's Managing Director and executives to receive training and development in order to increase their knowledge and experience in various fields that are beneficial and applied to their operations as follows. (CG Code 4.1.4) as following;

Items	Executives who have developed knowledge with Total training hours-courses in 2022	Number of hours
1	Carbon footprint of organization ISO14064	6.0
2	Personal data protection act.B.E. 2562	6.0
3	Developing Chemical Management and Risk Assessment in Thailand	5.0
4	Production process and product knowledges.	26.0
5	Guidelines for calculating product carbon footprint	13.0
6	Occupational Safety, Health and Working Environment Act B.E. 2554	6.0
7	Driving the organization towards sustainable development according to circular economy principles	3.0
8	Mechanisms to reduce greenhouse gases toward carbon neutralit	2.5
9	Environmental and Safety Laws	6.5
10	Survival guideline towards Industry 4.0	5.5
11	Path toward CE	3.5
12	Implementation of the CEPAS system for evaluating the effectiveness of an organization's CE application.	3.0
13	Emergency management plan BCM that organizations must have.	2.0
14	THSI Exclusive Coaching	3.0
15	Enable smart manufacturing with 5G infrastructure	2.0
16	Circular Economy toward Greenhouse gas reduction	4.0
17	Insights into PDPA: Personal Data Protection Act that organizations should know	2.5
18	Renkai Control: Energy management	9.0
19	Final Call: PDPA Onboarding	3.0

Items	Executives who have developed knowledge with Total training hours-courses in 2022	Number of hours
20	Effective SEDEX internal audit.	6.0
21	Optimize inventory management efficiency and guideline to reduce inventory error.	4.0
22	PDPA For Internal Auditing: Personal data protection law for internal auditing.	6.5
23	PDF file amendment with Adobe acrobat reader DC	12.0
24	Tools for foreign exchange management risk.	8.0
25	Climate Change Measurement & Management	24.0
26	PDPA for accounting and finance	2.0
27	HR for non HR	2.5
28	Thailand Survival: Thailand survival in the global crisis.	17.5
29	Direction toward sustainable anti corruption.	66.0
30	Lessons of Personal Data Protection Act 2019 for HR	6.0
31	Practitioner Certificate in Sustainable Business Development	30.0
32	Pivot Table Excel for accounting report	6.5
33	ISO 9001:2015 Requirements for certificate renewal	6.5
34	TOYOTA KATA : Secret for success with Genba Coaching	4.0
35	Incoterms 2022 International trade regulations that exporters-importers must know	12.0
36	Future of Thai Industry and Challenges from Geopolitics	3.0
37	Wage adjustment technique according to the impact of the new minimum wage 2022/23	3.0
38	Driving Organizations with ESG Data and Introducing ESG Data Platform	6.0
39	Solution IOT for the Industry sector	6.0
40	Summary of Accounting Standards and Financial Reporting Standards	6.5
41	One Report Sustainability Report for the accounting and finance department	6.5
42	Enhance business with designs based on the concept of the circular economy.	6.0

Items	Executives who have developed knowledge with Total training hours-courses in 2022	Number of hours
43	In-depth on Transfer Pricing Document correctly.	3.5
44	15 Strategies for effective search for real abroad importers	2.0
45	Interesting Approaches of Supreme Court Judgment for Personnel Management	6.0
46	Global Mega Trends of 2023 business direction	2.0
47	Agile Internal Audit	6.5
	Total	382

Human Resource Management Policy

The Company considered all employees as essential and valuable resources, which leads to success, growth and secured sustainable developments; as for selecting individuals that were qualified and suitable for each career fields. Human resources development in management, academically and in organization culture including creating good working atmosphere and environment and safety was essential, therefore the guidelines have been established as follows:

1. Manages human resources to conform and support with the policies, vision, missions, business goals and strategies of the Company.
2. Systematizes and organizes human resources management accompanied with stipulating rules and regulations to be clear, transparency, fairly, following with the same guideline within the Company.
3. Specifies all commanders to manage human resources under their own department according to the system and guidelines determined by the Company.
4. The Company specifies all employees to carry out their duties willfully and dedicate for achievement in work with their skill, knowledge, capability by retaining Code of Conduct, Core Value and operation regulation of the Company.
5. The Company strictly treats the employees according to the International Human Rights as standard giving equality to every employee without discrimination on gender, nationality, ethnic, social class, religion, belief, social status, disability, pregnancy and chronic illness along with laws and regulation related to the employees.
6. The Company has no policy in employing child labors (“Child” means any person under the age of 15 or under the age of compulsory graduation or under the legal minimum employment age, whichever is highest). For recruitment and selection, the Company considers qualifications, abilities, and experience suitable for the required position to fulfill the manpower planning for each department. If the Company employs workers under the age of 18 (Child Labor), the Company will notify the government agencies and prescribe to work in safety place or as required

by law, including not allowed to work in the night shift, overtime and holiday working.


7. The company has established a procedure for recruitment and selection that age of applicant must be strictly verified. The following remedial measures will be implemented if child labor were found being employed:
 - Immediately suspend the child labor's work and bring him to a safe / no-risk location.
 - Immediately contact the child labor's parents and explain the company's employment policy, especially the child labor issue.
 - Establish salary and compensation according to labor and employment law.
 - Encourage child labor to return to the education system.
 - Support the family of child labor has enough living income by encouraging family members to work with the company or providing other opportunities such as offering a shop selling goods.
 - Once child labor reaches working age, the company will recruit them as a regular employee if they have the willingness to work.
8. The Company has no compulsory labor policy and does not encourage forced labors by forcing them to work overtime, holding the insurance money or the documents insured in any work. Every procedure should be made and conducted willingly by the employees, only by which they agreed and signed the agreement.
9. The Company has no policy to employ illegal foreign workers. For employing foreign workers the Company will provide fair treatment likely Thai workers in all respects and there is absolutely no discrimination, no coercion or seizure of passports or work permits of all foreign workers.
10. The Company considers to pay wages, compensation and welfare to employees not less than those required by law. There is no policy to punish employees by deducting wages.
11. The Company does not support the use of violence or inhumanity, including sexual harassment, sexual abuse, severe punishment, mental or physical intimidation or verbal abuse against employees or even threats to do.
12. The Company promotes and encourages employees to develop their skill, knowledge, ability through training and development course both in-house training and outsourcing frequently and thoroughly, providing opportunity for career path by latency for each employee.
13. The company provides reasonable and fair remuneration management based on the knowledge, ability, experience, responsibility and performance of each employee.

14. The company sets up processes of appointment, migration, evaluation including fair rewards and punishment to employee equally with equitably, honesty on the fundament of knowledge, ability and appropriation including the action or performance of that employee.
15. The Company aim to establish the relationship between the employees and organization by emphasizing that all the employees within the organization as family; for employees to be delighted, secure in work, having good health and good quality and life.
16. The Company provides facilities for employees and makes them emphasize on saving in advance for retirement by setting up Credit Union and provident fund for employees.
17. The Company respects on the rights of employees in collective negotiating and does not forbid the free association of employees in the absence of law prohibiting the association of this nature. Both supporting the association and negotiating freely, it will be based on the terms of collective negotiating and protecting the employees and their representatives who join the association independently and equitably.
18. The Company provides rights for employees to vote for electing representatives of the employees to take part in meeting sessions or to negotiate with the company by which each individuals holds 1 vote per person.
19. The Company encourages participation of employees by hearing out opinions and suggestions from employees in every level equally.
20. The Company provides rights for employees to make petition in case human right violations or they were treated unfairly according to the system and method specified, insure actions for complainers that their complaints will be kept secret by arranging channels for petition as following;
 - Complaint box (red box) installed at various places in the Company
 - Email : md_upf@unionpioneer.co.th to Managing Director or
ac_upf@unionpioneer.co.th to Audit Committee
 - Letter to Audit Committee
Union Pioneer Public Company Limited
No. 1 Soi Serithai 62, Khwang Minburi, Khet Minburi, Bangkok 10510
 - Hotline directly to Managing Director: +66-2517-0105-8 ext. 111

Relationship between management and trade union (if any)

Although the Company has not established a trade union, there is an election of the Welfare Committee at the workplaces for a term of 2 years in accordance with Section 97 of the Labor Protection Act B.E 2541 (1998), where all routine employees have the right to apply and elect the Welfare Committee at the workplace, that is elected by an employee committee to conducts election for transparency.

Other Significant Information

<div>Investor Relations</div> <div></div>	<p>The Company provides opportunities for shareholders and investors to communicate and inquire about news and important information for their rights and understanding on the Company's business. The Company's investor relations acting as a representative of the Company in communicating with shareholders and providing convenience to investors and general securities analysts equally, through the following channel;</p> <p>Mr. Wiwat Jongkonrat, Accounting and Finance Manager (CFO) Telephone no : (66)2 517-0105 to 8 ext. 211 or Fax no.: (662) 517-1016 E-Mail : wiwat@unionpioneer.co.th</p>																														
Chief Financial Officer	Mr. Wiwat Jongkonrat since 1 st January 2017																														
Chief Accountant	Ms. Thirada Malithong since 1 st May 2022																														
Head of Internal Audit Office, Staff of the Company	Mr. Nattpawatch Thomwan since 1 st September 2016																														
Company Secretary, Chief Compliance Officer	<p>On 18th November 2015, a meeting of the Board of Directors of the Company resolved to appoint Mrs. Chadaporn Jiemsakultip served as Company Secretary, effective on 1st January 2016. She was assigned to be Chief Compliance Officer, who is responsible for providing legal advice and various related rules and practices in relation to the supervision of the Board of Directors' activities to be in accordance with the law.</p> <p>Telephone no. : (66)2 311-5111 ext. 7811 or Fax no.: (66)2 311-6867 E-Mail : aor.sahaunion@gmail.com</p>																														
Auditor's Remuneration	<p>According to the Public Company Act and Article 51 of the Company's Articles of Association stipulates that the annual general meeting of shareholders determines the amount of audit fees of the Company annually. In 2022, the AGM resolved to determine the remuneration as follows:</p> <p>(1) The Company paid the auditor's remuneration to EY Office Limited which is the auditing office that the auditors are affiliated with. The Company does not pay the audit fee directly to the auditor or the person/business related to the auditor.</p> <table><tr><td></td><td>2021</td><td>2020</td><td>2019</td><td>2018</td><td>2017</td></tr><tr><td>Quarterly Review</td><td>100,000</td><td>100,000</td><td>100,000</td><td>100,000</td><td>100,000</td></tr><tr><td>Total value of 3 quarters</td><td>300,000</td><td>300,000</td><td>300,000</td><td>300,000</td><td>300,000</td></tr><tr><td>Yearly Audit</td><td>810,000</td><td>810,000</td><td>780,000</td><td>700,000</td><td>700,000</td></tr><tr><td>Annual Total</td><td>1,110,000</td><td>1,110,000</td><td>1,080,000</td><td>1,000,000</td><td>1,000,000</td></tr></table> <p>(2) The Company did not pay other service fees to the auditors.</p>		2021	2020	2019	2018	2017	Quarterly Review	100,000	100,000	100,000	100,000	100,000	Total value of 3 quarters	300,000	300,000	300,000	300,000	300,000	Yearly Audit	810,000	810,000	780,000	700,000	700,000	Annual Total	1,110,000	1,110,000	1,080,000	1,000,000	1,000,000
	2021	2020	2019	2018	2017																										
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Annual Total	1,110,000	1,110,000	1,080,000	1,000,000	1,000,000																										



Board of Directors' performance in the past year.

In the past year, the board has continuously monitored business operations to comply with good corporate governance policies and practices, including equitable treatment of shareholders, taking care of employees, non-discrimination, anti-corruption, environmental health and safety care, etc. The company has implemented according to guidelines with performance evaluation report summarized in five sections as below:

1. Rights of shareholders

- 1.1 The Right to receive share certificates and rights from selling or transferring shares
- 1.2 The right to attend the shareholders' meeting
- 1.3 The right to consider the remuneration of directors
- 1.4 The Right to appoint an auditor and set up auditor services remuneration.

2. Equitable treatment of shareholders, protection for the rights of shareholders.

- 2.1 The right to propose matters to be included in the agenda and submit inquiries about the company in advance.
- 2.2 Facilitating the appointment of the proxy

3. Role of Stakeholders

- 3.1 Shareholders 3.2 Business partners and creditors 3.3 Customers
- 3.4 Competitors 3.5 Employees
- 3.6 Community, Society and Environment 3.7 Government Sector

4. Disclosure and Transparency

- 4.1 Shareholding Structure
- 4.2 Reporting of securities holdings of directors and executives, both directly and indirectly
- 4.3 Report on with/without interest of directors
- 4.4 Disclosure on the use of inside information and confidentiality
- 4.5 Connected Transaction and Related Transaction.
- 4.6 Communication channels
- 4.7 Investor Relations

5. Responsibilities of the Board of Directors in the past year

- There was no unfair connected transaction that subjects to official agency alerts investors to use discretion in making decisions
- The company did not have any unusual securities trading behavior by the directors' actions or executives who have been convicted and declared guilty by the SEC

Additional follow-up guidelines for Good Corporate Governance Practices are as below:

Nomination, Development and Performance assessment of Board of Directors.

Independent Directors

The current board of directors consists of three independent directors. The independent directors must not act as executives; they are independent of the management and shareholders, do not have a business relationship with the company which may limit their independent opinion, and must have qualifications as specified in the notification of the Capital Market Supervisory Board.

Independent Directors Definition according to the minimum requirements of the SEC

- 1) Holding shares not over one percent of the total shares with voting right of the applicant for license, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant for license, however, it includes shareholding by related persons of the independent director also.
- 2) Not being or has been a director with management participation on employees, consultant with regular salary or authorized person of the applicant for license, holding company, subsidiary, affiliation, subsidiary in the same level, major shareholder or of authorized person of the applicant for license, except relieved from aforesaid characteristic at not less than two years before submitting permission to the Office. However, the prohibited characteristics do not include that of civil service or consultant of government body holding major shareholding or authorized person of the applicant for license.
- 3) Not being a person of whole blood or registration stated in the law, in the manner of being father or mother, spouse, brotherhood and offspring including the spouse of the offspring of the management, major shareholder, authorized person or person designated to be management or authorized person of the applicant for license or subsidiary.
- 4) Not have or has been in business relation with the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant for license, in the manner that may obstruct the independent exercise of discretion including in not being or has been a significant shareholder or authorized person of the person with business relationships with the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant, except relieved from aforesaid characteristics at not less than two years before the date of submission for permission from the Office. The business relation in paragraph one includes trade transactions in a normal business, rent or lease on items related to asset or service or in giving or receiving financial assistance through acceptance or lending, guarantee, granting asset as debt security including similar behavior resulting in the applicant or contract party with debt burden to be settled with another party from 3% of net tangible asset of the applicant or from twenty million baht up, as which amount is lower. However, the debt burden calculation shall be in value calculation on related items as announced by the

Securities Exchange Commission on Rules of Related Items, by mutatis mutandis. But the consideration of such debt burden shall include debt burdens incurred at one previous year before the date of business relationship with the same person.

- 5) Not being or has been the auditor of the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant and shall not be significant shareholder, authorized person or partner of auditing office with the auditor of the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant in attachment, except relieved from such characteristic at not less than two years before the date of submission for permission from the Office.
- 6) Not being or has been any professional provider which includes legal consulting or financial consulting with service fee over two million baht a year from the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant, and not being a significant shareholder, authorized person or partner of the professional provider, except relieved from such characteristic at not less than two years before the date of submission for permission from the Office.
- 7) Not being a director appointed to be the agent of the director of the applicant, major shareholder or shareholder with relation with the major shareholder.
- 8) Not operating similar or significant competitive business to the business of the applicant or subsidiary or not being a significant partner in the partnership or directorship with management participation on employees, a consultant with regular salary or holding shares over one percent of the total shares with voting right in other company, operating a business similar or competing with business of the applicant or subsidiary.
- 9) Not having other characteristics that will hinder free independent opinion in relation to the operation of the applicant.

After the appointment to be an independent director with the characteristics as stated in paragraphs one (1) to (9), the independent director may be assigned from the committee to make decisions on the business operation of the applicant, holding company, subsidiary, affiliation, subsidiary of the same level, major shareholder or authorized person of the applicant under the method of collective decision.

Nomination of the Directors and Executives.

The nomination and remuneration committee sets the recruiting policy and selection criteria of directors and executives before providing recommendations to the Board of Directors and shareholders. The policy and criteria will be according to the company's regulations, rules, and good corporate governance. The new applicant should have various professional skills and experience to enhance the diverse qualification of the structure of the board of directors, which will benefit the company's business. In the meantime, conflict of interest is an issue to be considered in applicant selection.

The consideration criteria are as below:

- 1) Having qualifications conforms to the Public Limited Act, the Securities and Exchange Act, rules of the Securities and Exchange Commission, laws of the Stock Exchange of Thailand, and the Company's corporate governance principles.

- 2) Having knowledge, capabilities, independence, ability to perform duty with caution and honesty (Duty of care and duty of loyalty), able to fully devote time to the company, mature and with proper qualification, good mental and physical health, be explicit, creative and courage to express an opinion at meetings, or be a reputable businessman that possesses the experience and good ethics.
- 3) Having at least one of the critical competencies such as company business, accounting, and finance, strategic management, good corporate governance, laws, and regulations.

Board of Directors' Performance Assessment

The board of directors' performance has been assessed regularly individually and collectively once a year. The sub-committee will be assessed on a collective basis regularly once a year. The assessed results will be gathered by the secretary of the sub-committees and company secretary, then reported the entire committee to review their performance, issues, and obstacles that have arisen in the past year, which lead to the development and improvement of the Board of Directors' performance according to good corporate governance principle. The annual performance assessment result will be disclosed in the annual report. (CG Code3.7.2)

The assessment of the Board of Directors' performance on a collective basis

Assessment Principle	Assessment Process
<p>The assessment is comprised of 6 main topics according to the guidelines of the Stock Exchange of Thailand as below:</p> <ol style="list-style-type: none"> 1) Structure and qualification of the board. 2) Roles, duties, and responsibilities of the board. 3) Board meeting 4) Performance duties of the board 5) Relationship with management 6) Self-development of directors and development of executives. 	1.The collective basis assessment will be done regularly once a year.
	2.The company secretary would summarize and submit the collective board performance assessment result to the nomination and remuneration committee for consideration and be used to resolve and increase the efficiency in work.
	3.The nomination and remuneration committee would submit the collective performance assessment result and improvement guideline for operational efficiency to the board.

In the past year, the average collective assessment score is **96.83**

The assessment of the Board of Directors' performance on an individual basis

Assessment Principle	Assessment Process
<p>The assessment is comprised of 3 main topics according to the guidelines of the Stock Exchange of Thailand as below</p> <p>1) Structure and qualification of the board. 2) Roles, duties, and responsibilities of the board. 3) Board meeting</p>	1. The individual basis assessment will be done regularly once a year.
	2. The company secretary would summarize and submit the individual board performance assessment result to the nomination and remuneration committee for performance assessment consideration and be used to resolve and increase the efficiency in work.
	3. The nomination and remuneration committee would submit the performance assessment result and improvement guideline for operational efficiency to the board.

In the past year, the average individual self-assessment score is **97.22**

The assessment of the sub-committees performance Nomination and Remuneration committees' performance on a collective basis

Assessment Principle	Assessment Process
<p>The assessment is comprised of 3 main topics according to the guidelines of the Stock Exchange of Thailand as below</p> <p>1) Structure and qualification of nomination and remuneration committee. 2) Roles, duties and responsibilities of nomination and remuneration committees. 3) Nomination and remuneration committees meeting.</p>	1. The company secretary shall send the self-assessment form to all members of the nomination and remuneration committees regularly once a year.
	2. The company secretary would compile the result of each member and summarize them to the nomination and remuneration committees and the board of directors.
	3. The nomination and remuneration committee would consider the performance evaluation with the board of directors and provide improvement suggestions to increase performance efficiency.

In the past year, the collective self-assessment of nomination and remuneration performance scores is **90.20**

The assessment of Audit Committee performance on an individual basis

Assessment Principle	Assessment Process
The assessment comprises four main topics. Three are according to the Stock Exchange of Thailand guidelines, and the other one is the audit committee report being submitted to boards. 1) Structure and qualification of the audit committee. 2) Audit committee meeting 3) Role, duty, and responsibility of audit committee 4) Audit committee report	1. The collective audit committee assessment will be done regularly once a year. The audit committee secretary would propose the assessment issue in the 4 th quarter AC meeting of every year. 2. The audit committee secretary summarizes and proposes the assessment result in every annual's 1st quarter AC meeting.

In the past year, the individual self-assessment performance score was **93.94**

The Board of Directors' Meeting.

- 1) The date and time of the board meeting are set in advance as every Wednesday of the 3rd week of the month throughout the year, documents and meeting agenda will be sent to the directors at least five business days in advance so that the directors will have sufficient time to allocate meeting schedule and study the information. (CG Code 3.9.1 & 3.9.4)
- 2) The chairman allocates sufficient time for various matters consideration, provides directors opportunities to express their opinions freely based on one director having one vote. The board also pays attention to conflicts of interest management with prudence, fairness, and transparency. Directors who have a conflict of interest in the matter being considered must not participate in the decision-making of such matters. (CG Code 6.3.2 ,6.3.3)
- 3) The Company's management also attends the board meeting to provide useful information and acknowledge the policy to implement accordingly.
- 4) Non-executive directors should meet, as necessary, among themselves without the management team to discuss their concerns or consider of any interesting management issues. (CG Code 3.9.7)
- 5) Chairman and managing director consider and select issues to be included in the board meeting agenda. In addition, directors can propose interesting issues for consideration and be added to the meeting agenda.
- 6) Chairman has allocated sufficient time for directors to carefully discuss important issues, including encouraging all directors to express their opinions on various issues. freely
- 7) Chairman, managing director and all of the directors attend the meeting every time unless traveling abroad or on other missions
- 8) Company's executive management should attend the board meeting every time to provide additional details on accounting and finance or other related issues.
- 9) The secretary of the board is responsible for preparing the minutes of the meeting proposing them in the next board meeting for approval as the first agenda; the managing director can request to amend the minutes of the meeting
- 10) In the past year, The Board of Directors has monitored and supervised the management to implement the company's strategy through the performance report meeting and the company's operating results every month

Meeting attendance of the Board of Directors year 2022

Name-Surname	Position	With / Without interest	No. of attendance		%
			Shareholder Meeting	Board of director meeting	
1. Miss Dalad Saphavichaikul	Chairman of the Board	None	1/1	12/12	100
2. Mrs. Nuntawan Sakuntanaga	Independence Director	None	1/1	11/12	91.67
3. Mr. Wanchai Rattanawong	Independence Director	None	1/1	12/12	100
4. Mr. Komon Iamwatcharin	Managing Director	None	1/1	12/12	100
5. Mr. Chutindhon Darakananda	Director	None	1/1	10/12	83.33
6. Mrs. Chantorntree Darakananda	Director	None	1/1	12/12	100
7. Mr. Vacharaphong Darakananda	Director	None	1/1	8/12	66.67
8 .Mr. Nanthiya Darakananda	Director	None	1/1	8/12	66.67
9. Mr. Kollatat Tangchitkul	Independence Director	None	1/1	12/12	100

Average of the Board 89.82

Remuneration of Directors and Executives

1. The board supervises the appropriate compensation structure in accordance with performance evaluation results.
2. The board establishes a motivative compensation structure for the managing director, senior management and all employee levels to perform their duties in accordance with the company objective, goal and long-term business interest, includes
 - 2.1 Appropriate ratio of salary and bonus.
 - 2.2 Compensation policy is in accordance with labor law and similar business size.
 - 2.3 Establish and communicate the assessment criteria and policy to the relevant person.
3. The board communicates the performance assessment criteria to the managing director in advance; the assessment will be done at least once a year, together with remuneration approval.
4. The board considers and approves the aspect and criteria of senior executives' performance assessment and remuneration structure, follows up with the managing director to assess the senior executive according to the aspect and criteria mentioned earlier

5. The board supervises the aspect and criteria of the whole organization's performance assessment.

Remuneration of Board of Directors.

The company has considered the board's remuneration to be in line with the listed company which has the same size industry, congruence with the company's performance and duty and responsibilities of each director.

Remuneration for each director position in the year 2021 is equal to the year 2020

Other remuneration.

In addition to the meeting allowance and remuneration in cash, The Company does not provide any other remuneration and benefits to the directors.

Remuneration payment criteria of each committee in Year 2022

Monetary compensation No other remuneration and benefit	2022 (Per month: Baht)	2021 (Per month: Baht)
Board of Directors: Meeting allowance paid monthly		
-Chairman of the Board of Director	8,000	8,000
-Executive Director	8,000	8,000
-Non-Executive Director	8,000	8,000
-Independence Director	8,000	8,000
Audit Committee: Compensation paid monthly		
-Chairman of the Audit Committee	11,000	11,000
-Member of the Audit Committee	10,000	10,000
Nomination and Remuneration Committee : Meeting allowance paid per attendance	(Per time : Baht)	(Per time : Baht)
-Chairman of the Nomination and Remuneration Committee	6,000	6,000
-Member of the Nomination and Remuneration Committee	6,000	6,000

Summary table of the remuneration of the three committees according to the resolution of the 29th Annual General Meeting of Shareholders held on April 20, 2022, within the limit of not more than 1,500,000.00 baht.

Name – Surname	Position	The remuneration year 2021(Baht)			
		Board's meeting allowance	Audit committee's remuneration	Nomination and remuneration's meeting allowance	Total
1.Miss Dalad Saphaivichaikul	Chairman	96,000	-	-	96,000
2.Mrs. Nuntawan Sakuntanaga	Independence Director/ Chairman of Audit Committee	96,000	132,000	-	228,000
3. Mr. Wanchai Rattanawong	Independence Director / Audit Committee / Chairman of Nomination and Remuneration Committee	96,000	120,000	12,000	222,000
4.Mr. Komon Iamwatcharin	Managing Director	96,000	-	-	96,000
5.Mr. Chutindhon Darakananda	Director	96,000	-	-	96,000
6.Mrs.Chantorntree Darakananda	Director	96,000	-	-	96,000
7.Mr.Vacharaphong Darakananda	Director / Nomination and Remuneration Committee	96,000	-	12,000	102,000
8.Mr. Nanthiya Darakananda	Director	96,000	-	-	96,000
9.Mr. Kollatat Tangchitkul	Independence Director / Audit Committee / Nomination and Remuneration Committee	96,000	120,000	12,000	222,000
	Total	864,000	372,000	36,000	1,272,000

Supervision of subsidiary and associated company: The company does not have subsidiary and associated company.

Prevention of conflicts of interest and the use of inside information: Details were disclosed in Section Business Ethics.

Performance Report of the Audit Committee

In 2022, the Audit Committee held a meeting with the EY Office Limited, the Company's external certified public accountants who audited the Company's financial reports of the year 2022, commented that

- Overall internal control system of the Company was on a satisfactory level. There was no significant impact on the auditor's opinion in the financial reports and no additional remarks about internal control issues.
- Each director considered and approved the sufficiency evaluation results on risk management and internal control system of the Company every year. For efficient operation at the management and operational levels, the Company has established the rules and procedures to be appropriate, clear, concise, but not redundant with specific operational authority at each level of the organization. Segregation of duties between operators and assessment controllers is required to appropriately recheck and balance each other.
- The Company has a financial reporting system proposed to the executives for monitoring the operational effectiveness. There is an asset custody system to control and verify the identity of the assets. There is an internal audit office responsible for auditing the Company's operation systems and financial activities to ensure that the Company complies with the regulations, policies, procedures, and other relevant laws effectively. The Internal Audit Office has been assigned duties by the Audit Committee with annual work plans and specific tasks as needed, on monitoring the results and corrections as suggested by the Audit Committee and reporting the audit results to the Audit Committee and directly reporting it to the executives in urgent case for prompt correction and improvement. Internal Audit Office of the Company is also independent in reporting the results of the audit.

Opinion of the Audit Committee

The Audit Committee has no different opinion from the Board of Directors' opinion. The key performance of duties of the Audit Committee are summarized as follows:

Report of the Audit Committee

Dear shareholders



The Audit Committee of the Union Pioneer Public Company Limited consists of 3 independent members with Mrs. Nuntawan Sakuntanaga as the chairman, Mr. Wanchai Rattanawong and Mr. Kollatat Tangchitkul as the Committee members. In 2022, the Audit Committee had 4 meetings with full attendance of each member as follows.

Name of The Committee Member	Position	Numbers of Attendance/ Total Meetings
Mrs. Nuntawan Sakuntanaga	Chairman of the Audit Committee	4/4
Mr. Wanchai Rattanawong	Auditing Committee Member	4/4
Mr. Kollatat Tangchitkul	Auditing Committee Member	4/4

The duties of the Audit Committee can be mainly summarized as follows.

1. Reviews of financial reports

In cooperation with the management, the internal audit office and the auditor, the Audit Committee has reviewed the quarterly and yearly financial reports for 2022 including the connected and related transactions or the transactions that may lead to conflicts of interests. Inquiries were made to the certified public accountant about accuracy and completeness of the financial reports, adjustments that may impact the financial reports, the adequacy and appropriateness of the accounting methods, the scopes of audit, the accuracy, the adequacy and the completeness of the information disclosure as well as the independency of the certified public accountant. This is to ensure that the preparation of the financial reports complied with all relevant regulations, Generally Accepted Accounting Principles (GAAP) and the regulations of the Stock Exchange of Thailand.

In addition, the audit committee held a meeting with the auditor without any participation of management team to have an independent discussion regarding issues and obstacles encountered in requesting information and conducting an audit. During the discussion, the committee also consulted on notes and opinions of the auditor.

2. Reviews of internal controls and internal audits

The Audit Committee has approved the annual internal audit plan and quarterly reviewed the internal control system. This is to ensure that the company has sufficiently and appropriately established an efficient internal control and internal audit system in accordance with the international standards. The Audit Committee has also emphasized the internal audit office to follow up the assigned tasks to confirm that the management has revised or improved as suggested by the internal audit office within the specified timeline. In addition, the Audit Committee has provided beneficial suggestions to increase efficiency in the internal audit system.

3. Reviews of risk management

Together with the management, the Audit Committee has quarterly reviewed efficiency and effectiveness of the risk management program, including the plan and the direction to manage

the risks that impact company's operation. The Audit Committee has also provided suggestions to improve risk dimensions to be inclusive and responsive to changes as well as recommendations on practices in risk management to accommodate the events occurred out of expectation.

4. Reviews of compliance with the securities and exchange law, the regulations of the Stock Exchange of Thailand and the laws in relation to the businesses of the company

The Audit Committee has regularly reviewed and monitored the compliance with the securities and exchange law, the regulations of the Stock Exchange of Thailand and the laws in relation to the businesses of the company which the Audit Committee is of the view that the company has strictly complied with the securities and exchange law, the regulations of the Stock Exchange of Thailand and the laws in relation to the businesses of the company.

In 2022, there have been were 4 enactments of laws in relation to the businesses of the company. 1) Ministerial Regulation on Determination of Safety Management System Standards B.E. 2565, publicized in the Government Gazette on 11 April 2022, 2) Notification of the Ministry of Industry regarding Safety Measures on Chemical Management in Industrial Plants, B.E. 2565, publicized in the Government Gazette on 25 April 2022, 3) Ministerial Regulation of the Ministry of Labor regarding Arrangement of Safety Officers, Department, or Group of Person to Conduct Safety Operation in the Workplace B.E. 2565, publicized in the Government Gazette on 17 June 2022 and 4) The National Wage Committee's Notification on Minimum Wage Rate (No.11), publicized in the Government Gazette on 19 September 2022. The Audit Committee which the audit committee has followed up with the company to comply with the notifications and reported the progress to the board of directors.

5. Auditor selection

The Audit Committee has altogether considered the qualification and the proposed remuneration by taking into account creditability of services and consultancy on accountings, auditing standards as well as timely certification of financial reports, then agreed to propose the board of directors the nomination of the auditor from EY Co., Ltd. to the shareholders to be the auditor of the company with the auditing fees of Baht 1,110,000 (Baht One Million One Hundred and Ten Thousand) for 2022.

6. Reviews of connected transactions or transactions that may lead to conflicts of interests

The Audit Committee has reviewed and inquired the auditor about the connected transactions or transactions that may lead to conflicts of interests including the disclosure of those transactions. By doing so, the Audit Committee has found that the company has complied with the standards and regulations of the Securities and Exchange Commission while considering the benefits of the company and disclosed the information completely and adequately.

7. Reviews of compliance with the anti-corruption measures

The Audit Committee has reviewed the internal audit measures and the governance on the compliance with the anti-corruption policy. Also, the Audit Committee has supervised the internal audit office to inspect the internal control system to ensure that the company has sufficiently and appropriately complied with the anti-corruption policy, which the company has performed as follow.

7.1) Organized the test on the understanding of business ethics and anti-corruption for the management, then evaluated the result to review and improve business ethics and raise awareness about the anti-corruption in all manners.

7.2) Organized the internal audit department to perform the duty in reviewing the company's performance according to the anti-corruption policy, the internal control system and the internal audit to ensure that the performance of each business unit is efficient and compliant with laws, work processes, manuals of good corporate governance and business ethics.

7.3) Organized the training through an orientation for new employees and a curriculum on the sustainable anti-corruption practices for managements and division heads to understand the good corporate governance, the business ethics and the anti-corruption policy of the company.

7.4) Created an atmosphere for employees to be aware of anti-corruption via internal communication such as intranet within the company, publicity on the company's publication board and distribution of the manuals on good corporate governance, business' ethics and anti-corruption policy on the company's website.

8. Reports of performances

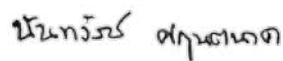
The Audit Committee has regularly reported its performance to the board of directors every quarter by providing beneficial opinions and suggestions for the administration of the management. With references to the suggestions, the management has appropriately revised and improved accordingly.

9. Self-evaluation

The Audit Committee has conducted the self-evaluation on its individual performance in accordance with the charter of the Audit Committee and the best practice guideline for the Audit Committee. The result has shown that the Audit Committee has performed its duties according to its scope of responsibilities and the best practice guidance of the Audit Committee as determined by the Stock Exchange of Thailand. The score from the self-evaluation of the audit committee for the year of 2022 is at the average of 93.94.

In summary, the Audit Committee has performed its duties and responsibilities as determined in the charter of the Audit Committee by utilizing knowledges, capabilities, prudence and cautiousness with adequate independency. The Audit Committee has provided opinions and suggestions for the benefits of the company and all stakeholders. The Audit Committee is of the view that the company has prepared the financial reports in conformity with GAAP standards, appropriately established the internal control system and complied with the law, the regulations of the Stock Exchange of Thailand or other laws in relation to businesses of the company in accordance with the principles of the good corporate governance for the ultimate benefits and sustainable growth of the company.

On behalf of the Audit Committee



(Mrs. Nuntawan Sakuntanaga)
Chairman of the Audit Committee
Union Pioneer Public Company Limited

Sub-Committees' Performance Summary

Report Nomination and Remuneration Committee

Dear Shareholders,



The board of directors has a critical role in governing and driving the organization to success. The process for nominating an appropriate person and setting remuneration is one of the significant processes that must be properly proceeded in compliance with the principle of the good corporate governance. Therefore, the board of directors had appointed the Nomination and Remuneration Committee to shortlist, select and propose knowledgeable individuals with proficiency and appropriate qualification to perform the duties in the position of directors as well as high-level executives and propose policies, guidelines and schemes of remuneration for the board of directors and the sub-committees.

The Nomination and Remuneration Committee of the Union Pioneer Public Company Limited consists of three committee members which two of them are independent directors, as the Chairman of the Nomination and Remuneration Committee being an independent director who can perform his duties and express his opinions independently.

In the year of 2022, the Nomination and Remuneration Committee had organized meetings in a total of two times which all the committee members had fully attended meetings all the time. The committee had considered significant matters in the year of 2022 as follows.

1. Shortlisting and selecting an individual with appropriate qualification to propose the board of directors considering the nomination to the general meeting of shareholders of the year 2022 for the appointment of director, replacing the director retiring from completion of service.
2. Considering the designation of the amount and the scheme of remuneration for the board of directors and sub-committees of the year 2022 to propose the board of directors getting an approval at the general meeting of shareholders of the year 2022.
3. Shortlisting and selecting an individual with appropriate qualification to propose the board of directors considering the appointment to be a director, replacing the resigning director.
4. Organizing an orientation for the newly appointed director to understand roles, duties and responsibilities including policies and characteristics of company's businesses as well as other information beneficial for performing the duties.
5. Assessing the performance of the Nomination and Remuneration Committee, reporting the annual assessment to the board of directors for acknowledgement and summarizing the self-evaluation result of the Nomination and Remuneration Committee of the year 2022 with the average point of 90.20%

In the process of shortlisting and selecting an individual, to propose the board of directors and the general meeting of shareholders to consider an appointment of a director, the Nomination and Remuneration Committee had considered the qualification of the individual according to the specified nomination principles and methodologies of a director, whose

qualification must be qualified without any restriction as prohibited by laws, complied with the regulations of the Securities and Exchange Commission (SEC) as well as the Stock Exchange of Thailand (SET) and in line with the principles of the good corporate governance of the listed company regarding the structure of the board of directors including being a knowledgeable individual with proficiency and independency as well as possessing skills, profession and occupational expertise that are necessary and beneficial for the company's businesses.

On the determination of the amount and scheme of remuneration, the Nomination and Remuneration Committee had fairly and reasonably considered and revised the remuneration amount every year by comparing with other listed companies having similar business size and/or in related industries and other factors in all aspects such as liabilities, duties, scopes of responsibilities, performances, company's financial status and the overall economy.

In the year of 2022, the Nomination and Remuneration Committee had performed duties as assigned with prudence, completeness, transparency, fairness and independency for the ultimate benefits of the company, shareholders and all stakeholders.

On behalf of the Nomination and Remuneration Committee



(Mr. Wanchai Rattanawong)

Chairman of the Nomination and Remuneration Committee

Union Pioneer Public Company Limited



Sufficiency and Suitability of the Company's Internal Control System

- The Board of Directors assigned the Audit Committee with a duty and responsibility in checking the suitability and effectiveness of the company's internal control system and risk management system, created by the management level to ensure that the internal control system of the company is adequate in lowering the risk for the business management, be able to protect the company's asset lost or being used by other party without authority in working position, making the employees act according to the laws and regulations related and help financial report accurate and credible.
- The Risk Management sub-committee will consider the framework for risk management, policy in risk management including looking after and review the risk management of the Company including team whom are responsible in each department by holding the meeting together and tracking the result might happen in order to find ways to solve and manage the risk to stay in suitable level, as well as supervising to practice accordance to the policy consistently.
- The Audit Committee checked the suitability and the effectiveness of the Company's internal control system and internal audit and the risk management by considering the internal auditor by considering together with internal auditor. Considering with the internal audit, concluding that the Company has already practiced internal audit process properly and have evaluated new control by using COSO (The Committee of Sponsoring Organizations of the Treadway Commission) according to the requirement of the Securities and Exchange Commission, **including 5 parts** as following: (CG Code 6.2)

1. Internal Audit in Organization

The Company managed a suitable organization structure for operation and internal controls which covered in financing & accounting sections, operations and personnel management, including actions according to the laws under the government authorities and regulations of the company, also stipulating authorities on financial permission distinctly.

2. Risk Assessment

The Company established a risk management sub-committee, specified risk management policy, evaluated and followed with risk management results in every possible way and quarterly reported the Audit Committee.

3. Operation Control

The Company held an operating manual which covered the company's system to control various implementations on credibility of information, asset protection and Information Technology (IT) system of the Company.

4. Information Technology (IT) and Communication System

The Company emphasized the Information Technology System and enough records of information, operation and decision of the manager as well as development and improvement in IT system to pertinent accuracy and to fulfill implementation regularly.

5. Follow up system

The Company had a tracking system for operation in management level and operation level by which the management committee had compared the operating results with clearly objective determined and appointed the way to reach the goal objectives. At the same time the company has an internal audit office which takes actions in certitude as well as giving advice for the internal operation of the organization governance, risk management and good appropriate internal control.

Evaluation on internal control deficiencies

The Company annually evaluated the internal audit systems. No deficiency that had significance to the internal audit system, was found because there were controllers to control the practice as the system indicated.

Head of Internal Audit Office

In the Audit Committee Meeting No. 3/2016 held on 4th August 2016, Mr. Nattpawatch Thomwan was appointed as the head of the Company's internal audit office, to perform duties as the Secretary of the Audit Committee, effective on 1st September 2016, due to having qualification and experience in the internal audit, attending training courses related to internal audit operations and understanding on business operations of the Company. Therefore, these are reasons why he is appropriate to be in charge of such position. The qualifications for the head of the internal Audit Office are shown in attachment 3.

Appointment, Removal and Transfer of the Head of the Internal Audit Office

Appointment, removal and transfer of the head of the internal audit office are considered and approved by the Audit Committee.

Inter – Transactions

The Company emphasized on approving the inter-transactions or related transactions or any transactions that may have a conflict of interest. The guidelines are as follows;

For approving the Inter-transactions or related transactions or any transactions that may have a conflict of interest, Directors and the management could not attend for consideration on this approval, including;

1. Directors and executives sign off the certificate annually to express that they will not perform anything related to conflict of interest to the company or disclose the confidence information to use with their personal benefit, causing the loss to the Company.
2. Prohibit on the mentioned information disclosure to customer, supplier, service provider, competitor or third parties, except the information used to communicate normally or detail for public.
3. The nature of inter-transactions is transactions occurred in the normal trade terms as reasonable market price mechanism such as purchasing on materials, etc. There are utilities service, prices that are calculated on the basis of relevant expenses and fair usage accepted by both parties.
4. Last year the Company had no securities offering forms or draft prospectuses, then no comment from the directors and the third parties on this.
5. Necessity and reasonableness of inter-transaction; Group Companies has a policy to set up a division for sourcing the raw material within group companies, and to gain the bargaining power of price and quantity. Inter-transactions are done as necessity and reasonableness for the benefit of the company.
6. Inter-transaction Approval Procedure; to propose to the Audit Committee for consideration according to the size of transaction; small, medium, large for considering on the power-operated. For normal transaction, assuming as if third parties, there is a procedure of the common transaction at market price which the Board has already approved the action principle of inter- transaction. The authorized persons for approval have no interest in that transaction, have tracking of cash transferring (receiving and payment), setting the due date payment of each transaction and keeping the practice as standard procedure.
7. Trend of Future Inter-transactions are the transactions which carry out in accordance with the normal trade, use the trade policy as market price mechanism of the business. There is no any benefit transferring between the Company and the related companies or persons.
8. Last year there was no special transaction, then there was no any opinion of directors, third party or independent experts.
9. Entering Inter-Transaction, Inter-Transactions have been done appropriately. The rental price is fair and is acceptable to both parties and does not affect or have conflict with

interests of the Company in business transaction. However, the consideration and approval of each type of transaction has been complied with regulations of the Stock Exchange of Thailand and the SEC. In addition, in the past, if there was inter-transaction which was considered as a related transaction, the Company would propose it to the Audit Committee to consider before presenting to the Board Meeting further. In the past, independent directors had no different opinions from the Board of Directors. The Company disclosed complete information in accordance with relevant regulations through electronic media of the Stock Exchange of Thailand.

10. The Company does not have inter-transactions in the forms of financial assistance such as loan, credit guarantees, etc.
11. Last year the Company didn't do any types of inter-transactions that violated or did not comply with the rules for related transactions of the Stock Exchange of Thailand.

Transactions with third parties

The Company has a policy to treat all stakeholders and the guidelines for all stakeholder's groups. The Company proceeds the business operation under the scope of competition law with fair trading, considers the fair and appropriated price by realizing on the reasonable price, quality and service that the Company received, and can give the appropriate reason when being audited.

Inter-Transactions between Union Pioneer Public Company Limited and the persons who may have led to the conflict of interest in 2022

Related companies and Type of relationship	Type of Transaction	Value of significant transactions (Thousand Baht)	Pricing Policy	Reasonability and Necessity of Inter-Transaction
1. Saha Union Public Co., Ltd. -major shareholder -having mutual directors	1.Paying dividend 2.Purchasing raw materials 3.Account Payable	17,294 10,383 861	1. From the AGM no. 28/2021 2. Comparing with market prices 3. As contractual price	1. As the announced payment rate 2. Total purchasing volume for bargaining power 4. Be outstanding balance as at 31st December 2022
2. Thai Rubber Enterprise Co., Ltd. -having mutual directors	1.Land Rent	30	As contractual price	1. Location using for natural rubber storage
3. Union Zojiroshi Co., Ltd.	1.Land Rent 2.Service Income	4,224 153	As contractual price	1.Location using as manufacturing factory
4. Union Rubber Products Co., Ltd. -having mutual directors	1. Purchasing raw materials	31,560	Able to compare with market prices	11. To control the product quality, with common transactions at market price
5. Union Zip Co., Ltd. -having mutual directors	1.Selling product 2.Account Receivable	11,035 2,552	Comparing with market prices	1. Common transactions at market price 2. Be outstanding balance as at 31st December 2021
6. Union Plastic Public Co., Ltd. -having mutual directors	1. Purchasing raw materials 2. Service Income	447 736	Comparing with market prices	1.Common transactions at market price
7. Union Thai-Nichiban Co., Ltd. -having mutual directors	1. Purchasing raw materials 2. Service Income	675 998	Comparing with market prices	1.Common transactions at market price
8. Union Stainless Steel Products Co., Ltd. -having mutual directors	1. Service Income	470	Comparing with market prices	1.Common transactions at market price
Total of Inter-Transaction in 2022		81,418		

Shareholders or investors can view historical information in the topic, Inter-Transactions, in Form 56-1 One Report on the Company's website at



**Disclosure of Information
in the Organization Structure**

Details of Directors and Executives

**Person Assigned to be the Highest
Responsibility in Accounting and Finance**

**Person Assigned to be Directly Responsible
in the Supervision of Accounting**

Company Secretary

**Tenure of Board of Directors, Management,
Authorized Directors and Independence
Directors/Audit Committee**

Name-Surname	Union Pioneer Public Company Limited.				Saha Union Public Company Limited.
	Board of Directors	Management	Authorized Directors	Independent Director/Audit Committee	
1. Miss Dalad Saphavichaikul	X		✓		X
2. Mrs.Nuntawan Sakuntanaga				// , ///	
3. Mr.Wanchai Rattanawong				// , ///	
4. Mr.Komon Iamwatcharin	XXX	✓	✓		
5. Mr.Chutindhon Darakananda	/		✓		XX
6. Mrs.Chantornree Darakananda	/		✓		A
7. Mr.Vacharaphong Darakananda	/		✓		/
8. Mr. Nanthiya Darakananda	/		✓		/
9. Mr.Kollatat Tangchitkul				// , ///	
10. Mr.Wiwat Jongkonrat		✓			
11. Mr. Sikavej Sopaphan		✓			
12. Mrs. Sureeporn Chompunutyanyong		✓			
13. Miss Warunee Khumtong		✓			

Remark : A President X Chairman XX Vice Chairman XXX Managing Director
 / Director // Independent Director /// Audit Committee

Details of the Head of the Internal Audit Unit

Mr. Nattpawatch Thomwan

Age 40 years

Position: Manager of Internal Audit section and Secretary of the Audit Committee

Education:

- Master Degree of Science Program on Corporate Governance, Chulalongkorn University
- Bachelor Degree of Administration Accounting, Rajamangala University of Technology Bangkok
- Diploma Degree of Internal Auditing Education Partnership (IAEP) The Institute of Internal Auditors: IIA

Shareholding in the Company: None

Family Relations with Other Directors: None

Training Courses in 2022:

Federation of Accounting Professions. (Under the Royal Patronage of His Majesty The King)

- Agile Internal Audit 2/65

Dharmniti Seminar and Training Co., Ltd.

- PDPA for Internal Auditing, Personal Data Protection Laws for Internal Auditing.

HR Print and Training Co., Ltd (In-house training).

- Direction toward sustainable Anti-Corruption.

Work Experience 5 years

Current Position:

- September 2016 – present Internal Audit Manager and Secretary of Audit Committee,
Union Pioneer Public Company Limited

Responsibilities

- Take actions as chief for “internal auditor” who is responsible according to policies of internal audit office, which were approved by the Audit Committee
- Take actions as secretary of the Audit Committee, who arranges the audit meeting and prepares the documents of meeting agendas and minutes

Opinion of the Audit Committee regarding the qualification of the Internal Audit Manager (in case of being the company’s employee)

The Audit Committee had an opinion on the operation of the manager of the internal audit section that he worked well and accurately according to the required laws, including having the knowledge and ability to operate job duties effectively.

Details of the Chief of Compliance Unit

Mrs. Chadaporn Jiemsakultip

Age 59 years

Position: Company Secretary and Chief of Compliance Unit

Education

- Bachelor’s Degree in Business Administration (Management), Sukhothai Thammathirat Open University
- Certificate in Business Administration (Accounting), Vocational College, Bangkok Technical Campus,
(Current Named Rajamangala University of Technology Krungthep (RMUTK)), Bangkok

Responsibilities

- Provide legal advice and rules and practices in relation to the supervision of the Board of Directors' activities to be in accordance with the law.
- Perform other duties assigned by the Board of Directors.

Assets used in business operation

Details are disclosed in the topic.

product procurement

The company does not have property appraisal and
property revaluation in the past year.

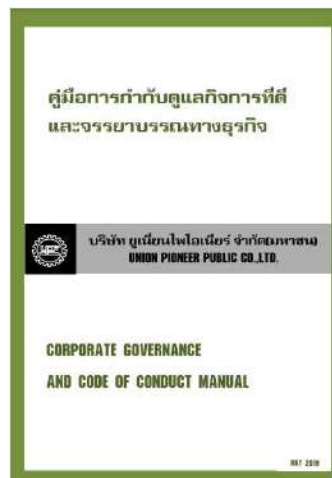
Corporate Governance Policy and Practice

Business Ethics

including Important Policies

-Full version-

On Company's website



Audit Committee Report

**Details are disclosed in
“Duty of Audit Committee Report”**

Nomination and Remuneration Committee Report
Details are Disclosed in
“Sub-Committees’ Performance Summary”

**Committees' Responsibility on Financial Report
Details are Disclosed in "Management Analysis and
Explanation.**

Union Pioneer Public Company Limited

Report and financial statements

31 December 2022

Independent Auditor's Report

To the Shareholders of Union Pioneer Public Company Limited

Opinion

I have audited the accompanying financial statements of Union Pioneer Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2022, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Union Pioneer Public Company Limited as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance to my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to the matter are described below.

Revenue recognition

The amount of sales is significant to the financial statements (97% of total revenues). In addition, the Company has a large number of customers, both domestic and export, and overseas sales are made under differing terms, meaning that recognition of revenue from sales is made under a variety of conditions. Therefore, I draw attention to the timing of revenue recognition.

I have examined the revenue recognition of the Company by

- Assessing and testing the Company's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales transactions to assess whether revenue recognition was consistent with the conditions and incoterms, and whether it was in compliance with the Company's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Company issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

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

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

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

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

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine that matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Poonnard Paocharoen

Certified Public Accountant (Thailand) No.5238

EY Office Limited

Bangkok: 22 February 2023

Union Pioneer Public Company Limited

Statement of financial position

As at 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents	7	88,341,578	53,760,110
Trade and other receivables	8	117,315,525	170,751,350
Inventories	9	153,499,236	170,744,341
Derivatives assets	26	1,944,954	86,449
Other current financial assets	10	19,930,769	15,988,594
Other current assets		3,164,486	3,075,374
Total current assets		384,196,548	414,406,218
Non-current assets			
Other non-current financial assets	11	6,185,268	5,170,485
Property, plant and equipment	12	59,873,705	72,681,692
Advance payment for purchase of equipment		2,302,000	-
Right-of-use assets	14	27,479,604	30,537,007
Intangible assets		293,343	159,473
Current tax assets		273,277	-
Deferred tax assets	19	9,685,593	12,152,879
Total non-current assets		106,092,790	120,701,536
Total assets		490,289,338	535,107,754

Statement of financial position (continued)

As at 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	13	48,956,805	69,878,107
Income tax payable		-	2,406,262
Current portion of lease liabilities	14	2,632,819	2,488,852
Derivatives liabilities	26	14,199	1,005,876
Other current liabilities		333,138	453,091
Total current liabilities		51,936,961	76,232,188
Non-current liabilities			
Lease liabilities - net of current portion	14	27,322,862	29,955,681
Provision for long-term employee benefits	15	47,960,371	56,207,486
Total non-current liabilities		75,283,233	86,163,167
Total liabilities		127,220,194	162,395,355
Shareholders' equity			
Share capital			
Registered			
7,500,000 ordinary shares of Baht 10 each		75,000,000	75,000,000
Issued and fully paid up			
7,500,000 ordinary shares of Baht 10 each		75,000,000	75,000,000
Share premium		30,625,000	30,625,000
Retained earnings			
Appropriated - statutory reserve	16	18,834,366	18,834,366
Unappropriated		238,609,778	248,253,033
Total shareholders' equity		363,069,144	372,712,399
Total liabilities and shareholders' equity		490,289,338	535,107,754

Union Pioneer Public Company Limited

Statement of comprehensive income

For the year ended 31 December 2022

	(Unit: Baht)	Not e	2022	2021
Revenues				
Sales and service income		17	646,003,431	605,122,751
Other income			14,074,357	15,924,674
Total revenues			660,077,788	621,047,425
Expenses				
Cost of sales			554,461,970	500,403,093
Selling and distribution expenses			39,534,066	37,032,304
Administrative expenses			34,471,604	34,956,953
Other expenses			3,956,352	4,542,920
Total expenses			632,423,992	576,935,270
Profit from operating activities			27,653,796	44,112,155
Finance income			300,813	389,484
Finance cost			(1,765,460)	(1,539,536)
Profit before income tax expenses			26,189,149	42,962,103
Income tax expenses		19	(4,607,809)	(7,613,813)
Profit for the year			21,581,340	35,348,290
Other comprehensive income:				
<i>not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain			5,125,506	-
Less: Income tax effect			(1,025,101)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax			4,100,405	-
Other comprehensive income for the year			4,100,405	-
Total comprehensive income for the year			25,681,745	35,348,290
Earnings per share		20		
Basic earnings per share			2.88	4.71

**Union Pioneer Public
Company Limited
Statement of changes in shareholders'
equity
For the year ended 31
December 2022**

(Unit: Baht)

	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2021	75,000,000	30,625,000	18,834,366	279,654,743	404,114,109
Profit for the year	-	-	-	35,348,290	35,348,290
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	35,348,290	35,348,290
Dividend paid (Note 23)	-	-	-	(66,750,000)	(66,750,000)
Balance as at 31 December 2021	75,000,000	30,625,000	18,834,366	248,253,033	372,712,399
					-
Balance as at 1 January 2022	75,000,000	30,625,000	18,834,366	248,253,033	372,712,399
Profit for the year	-	-	-	21,581,340	21,581,340
Other comprehensive income for the year	-	-	-	4,100,405	4,100,405
Total comprehensive income for the year	-	-	-	25,681,745	25,681,745
Dividend paid (Note 23)	-	-	-	(35,325,000)	(35,325,000)
Balance as at 31 December 2022	75,000,000	30,625,000	18,834,366	238,609,778	363,069,144

Union Pioneer Public Company Limited**Cash flow statement****For the year ended 31 December 2022**

	(Unit: Baht)	
	2022	2021
Cash flows from operating activities		
Profit before tax	26,189,149	42,962,103
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	24,323,526	27,236,753
Allowance for expected credit losses	292,281	134,252
Reduction of inventory to net realisable value (reversal)	(2,331,751)	1,296,796
Gain on sales of building improvements and equipment	(428,152)	(406,554)
Written off of building improvements and equipment	-	74,006
Gain on lease modification	-	(671,813)
Long-term employee benefit expenses	6,288,148	3,946,849
Unrealised gain on exchange	(4,877,507)	(5,458,639)
Losses (gain) on derivatives	(2,850,182)	2,695,377
Finance income	(300,813)	(389,484)
Finance cost	1,765,460	1,539,536
Profit from operating activities before changes in operating assets and liabilities	48,070,159	72,959,182
Operating assets (increase) decrease		
Trade and other receivables	58,089,767	(39,688,112)
Inventories	19,576,856	2,734,516
Other current assets	(89,112)	269,130
Other non-current financial assets	(1,034,597)	(39,942)
Operating liabilities increase (decrease)		
Trade and other payables	(21,078,999)	2,639,931
Other current liabilities	(119,953)	(80,462)
Provision for long-term employee benefits	(9,409,757)	(4,858,809)

	2022	2021
Cash flows from operating activities	94,004,364	33,935,434
Cash paid for income tax	(5,845,163)	(11,330,386)
Net cash flows from operating activities	88,159,201	22,605,048
Cash flows from investing activities		
Interest received	251,911	464,400
Decrease (increase) in other current financial assets	(3,942,175)	13,975,051
Acquisition of building improvements and equipment	(7,646,998)	(9,374,992)
Acquisition of intangible assets	(247,982)	(89,520)
Proceeds from sales of building improvements and equipment	554,935	593,677
Prepayment for equipment	(2,968,112)	(8,790,576)
Net cash flows used in investing activities	(13,998,421)	(3,221,960)
Cash flows from financing activities		
Cash paid for lease liabilities	(2,488,852)	(2,168,503)
Interest paid	(1,765,460)	(1,539,536)
Dividend paid	(35,325,000)	(66,750,000)
Net cash flows used in financing activities	(39,579,312)	(70,458,039)
Net increase (decrease) in cash and cash equivalents	34,581,468	(51,074,951)
Cash and cash equivalents at beginning of year	53,760,110	104,835,061
Cash and cash equivalents at end of year	88,341,578	53,760,110
Supplemental cash flows information		
Non-cash transactions		
Purchase of equipment for which payments		
have yet to be made	1,395,842	1,238,145
Transfer prepayment to equipment	666,112	13,198,776
Increase in right-of-use assets and lease liabilities	-	31,843,584
Decrease in right-of-use assets due to lease modification		
and cancellation	-	23,261,058
Decrease in lease liabilities due to lease modification	-	
and cancellation	-	23,932,871

Union Pioneer Public Company Limited

Notes to financial statements

For the year ended 31 December 2022

1. Corporate information

Union Pioneer Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Saha-Union Public Company Limited, which is incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of finished elastic products. The registered address of the Company is No.1 Soi Serithai 62, Kweang Minburi, Khet Minburi, Bangkok.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. New financial reporting standards

a. Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements.

b. Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts to customers.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods, semi-finished products and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

4.4 Property, plant and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 years
Building improvements	-	5 years, 10 years and 20 years
Machinery and equipment	-	3 years and 5 years
Furniture and fixtures	-	3 years and 5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is including in profit or loss when the asset is derecognised.

4.5 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	-	10 years
Buildings	-	10 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.6 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.7 Foreign currencies

The Company's financial statements is presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.8 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.9 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law and resignation fund plan. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Defined benefit liability (asset) is the present value of the defined benefit obligation less the fair value of plan assets which are available to pay the employee benefits obligation directly.

Plan assets are assets held by a long-term employee benefit fund. They are not available to the Company's creditors and cannot be returned to the Company. The Company measures the fair value of plan assets by using market price and in case that plan assets are debt instruments in active market, the Company measures them by using quoted price.

4.10 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.11 Income Tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.12 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL which are derivatives, are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.13 Derivatives

The Company uses derivatives, such as forward currency contracts to hedge its foreign currency risk.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

4.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of

relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Depreciation of plant and equipment

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment (if any) and to review estimate useful lives and residual values when there are any changes.

Leases

Determining the lease term with extension options - The Company as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Company as a lessee

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	2022	2021	Pricing policy
<u>Transactions with parent company</u>			
Purchases of raw materials	10	8	Cost plus margin of parent company
Rental expenses	-	3	Contract price
<u>Transactions with related companies</u>			
(related by common shareholders)			
Sales of finished goods	12	12	Cost plus margin
Purchases of raw materials	33	63	Cost plus margin of related companies
Rental expenses	4	-	Contract price

As at 31 December 2022 and 2021, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	2022	2021
<u>Trade and other receivables - related parties</u> (Note 8)		
Related companies (related by common shareholders)	2,903	3,819
Total trade and other receivables - related parties	2,903	3,819
<u>Trade and other payables - related parties</u> (Note 13)		
Parent company	862	1,798
Related companies (related by common shareholders)	372	8,493
Total trade and other payables - related parties	1,234	10,291

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	2022	2021
Short-term employee benefits	8,632	8,261
Post-employee benefits	117	183
Total	8,749	8,444

7. Cash and cash equivalents

(Unit: Thousand Baht)

	2022	2021
Cash	14	27
Bank deposits	43,414	28,757
Short-term bonds	44,914	24,976
Total	88,342	53,760

As at 31 December 2022, bank deposits in saving accounts and short-term bonds carried interests between 0.08 and 0.90 percent per annum (2021: between 0.05 and 0.42 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)	
	2022	2021
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	2,679	3,692
Total trade receivables - related parties	2,679	3,692
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	79,710	112,821
Past due		
Up to 3 months	28,392	45,291
3 - 6 months	2,202	2,016
6 - 12 months	449	-
Over 12 months	1	19
Total	110,754	160,147
Less: Allowance for expected credit losses	(435)	(159)
Total trade receivables - unrelated parties, net	110,319	159,988
Total trade receivables - net	112,998	163,680

(Unit: Thousand Baht)

	2021	2020
<u>Other receivables</u>		
Other receivables - related parties	224	127
Other receivables - unrelated parties	4,094	6,944
Total other receivables	4,318	7,071
Total trade and other receivables - net	117,316	170,751

9. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	2022	2021	2022	2021	2022	2021
Finished goods	30,236	47,362	(289)	(2,420)	29,947	44,942
Semi finished products	11,642	10,697	(216)	(419)	11,426	10,278
Work in process	10,498	11,204	(4)	(2)	10,494	11,202
Raw materials and chemicals	84,095	87,647	-	-	84,095	87,647
Packing materials	6,695	6,438	-	-	6,695	6,438
Spare parts and factory supplies	4,027	3,096	-	-	4,027	3,096
Raw materials in transit	6,815	7,141	-	-	6,815	7,141
Total	154,008	173,585	(509)	(2,841)	153,499	170,744

10. Other current financial assets

The balance as at 31 December 2022, represented investments in government bonds which are measured at amortised cost and carried interest between 0.67 and 0.90 percent per annum (2021: between 0.40 and 0.50 percent per annum).

11. Other non-current financial assets

This represents investments in government bonds which are pledged as collateral to secure electricity use which are measured at amortised cost and carried interest between 0.55 and 0.67 percent per annum (2021: between 0.55 and 0.60 percent per annum).

12. Property, plant and equipment

(Unit: Thousand Baht)		Buildings and building improvements	Machinery and equipment	Furniture and fixtures	Motor vehicles	Assets under installation and construction	Total
	Land						
Cost As at 1 January 2021	6,173	108,212	675,587	15,496	18,160	112	823,740
Additions	-	1,122	18,718	537	925	2,006	23,308
Disposals/write-off	-	(8,774)	(16,412)	(525)	(1,825)	-	(27,536)
Transfers	-	-	112	-	-	(112)	-
As at 31 December 2021	6,173	100,560	678,005	15,508	17,260	2,006	819,512
Additions	-	657	5,636	728	841	609	8,471
Disposals	-	(100)	(1,868)	(1,008)	(171)	-	(3,147)
Transfers	-	13	1,161	-	-	(1,174)	-
As at 31 December 2022	6,173	101,130	682,934	15,228	17,930	1,441	824,836
Accumulated depreciation							
As at 1 January 2021	-	95,417	627,009	14,404	14,445	-	751,275
Depreciation for the year	-	3,189	18,218	486	937	-	22,830
Depreciation on disposals/write-off	-	(8,700)	(16,397)	(525)	(1,653)	-	(27,275)
As at 31 December 2021	-	89,906	628,830	14,365	13,729	-	746,830
Depreciation for the year	-	3,017	16,701	559	875	-	21,152
Depreciation on disposals	-	(100)	(1,753)	(1,008)	(159)	-	(3,020)
As at 31 December 2022	-	92,823	643,778	13,916	14,445	-	764,962
Net book value As at 31 December 2021	6,173	10,654	49,175	1,143	3,531	2,006	72,682
Net book value As at 31 December 2022	6,173	8,307	39,156	1,312	3,485	1,441	59,874
Depreciation for the year : 2021 (Baht 22 million included in manufacturing cost, and the balance in selling and administrative expenses)							22,830
Depreciation for the year : 2022 (Baht 20 million included in manufacturing cost, and the balance in selling and administrative expenses)							21,152

As at 31 December 2022, certain plant and equipment items had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 706 million (2021: Baht 685 million).

13. Trade and other payables

	(Unit: Thousand Baht)	
	2022	2021
Trade payables - related parties	1,065	10,169
Trade payables - unrelated parties	18,132	26,513
Other payables - related parties	169	122
Other payables - unrelated parties	29,409	32,965
Advance receipts from customers	182	109
Total trade and other payables	48,957	69,878

14. Leases

The Company has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms 1 years with extension options.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)		
	Land	Buildings	Total
1 January 2021	2,401	23,836	26,237
Additions	15,922	15,922	31,844
Depreciation for the year	(1,011)	(3,271)	(4,282)
Adjustments due to lease modification	(1,902)	(20,927)	(22,829)
Cancellation	(37)	(396)	(433)
31 December 2021	15,373	15,164	30,537
Depreciation for the year	(1,541)	(1,516)	(3,057)
31 December 2022	13,832	13,648	27,480

b) Lease liabilities

	(Unit: Thousand Baht)	
	2022	2021
Lease payments	38,259	42,513
Less: Deferred interest expenses	(8,303)	(10,068)
Total	29,956	32,445
Less: Portion due within one year	(2,633)	(2,489)
Lease liabilities - net of current portion	27,323	29,956

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)	
	2022	2021
Balance at beginning of year	32,445	26,702
Additions	-	31,844
Accretion of interest	1,765	1,540
Repayments	(4,254)	(3,708)
Adjustments due to lease modification	-	(23,485)
Cancellation	-	(448)
Balance at end of year	29,956	32,445

The maturity of lease payment's as at 31 December 2022 and 2021 based on contractual undiscounted cash flows are as bellow:

	(Unit: Thousand Baht)	
	2022	2021
With in 1 year	4,254	4,254
1 - 5 years	17,017	17,017
Over 5 year	16,988	21,242
Total	38,259	42,513

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	2022	2021
Depreciation expense of right-of-use assets	3,057	4,282
Interest expense on lease liabilities	1,765	1,540
Expense relating to leases of low-value assets	125	242

d) Others

The Company had total cash outflows for leases for the year ended 31 December 2022 of Baht 4.4 million (2021: Baht 3.9 million), including the cash flow out related to leases of low-value assets.

15. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)	2022	2021
Present value of defined benefit obligation	65,242	74,740
Fair value of plan assets	(17,282)	(18,533)
Net defined benefit liability	47,960	56,207

Changes in present value of defined benefit obligation and fair value of plan assets are as follows:

(Unit: Thousand Baht)	2022	2021
Defined benefit obligation at beginning of year	74,740	75,243
Included in profit or loss:		
Current service cost	3,837	3,731
Interest cost	783	748
Transferred employees from a related company	-	251
Included in other comprehensive income:		
Actuarial gain arising from		
Financial assumption changes	(5,126)	-
Benefits paid during the year	(8,992)	(5,233)
Defined benefit obligation at end of year	65,242	74,740

(Unit: Thousand Baht)	2022	2021
Fair value of plan assets at beginning of year	18,533	18,124
Change in fair value	(1,668)	532
Contribution by the Company	1,272	1,326
Paid during the year	(855)	(1,449)
Fair value of plan assets at end of year	17,282	18,533

Plan assets comprise bank deposits, government bonds, and equity and debt instruments in active market.

The Company expects to pay Baht 3.5 million of long-term employee benefits during the next year.

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 11 years (2021: 11 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	2022	2021
Discount rate	2.4	1.4
Salary increase rate	3.5 - 5.0	3.5 - 5.0
Employee turnover rate	0 - 30	0 - 30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

	(Unit: Million Baht)			
	2022		2021	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5.1)	5.6	(5.4)	5.8
Salary increase rate	7.0	(6.3)	6.7	(6.0)
Employee turnover rate	(0.2)	0.2	(0.1)	0.1

16. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

However, under the Company's Articles of Association, the Company is required to set aside to a statutory reserve at least 10 percent of net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 25 percent of the registered share capital. The Company has already set aside a full statutory reserve.

Sales and service income

Revenue from sales and service income mainly comprises revenue from distribution of elastic products and revenue from shipping service as the Company has an obligation to ship goods sold to customers in accordance with conditions of contracts.

18. Expenses by nature

Significant expenses by nature are as follow:

	(Unit: Thousand Baht)	
	2022	2021
Salary and wages and other employee benefits	170,247	165,139
Depreciation and amortisation	24,324	27,237
Loss from exchange rate	1,106	4,543
Expense relating to leases of low-value assets	125	242
Travelling expenses	75	153
Raw materials and consumables used	298,149	269,384
Changes in inventories of finished goods, semi finished products and work in progress	16,886	(7,065)
Purchases of finished goods and raw materials	9,605	8,385

19. Income tax

Income tax expense for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)	
	2022	2021
Current income tax:		
Current income tax charge for the year	3,166	8,470
Deferred tax:		
Relating to origination and reversal of temporary differences	1,442	(856)
Income tax expense reported in profit or loss	4,608	7,614

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows.

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax on actuarial gain	1,025	-
	<u>1,025</u>	<u>-</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)	
	2022	2021
Accounting profit before tax	<u>26,189</u>	<u>42,962</u>
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	5,238	8,592
Effects of:		
Non-deductible expenses	102	67
Additional expense deductions allowed	(744)	(1,102)
Others	12	57
Total	<u>(630)</u>	<u>(978)</u>
Income tax expense reported in profit or loss	<u>4,608</u>	<u>7,614</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax assets		
Allowance for diminution in value of inventories	102	568
Provision for long-term employee benefits	9,475	11,019
Unrealised loss from forward contracts	3	201
Lease	495	382
Total	<u>10,075</u>	<u>12,170</u>
Deferred tax liabilities		
Unrealised gain from forward contracts	(389)	(17)
Total	<u>(389)</u>	<u>(17)</u>
Net	<u>9,686</u>	<u>12,153</u>

20. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

21. Financial information by segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company is principally engaged in the manufacture and distribution of finished elastic products. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

Revenues from external customers based on locations of the customers are as follows:

(Unit: Thousand Baht)

	2022	2021
Revenues from external customers		
Thailand	252,280	225,005
United States	243,979	235,924
Others	149,744	144,194
Total	646,003	605,123

Major customer

For the year 2022, the Company had revenue from a major customer in amount of Baht 147 million (2021: Baht 107 million).

22. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund which is managed by BBL Asset Management Company Limited, will be paid to the employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 3 million (2021: Baht 3 million) were recognised as expenses.

Dividends

		(Unit: Baht)	
Dividends	Approved by	Total dividends	Dividend per share
Final dividends for 2020	Annual General Meeting of the shareholders on 21 April 2021	66,750,000	8.90
Total for 2021		66,750,000	8.90
Final dividends for 2021	Annual General Meeting of the shareholders on 20 April 2022	35,325,000	4.71
Total for 2022		35,325,000	4.71

24. Commitments and contingent liabilities

24.1 Capital commitments

As at 31 December 2022, the Company had capital commitments of approximately Baht 1 million, relating to the acquisition of machinery (2021: None).

24.2 Guarantees

As at 31 December 2022, there was outstanding bank guarantee of Baht 1 million issued by a bank on behalf of the Company to guarantee contractual performance (2021: Baht 1 million).

25. Fair value hierarchy

As at 31 December 2022 and 2021, the Company had the assets and liabilities that were measured at fair value was disclosed using different levels of inputs as follows:

		(Unit: Million Baht)			
		As at 31 December 2022			
		Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Derivatives					
	Foreign currency forward contracts	-	2	-	2
		(Unit: Million Baht)			
		As at 31 December 2021			
		Level 1	Level 2	Level 3	Total
Liabilities measured at fair value					
Derivatives					
	Foreign currency forward contracts	-	1	-	1

26. Financial instruments

26.1 Derivatives

	(Unit: Thousand Baht)	
	2022	2021
Derivative assets		
Derivative assets not designated as hedging instruments	1,945	86
Total derivative assets	<u>1,945</u>	<u>86</u>
Derivative liabilities		
Derivative liabilities not designated as hedging instruments	14	1,006
Total derivative liabilities	<u>14</u>	<u>1,006</u>

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally 6 months.

26.2 Financial risk management

The Company's financial instruments principally comprise cash and cash equivalents, investments in government bonds, trade and other receivables, trade and other payables, and derivatives. The financial risks associated with these financial instruments and how they are managed is described below.

Credit Risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks, other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Company manages the risk by adopting appropriate credit control policies and procedures including receiving advance payment for goods from new customers and retail customers. Outstanding trade receivables are regularly monitored. In addition, the Company does not have high concentrations of credit risk since it has a large customer base in various industries. The Company therefore does not expect to incur material financial losses.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The credit risk on debt instruments and derivatives is limited because the counterparties are government and banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk.

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into foreign currency forward contracts. In addition, balances of financial assets and liabilities denominated in foreign currencies which were not hedged by foreign exchange forward contracts were not significant. The foreign currency risk is then expected to be minimal.

Interest rate risk

Since most of the Company's financial assets bear floating interest rates or fixed interest rates which are close to the market rate and are classified as short-term, the interest rate risk is expected to be minimal.

Liquidity risk

As at 31 December 2022, the Company's carrying value of current financial liabilities was Baht 52 million while carrying value of current financial assets was Baht 382 million. The Company has access to sufficient sources of funding. As a result, the Company has assessed the liquidity risk to be low.

26.3 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumption used by the Company in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, trade and other receivables and trade and other payables, their carrying amounts in the statement of financial position approximate their fair value.
- b) For investments in government bonds, the fair value is generally derived from quoted market prices as announced by the Thai Bond Market Association.
- c) For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, and yield curves of the respective currencies. The Company had considered to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

27. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2022, the Company's debt-to-equity ratio was 0.35:1 (2021: 0.44:1).

28. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2023.



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