

## 7.0 Information on the Securities and Shareholders

As at 31 January 2019, Ingress Industrial (Thailand) Public Company Limited (“the Company”) has a registered and paid-up capital of Baht 1,446,942,690, all of which are Ordinary Shares at par value of Baht 1 each. As at todate, the Company does not have any other securities with terms and conditions different from Ordinary Shares.

### 7.1 Top 10 Shareholders of the Company

No.	Name	Number of Shares	Holding %
1	Ingress Corporation Berhad	868,499,770	60.023
2	Mr. Kiattisak Tritruengtassana	57,292,700	3.960
3	Thai NVDR Co., Ltd.	20,929,900	1.446
4	Mr. Vasin Phatikulset	15,180,000	1.049
5	Mr. Wutthiphol Pariyakanok	14,000,000	0.968
6	Mr. Thanyarat Sopajitwattana	11,674,300	0.807
7	Mr. Pichai Vichakphan	11,000,000	0.760
8	Mrs. Oraphin Chupanichsakul	8,452,900	0.584
9	Mr. Suthep Ratchatasomboon	8,045,000	0.556
10	Mr. Sakchai Yodvanich	8,000,000	0.553
	Others	423,868,120	29.294
<b>TOTAL</b>		<b>1,446,942,690</b>	<b>100.000</b>

*Source : Thailand Depository (Thailand) Co., Ltd. (Information at the closing of share register book on 18 April 2019)*

*Note : The major shareholders of ICB were Datuk Rameli bin Musa and Dato’ Dr. Ab Wahab bin Ismail, both are currently the Executive Directors of the Company and Directors of some subsidiary companies under the Group.*

### 7.2 Dividend Policy for the Company

It is the Company’s policy to pay dividend at the minimum rate of 40% of net profit attributable to Equity holders of the Company on consolidated financial statement and after fund has been reserved as required by Law. The dividend payment will depend on investment plan, conditions and restrictions by the loan agreement or related agreements (if any), financial condition and operating results and other related factors of the Group. The Board may occasionally review and revise the dividend policy to align with the future growth plan of the Group, demand for capital fund and working capital as well as other factors deemed appropriate.

As the Company is a holding company, its major asset is the investment in the subsidiaries. The dividend payment ability of the Company, thus, depends mainly on the operating results and the receipt of dividend from its subsidiaries.

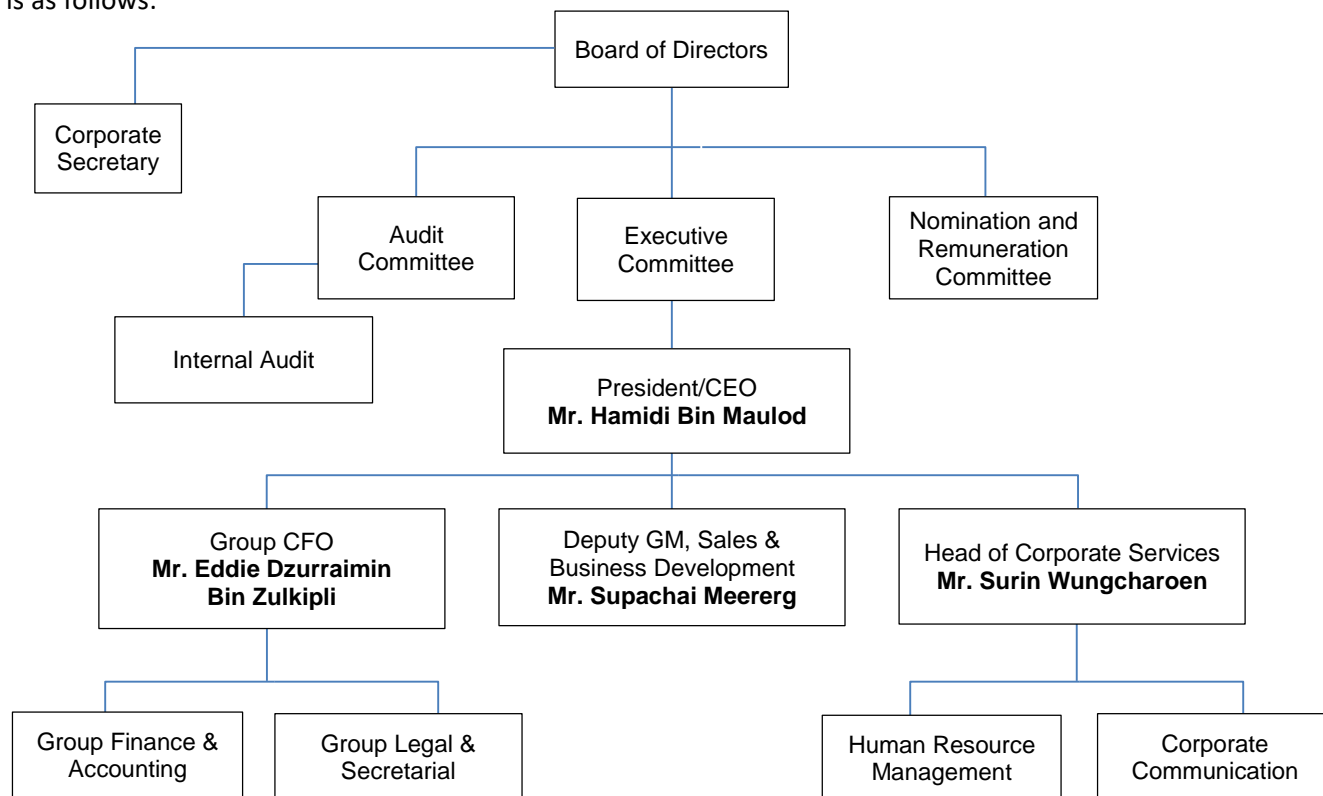
### **7.3 Dividend Policy for Subsidiary Company**

It is the subsidiaries' policy to pay dividend to the shareholders at the minimum rate of 40% of net profit after income tax of separate financial statement and after fund has been reserved as required by law. The dividend payment will depend on operating results, financial conditions, liquidity, need for working capital, additional investment, business expansion, conditions and restrictions by the loan agreement and other related management factors that the Board and shareholders of subsidiaries deemed appropriate which need to follow the policy of the Company.

## 8.0 Management Structure

### 8.1 Organization Structure

The organization structure of Ingress Industrial (Thailand) Public Company Limited as of 31 January 2019 is as follows:



### 8.2 Board of Directors

The Board of Directors of Ingress Industrial (Thailand) Public Company Limited consist of eight (8) qualified Directors, who have knowledge and experience in the automotive industry or other areas which are beneficial to INGRS operations. As of 31 January 2019, there were eight (8) Directors, whose names are as follows:

No	Name	Board of Directors	Audit Committee	Nomination & Remuneration Committee	Executive Committee
1	Mr. Nuthavuth Chatlertpipat	Chairman & Independent Director	Member	Chairman	-
2	Datuk Rameli Bin Musa <sup>1</sup>	Executive Director	-	Member	Chairman
3	Dato' Dr. Ab. Wahab Bin Ismail <sup>1</sup>	Executive Director	-	Member	Member
4	Mr. Hamidi Bin Maulod <sup>1,2</sup>	Executive Director	-	-	Member

No	Name	Board of Directors	Audit Committee	Nomination & Remuneration Committee	Executive Committee
5	Mr. Abdul Khudus Bin Mohd Naa'im	Independent Director	Chairman	Member	-
6	Datin Seri Farah Binti Datuk Rameli <sup>1</sup>	Executive Director	-	-	Member
7	Mr. Surin Wungcharoen <sup>1</sup>	Executive Director	-	-	-
8	Mr. Apichat Suttisiltum	Independent Director	Member	Member	-

Remarks:

<sup>1</sup> Authorized directors (any two (2)) jointly signed together on behalf of the Company with the Company's seal affixed.

<sup>2</sup> Mr. Hamidi Bin Maulod was appointed as the Executive Director of the Company effective from 1 September 2018

The Board of Directors are appointed by and approved at the shareholders meeting to have the power and duties to appoint the Company's management, senior executives and directors, and to monitor the Company's activities and performance. Roles and responsibilities between the Board of Directors and the executive management have been clearly defined and are conformant to laws, regulations, code of conducts and business ethics.

During the financial year ended 31 January 2019, the Company had organized meetings for Board of Directors, Audit Committee, Nomination & Remuneration Committee and Executive Committee as follows:

No	Name	Board of Directors	Audit Committee	Nomination & Remuneration Committee	Executive Committee
1	Mr. Nuthavuth Chatlertpipat	6/6	5/5	3/3	-
2	Datuk Rameli Bin Musa	4/6	-	3/3	9/9
3	Dato' Dr. Ab. Wahab Bin Ismail	5/6	-	3/3	9/9
4	Mr. Hamidi Bin Maulod <sup>1</sup>	2/2	-	-	5/5
5	Mr. Abdul Khudus Bin Mohd Naa'im	6/6	5/5	3/3	-
6	Datin Seri Farah Binti Datuk Rameli	5/6	-	-	4/9
7	Mr. Surin Wungcharoen	6/6	-	-	-
8	Mr. Apichat Suttisiltum	6/6	5/5	3/3	-
9	Mr. Abdul Rahim Bin Haji Hitam <sup>2</sup>	4/4	-	-	4/4

Remarks:

<sup>1</sup> Mr. Hamidi Bin Maulod appointed as the Executive Director and Chief Executive Officer of the Company effective from 1 September 2018.

<sup>2</sup> Mr. Abdul Rahim Bin Haji Hitam resigned as the Executive Director and Chief Executive Officer of the Company effective from 31 August 2018.

### 8.3 Management of Ingress Industrial (Thailand) Public Company Limited

The Management of the Company, according to the definition of Security and Exchange Commission is listed in the following table:

No	Name	Position
1.	Mr. Hamidi Bin Maulod	Chief Executive Officer
2.	Mr. Surin Wungcharoen	Head Of Corporate Service
3.	Mr. Eddie Dzurraimin Bin Zulkipli	Group Chief Financial Officer
4.	Mr. Sarawoot Sriwanayos	Corporate Secretary and Head of Group Legal & Secretarial
5.	Mr. Supachai Meererg	Deputy General Manager, Sales & Business Development

### 8.4 Management Council (“MC”)

Management Council was formed to ensure that the business of the companies within the Group in Thailand, Malaysia, Indonesia and India follow the same direction. It also offered the Group’s Senior Management Officers an opportunity to meet and share ideas and experience in business, including jointly find solution if they face business challenges in business environment. MC members comprise all high-ranking management of the Company and subsidiaries in Thailand, Malaysia, Indonesia and India. CEO (Mr. Hamidi Bin Maulod) serves as the Chairman of the MC and the MC meeting gives high-ranking management of each company under the Group a chance to discuss and share opinions about the business conduct and the Group’s investment projects before proposing the issues considered and discussed in MC meeting to the meeting of Executive Committee and/or the Board of Directors Meeting for the approval.

As of 31 January 2019, the MC consists of the following members:

Name of Management Council Member	Position	Representing Which Company under the Group
Mr. Hamidi Bin Maulod	Chairman of MC	MC member representing the Company
Mr. Surin Wungcharoen	Member of MC	MC member representing the Company
Mr. Eddie Dzurraimin Bin Zulkipli	Member of MC	MC member representing the Company
Mr. Supachai Meererg	Member of MC	MC member representing the Company
Mr. Mohd Safri Bin Haji Sabtu	Member of MC	MC member representing ITSB
Mr. Nosri Bin Hamzah	Member of MC	MC member representing IPSB
Mr. Sarayut Mekso	Member of MC	MC member representing IAV
Mr. Jaruek Tammajong	Member of MC	MC member representing FCT
Mr. Hishamuddin Bin Lah	Member of MC	MC member representing PTIMV
Mr. Pami Bin Jani	Member of MC	MC member representing PTITI
Mr. Shamsuddin Bin Isa	Member of MC	MC member representing IAIPL
Mr. Mohd Idris Bin Karim	Member of MC	MC member representing TSSB

## 8.5 Corporate Secretary

The Board of Directors has appointed Mr. Sarawoot Sriwanayos as Corporate Secretary for the Company, responsible for organizing the Board of Directors and its Committee's meetings as well as preparing for notice and minutes of meeting. The Corporate Secretary is also responsible for the filling of documents as stipulated by laws, the SET and the SEC Guidelines.

## 8.6 Remuneration

### 8.6.1 The Board of Directors' Remuneration

The remuneration of the Board of Directors ("BOD") was proposed by the Nomination and Remuneration Committee ("NRC") taking into account the scope of duties, responsibilities, and performance of directors with reference to the comparison of directors' remuneration of other listed companies engaged in the same industry having similar business size, performance and directors' accountability and the report from the Thai Institute of Directors. Directors' remuneration shall be considered and approval at the Annual General Meeting of Shareholders on annual basis.

The remuneration of directors for the financial year ended 31 January 2019 ("FY2018/19") comprised annual remuneration and attendance allowance. There were no other benefits provided to directors other than the aforementioned. Details of the annual remuneration and attendance allowance are described in the following table:

Directors' Remuneration For FY2018/19	Board of Director	Audit Committee	Nomination & Remuneration Committee	Executive Committee
Annual Remuneration (person/year)	700,000	-	-	-
• Chairman				
• Member (Independent Director)	500,000	-	-	-
Attendance Fee (per person/meeting)	15,000	15,000	15,000	-

Each director is remunerated according to his/her responsibilities and attendance to meetings. The directors' remuneration was paid only to independent directors, as the remunerations for executive directors were included as part of the management's compensations.

For FY2017/18, the Company paid the directors' remuneration in a total amount of Bath 2,330,000.00. The details of the compensation paid by the Company to the Company's directors during FY2018/19 are as follows:

Name List	Remuneration	Allowance			Total
		BOD	AC *	NRC	
Mr. Nuthavuth Chatlertpipat	700,000	90,000	75,000	45,000	910,000
Mr. Abdul Khudus Mohd Naaim	500,000	90,000	75,000	45,000	710,000
Mr. Apichat Suttisiltum	500,000	90,000	75,000	45,000	710,000
<b>Total</b>	<b>1,700,000</b>	<b>270,000</b>	<b>225,000</b>	<b>135,000</b>	<b>2,330,000</b>

\* AC: Audit Committee

### 8.6.2 Directors and Management Benefits

During the financial year ended 31 January 2019 ("FY2018/19") and 31 January 2018 ("FY2017/18"), the Group had employee benefit expenses payable to their directors and management as follows:

	Consolidated financial statements	
	FY2018/19 (Million Baht)	FY2017/18 (Million Baht)
Short-term employee benefits	87.7	83.4
Post-employment benefits	3.1	3.1
<b>Total</b>	<b>90.8</b>	<b>86.5</b>

### 8.6.3 Employees Remuneration

The Company provides compensation and benefits to its employees in the form of salaries, wages, bonuses, contribution to social security and provident fund, as well as welfares and other benefits, which included post-employment and long-term employees' benefits. The remuneration paid to employees' during FY2018/19 in the form of cash and cash equivalent was in a total amount of Baht 652.0 million, as compared to Baht 618.5 million in FY2017/18.

## 8.7 Other Benefits

### 8.7.1 Provident Fund

The Group has jointly established provident fund with its employees, where the Group and employees who are member of the funds contribute to the funds on monthly basis at the rate of 3.7% - 13% of the wage of basic salary. The fund will be paid to employees in accordance with the respective fund rules.

### 8.7.2 Long-term Employee Benefits

Except for Malaysian operation, Thailand, Indonesia and India operation provides compensation and severance pay to employees upon retirement and resignation in compliance with the respective country labor law.

## 8.8 Employees

As of 31 January 2019 and 31 January 2018, the Group has in total 1,780 and 1,928 employees respectively, which can be classified as follows:

Location	31 January 2019	31 January 2018
Malaysia	714	815
Thailand	631	683
Indonesia	171	171
India	264	259
<b>TOTAL</b>	<b>1,780</b>	<b>1,928</b>

## **8.9 Human Resource Development**

The Company put great emphasis on human resources development and considers its employees as one of key important factors that drive the sustainable growth of the Company. The Company, therefore, the Group Training Department under Human Resource Department to manage trainings and development programs for employees of the Group in a systematic manner. The Company has targeted to develop the skills and abilities of employees at all levels to improve further the standard of quality and performance to the next level. The Company has encourages its employees to show their full potential and able to quickly adapt and respond to changes in technology and business needs and requirements of the industry.

The Company has set up and arranges trainings and development programs for its employees, considering the standard operational procedures, the needs of each department, and the basic skills of the employees. It aims to educate employees to have knowledge and understanding of their work to be able to perform their duties safely and efficiently. Training courses are arranged according to objectives and goals and are reviewed every year, according to the following:

### **8.9.1 Employee Orientation**

The employee orientation program is arranged for new employees to understand and become accustomed and conformant to the Company's policies. This course provides information of the Company and its businesses, including vision, policies, rules and regulations, code of conduct, and standard working procedures, and communicates details of welfares and benefits that the Company has provided for its employees.

### **8.9.2 Technical and Professional Trainings**

The Company provides professional trainings in the areas relating to work and operations to develop and improve technical skills of employees to be able to perform their work efficiently, achieve standard of quality and under a safe environment. These technical skills training courses includes trainings related to the use of different types of machines, basic information relevant to work, working procedures and communication with customers, etc.

### **8.9.3 Quality, Safety and Environmental Trainings**

The Company arranges training programs relating to quality management, safety and environmental management within the organization to create awareness to employees for the standard of quality work, the efficient use of resources and the safe workplace and working environment. These courses consist of safety trainings, laws and regulations relating to safety and environmental management, the quality management system IATF, etc.

### **8.9.4 Supervising Skill Trainings**

The Company provides training courses to increase knowledge and develop coaching skills for managers to support and prepare for leading roles at the management level.



## **9.0 Corporate Governance**

### **9.1 Principles of Good Corporate Governance of Ingress Industrial (Thailand) Public Company Limited**

Ingress Industrial (Thailand) Public Company Limited (“the Company”) endeavors to manage its business by adhering to principles of good corporate governance, as it recognizes the benefits and importance of good corporate governance, which contributes to the management of work and business operations in a transparent manner and takes into consideration the best interests of all interested parties in all respects, as well as maintaining verifiability. In order to increase its competitiveness and the shareholders’ equity in the long term, the Company has, therefore, established a corporate governance policy in writing, the details of which are set out below:

### **9.2 SECTION 1: RIGHTS OF SHAREHOLDERS**

The Company has given importance to equal rights of all shareholders in obtaining accurate, sufficient and timely information concerning its operation so that they can make sound investment decisions. The Board of Directors thus has formulated the following policies:

#### **9.2.1 Corporate governance policy with respect to basic rights of shareholders**

The Company has the duty to protect and respect basic rights of shareholders, which include the right to purchase, sell or transfer shares, the right to be allocated profits derived from business operations, the right to adequately receive news and information with respect to the businesses of the Company and its subsidiaries, the right to attend and cast their votes in shareholders’ meeting in order to appoint or to remove directors, to appoint an auditor, to allocate dividends, to make amendments to the articles of association or memorandum of association, to reduce or increase capital and to approve special transactions which relevant laws require them to be considered and approved by meeting of shareholders.

The Company also encourages its shareholders to exercise their basic rights in the annual general meeting of shareholders, such as the right to propose meeting agendas to be included in the shareholders’ meetings in advance, the right to nominate person(s) for election as director(s) in advance, the right to send questions prior to the shareholders’ meeting and the right to express their opinions and to raise questions in the shareholders’ meeting, amongst others.

The Company refrains itself from undertaking any acts deemed to be a violation or limitation or deprivation of rights of shareholders to review and study information which the Company is required to disclose in compliance with regulatory requirements prior to shareholders’ meeting and rights to attend shareholders’ meeting; for example, additional documents containing material information shall not be presented unannounced and meeting agenda items shall not be added or material information shall not be changed without prior notice being given to shareholders.

The Company has a duty to facilitate all shareholders in attending shareholders’ meeting and exercising their basic rights in terms of appropriate meeting place and time.

### **9.2.2 Corporate Governance Policy with respect to Rights of Shareholders to Attend Meeting of Shareholders**

The Company has a policy to provide all shareholders in advance with details regarding date, time, venue and agendas to be considered and approved in the meeting of shareholders. The Company will provide shareholders with vital and sufficient data which would allow shareholders to cast their votes in each agenda reasonably and appropriately. The Company will send all data and documents which is required by law to its shareholders prior to the shareholders' meeting so that they have sufficient time to review and study such data and documents.

Minutes of shareholders' meeting shall be prepared with completeness, accuracy and transparency. They shall include details regarding issues and questions raised by shareholders as well as opinion they expressed during the meeting for future reference or verification. The Company shall post minutes of shareholders' meeting on its website and send them to the Stock Exchange of Thailand within 14 days from the date of meeting.

### **9.2.3 Corporate Governance Policy with respect to Conducting Meetings of Shareholders**

The Company has a policy to facilitate, to the fullest extent as possible, its shareholders in attending and casting their votes in the shareholders' meeting. The Company will not undertake any acts that would deprive shareholders' opportunities to attend and to cast their votes in such meeting.

The Company will notify its shareholders of the rules, regulations, steps and procedures with respect to conducting shareholders' meeting in invitation to shareholders' meeting as well as at the meeting. The person chairing the meeting shall notify shareholders attending the meeting of the rules, regulations, steps and procedures for conducting the meeting as well as voting procedures for each agenda. Such details shall be recorded in minutes of shareholders' meeting. In addition, the Company has a policy to give its shareholders opportunity to submit questions relevant to the matters to be discussed and voted at shareholders' meeting prior to the date of meeting.

The Company ensures that all shareholders will be given an opportunity to raise questions or issues relevant to meeting's agenda items and to express their opinion during the meeting. All questions and comments of shareholders as well as clarifications given by directors and/or executives shall be recorded in all minutes of shareholders' meeting for future reference and verification.

The Company gives importance to convening of shareholders' meetings and encourages all shareholders to attend them. Shareholders would not be able to cast their votes in any agenda in which they have interest.

The Company and its subsidiaries convene their shareholders' meeting to consider, acknowledge or approve important matters in relation to their operations. Quorum and procedures in convening their respective shareholders' meetings are subject to securities rules and regulations, public and private company law of each country the Company operates in as well as provisions under their respective Articles of Association as well as Joint Venture Agreements.

Shareholders' meetings of the Company and its Thai subsidiaries shall be physically convened. Shareholders' meetings of Malaysian, Indonesian and Indian subsidiaries may be either physically held or held using circular resolution, subject to relevant regulatory requirements of Malaysia or Indonesia or India as the case may be.

For every meeting of shareholders of all subsidiaries that is physically held, the Company will send its director or executive which is appointed by the meeting of Board of Directors to attend and cast its votes in the meeting.

Quorum and procedures in convening their respective shareholders' meetings are subject to securities rules and regulations, public and private company law of each country they have operated in as well as provisions under their respective Articles of Association as well as Joint Venture Agreements.

For every meeting of shareholders of all subsidiaries that is held using circular resolution, the Company will exercise its voting right to ensure its votes reflect its actual stake and interest in each subsidiary.

Quorum and procedures in convening their respective shareholders' meetings are subject to securities rules and regulations, public and private company law of each country they have operated in as well as provisions under their respective Articles of Association as well as Joint Venture Agreements.

For meeting of shareholders of Malaysian subsidiaries, that of Indonesian subsidiaries as well as Indian subsidiary and that of subsidiaries in any other jurisdictions (if any in the future) in which local laws allow voting by hands, the Company, as the major shareholder of each subsidiary, will exercise its right (via its director or executive who is appointed by its meeting of Board of Directors to attend and cast its votes in the meeting of shareholders of each subsidiary) to arrange such that voting by poll applies in the meeting.

In the meetings of shareholders of the Company and its subsidiaries, one-share-one-vote rule applies. Unless otherwise required under relevant rules and regulations, articles of association of the Company and its subsidiaries or joint venture agreements the Group of Companies entered into with its business partners, a majority of votes of the shareholders present and voting at the meeting is required, provided that in the case of an equality of votes, the person presiding over the meeting shall have an additional vote as a casting vote.

In casting its votes in the meeting of shareholders of each subsidiary, the Board of Directors of the Company shall take into account relevant factors in deciding whether to vote for, to vote against or to abstain from vote casting in each agenda item. In this regard, the Board of Directors shall monitor to ensure that its director or executive who is appointed to attend the meeting will cast its votes in each agenda item in accordance with resolution of the meeting of the Board of Directors.

### **9.3 SECTION 2: EQUITABLE TREATMENT OF SHAREHOLDERS**

The Company recognizes that all shareholders must be treated equally and has thus established the following important policies:

#### **9.3.1 Proposing additional matters to be discussed and approved at the shareholders' meeting**

The Company's policy is to facilitate minor shareholders in proposing additional meeting agenda items prior to the date of the shareholders' meeting. In this regard, all additional agenda items to be proposed for discussion at the meeting by the shareholders and consideration thereof shall be in accordance with relevant rules and regulations.

The major shareholders who hold executive/director positions shall not add additional meeting agenda items without giving advance notice thereof unless in the case of necessity, particularly important agenda items which require the shareholders to take time to study the information before making a decision.

In the meeting of the Board of Directors, interested directors could not cast their votes in the meeting. In the meeting of shareholders, interested shareholders would not be able to cast their votes in the meeting.

**9.3.2 Nomination of candidates for directorship**

The Company's policy is to facilitate its minor shareholders in nominating candidates for the position of directors. In this regard, all nominations by the shareholders and consideration thereof shall be in compliance with relevant rules and regulations.

**9.3.3 Encouraging shareholders to use proxy form in the case that they are unable to attend the meeting in person**

The Company encourages the shareholders to use proxy form which allows the shareholders to indicate their vote. At least 1 independent director shall be nominated as their proxy, and the Company will attach the aforementioned proxy form to the invitation to the meeting.

**9.3.4 Encouraging shareholders to use voting ballot**

The Company encourages the use of voting ballots for important meeting agenda items, such as the entering into connected transactions, acquisition or disposal of material assets, etc. to maintain transparency and verifiability in the event of disagreement at a later date.

**9.3.5 Giving shareholders the opportunity to exercise the right to appoint individual directors**

The Company encourages the shareholders to exercise their right to appoint directors on an individual basis.

**9.3.6 Preventive measures against the use of inside information to seek unlawful benefits**

The Company has established measures in its Code of Conduct to prevent its directors, executives and employees and those of their subsidiaries from unlawfully using inside information or any confidential information of the Company and its subsidiaries for their own benefits or those of others, for securities trading or for undertaking any acts that may give rise to conflict of interest. Such measures are stipulated in the Code of Conduct.

Furthermore, the Corporate Secretary has also been assigned as the person responsible for conveying the regulations with respect to disclosure of information and monitoring and ensuring that the Board of Directors and the executives report their securities holding in compliance with the law, including disclosing information regarding the interests of and related transactions and requiring that all directors and executives who have the duty to report their interests, as provided by the law, notify the Company thereof.

**9.4 SECTION 3: ROLES OF INTERESTED PARTIES / STAKEHOLDERS**

The Company recognizes and gives importance to the rights of all groups of interested parties, and not only those which it is required to take into consideration in compliance with the law. The Company has identified groups deemed as interested parties and established policies and measures for acting in the interests of the interested parties. The interested parties of the Company can be categorized as follows:

**9.4.1 Employees and their families**

The Company treats all employees politely and pay respect to their individualism. The Company will compensate employees based on the consideration of their works in a fair manner and in a way that is quantifiable under relevant laws. It also aims to continuously promote and develop knowledge and working skills of its personnel, such as by means of organizing training sessions and seminars for its executives and employees. The Company ensures that it treats all of its employees fairly and equally, for example, with respect to employee evaluations, confidentiality regarding employment history and the exercise of the various rights of the employees. The Company places paramount consideration in ascertaining the

employment environment is safe, healthy and effectively facilitates work. Henceforth, the Company will make sure that it strictly complies with all relevant labor laws.

#### **9.4.2 Shareholders**

The Company has long realized that shareholders are its owners. It thus has duty to create long-term value added to all shareholders. The Company thus requires all directors, executives and employees to adhere with the following guidelines:

- 9.4.2.1 They shall act based on principles of fiduciary duties with professionalism to ensure all shareholders are fairly treated and their best interests are well protected;
- 9.4.2.2 They shall present accurate and sufficient data regarding the Company's financial status and performance as well as its other important information on a timely basis;
- 9.4.2.3 They shall inform all shareholders the Company's future trends using accurate and sufficient data;
- 9.4.2.4 They shall not abuse the Company's confidential information that has yet to be publicly released in the way that may give rise to conflict of interest, whether for their own or others' benefits; and
- 9.4.2.5 They have duty not to act in the ways that may deprive or violate rights of shareholders such as failure to send shareholders important documents or information prior to shareholders' meeting or substantial change of information without providing them prior notice.

#### **9.4.3 Customers**

The Company has a duty to maintain good relations and to cooperate with customers in the long term, based on the principles of honesty, reliability and mutual trust. It has a duty to satisfy its customers to the extent possible by means of taking responsibility for, acting in the interests of and considering the issues and needs of the customers as its priority, whereby all executives and employees shall comply with the measures pursuant to this policy. The Company will perform work based on the principles of ethics and will not solicit, receive or pay dishonest benefits to the customers and creditors. Furthermore, the Company is not only committed to present and deliver products and services of high standard which meet the needs of the customers but also striving to adhere to the various conditions as agreed upon with the customers to the best of its abilities.

#### **9.4.4 Creditors**

The Company treats its creditors based on the principles of mutual benefits and fair rewards by avoiding potential conflict of interest. Problem solving is based on the principle of long-term business relation. Accordingly, the Company will not solicit, receive or pay any illegal benefits to its customers and creditors and will always fully comply with all conditions as agreed with its creditors. Should the Company unable to comply with any of such conditions, it will inform its creditors in advance so that they can look for proper solutions.

#### **9.4.5 Competitors**

The Company has a policy to treat its competitors on a fair and appropriate basis. It will not use any inappropriate or illegal ways to solicit competitors' data. To make sure that this is observed, the Company will act based on the principle of fair competition, will not use any inappropriate or illegal ways to solicit competitors' data and will not defame its competitors using inappropriate ways. Currently, the Company has a policy to promote and encourage fair and free competition.

#### **9.4.6 Suppliers**

The Company will make certain that it will create and maintain good long-term relation with all of its suppliers and provide equal opportunities to all suppliers in presenting and proposing their goods and services. In deciding whether to select or not to select any suppliers, the Company will take into account their products quality as well as proposed trading terms and conditions so that its best interests are taken care of.

#### **9.4.7 Regulatory Agencies**

The Company will fully conform to all applicable rules and regulations. Therefore, the Company has a policy to provide necessary support to state activities.

#### **9.4.8 Communities local to each company's place of business**

The Company and its employees are committed to behave and conduct themselves as good citizens and in ways that benefit society and community. The Company has a duty to treat the communities local to each company's place of business amicably and to give assistance to and promote the livelihood of the communities, as well as to be responsible for remedying any situation arising as a consequence of the Company's business operations, in a fair and equitable manner.

The Company also has a duty to oversee and support activities which are beneficial to society and to willingly cooperate with governmental and non-governmental organizations and to make sacrifices for the better good.

#### **9.4.9 Surrounding Environment**

The Company and its employees are committed to behave and conduct themselves as good citizens and in ways that benefit society and community.

### **9.5 SECTION 4: DISCLOSURE OF INFORMATION AND TRANSPARENCY**

The Company has a policy to disclose information regarding the Company, including financial information and other information in relation to its operations, in an accurate, complete, timely, and transparent manner, via easily-accessible channels, and in a fair and reliable manner.

#### **9.5.1 Internal control and entering into transactions with potential conflicts of interest**

At all times, the Company will use its best endeavor to prevent and eliminate any potential conflicts of interest by prescribing that asset acquisition/disposition transactions, connected transactions and transactions with potential conflicts of interest are in compliance with relevant regulations/guidelines as prescribed by the SEC and the SET. To achieve this, the Company will undertake necessary acts to ensure that its directors and/or executives and/or major shareholders, as the case may be, do not operate or engage in any businesses that are similar to or compete with that of the Company and its subsidiaries, or that may cause an adverse impact to the Company's and its subsidiaries' competitiveness, or enter into related transactions whereby the other benefits resulting thereof may be in conflict with the best interests of the Company or its subsidiaries.

The directors and/or executives and/or major shareholders of the Company, as the case may be, shall inform the Company if they hold shares in companies whose business operations are similar to or compete with that of the Company or its subsidiaries in order for the Company and the Audit Committee to consider whether or not such shareholding is in conflict with the best interests of the Company and its subsidiaries.

### 9.5.2 Disclosure of Information

The Company warrants that preparation and disclosures of Company's information are in compliance with relevant laws or regulations via the SET's and the Company's websites. The Company will proceed as necessary to ensure disclosed information is accurate, not misleading in nature and sufficient. In addition to the disclosure of annual registration statement form (56-1 form), annual report (56-2) and other data that are required to disclose via SET channel, the Company prepares and disseminates its important data in both Thai and English via its website. Information disclosure will be continuously made and updated so that investors would get access to up-to-date data. The report of changes in the holding of Company's shares of directors and executives have been disclosed and reported to the SEC in a timely manner.

The Board of Directors has given importance to accurate, reliable, sufficient and reasonable financial reports. Thus, the Company's financial reports are prepared based on generally accepted accounting principles. Management has adopted proper accounting policies and they will continuously, strictly and appropriately be applied. The Company's financial reports are prepared with due care, with sufficient and accurate data being disclosed in the notes to financial statements. The Board of Directors has also arranged for effective and efficient internal control system to reasonably ensure that the Company's and its subsidiaries' accounting and financial data are appropriately recorded, their asset custody is in good shape and potential fraudulent activities are timely detected.

The changes in the holding of the Company's securities by directors and executives are summarized as follows:

No	Name	Position	Number of shares		
			At book closing on 17 April 2018	Increase/ (decrease)	At book closing on 18 April 2019
1.	Mr. Nuthavuth Chartlepipat	Chairman <sup>^</sup>	800,000	-	800,000
2.	Datuk Rameli Bin Musa	Deputy Chairman <sup>^^</sup>	1,447,010	-	1,447,010
3.	Dato' Dr. Ab Wahab Bin Ismail	Director <sup>^^</sup>	1,447,010	-	1,447,010
4.	Mr. Apichat Suttisiltum	Director <sup>^</sup>	447,000	(447,000)	-
5.	Datin Sri Farah Binti Datuk Rameli	Director <sup>^^</sup>	914,000	-	914,000
6.	Mr. Sarawoot Sriwanayos	Corporate Secretary	750,000	-	750,000

Remarks:

<sup>^</sup> Independent & Non-Executive Directors

<sup>^^</sup> Non-Independent & Executive Directors

### 9.5.3 Report on the responsibilities of the Board of Directors with respect to the financial reports

The Company requires that there be a report on the responsibilities of the Board of Directors with respect to the financial reports, which shall be presented along with the auditor's report in its annual report. The aforementioned report shall bear the signatures of the Chairman and the CEO.



**9.5.4 Disclosure of the roles and duties of the Board of Directors and sub-committees**

The Company prepares and discloses the roles and duties of the Board of Directors and sub-committees, the number of meetings of the Board of Directors held and the number of meetings each board member attends in the previous year, as well as comments in relation to the performance of their duties in the annual report.

**9.6 SECTION 5: RESPONSIBILITIES OF THE BOARD OF DIRECTORS**

The Company recognizes the importance of selecting directors who demonstrate leadership, are visionaries, and who have experience, knowledge and ability and demonstrate independence in making decisions in the best interests of the Company and the shareholders overall. The Company also recognizes the importance of clearly separating the roles and duties of the Board of Directors and the Management and overseeing the work system to ensure that its various activities are in compliance with the laws and ethical standards. The Company has established its corporate governance policy while taking into consideration various factors including the responsibilities of the directors, whereby the important policies relevant to this matter are as follows:

**9.6.1 Structure of the Board of Directors**

The Company values transparency and verifiability in its work operations, and, therefore, the Chairman is not the person holding the position of the Chief Executive Officer. The Company has three (3) independent directors which exceed one-third of its total directors. All of them are also members of the Audit Committee and Nomination & Remuneration Committee. All independent directors possess qualifications in line with requirements as prescribed by relevant regulatory agencies.

The Company has a policy to appoint at least three (3) persons with Thai nationalities who are Thai residents who have possessed knowledge, capabilities, experience and qualifications in line with SEC requirements to act as the Company's directors. At least one (1) of them must also act as audit member. At present, three (3) of the Company's directors are Thai nationals and Thai residents and two (2) are also audit members.

For Malaysian, Indonesian and Indian subsidiaries as well as those to be incorporated in any other countries in the future (if any), the Company has a policy to send at least one (1) of its director who is a Thai resident to hold directorship in such subsidiaries. For Indonesian subsidiaries, the Company's director (s) who is a Thai resident which represents the Company shall be appointed to be a director in the Board of Commissioners. At present, the Company has representative director who is a Thai resident to hold directorships in Malaysian and Indian subsidiaries including IIM, ITSB, IPSB, TSSB and IAIPL and to hold directorship in the Board of Commissioners of Indonesian subsidiaries including PT IMV and PT ITI.

The Company has specified clear policies and procedures which are in accordance with applicable laws to recruit and select persons to be nominated as its directors and executives as well as those to be nominated as directors and executives of the subsidiaries which represent it. In recruiting and selecting persons to be nominated as directors and executives of the Company and those of the subsidiaries which represent it, the Company, through its Nomination and Remuneration Committee, will take into account relevant factors such as their work experience, educational background, professional capabilities and skills and etc. Persons to be nominated as directors and executives of the Company as well as those of the subsidiaries that represent it shall possess required characteristics and qualifications and not have any prohibited characteristics as prescribed under relevant SEC regulations as well as those under other relevant regulatory requirements.

At present, the Board of Directors of the Company consists of eight (8) members, three (3) of whom are Independent and Non-Executive Directors and the remaining five (5) are Non-Independent & Executive



Directors. This composition complies with the requirement that at least one-third of the total numbers of directors are independent & non-executive directors.

#### **9.6.2 Roles, Duties and Responsibilities of the Board of Directors**

Roles, duties and responsibilities of the Board of Directors are clearly distinguished from that of the Management. These include (but not limited) to the following:

9.6.2.1 to consider and approve material issues with respect to operations of the Company, as well as to oversee that Management has run business in line with the prescribed policies and plans, including the annual budget and business plan, in an efficient and effective manner.

9.6.2.2 to exercise due prudence in considering conflicts of interest, as well as connected transactions with potential conflicts of interest with those of the Company whereby the interests of the shareholders are deemed as the priority.

9.6.2.3 to jointly consider the annual and quarterly financial statements and financial information in the annual report and to jointly evaluate the adequacy of the internal control system of the Company.

#### **9.6.3 Board of Directors' Meeting**

The Board of Directors will meet at least four (4) times annually. Additional meetings may be convened as deemed appropriate. Such meetings shall be conducted in accordance with the Company's Articles of Association and relevant laws. After each meeting, the Company Secretary will prepare minutes of meeting for future reference and verification.

The Company requires that the Management to prepare and submit a report on the operating results to the Board of Directors for acknowledgment on a quarterly basis as this will enable the Board members to continuously and promptly supervise, control and oversee the Management's performance. The Board of Directors may also provide recommendations to the Management so that the overall business activities of the Company and its subsidiaries can be improved.

The Board of Directors may invite executives or employees of the Company to attend the Board of Directors' meeting to give additional information on the matters discussed. In convening each Board meeting, the Corporate Secretary will send meeting invitations to all directors for consideration in advance as well as supporting documents and information. All directors will be given equal opportunity to discuss the material issues and the Corporate Secretary will record the minutes thereof including various questions and suggestions of the directors to ensure that the matters discussed can be monitored and verified by directors and executives.

All Board meetings of the Company and its Thai subsidiaries will be physically convened. Meetings of board of directors of Malaysian, Indonesian and Indian subsidiaries may be convened using circular resolution, subject to regulatory requirements of Malaysia, Indonesia and India as the case may be.

#### **9.6.4 Remuneration of directors and executives**

Remuneration of directors is clearly determined. It must be considered and approved by the Company's annual general meeting of shareholders. For any directors who are assigned for additional tasks and have additional responsibilities, they will earn additional compensation in commensurate with their higher responsibilities. Management compensation is subject to the Company's annual performance and work performance of each executive.

The Company established the Nomination and Remuneration Committee which is responsible for formulating both monetary and non-monetary compensation for the Chief Executive Officer and top executives. Their compensation will be proposed for consideration and approval by the Board of Directors.

#### **9.6.5 Continuous development of directors and executives**

The Company encourages its directors, top executives and Corporate Secretary to continuous learn about good corporate governance practices. Necessary in-house trainings are provided to them. They are also encouraged to take relevant classes as arranged by Institute of Thai Directors (IOD).

#### **9.6.6 Corporate Secretary**

The Corporate Secretary acts as the central source of guidance and advice to the Board on good corporate governance and its duties and responsibilities. The Corporate Secretary also assists in arranging the annual Board meeting plan, agenda and other Board related matters. The Board also has unrestricted access to the advice and services of the Company Secretary on Board related matters as well as on new statutory and regulatory requirements or any amendments or changes to the statutory and regulatory requirements relating to their duties and responsibilities.

Currently, the legal and secretarial matters of IIT Group of Companies are managed by the Corporate Secretary. This is to ensure that the regulatory requirements different jurisdictions namely Thailand, Malaysia, Indonesia and India are complied with.

### **9.7 SECTION 6: COMMITTEES**

To ensure that duties and responsibilities are properly and efficiently discharged, the Board has delegated some of its functions and/or authorities to the Committees. These Committees operate within their clearly defined Terms of References and consist of selected Board members who are empowered to deliberate and examine issues. Updates will then be tabled in the Board meeting with appropriate recommendations (if any). Currently, the Company has established Audit Committee, Nomination & Remuneration Committee and Executive Committee (EXCO).

#### **9.7.1 AUDIT COMMITTEE**

The Audit Committee of the Company was formed on 28 October 2014 and consist of three (3) qualified Independent & Non-Executive Directors according to the definition and requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The particulars of the Audit Committee members are as follows:

No	Name	Designation
1.	Mr. Abdul Khudus Bin Mohd Naaim	Chairman
2.	Mr. Nuthavuth Chartletpipat	Member
3.	Mr. Apichat Suttisiltum	Member

The Audit Committee is tasked to assist the Board of Directors ("the Board") and the overall duties and responsibilities are as follows:

- to review the financial statements, the significant accounting and reporting issues including complex or unusual transactions and highly judgmental areas including to discuss with the Company's Management and external auditor regarding audit results, relevant risks and management action to decrease the identified risks and to review the effectiveness of internal control over the financial reporting process.

- to review the effectiveness and adequacy of internal control system including control over the information technology system and the implementation of the recommendations on internal control from internal and external auditors.
- to review and approve the internal audit charter, annual audit plan, staffing and resources required for the internal audit and to review the effectiveness of the internal audit that complies with the Professional Practices of Internal Auditing.
- to review and approve the compliance charter, annual plan, staffing and resources required of compliance and control function including to review the non-compliance issues raised by regulatory agencies and the rectification of those issues.
- to review the adequacy of the Company's risk management process and policies and the effectiveness of the implementation of the Company's risk management systems; and
- to ensure that the code of conduct and conflict of interest policy is in writing and arrangements are made for all management and employees to be aware of it and promote the compliance with the code of conduct and conflicts of interest policy.

#### 9.7.2 **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee ("NRC") was established on 28 October 2014. Currently, the NRC comprises five (5) members, three (3) of whom are Independent & Non-Executive Directors and the remaining two (2) are Non-Independent & Executive Directors. The particulars of the NRC members are as follows:

No	Name	Designation
*1.	Mr. Nuthavuth Chartletpipat	Chairman
^2.	Datuk Rameli Bin Musa	Deputy Chairman
*3.	Mr. Abdul Khudus Bin Mohd Naaim	Member
*4.	Mr. Apichat Suttisiltum	Member
^5.	Dato' Dr. Ab Wahab Bin Ismail	Member

Remarks:

\*Independent & Non-Executive Directors

^Non-Independent & Executive Directors

Similar to the formation of the Audit Committee and the Executive Committee ("EXCO"), the Board has approved specific Terms of Reference for the NRC whereby it outlines the scope of duties, responsibilities and limits of authority.

#### **Overall Duties and Responsibilities**

**Generally**, the NRC is tasked to:-

- assist the Board of Directors of the Company ("the Board") in respect of the recruitment and selection process of the nomination of directors and senior management;
- recommend qualified candidates to the Board for consideration prior to nomination proposal at the Shareholders' Meeting for further approval and appointment; and
- review the compensation package of directors including the Chief Executive Officer ("the CEO") for further recommendation to the Board.

**Specifically**, the NRC is entrusted to:-

- review the Company's business organization, the required mix of skills, experience and qualifications of its directors and CEO in accordance with the Company's business requirements as directed or necessitated by the decision of the Board;
- propose and recommend candidates to be member of the Board with proper qualifications for the Board to submit for appointment in the Shareholders' meeting of the Company;
- make recommendations to the Board for the successor of the CEO;
- ensure that the Company's remuneration packages are competitive in view of industry practices; and
- perform any other activities, roles and responsibilities as approved, assigned and directed by the Board.

#### Authority

In discharging the roles and responsibilities, the NRC shall have the right to:-

- full and unrestricted access to information and consult any employee of the Company in order to conduct any investigation and to obtain any information pertaining to the Group;
- invite any employee or other individual to attend the NRC meeting; and
- obtain independent professional or other advice to assist the NRC in the performance of its responsibilities and duties.

#### **9.7.3 EXECUTIVE COMMITTEE (EXCO)**

The Company formed an Executive Committee ("EXCO") comprises four (4) Non-Independent & Executive Directors and three (3) Management Representatives. The members of the EXCO are as follows:

No	Name	Designation
^1.	Datuk Rameli Bin Musa	Chairman
^2.	Dato' Dr. Ab Wahab Bin Ismail	Deputy Chairman
^3.	Mr. Hamidi Bin Maulod	Member
^4.	Datin Sri Farah Binti Datuk Rameli	Member
5.	Mr. Affandi Bin Mokhtar	Member
6.	Mr. Safri Bin Sabtu *	Member
7.	Mr. Nosri Bin Hamzah *	Member

Remarks:

\* Appointed as the EXCO Member effective from 1 September 2018.

^ Non-Independent & Executive Directors.

The EXCO was set up on 28 October 2014 by the Board with clear and well-defined objectives namely to support the Board's roles and duties by providing organizational directions on behalf of the Board, ensure that business decisions or directions can be made in timely manner and most importantly, to provide advice to the Board on decisions and business matters ranging from strategy planning, policy, investment and risk. In determining that the EXCO meets its objectives, the Board further approved a definite Terms of Reference governing the process and conduct of the EXCO.

## **10.0 Social Responsibility**

Incorporating CSR into our annual programs has always been an on-going practice within the Group. The Group believes the improvement in the conditions surrounding our stakeholders, employees, society and the environment is vital to the growth of the Group. Our corporate social responsibility covers the following key areas:

### **10.1 Education and Training**

The Group schedules training and development programs for employees. It aims to educate its employees, to have knowledge, proficiency and expertise to effectively perform all the necessary tasks. Training and development program structure was set up such as Orientation Course, Personal Characteristic Development Course, General Knowledge Development Course, Specialized Learning Development Course and Management Course. The Group also participates in providing industrial and practical training for under graduates from local Institutes of higher learning as a part of its corporate contributions towards education, in line with its belief that education always a key role in nation building.

### **10.2 Occupational Safety and Health**

Written policies, including any updates as well as training on occupational safety and health, safety weeks, health check-up are provided to employees. Safety and health activities are also carried out periodically to create awareness and to educate employees on occupational safety and health related matters.

### **10.3 Environment Preservation**

The Group emphasizes compliance with environmental laws governing plant operations, maintenance and improvement in areas relating to environment and emission standards, energy conservations, housekeeping and storage methods, noise level management and treatment of plant effluents and waste water at all our factories operations in Thailand, Malaysia, Indonesia and India.

### **10.4 Employee Welfare and Development**

As at 31 January 2019, the Group has 1,780 employees spread throughout Thailand, Malaysia, Indonesia and India. Training and development is provided to the employees based on the training need analysis carried out at end of each year comprises both technical and soft-skills. Employees are also provided with medical and healthcare insurance, adequate leave and compensation program which commensurate with their rank and level of employments.

Further, the Group acknowledges the need to provide a healthy and balanced lifestyle to its employees. In this aspect, the Group encourages and supports the activities organized by Ingress Staff Club such as family days, social event and sports activities.

#### **10.5 Community Welfare**

The Group is also active within its concerns for the welfare of the community by supporting social objective in the communities. During the financial year, donations contributions were given to the under privileged communities In Thailand, Malaysia and Indonesia as well as the donations channeled to various non-profitable institutions, charity organizations and welfare societies.

## **11.0 Internal Control and Risk Management**

The Board of Directors emphasizes on the effective and adequate internal control and risk management in compliance with good corporate governance principle, and thereby assigns the Executive Committee (“EXCO”) to consider and assess the adequacy of the Group’s internal control system. The Group employs independent internal auditors to manage, plan, audit and review internal control systems of its operations and work processes in key risk areas according to the annual audit plan. Internal Auditor discusses their findings and recommendations with Management and reports to the Audit Committee on a quarterly basis.

The Audit Committee considers the report from the Internal Auditors, which summarize the compliance of key activities according to established control and relevant laws and regulations and the follow up of corrective actions. The Audit Committee reviews and concludes that the Group’s internal control system is sufficient and adequate, as follows:

### **11.1 Control Environment**

The Board of Directors and the Company’s Management set policies for the Group according to good corporate governance principles to provide guidelines for effective, ethical and transparent working processes. The Company clearly communicates to employees of the Group on the Company’s policies and business ethics at employee orientation. Employees shall comply with the rules and regulations, any offense or violation of any regulations will be penalized according to the severity of such actions.

The Company sets up its organization structure in a way that allows the Board of Directors to independently supervise management performance for the best benefits of shareholders. The segregation of duties and responsibilities of the Board of Directors, the sub-committees, the Management and employees are clearly defined. Working procedures are reviewed by external auditors to ensure the effectiveness of its operations.

The Company believes in a good internal control system which includes control of operations, skills, and discipline of employees. The Group’s manufacturing processes have been accredited with quality Management System Standard (ISO/TS16949) and environmental Management Standard (ISO14001). The Group continuously provides and manage training activities for employees’ continuous development.

### **11.2 Risk Assessment**

The Board of Directors assigns the Group Risk Management Department to assess risk factors that may affect the Company’s performance and evaluate opportunities for that risk and impact on operations and financials from that risk. The assessment has been made based on past events and their impacts in order to put in place appropriate risk management measures to reduce the impact to an acceptable level. In arriving at the identified risk, the Management of each of the Company’s subsidiaries also actively involves in gathering the best possible counter measure to ensure the risks are satisfactorily mitigated.

Group Risk Management is required to perform an assessment on each of the identified risks factors once every 18 months. The department also reviews the adequacy of risk Management policy and other relevant policies to ensure effective internal control throughout the Group.

### **11.3 Control Activities**

The Company has set clear Group Policies and Procedures, Group Limit of Authority, Quality Work Processes, Work Instructions for every key functional area. The widely established standard such as

ISO14000 and TS16949 quality Management standard also embedded to current operational procedures and work instruction and used by all employees as a guideline for to perform their work correctly and effectively. Proper controls that established in each process are capable to deter errors and any possible unintentional wrong doings.

The Company formulates work instructions for all key functions, which are Production, Purchasing, Sales and Marketing, Engineering and Design, Finance and Accounting and Human Resources. Appropriate controls are embedded in the procedure are likely to prevent any possible misconduct or corruption issues. The Company assigns the Group Internal Audit to monitors its operations to ensure that employees operate according to Group Policies and Procedures, Group Limit of Authority, Quality Work Processes, Work Instructions. The Group Internal Audit Department to perform audit according to the approved annual audit plan and report to the Audit Committee on a quarterly basis.

The Company defines the scope of duties, responsibilities and approval authority of executives in each level. Details Organization Chart established able to facilitate better segregation over duties and responsibilities of staffs, employees, supervisors, managers and executives are clearly defined in each job descriptions. Access to the database and the operating system is systematically organized and monitored on regular basis, particularly those responsible for authorization, record transaction and custody of assets.

The Group has strict control over the use of assets. Transactions that may lead to a conflict of interest are carefully considered and approved at arm's length basis based on normal business practices. Major contracts and agreements with the Group including those involving major shareholders, executives, and related parties must be duly considered and approved with consideration of independent directors who have no vested interest in the matter. These type transactions have been regularly informed during the Audit Committee Meeting in details on a quarterly basis.

#### **11.4 Information and Communication**

The Company organizes systematic communication within the organization and uses information technology to enhance effective communication with employees. Employees receive news and information via internal department meetings, the Company's bulletin board, intranet, and email. The Board of Directors receives notices of meeting and related documents via email at least 7 days prior to the meeting day so that the directors have sufficient time to study the agenda before the board meeting. After the meeting, the Company Secretary prepares a minute of meeting and discloses important resolutions to the public according to the disclosure requirements of SET.

The Company discloses information to the public and its stakeholders via various channels, being the Company's website at [www.ingress.co.th](http://www.ingress.co.th), SET portal and other media channel on a quarterly basis. The Company emphasizes the role of Investor Relations as a primary contact for inquiries and information distribution and welcomes Company visit and meeting request from shareholders, investors and analysts.

With the establishment of Whistle Blower Policy, the Company provides a clear communication channel for complaints or reports of suspicion of wrongdoings which may lead to corruptions, misconducts, or violation of laws that affect the Company's operations. Employees or any third party can raise their genuine concerns and report to the Audit Committee directly via email at [auditcomm@ingress.co.th](mailto:auditcomm@ingress.co.th). The Company is fully committed to fight corruption and commits for the protection of any whistleblower that no one would suffer from detrimental treatments as a result of reporting their suspicion of wrongdoings.



### **11.5 Monitoring Activities**

The Company monitors the performance of its operations and subsidiaries on a regular basis. Each operating unit is scheduled to report its operating performance to the Company's Management on a quarterly basis. The Board of Directors joins the Management to review each subsidiaries' performance to supervise and monitor the Management's performance.

In respect of continuous assessment over the internal control system, the Group Internal Audit Department sets up annual audit plan covering each of key functional areas across the Group which covers Production, Purchasing, Sales and Marketing, Engineering and Design, Finance and Accounting and Human Resources. Internal Auditor performs audits whether operations are in compliance with work instructions, policies and procedures, local rules and regulations and report their findings and follow up of corrective actions to Audit Committee during quarterly board meetings. For issues requiring immediate attention, Internal Auditors quickly reverts their concerns and questions to the Management to discuss and confirm the issues of which Audit Committee will be informed.

Internally, each of the subsidiaries set up its own compliance unit which objectives to evaluate and follow up the compliance with policies, regulations and work instructions. The Group also employs external certified agents to audit and certifies that each subsidiaries are operating in accordance with the standards. In additions, each of the subsidiaries also passes the multiple customers' audit where their operations are carried out according to agreed procedures and that no changes are made in the process without prior notification.

### **11.6 Internal Control System**

The Company recognizes the importance of an effective internal control system. In this regard, extensive internal controls and procedures, including those set out in the Group Policies and Procedures, are fully established at all levels in the organization.

The internal control system, including compliance with policies and procedures, is formally assessed by the Group Internal Auditor in every financial year. This includes a review of the effectiveness of all financial, operational and related controls.

### **11.7 Internal Audit Function**

The internal audit staff independently assesses compliance with policies and procedures and evaluates the effectiveness of all control systems throughout the Group. In arriving at the scope of the audit, all identified risks to the key functional areas have been considered to ensure optimum audit coverage.

Management of each subsidiary is obligated to consider all internal audit findings and recommendations, and immediate remedies are expected to ensure non recurrence of a similar issue. Current practices, all business units under the Group will be audited at least once in each of the financial year to ensure the highest level of transparency and sound Internal Control practices among the employees.

The plan and results of internal audits are reviewed by the Audit Committee.