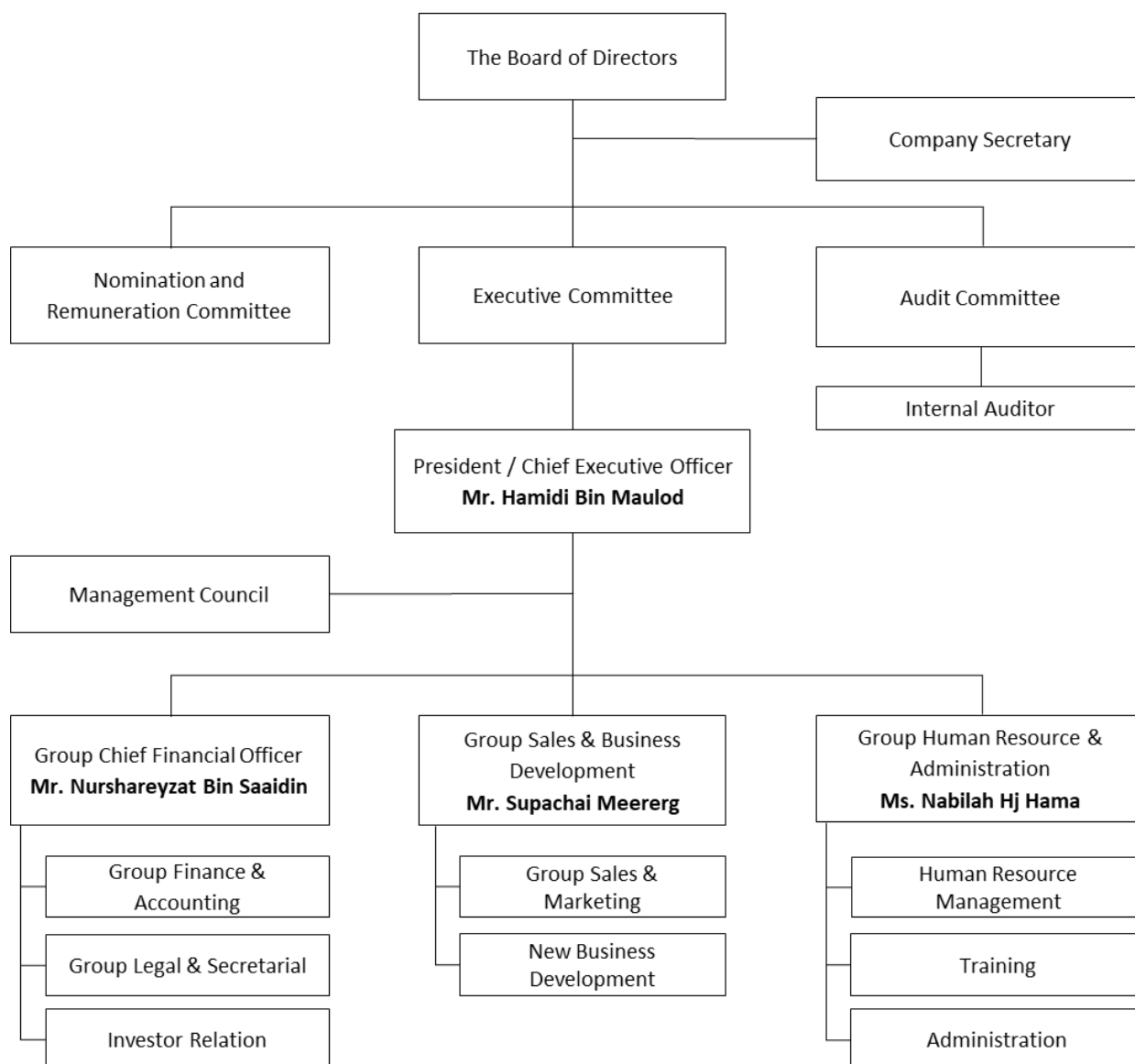


8.0 Management Structure

8.1 Organization Structure

The organization structure of INGRS as of 31 January 2021 is as follows:



8.2 Board of Directors

The Board of Directors of INGRS comprises 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 2021, there were eight (8) Directors, whose names are as follows:

No	Name	Board of Directors ("BOD")	Audit Committee ("AC")	Nomination & Remuneration Committee ("NRC")	Executive Committee ("EXCO")
1	Mr. Nuthavuth Chatlertpipat	Chairman & Independent Director	Member	Chairman	-
2	Datuk Rameli Bin Musa ¹	Executive Director	-	Member	Chairman
3	Dato' Dr. Ab. Wahab Bin Ismail ¹	Executive Director	-	Member	Member
4	Mr. Hamidi Bin Maulod ¹	Executive Director	-	-	Member
5	Mr. Abdul Khudus Bin Mohd Naa'im	Independent Director	Chairman	Member	-
6	Datin Seri Farah Binti Datuk Rameli ¹	Executive Director	-	-	Member
7	Mr. Surin Wungcharoen	Non-Independent & Non-Executive Director	-	-	-
8	Mr. Apichat Suttisiltum	Independent Director	Member	Member	-

Remarks:

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

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 2021, the Company had organized meetings for the Board of Directors and its Committees as follows:

No	Name	BOD	AC	NRC	EXCO
1	Mr. Nuthavuth Chatlertpipat	9/9	6/6	2/2	-
2	Datuk Rameli Bin Musa	9/9	-	2/2	10/10
3	Dato' Dr. Ab. Wahab Bin Ismail	9/9	-	2/2	10/10
4	Mr. Hamidi Bin Maulod	9/9	-	-	10/10
5	Mr. Abdul Khudus Bin Mohd Naa'im	9/9	6/6	2/2	-
6	Datin Seri Farah Binti Datuk Rameli	9/9	-	-	10/10
7	Mr. Surin Wungcharoen	9/9	-	-	-
8	Mr. Apichat Suttisiltum	9/9	6/6	2/2	-

8.3 Management of INGRS

The Management of the INGRS, according to the definition of Security and Exchange Commission (“SEC”) is listed in the following table:

No	Name	Position
1.	Mr. Hamidi Bin Maulod	President/Chief Executive Officer
2.	Mr. Nurshareyzat Bin Saaidin	Group Chief Financial Officer
3.	Mr. Sarawoot Sriwanayos	Corporate Secretary & Head, Group Legal & Secretarial
4.	Mr. Supachai Meererg	Head, Group Sales & Business Development
5.	Ms. Nabilah Hj Hama	Head, Human Capital & Administration

8.4 Management Council

Management Council (“MC”) 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 offers 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 2021, the MC consists of the following members:

Name of Management Council Member	Position	Representative of Companies within the Group
Mr. Hamidi Bin Maulod	Chairman of MC	MC member representing the Company
Mr. Nurshareyzat Bin Saaidin	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 IPSB
Mr. Sirajuddean Bin Ab Rahim	Member of MC	MC member representing ITSB
Mr. Amrizal Bin Abdul Majid	Member of MC	MC member representing FCT
Mr. Sarayut Mekso	Member of MC	MC member representing IAV
Mr. Hishamuddin Bin Lah	Member of MC	MC member representing PTIMV
Mr. Pami Bin Jani	Member of MC	MC member representing PTITI
Mr. Shafie Bin Kusni Ahmad	Member of MC	MC member representing IAIPPL
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 the Corporate Secretary for the Company, responsible for organizing the Board of Directors and its Committee's meetings as well as preparing for notice to 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 was proposed by the 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 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 for the financial year ended 31 January 2021 ("FY2020/21") as approved by the Shareholders are described in the following table:

Directors' Remuneration for FY2020/21	BOD	AC	NRC	EXCO
Annual Remuneration (person/year)	800,000	-	-	-
• Chairman		-	-	-
• Member (Independent Director)	600,000	-	-	-
Attendance Fee (per person/meeting)	20,000	20,000	20,000	-

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

For the financial year ended 31 January 2021 ("FY2020/21"), the Company paid the directors' remuneration in a total amount of Bath 3,580,000.00. The details of the compensation paid are as follows:

Name List	Remuneration (Baht)	Allowance (Baht)			Total (Baht)
		BOD	AC	NRC	
Mr. Nuthavuth Chatlertpipat	800,000	180,000	120,000	40,000	1,140,000
Mr. Abdul Khudus Mohd Naaim	600,000	180,000	120,000	40,000	940,000
Mr. Apichat Suttisiltum	600,000	180,000	120,000	40,000	940,000
Mr. Surin Wungcharoen	300,000	140,000	120,000	0	540,000
Total	2,300,000	680,000	480,000	120,000	3,580,000

8.6.2 Directors and Management Benefits

During FY2020/21 and FY2019/20, the Group had employee benefit expenses payable to their directors and management as follows:

	Consolidated financial statements	
	FY2020/21 (Million Baht)	FY2019/20 (Million Baht)
Short-term employee benefits	81.5	80.2
Post-employment benefits	2.8	3.0
Total	84.3	83.2

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 FY2020/21 in the form of cash and cash equivalent was in a total amount of Baht 537.2 million, as compared to Baht 627.8 million in FY2019/20.

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 in accordance with respective country's regulations. 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 at 31 January 2021 and 31 January 2020, the Group has in total 1,731 and 1,766 employees respectively, which can be classified as follows:

Location	31 January 2021	31 January 2020
Malaysia	811	737
Thailand	539	612
Indonesia	166	180
India	215	227
TOTAL	1,731	1,766

8.9 Human Resources 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 encouraged 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 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 is 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 has given importance to convening of shareholders' meetings and encouraged all shareholders to attend them. Shareholders could not 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 they have operated 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 in the board of Directors of Meeting 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 in Board of Directors of Meeting 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 entered into with its 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 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 could not 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 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:

- 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;
- 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;
- They shall inform all shareholders the Company's future trends using accurate and sufficient data;
- 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
- 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 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 behaving and conducting 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 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 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 potentially 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 30 April 2020	Increase/ (decrease)	At book closing on 16 April 2021
1.	Mr. Nuthavuth Chartlepipat	Chairman [^]	2,500,000	189,000	2,698,600
2.	Datuk Rameli Bin Musa	Deputy Chairman ^{^^}	1,447,010	-	-
3.	Dato' Dr. Ab Wahab Bin Ismail	Director ^{^^}	1,447,010	-	-
4.	Datin Sri Farah Binti Datuk Rameli	Director ^{^^}	914,000	-	-
5.	Mr. Sarawoot Sriwanayos	Corporate Secretary	750,000	-	-

Remarks:

[^] Independent & Non-Executive Directors

^{^^} 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 financial year, as well as comments in relation to the performance of their duties in the Annual Report.

9.6 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 & Non-Executive 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 & Non-Executive Directors have possessed 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 which 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 those with Thai nationalities 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 sent a director who is a Thai resident to hold directorship 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 & 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 number 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:

- 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.
- 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.
- 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 Corporate 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 Corporate 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 the Group 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 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 is comprised 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	Number of Meetings in FY2020/21
1.	Mr. Abdul Khudus Bin Mohd Naa'im	Chairman	6/6
2.	Mr. Nuthavuth Chartletpipat	Member	6/6
3.	Mr. Apichat Suttisiltum	Member	6/6

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. In FY2020/21, 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	Number of Meetings in FY2020/21
1.	Mr. Nuthavuth Chartletpipat [^]	Chairman	2/2
2.	Datuk Rameli Bin Musa ^{^^}	Deputy Chairman	2/2
3.	Mr. Abdul Khudus Bin Mohd Naa'im [^]	Member	2/2
4.	Mr. Apichat Suttisiltum [^]	Member	2/2
5.	Dato' Dr. Ab Wahab Bin Ismail ^{^^}	Member	2/2

Remarks:

[^]Independent & Non-Executive Directors

^{^^}Non-Independent & Executive Directors

Similar to the formation of the AC and the EXCO, the Board has approved specific Terms of Reference for the NRC whereby it outlines the scope of duties, responsibilities and limits of authority.

The overall duties and responsibilities of NRC generally includes:

- 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.

Besides the general duties, the NRC is also specifically 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.

In discharging the roles and responsibilities, the NRC shall have the authority 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	Number of Meetings in FY2020/21
1.	Datuk Rameli Bin Musa [^]	Chairman	10/10
2.	Dato’ Dr. Ab Wahab Bin Ismail [^]	Deputy Chairman	10/10
3.	Mr. Hamidi Bin Maulod [^]	Member	10/10
4.	Datin Sri Farah Binti Datuk Rameli [^]	Member	10/10
5.	Mr. Affandi Bin Mokhtar [*]	Member	1/10
6.	Mr. Shamsuddin Bin Isa ^{**}	Member	9/10
7.	Mr. Safri Bin Sabtu	Member	10/10
8.	Mr. Mohd Sirajuddean Bin Ab Rahim ^{**}	Member	9/10
9.	Mr. Amrizal Bin Abdul Majid ^{**}	Member	9/10

Remarks:

[^] Non-Independent & Executive Directors.

^{*}Resigned as Exco Member on 18 March 2020

^{**}Appointed as Exco Members effective from 18 May 2020

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 Sustainability Development Policies and Strategies

INGRS strives to a sustainable growth with environmentally friendly to benefit our internal and external stakeholders within and surrounding our business supply chain. The Company emphasize that social & environment responsibility and good governance are part of the Company's duty to ensure our business operation is environmentally safe.

The Company examined the key stakeholder's expectations to determine any business concerns to be the Company's focus initiative as outlined below:

- Customer Satisfaction
- Environment Improvement & Green House Effect Reduction
- Employees Retention
- Supply Chain Management
- Good Governance
- Social Engagement

10.1 Stakeholders Engagement Matrix

To ensure our stakeholders expectation were fulfilled, the Company determined the approaches by providing communication channel to convey stakeholders' comments for continual improvement and growth as the below matrix:

Stakeholders	Expectation	Approaches	Communication Channel
Customers	<ul style="list-style-type: none"> • Product Quality • On time Delivery • Environment Conformity • Suitable Pricing • Co-operation 	<ul style="list-style-type: none"> • Maintain and improve operational PQCD • Implementation IATF 16949 and ISO 14001 Systems • Implementation of good CRM 	<ul style="list-style-type: none"> • Customer Satisfaction Survey • Customer Evaluation Performance • Departmental PQCD Follow Up
Business Partner in Supply Chain	<ul style="list-style-type: none"> • Correct and On Time Business Information • Fairness Business Agreement • Co-operation 	<ul style="list-style-type: none"> • Suppliers Audit • Knowledge Sharing and Improvement • Suppliers' development Program 	<ul style="list-style-type: none"> • Suppliers Evaluation • Suppliers Conference • Departmental PQCD Follow Up
Local Community	<ul style="list-style-type: none"> • Operation Business with Responsibilities • Community Economic Sustainability Contribution • Contribution to local improvement 	<ul style="list-style-type: none"> • Implement Business Ethics • Implement Cooperate Social Responsibility • Local Employees Career Support 	<ul style="list-style-type: none"> • Department in-charge for Community • Meeting with Community Leader
Global Environment	<ul style="list-style-type: none"> • Environmental Conformity of Products • Environmental Conformity of Operation 	<ul style="list-style-type: none"> • Implementation of ISO 14001 with Environmental 	<ul style="list-style-type: none"> • Environment Related Reports

	<ul style="list-style-type: none"> Continual Improvement of Environmental Concern 	Improvement Program	<ul style="list-style-type: none"> Department In-charge for Environment
Employee	<ul style="list-style-type: none"> Mutual Trust, Respect and Benefit Life and Property Security Career & Knowledge Improvement Work-life-balance 	<ul style="list-style-type: none"> Employees Retention Program Ingress Lean System Management By Objectives Family Day & Sport Day 	<ul style="list-style-type: none"> Town Hall Morning Market Comment Box and Whistle Blower Communication
Shareholders & Investors	<ul style="list-style-type: none"> Improvement in business performance Good governance with transparency Equality rights 	<ul style="list-style-type: none"> Business operation under Good Governance Internal Audit Risk Assessment 	<ul style="list-style-type: none"> SET Notifications Annual Report Annual General Meeting Company Website Investor Relation Contact
Regional and Local Authorities	<ul style="list-style-type: none"> Law and Regulation Compliance Public Activity Participation 	<ul style="list-style-type: none"> Full Adherence and Compliance of Laws and Regulation Cooperation to Public Activities 	<ul style="list-style-type: none"> Corporate Compliance Communication Investor Relation Contact

10.2 Sustainable Development Activities

10.2.1 Customers Satisfaction

The Company continuously develop and improve the operation processes to produce parts and services in compliance to customers' requirement. ISO 9001, IATF 16949, ISO 14001 and ISO 45001 system were adopted and implemented to ensure customers' satisfaction is met. With customers satisfaction survey conducted every year, the Company confident to be good partners for our customers.

To sustain our businesses in Covid-19 Pandemic period, customers' voice, view and requirement shall be still fast responded. The Company has implemented "Customer Relation Management Program" or CRM to ensure all customers expectation will be supported. CRM activities in FY2020/21 consist of;

- Online Customer Meeting
- Online Customer Conference

10.2.2 Environmental Improvement and Green House Effect Reduction

- Solar Cell Project

In improving the environmental climate, the Company has willing to reduce greenhouse effect from CO₂ generation. Energy saving project is considered and will be implemented by increasing the production of natural resources will be part of the program. The company has signed a memorandum of understanding to install Solar Cell in INGRS Manufacturing companies in Malaysia

to support of the green house initiative. Installation of the solar panel is planned to commence in the financial year FY2021/22.

- LED Light Project

To reduce energy usage, the Company considered to change the lighting in the manufacturing shop floor and office to the LED type which generate the same amount of light with lower energy consumption. As of FY2020/21, approximately 60% of the light bulb in a subsidiary company has been changed to LED type.

- Waste Reduction

One of the environmental improvement programs is waste reduction from the product packaging. Returnable packaging has been implemented in all the Group operations. With endorsement by the customers, our current products have been delivered by the returnable packaging more than 80% of overall domestic OEMs customers in FY 2020/21.

10.2.3 Employees Retention

- Employees Training, Development and Care

Training and development are provided to all INGRS employees based on the training need analysis carried out at end of each year comprises both technical competencies as well as interpersonal 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. Health screening programs are conducted annually to ensure healthy lifestyle as well as early detection of any health risk and complications.

- Employees Contribution & Participation

INGRS considers our employees are our partners who will run the business and grow together. Management by Objectives (MBO) has been implemented within the Group to seek co-operation from every employee with mutual trust, respect and benefit. The interaction and participations are through the company events such as Annual Management Plan target settings, quarterly town hall and Family Day and Sports Day events.

10.2.4 Supply Chain Management

- Supplier Communication

To strengthen the cooperation between INGRS and our suppliers, the correct information ensured and on time. The company has set the communication channel such as the yearly supplier conference, monthly supplier evaluation and departmental Quality, Cost & Delivery ("QCD") follow up.

Due to pandemic of Covid-19 in FY 2020/21, the Company still convey the important information through on-line such as supplier yearly performance, supplier manual and regulation of environmental.

- Vendor Development

To sustain vendors' QCD performance and their co-operation in delivering satisfaction to our customers, the Company continuously conduct supplier development program as follow such as yearly supplier audit, supplier improvement program and knowledge sharing and coaching.

10.2.5 Good Governance

- Code of Business Ethics

In practicing good governance, the Company conducted self responsibility, transparency, honesty, and with competitive competence while treating each component within the Group fairly. The Company ensure this policy is practiced through risk assessment and risk management, compliance management, information sharing and internal audit.

- Human Right Protection and Wistle Blower

INGRS operates our business in absolute respect of human rights, by promoting and protecting rights, freedom, and equitable treatment, which is the foundation of human resources management and development. It is not the company policy to discriminate on the grounds of race, gender, age, or disability. Any right violations and fraud finding, employees and stakeholders can inform directly to the whistle blower committee. The company will investigate and take action to the cases.

10.2.6 Social Engagement

- Local Employment (Thailand Operation)

To contribute to local Thai economic sustainability and local employees career support, the Company has employed local Thais to work in the 3 plants at Rayong and Ayutthaya provinces with 97.2% Thais employees and 2.8 % Expatriate employees in FY2020/21.

- Local Employment (Overseas Operation)

INGRS is supporting the sustainable growth of every region in which the Group is located in Malaysia, Indonesia and India. The Group contributed to the local economic sustainability by engaging local employees with 98.8% local employment engagement in FY2020/21.

- Local Procurement

One of the activities to support local economic of each region which the company located is in form of sourcing for local suppliers. In FY2020/21, the ratio of local purchasing of INGRS is 73% in India, 75% in Malaysia, 85% in Indonesia and 90% in Thailand.

10.2.7 Corporate Social Responsibilities (CSR)

INGRS has, since the beginning of our operation, contribute to the social and local community in our Corporate Social Responsibility (CSR) Program. Over the past years, INGRS' CSR activities are focused on the two areas:

- Healthcare and;
- Social well being.



For the year FY2020/21 INGRS have contributed approximately Baht 1.23 million in contributions to support the above.

Apart from these core area, INGRS has identified a few special projects in a more specific areas such as supporting to the front liner (police) during Covid-19, environment conservation and sports.

11.0 Internal Control and Risk Assessment

Internal Control is an essential factor to promote Company's efficient and transparent operations. Thus, the Company has established appropriate policies and procedures to manage potential risks in its business operations.

As laid down in the Company's Audit Committee Charter, the Audit Committee discharges its duties and responsibilities within its authority delegated from the Board of Directors. The Audit Committee Charter is under the Audit Committee Best Practices, and Good Corporate Governance Guidelines set out by The Stock Exchange of Thailand and related laws and regulations.

With consultation from the Internal Audit and External Auditors, the Audit Committee determines the adequacy and appropriateness of the Company's Internal Control Systems to ensure that financial reporting is reliable and that the business operations are efficient for the present business situation and in accordance with relevant laws, regulations, and related policies.

Internal Audit Department is the Company's third line of defence and provides assurance to Management and the Board of Directors that the first and second lines' efforts are consistent with expectations. Internal Auditors accomplished their objectives by bringing a systematic approach to evaluating and improving risk management, control, and governance processes.

The Internal Audit Department is an independent unit which directly reports to the Audit Committee. They are responsible for assuring and providing consultation and performing the internal audit to various business areas, ensuring that business processes are adequately equipped with corporate governance, risk management and appropriate internal controls. The observations and recommendations are reported to the Audit Committee and Management.

The Management has been invited to attend the Audit Committee meetings to provide information and discuss the audit findings. The Audit Committee updates the Board of Directors shall material deficiencies discovered during the audit to immediately resolve the audit findings.

The Internal Audit Department plans the assignments according to strategic business directions and risk-based prioritisation, considering the Management's concerns. In performing the duties, the Internal Audit applies a systematic and disciplined approach to reviewing, evaluating and improving governance effectiveness, risk management, and internal control.

The Internal Audit Department follows up the Management's corrective actions and regularly reports to the Audit Committee for acknowledgement and further guidance. The Internal Audit Department performed auditing and assessing the internal controls to reasonably assure three (3) primary objectives – operations, reporting and compliance.

The audit assignments were as per the approved annual audit plan. The observations and recommendations were reported to head of business unit for consideration of control improvement. The continuous improvement of professional and business competence for internal auditors is essential to maintain audit reporting quality. The Company gives full support to the adequate development and continuous training for internal auditors to be well equipped with the knowledge, competence, and expertise in internal auditing and other skills needed by encouraging the auditors to attend appropriate training courses and professional seminars.

The Audit Committee independently evaluates and reviews the Company's internal control system's effectiveness to ensure that Sponsoring they are in compliance with sound corporate governance

principles and the Committee of Organisations of the Treadway Commission (COSO) internal control framework which generally accepted control framework. COSO consist of five (5) integrated components; Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. The Audit Committee reviewed internal audit reports, including audit findings and recommendations. Based on the Audit Committee's assessment, the Board concluded that the INGRS internal control system is adequate and effective, and are functioning consistent with corporate governance principles and the COSO internal control frameworks as follows;

11.1 Control Environment

The existing organisational structure is appropriate and effective for the Company's businesses operations. The policy states that directors, officers, and employees are expected to observe the highest code of ethics and avoid any actual or apparent conflict between their interests and the interest of INGRS. They are also expected to deal fairly with each other or with the Group's suppliers' customers, competitors and other third parties.

11.2 Risk Management

The Company applies rigorous risk assessment and management practices in all aspects of its business. INGRS has processes in place to analyse and assess the significance of risks and determine mitigation measures to reduce those risks to the extent feasible. Risk Management plans are embedded as an integral part of business processes, developed with consideration for internal and external risk factors, and designed to include follow-up processes to ensure effective implementation and continuous improvement.

11.3 Control Activities

The Company adopted a clear delegation of authority that summarises the responsibilities and authorities that form the overall framework for ensuring business arrangement and transactions are reviewed and approved appropriately. By delegating authority, Management ensures individuals will make decisions with the required skills and knowledge. A basic premise is that the delegated authority bears the obligation to exercise sound business judgement and due diligence and adequate segregation of duties. In addition, INGRS computer systems include effective application and general controls.

11.4 Information and Communication

Meeting agendas and supporting information are provided to Board members in a timely fashion to ensure that the material information is available to those responsible for making relevant decisions. Minutes of the Board meetings, including relevant comments by Board members, are adequately documented for subsequent review online. All financial and supporting documents are retained in accordingly. The Company provides ongoing training for team members to ensure they well-informed with the latest information and technology related to their work.

11.5 Monitoring Activities

Internal Audit staff independently assesses compliance with policies and procedures and evaluates all control systems' effectiveness relating to the business. Material control weaknesses, irregularities, and business practice issues are promptly addressed and reported to Management and subsequently reviewed by the Audit Committee. In accordance with internal audit findings and recommendations, corrective actions are monitored by the Management of each business until the issues are resolved entirely. The

Internal Audit Department will follow up on quarterly basis reviews and assess the corrective actions' effectiveness and updated to the Audit Committee accordingly.

11.6 Internal Control System

The Company recognised the importance of an effective Internal Control System (ICS). In this regard, extensive internal control procedures, including those set out in the Group Policies, are fully established at all levels in the organisation.

The Internal Control System, including compliance with policies and procedures, is formally assessed by the internal audit personnel and external auditors during each cycle. This includes a review of the effectiveness of all financial, operational and related controls.

INGRS has also adopted three (3) level of controls. Every business unit performed monthly self-audit to assess the level of compliance and implementation of policies and procedures whilst Group Risk Management, as the second tier of defence would review each business unit KRI quarterly.

11.7 Group Policies and Procedures

The policies and procedures set forth basic control principles, concepts, and standards. INGRS identified the policies and procedures as a guiding principle to ensure effective, efficient, and proper utilisation of INGRS resources. The control framework's primary purpose is to make sure business activities are conducted properly and in accordance with the Top Management general and specific directives.

11.8 Auditing and Compliance

INGRS has long recognised the importance and value of sound corporate governance, a straightforward business model, and high ethical business standards. We believe the methods we use to meet business objectives are as important as the results themselves. All employees are expected to be familiar with INGRS policies and procedures and acceptable business conduct and apply them to their daily work. The objectives of having standard business practises are:

- Promote INGRS reputation for honesty and straightforward approach to business integrity.
- Promote a clear understanding of and compliance with the INGRS Business Conduct
- Demonstrate the standards' applicability to all aspects of day-to-day business activities and practices at every organisation level.
- Convey consequences for non-compliance
- Identify, evaluate, report and where necessary, and correct practises that may not be consistent with INGRS,
- Reporting of misconduct and ensure employee awareness of channels available for reporting.

11.9 Internal Audit Function

The Internal Audit Staff independently assess compliance with policies and procedures and evaluate all controls' effectiveness relate to the Group businesses. Generally, each business unit is subject to an audit every financial year.

The Management of each business unit is obligated to consider all valid internal audit and self-audit findings and recommendations and take appropriate corrective actions. In addition, the results of Internal Audit are reviewed by the Audit Committee.

12. Related Transactions

During the financial year ended 31 January 2021 (“FY2020/21”) and 31 January 2020 (“FY2019/20”), the Company and its subsidiaries (“the Group”) had significant transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and related parties.

12.1. Persons who may have a conflict of interests

Corporate shareholders of subsidiaries

	Related party and nature of business	Relationship with the Group
1.	Katayama Kogyo Co., Ltd (“KK”) Established in Japan and engaging in the business of manufacturing and sales of various automotive parts, agricultural machinery and construction related parts.	<ul style="list-style-type: none"> • KK is holding 31.43 percent of shares in IAV and has designated two delegates to act as directors in IAV, consisting of (1) Mr. Itsuro Maeno and (2) Ms. Michiko Akamatsu. • KK is holding 10.00 percent of shares in IPSB and has designated one delegate to act as a director in IPSB, who is Ms. Michiko Akamatsu. • KK is holding 25.00 percent of shares in PTIMV and has designated two delegates to act as directors in PTIMV directors in IPSB, consisting of (1) Ms. Michiko Akamatsu (Board of Commissioners) and (2) Mr. Tetsuji Tamura (Board of Directors).
2.	Yonei & Co., Ltd (“Yonei”) Established in Japan and engaging in general trading business with over 200 bases of operations in approximately 80 countries worldwide.	<ul style="list-style-type: none"> • Yonei is holding 6.07 percent of shares in IAV and has designated one delegate to act as a director in IAV, who is Mr. Hiroshi Miyazeki. • Yonei is holding 10.00 percent of shares in PTIMV and has designated one delegate to act as a director in PTIMV, who is Mr. Hiroshi Miyazeki (in the Board of Commissioners).
3.	Iwamoto Co., Ltd (“Iwamoto”) Established in Japan and engaging in design, development, fabrication and sales of tooling for stamping.	Iwamoto is holding 15 percent of all voting shares of FCT and has designated one delegate to act as a director in FCT, who is Mr. Noboru Iwasaki.

Subsidiaries of a corporate shareholder of a subsidiary

	Related party and nature of business	Relationship with the Group
1.	Perodua Manufacturing Sdn Bhd (“PMSB”) Established in Malaysia and engaging in the business of manufacturing and assembly of Perodua vehicles.	PMSB is a subsidiary of Perusahaan Otomobil Kedua Sdn Bhd (“Perodua”), which is holding 30.00 percent of shares in ITSB. Perodua has designated two delegates to act as directors, consisting of (1) Mr. Zainal Abidin Bin Ahmad and (2) Ms. Noor Zakiah Binti Hasan.
2.	Perodua Sales Sdn Bhd (“PSSB”) Established in Malaysia and engaging in the business of sales, marketing and distribution of all Perodua vehicles as well as after sales and spare parts operations.	PSSB is a subsidiary of Perodua, which is holding 30.00 percent of shares in ITSB. Perodua has designated two delegates to act as directors in ITSB, consisting of (1) Mr. Zainal Abidin Bin Ahmad and (2) Ms. Noor Zakiah Binti Hasan.

	Related party and nature of business	Relationship with the Group
3.	Perodua Global Manufacturing Sdn Bhd ("PGSB") Established in Malaysia and engaging in the business of manufacturing and assembly of Perodua vehicles.	PGSB is a subsidiary of Perodua, which is holding 30.00 percent of shares in ITSB. Perodua has designated two delegates to act as directors in ITSB, consisting of (1) Mr. Zainal Abidin Bin Ahmad and (2) Ms. Noor Zakiah Binti Hasan.
4	Perodua Auto Corporation Sdn Bhd ("PCSB")	PCSB is an associate company of PERODUA, who holds 30% shareholdings in ITSB, which in turn holds 15% shareholdings in Ingress AOI Technologies Sdn Bhd ("IATSB"). PCSB delegates one (1) director in IATSB, who is Ms Noor Zakiah Binti Hasan
5	AOI Machine Company Ltd ("AOI")	AOI owns 34% shareholding interest in IATSB. IATSB delegates two (2) directors in IATSB, namely (1) Mr. Noboru Doi and (2) Mr. Katsumi Nishida

Parent company

	Related party and nature of business	Relationship with the Group
1.	Ingress Corporation Berhad ("ICB") Established in Malaysia and engaging as the investment holding company. Currently, ICB has subsidiaries engaged in ACM business, automobile dealership, as well as engineering services for energy and railway industries.	ICB was the sole major shareholder and the controlling person of the Company. ICB is parent company of IIT who holds 60.02% shareholding in IIT. ICB delegates three (3) directors in IIT, namely (1) Datuk Rameli Bin Musa, (2) Dato' Dr. Ab. Wahab Bin Ismail and (3) Datin Seri Farah Binti Datuk Rameli

Related companies

	Related party and nature of business	Relationship with the Group
1.	Ingress Katayama Sdn Bhd ("IKT") Established in Malaysia and engaging in design and manufacture of roll-forming and extrusion tools, jigs and dies for the automotive components manufacturing.	IKT is a subsidiary of ICB which is holding 60 percent of shares in IKT and the remaining 40 percent of shares of IKT is being held by KK.
2.	Organic Gain Sdn Bhd ("OGSB") Established in Malaysia and engaging in manufacturing and trading Agro-based product and Halal food product	OGSB is 100% owned by the Company director, Dato' Dr. Ab Wahab bin Ismail of which he is also a director in OGSB.

The significant business transactions with related parties for FY2020/21 and FY2019/20 are as follows:

	Transaction Value (Million Baht)		Transfer pricing policy
	FY2020/21	FY2019/20	
Transactions with parent company			
Dividend paid	-	45.16	As announcement
Corporate guarantee fees	4.33	-	As agreed
Transactions with corporate shareholders of subsidiaries			
Sale of goods	-	16.60	As agreed
Purchase of raw materials and supplies	12.04	15.02	As agreed
Purchase of machinery and equipment	37.34	6.82	As agreed
Advance payment for mold	-	5.40	As agreed
Royalty fee	11.26	15.44	Contract price
Technical assistance fee	4.12	3.64	Contract price
Dividend paid	30.85	45.10	As announcement
Transactions with subsidiaries of a corporate shareholder of a subsidiary			
Sale of goods	1,078.77	821.81	As agreed
Transactions with related companies			
Sale of goods	2.68	-	As agreed
Purchase of supplies	1.14	-	As agreed
Purchase of machinery and equipment	2.97	25.81	As agreed
Advance payment for mold	29.56	14.51	As agreed
Rental income	1.92	1.93	Contract price
Rental expense	1.10	-	Contract price

For FY2020/21 and FY2019/20, the balance of accounts between the Group and those related parties are as follows:

	Transaction Value (Million Baht)	
	FY2020/21	FY2019/20
<u>Trade and other receivables – related parties</u>		
Trade receivables – related parties		
Subsidiaries of a corporate shareholder of a subsidiary	45.32	84.25
Corporate shareholders of subsidiaries		-
Related companies	0.92	0.03
Total trade receivables – related parties	46.24	84.28
Other receivables – related parties		
Parent company	51.13	38.59
Subsidiaries of a corporate shareholder of a subsidiary	32.73	-
Related companies	7.96	5.56
Total other receivables – related parties	91.82	44.15
Total trade and other receivables – related parties	138.06	128.43
<u>Trade and other payables – related parties</u>		
Trade payables – related parties		
Corporate shareholders of subsidiaries	1.43	4.82
Related companies	0.19	
Total trade payables – related parties	1.62	4.82
Other payables – related parties		
Parent company	0.74	5.41
Corporate shareholders of subsidiaries	164.73	9.05
A subsidiary of a corporate shareholder of a subsidiary	-	79.87
Related companies	28.28	9.14
Total other payables – related parties	193.75	103.47
<u>Accrued expenses – related parties</u>		
Related companies	-	4.71
Total accrued expenses – related party	-	4.71
Total trade and other payables – related parties	195.37	113.00
<u>Dividend payables to related party</u>		
Corporate shareholders of subsidiary	0.04	17.23
Total dividend payables to related party	0.04	17.23
<u>Lease liabilities - related parties</u>		
Related companies	5.33	-
Total lease liabilities - related parties	5.33	-

12.2. The Group's borrowings guaranteed by ICB

The Group's borrowing with financial institution which ICB as corporate guarantees as at 31 January 2021 and 31 January 2020 are as follows:

No.	Borrower	Consolidated Financial Statements				Description of asset for security/mortgage
		31 January 2021		31 January 2020		
		Type	Amount (Million Baht)	Type	Amount (Million Baht)	
1.	Ingress Industrial (Malaysia) Sdn Bhd	TL	142.25	TL	149.92	Corporate guarantee by ICB
2.	Ingress Precision Sdn Bhd	TL	98.58	TL	121.22	Corporate guarantee by ICB
		BA	16.92	BA	13.68	
		RC	74.04	RC	76.19	
3.	Ingress Technologies Sdn Bhd	TL	171.05	TL	201.45	Corporate guarantee by ICB
		BA	65.15	BA	70.24	
		RC	66.63	RC	106.48	
4.	PT Ingress Malindo Ventures	TL	-	TL	-	Corporate guarantee by ICB
		RC	42.65	RC	45.56	
5.	Ingress AOI Technologies Sdn. Bhd.	TL	396.99	TL	-	Corporate guarantee by ICB
		OD	103.62	OD	-	
6.	Ingress Autoventures (India) Private Limited	OD	36.40	OD	-	Corporate guarantee by ICB

12.3 Necessity and reasonableness of related party transactions

The Audit Committee considered that the Group's related party transaction entered into with the related parties during the financial year ended 31 January 2021 and 31 January 2020 were normal business transactions and within the normal practice in the automotive industry and were conducted fairly and at the arm's length basis and did not cause the Group to lose any benefits entering into the transactions.

12.4 Policies or trends relating to future related party transactions

The connected transactions or related party transactions of the Group with parties that may have a conflict of interests, may hold a stake, or may have a conflict of interests in the future will comply with effective rules provided by the relevant rules of the Securities and Exchange Commission (SEC) and/or the Stock Exchange of Thailand (SET). If the Group wishes to conduct connected transactions or related party transactions with a party that may have a conflict of interests, may hold a stake, or may have a conflict of interests in the future, the Group will strictly comply with the policies and procedures. The Audit Committee has provided the guidelines for the consideration, which include the consideration of the necessity of transactions for the Group's business operations, comparison of prices with those offered by the third parties (if any), and consideration of the essence of the transaction size.

If the related party transactions exist, the Company will designate the Audit Committee to provide opinions about the appropriateness of these transactions. In the event that the Audit Committee has no expertise in considering the related party transactions, the Company will provide an expert, such as an auditor or an independent appraiser, to provide opinions about these related party transactions. The opinions from the Audit Committee or the expert will be used for assisting the decision-making of the Board of Directors or shareholders, as the case may be. This aim is to ensure that such transactions takes into account the utmost benefits of all shareholders.