



Vision

To become a leading company in the ASEAN region in completely manufacturing plastic parts.



Missions

1. Develop competitive potentials and customer satisfaction in order to be a leader in quality products and on-time delivery.
2. Make a difference in applying technologies with experiences and expertise for customers.
3. Become a company with good governance system that manages by taking into account stakeholders including communities and good environment while aiming towards sustainable growth in the future.



Goals

Focus on cost reduction and increase outputs while creating customer confidence.



Values

1. Adhere to quality and concrete achievements, work efficiently by emphasizing quality and cost management.
2. Aim towards excellence, set up challenging goals and strive to achieve them.
3. Hold on to honesty based on good business ethics.
4. Seek for knowledge from all aspects and utilize such knowledge for the maximum benefits.
5. Promote harmony among employees and work as a team.
6. Develop employees' potentials with respect to knowledge and capability, encourage courage to speak out and do the right things.
7. Seek for opportunities resulting from changes and put them into practice in a concrete manner.



Environment policy

The company emphasizes responsibilities towards environmental conversation by adhering to the following guidelines:

1. Strictly comply with the Industrial Estate Authority of Thailand Act, the law, and related environmental regulations.
2. Advocate efficient environmental utilization for maximum benefits.
3. Focus on the pollution management and prevention as well as environmental impact by setting goals and objective to be carried out, revised and continually improved.
4. Instill environmental conscience to employees via training and encouragement to participate.



Contents



SUMMARY OF FINANCIAL INFORMATION

03



MESSAGE FROM THE CHAIRMAN OF THE COMPANY

04



BOARD OF DIRECTORS

05



PART 01 BUSINESS OPERATION AND OPERATING RESULTS

Organizational structure and operation of the group of companies	07
Risk management	16
Business sustainability development	24
Management discussion and analysis (MD&A)	36
General information and other material facts	41



PART 02 CORPORATE GOVERNANCE

Corporate governance policy	44
Corporate governance structure and material facts related to the board, subcommittees, executives, employees and others	59
Report on key operating results related to corporate governance	
Internal control and related party transactions	86



PART 03 FINANCIAL STATEMENTS

Independent Auditor's report	92
Financial Statements and Notes to Financial Statements	97



PART 04 ATTACHMENTS

Attachment 1	
Details of directors, executives, controlling persons, the Company's secretary and the head of the company's supervisory the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision	140
Attachment 2	
Details of the directors of subsidiaries	153
Attachment 3	
Details of the Heads of the Internal Audit and Compliance Units	155
Attachment 4	
Assets for business undertaking and details of asset appraisal	156
Attachment 5	
Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company including the powers and duties of the Board and the powers and duties of the sub-committees	157
Attachment 6	
Report of the Audit Committee	158
Attachment 7	
Report of Recruitment and Remuneration Determination Committee	160
Attachment 8	
Report of Risk Management Committee	162
Attachment 9	
Regulations of Audit Committee of Union Plastic (Public) Company Limited	163



65.32

-12.14

15.44

25

55.01

1.08





Summary of Financial Information

Unit : thousand Baht

Revenues	2021	2020	2019	2018	2017
Total revenue (Separate financial statements)	590,732	545,835	711,665	702,397	723,920
Total revenue (Separate financial statements)	541,464	487,436	660,198	650,945	674,539
Other income (Separate financial statements)	49,268	58,399	51,466	51,453	49,382
Share of profits from associates	(1,864)	157	419	1,812	1,360
Profit (loss) before financial expenses and income tax expenses	793	(26,052)	(30,970)	(22,289)	27,629
Income tax income (expenses)	-	-	(4,004)	(5,734)	1,545
Profit (loss) for the year	793	(26,052)	(34,974)	(28,023)	29,174
Profit (loss) for the year (Financial statements in which equity method is applied)	(279)	(26,052)	(34,974)	(28,023)	29,174
Profit (loss) for the year (Separate financial statements)	1,709	(25,996)	(34,143)	(28,585)	30,314
Earnings per share (Baht) (Financial statements in which equity method is applied)	(0.01)	(1.04)	(1.40)	(1.12)	1.17
Earnings per share (Baht) (Separate financial statements)	0.07	(1.04)	(1.37)	(1.14)	1.21
Dividends					
Number of shares that pay dividends (Shares)	25,000	25,000	25,000	25,000	25,000
Dividend per share (Baht : Shares)	-	-	-	-	1.21
Total dividend payment (Baht)	-	-	-	-	30,250
Dividend payout ratio (%) (Separate financial statements)	-	-	-	-	99.79
Total assets (Average) (Separate financial statements)	616,307	620,648	634,361	668,567	691,004
Total liabilities (Average) (Separate financial statements)	135,951	157,100	160,604	149,873	143,044
Shareholders' equity (Average) (Separate financial statements)	480,356	463,548	473,757	518,694	547,960
Summary of important financial ratios (Separate financial statements)					
Current ratio (times)	4.30	2.93	3.36	3.22	4.08
Cash flow ratio (times)	(0.54)	(0.35)	(0.25)	(0.26)	0.52
Gross profit margin (%)	2.35	(5.23)	(1.27)	0.03	8.11
Net profit margin (%)	0.29	(4.76)	(4.80)	(4.07)	4.19
Return on equity (%)	0.36	(5.61)	(7.21)	(5.51)	5.53
Return on assets (%)	0.28	(4.19)	(5.38)	(4.28)	4.39
Debt to equity ratio (times)	0.25	0.32	0.36	0.32	0.26



Message from the Chairman of the Board

Overall economic conditions in 2021 was slightly improved from 2020, although the coronavirus 2019 (Covid-19) outbreak persisted. According to the Federation of Thai Industries, the total number of cars manufactured was 1,685,705 cars, increased by 18.12% from 2020, and the number of domestic motorcycles manufactured was 1,780,654 motorcycles, increased by 10.24% from 2020.

The Company's operating results were in accordance with the separated financial statements in 2021, which improved from the year 2020. The total revenues amounted to 590.73 million Baht, increased by 44.89 million Baht or 34.11% from the previous year. Sales and services income was 541.46 million Baht, increased by 54.02 million Baht or 9.98% from the previous year, Dividend and other income was 49.27 million Baht, decreased by 9.12 million Baht, or 15.6% from the previous year. The Company had profits of 1.71 million Baht, increased by 27.71 million Baht, or 106.6%. Its basic earnings per share amounted to 0.07 Baht per share, increased by 1.11 Baht per share.

The main factors causing the Company to have profitable operating results were the continuous improvement and development, the reduction of production costs in terms of improvement of productivity, the reduction of waste, and the adjustment of manpower rate to cope with production and sales. This made the Company's operating results gradually improve.

Regarding the 2022 operation plan, the Company's operating results are expected to be improved as the country's economic situations are better. In 2022, the Company focuses on two main strategies, which are the efficient sales increase and the reduction of production costs, including investment in new machines to replace deteriorated machines.

On behalf of the Board of Directors and the Executive Committee, I would like to thank customers, shareholders, employees and business partners of the Company as well as those who have always supported the Company's business and confirm that the business will be conducted in a moral, honest, and ethical manner by focusing on good corporate governance and risk management and promoting environmental activities for sustainable development.



Miss Dalad Saphavichai

Chairman of the Board
Union Plastic Public Company Limited



Board of Director



Miss Dalad Saphavichaikul

- Chairman



Mrs. Sauwane Thairungroj

- Independent Director
- Chairman of the Audit Committee



Mr. Buncherd Tanglerpaibul

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



Miss Jutatip Arunanondchai

- Independent Director
- Audit Committee
- Nomination and Remuneration Committee



Mr. Suthin Phadetpai

- Managing Director



Mr. Pongsak Thiengviboonvong

- Director



Mrs. Chantornree Darakananda

- Director



Mr. Vacharaphong Darakananda

- Director
- Nomination and Remuneration Committee



Mr. Nanthiya Darakananda

- Director



SECTION

1

**Business Operation
and Performance**



1. Organizational structure and operation of the group of companies

1.1 Policy and overview of the business operation

The Company started to engage in business in 1969 by manufacturing plastic products, household appliances and developing the Company's production capacity in such a way that the business policy has been able to gear towards manufacturing industrial plastic parts or engineering parts. Later, in order to expand services for broader customers, the plastic parts paint and assembly was opened and the Company registered a company transformation as a public company under the name Union Plastic Public Company Limited on 30th March 1994, with the Registration Number PLC. 346, an authorized capital of 250 million Baht, which was fully paid, and Saha-Union Public Company Limited has been the major shareholder. A summary of the Company's details is as follows.

The Company registers to run a business to provide plastic injection molding and mold production services, with complete production processes in order to respond to customer demand on a ONE STOP SERVICE platform which consists of:

- Plastic injection molding service, molding, thermos plastic injection manufacturing as well as other production processes such as painting and assembling, etc.
- Plastic injection mold contract manufacturing service using CAD/CAM/CAE technologies to design and manufacture molds as well as utilizing high speed matching technology.

At present, the Company has no a subsidiary company but has invested in a joint company, namely PSV Mould Co., Ltd. and a related company, namely Union Nifco Co., Ltd., in order to support the production processes of one another.

1.1.1 Vision, Objectives, Goals or Strategies in Operation

The Company has established a vision and missions in order to determine its business objectives and goals that aims for continuous and sustainable growth towards organizational excellence, to be responsible for the society, community and the environment while seeking for strategy driving force in order to push forward the business plan of the organization to be earnestly practiced. Moreover, the Company has specified the organizational value and culture that will help to encourage and support achievements of the objectives as follows:

Vision

"To become a leading company in the ASEAN region in completely manufacturing plastic parts."

Missions

1. Develop competitive potentials and customer satisfaction in order to be a leader in quality products and on-time delivery.
2. Make a difference in applying technologies with experiences and expertise for customers.
3. Become a company with good governance system that manages by taking into account stakeholders including communities and good environment while aiming towards sustainable growth in the future.

Values

The Company has set out 7 values as follows:

1. Adhere to quality and concrete achievements, work efficiently by emphasizing quality and cost management.
2. Aim towards excellence, set up challenging goals and strive to achieve them.
3. Hold on to honesty based on good business ethics.
4. Seek for knowledge from all aspects and utilize such knowledge for the maximum benefits.
5. Promote harmony among employees and work as a team.
6. Develop employees' potentials with respect to knowledge and capability, encourage courage to speak out and do the right things.
7. Seek for opportunities resulting from changes and put them into practice in a concrete manner.

Organizational culture

To be a highly agile organization, capable of responding to changing and highly competitive situations with challenging goals set. Product quality is emphasized while good and efficient service delivery is ensured to create customer satisfaction. Personnel and technology development is carried out on a continuous basis in order to meet the market demand. Every personnel will be taking part in sharing their opinions and together performing to obtain concrete results by adhering mainly to virtue, quality and utility.

Objectives

1. Create products and services to satisfy customers on a basis of constant development.
2. Generate appropriate returns and sustainable business growth.
3. To be credible to customers and business stakeholders.

Goals

Focus on cost reduction and increase outputs while creating customer confidence.

Strategies

1. Improve Customer Engagement Management in order to develop and delivery goods and services that meet customer demand.
2. Emphasize responsibility towards stakeholders.
3. Focus on increasing the organizational potentials in order to satisfy the market demand by striving to develop technology and innovation to upgrade the quality of goods and services.

1.1.2 Significant changes and developments

During the past year, the Company has not significantly changed the shareholders' structure or business operations, except for the cost reduction management where the Company has applied information technology systems within the organization that can work together so that operations can be performed more conveniently, faster and timely with respect to data utilization. In addition, results of the operations will be reliably accurate, exchangeable and faster to search while duplicate operations can be well reduced.

1.1.3 Objective of fundraising

No other fundraising activities are performed.

1.1.4 Obligations that the Company commits in the Filing Form

The Company has no financial obligations as specified in the Filing Form.

1.2 Nature of Business

1.2.1 Revenue Structure

Revenue structure of the Company comes mainly from plastic part injection molding, mold production and distribution of products from the production process, together with other income as follows: (data from the separate financial statements)

Unit : thousand Baht

Product / Service	Year 2021 Revenue	%	Year 2020 Revenue	%	Year 2019 Revenue	%
1. Plastic parts	536,317	90.79	444,113	81.36	620,532	87.19
2. Mold production	5,147	0.87	43,323	7.94	39,666	5.57
3. Other income	49,268	8.34	58,399	10.70	51,466	7.24
Total revenue	590,732	100.00	545,835	100.00	711,664	100.00
Net profit (loss)	1,709	0.29	(25,996)	(4.76)	(34,143)	(4.78)

1.2.2 Information on products

(1) Nature of products or services and business innovation development: The Company separates products according to the type of products hired to manufacture by customers as follows:

- Plastic parts consist of automotive parts, electrical appliance parts, parts for household products;
- Plastic injection molds to support plastic parts manufacturing consist of automotive part molds, electrical appliance molds and other molds hired to manufacture by customers;
- Plastic painting for plastic works most of which are automotive parts where beauty is needed using high quality AIR DRY and 2K colours.

(2) Marketing and competition

- **Marketing policy**

The Company commits to manufacture quality goods that satisfy customer demand at a competitive price against companies in the same business, to delivery products in a timely manner, and to take into account the impacts on the environment and safety, both within and outside the organization.

- Nature of customers include companies and industrial factories that use parts in assembling automobiles, motorcycles, electric appliances and other industries such as household devices, furniture and office appliances.
- Target customers include companies or industrial factories that manufacture automobiles, motorcycles, electrical appliances and other industries that are well-known at the international level.

- Sale and distribution channels: the Company is hired to manufacture and sell directly to customers. Such customers have most of their production bases domestically. Only few have their bases abroad. In 2021, the proportion of foreign sales approximated at 1 percent and 99 percent domestically.
 - The Company exports to foreign countries such as India and Brazil.
 - Data on major customers whose sales of more than 10 percent of the total sales. In 2021, revenue from 3 major customers totaling of 122 million Baht, 79 million Baht and 63 million Baht, equivalent to 23 percent, 15 percent and 12 percent, respectively.
- **Competitive conditions**

In 2021, due to the pandemic of Coronavirus had been continuously severe which affects economies worldwide, in the plastic part manufacturing industry for automobile and motorcycle industries strong competition continued to persist both at the country level and regional level since each manufacturer still had remaining production capacity while the regional competition policy promotion of the group of automotive customers resulted in more severe price, quality and delivery competitions. Thus, the Company needed to put in more investments in order to improve the production process to catch up with demand and expectations of customers. In addition, mold manufacturers from abroad such as China, Taiwan, Indonesia, Vietnam, etc. had come in to compete more, making the price of molds to decline which affected the Company to a significant extent.

The industrial trend and conditions as well as competitive conditions in 2022 for the automotive industry has adjusted upwards slightly such that the domestic economy starts to recover from the economic stimulus measures and assistance provided to those affected from the pandemic of Coronavirus 2019 (COVID-19) which continues to be severe. Meanwhile new car models together with marketing promotions of distributors come out and the government continues to invest in infrastructure projects.

For the aforementioned reasons, it is expected that automobile and motorcycle manufacturing will increase slightly while competitive nature is still on price, product development, quality and delivery competition based on policies from manufacturers and various customer groups who want to reduce their cost of production. Demand for product quality is improved in order to ensure more customer satisfaction.

Main trade competitions can be classified by business group as follows:

- Automotive industry, there are approximately 15 major competitors;
- Motorcycle industry, there are approximately 15 major competitors;
- Electrical appliance industry, there are approximately 15 major competitors;
- Other industries, there are approximately 16 major competitors;

(3) Product and Service Procurement

The Company has 2 manufacturing factories:

1. Factory No. 11/1 Soi Serithai 62, Min Buri Sub-district, Min Buri District, Bangkok 10510
2. Factory No. 99/8 Moo 5, Bangna Trad KM. 38, Tambon Bang Samak, Amphoe Bang Pakong, Chachoengsao 24180

Production Capacity

Item	Year 2021	Year 2020	Year 2019
Maximum Production Capacity (Tons)	6,500	7,000	7,000
Actual Production Quantity (Tons)	3,450	2,870	3,930
Capacity Utilization (%)	53.08	41	56.14
Rate of Production Quantity Increase (Decrease) (%)	20.20	(15.14)	(4.15)

Key Production Policy

The Company has a policy to respond to customer demand with respect to quality, price, on-time delivery and technical requirements as requested by customers, including examination of contaminants in raw materials so as to ensure that parts produced will not affect or cause damage to consumers.

Raw materials and distributors

- Main raw materials are thermoplastics which currently cannot be replaced by other raw materials.
- Sources of raw materials can be purchased domestically and abroad via distributors situated in the country. Most customers will specify distributors.

Distributors and proportion of raw material purchase

The Company purchases raw materials with the proportion of 100 percent via 38 domestic distributors, of which from 3 major distributors by the proportion of 27.44 percent, 15.44 percent and 10.72 percent, respectively.

The Company does not rely on raw materials from any one distributor by more than 30 percent of the total value of raw material purchase.

• **Production process or disposal of waste raw materials that affect the environment**

The Company has asked for a permission to take out sewage or waste materials with characteristics and properties according to the Notification of Ministry of Industry on Disposal of Sewage or Waste Materials and the Notification of Industrial Works on Criteria and Practices concerning Handling of Sewage or Waste Material Before Taking Out of Factory Precinct, everytime before taking them out for disposal. For the past year, the

Company had no dispute or litigation regarding the environment at all.

(4) Assets used for Business

4.1 Fixed assets of the Company with details as follows:

Part of Company	Location/Type	Size	Ownership	Objective of Ownership	Book Value (million Baht)
Land	11/1 Soi Serithai 62, Min Buri, Bangkok	25 rai 2 ngan 57 square-wah	Full ownership	Location for factory building	10.40
	Tambon Bang Samak, A. Bang Pakong, Chachoengsao	15 rai 3 ngan 100 square-wah	Full ownership	Location for factory building	69.80
Buildings	11/1 Soi Serithai 62, Min Buri, Bangkok	11 buildings	Full ownership	Location for factory building and office	13.92
	Tambon Bang Samak, A. Bang Pakong, Chachoengsao	3 buildings	Full ownership	Location for factory building	11.37
Machinery	Min Buri: Plastic injection Mold production machine	42 machines 27 machines	Full ownership	Produce plastic parts, produce molds	1.01
	Bang Pakong: Plastic injection	26 machines	Full ownership	Produce plastic parts	2.51

Other types of assets include factory tools and devices, equipment and office decorations and vehicles, having the net book value of 49.68 million Baht. As of 31st December 2021, the total net book value of assets is 158.69 million Baht (including real property for investment of 7 million Baht). The Company has computer program for accounting, office and mold design systems which are regarded as intangible assets with the net value of 1 million Baht. The Company does not own any important trademarks, copyrights or other intellectual property. The net asset values are not used for guarantee or committing any obligations.

Fixed assets of subsidiary companies: None

4.2 Policy on investments in subsidiary companies, joint companies

In 2021, the Company did not have additional investments in subsidiary companies or joint companies.

4.3 Asset Valuation

During the year 2021, the Company did not have asset valuation since there were no significant changes.

(5) The work has not yet been delivered.

In 2022, the company has not delivered the work.

1.3 Shareholding structure of the Company Group

1.3.1 Shareholding structure of the Company Group

The Company has shareholding in the form of a joint company and a related company as follows:

“Joint company” refers to PSV Mould Co., Ltd., running a business concerning contract manufacturing and distributing molds for the production of equipment and all types of tools and devices, with Union Plastic Public Company Limited holding 25% of shares as follows:

Name of juristic person	PSV Mould Co., Ltd.
Location	46/36 Moo 9, Tambon Bang Pla, Amphoe Bang Phli, Samut Prakan 10540
Business type	Contract manufacturing, manufacturing, distributing molds for the production of equipment and all types of tools and devices.
Authorized capital	10,000,000 Baht: 1,000,000 ordinary shares at 10 Baht per share
Relationship	The Company is holding shares
% Shareholding	25.00% (249,999 shares)
Major shareholder	Mr. Varaphong Jaisin

“Related company” refers to Union Nifco Co., Ltd. running a business concerning contract manufacturing plastic parts, with Union Plastic Public Company Limited holding 19.9976% of shares.

Name of juristic person	Union Nifco Co., Ltd.
Location	99/11 Moo 5, Bangna-Trad Road (K.M.38), Tambon Bang Samak, Amphoe Bang Pakong, Chachoengsao 24180
Business type	Manufacturing plastic parts
Authorized capital	100,000,000 Baht: 1,000,000 ordinary shares at 100 Baht per share
Relationship	The Company is holding shares and having common directors
% Shareholding	19.9976% (199,976 shares)
Major shareholder	NIFCO INC. CO.,LTD. (JAPAN)

1.3.2 The Company has no persons who may have a conflict of interest, holding shares in a subsidiary company or joint company more than 10 per cent of eligible voting shares of such a company

1.3.3 Relationship with the business group of the major shareholder

The major shareholder is Saha-Union Public Company Limited who is holding 49.52 percent of the Company’s shares. However, the main business of the Company does not significantly have any relationship or relations to other business operations of the major shareholder. There are only relationships such as business consultancy service.

Name of juristic person	Saha-Union Public Company Limited
Location	1828 Sukhumvit Road, Phra Khanong Tai Sub-district, Phra Khanong District, Bangkok 10260
Business type	Plastic industry, electronics and information technology industry, energy, trade and investment, and services
Authorized capital	3,000,000,000 Baht
Relationship	Major shareholder in the Company and common directors
% Shareholding	Holding 49.52% of shares [12,380,130 shares] in Union Plastic Public Company Limited (as of 31 st March 2021)

1.3.4 Shareholders

Names of the first 10 highest shareholding shareholders with the number of shares held and the proportion of shareholding as of the date of latest closing of the shareholder registration book on 31st March 2021 are detailed as follows:

No.	Name of Shareholder	Number of shares held	Proportion of shareholding (%)
1	Saha-Union Public Company Limited	12,380,130	49.52
2	Srithai Superware Public Company Limited	2,400,000	9.60
3	Bangkok Insurance Public Company Limited	2,093,160	8.37
4	Mr. Thinnakorn Thongthai	707,200	2.83
5	Mrs. Kanjana Suwanthavit	512,240	2.05
6	Mr. Krich Thongthai	494,120	1.98
7	Mr. Kasama Sirirangsankul	454,800	1.82
8	Wattanasophonphnich Co., Ltd.	253,660	1.01
9	Miss Sasipa Thongthai	249,600	1.00
10	Mr. Sumet Darakanon	242,860	0.97

- Notes
1. Saha-Union Public Company Limited is a registered company in the Stock Exchange of Thailand since 1975. At present, its policy is to be an investment and trading company that provides advice, management service and financial management as well as distributes some types of goods of companies in the Group.
 2. Srithai Superware Public Company Limited is a registered company in the Stock Exchange of Thailand on 2nd October 1991, runs a plastic business with the main goods including industrial products and household products.
 3. Bangkok Insurance Public Company Limited has registered in the Stock Exchange of Thailand in 1978 and transformed into a public company limited in 1993. The company runs a business concerning all types of non-life insurance including fire insurance, marine insurance, car insurance, miscellaneous insurance as well as reinsurance.
 4. Mr. Thinnakorn Thongthai, Mr. Krich Thongthai, Miss Sasipa Thongthai are a group of Thongthai family and the same shareholding group, holding 1,450,920 shares altogether, equivalent to a proportion of 5.81 per cent, which is less than 25 per cent, thus have no significant influence to the management of the Company.

Overview of shareholder data as of 31st March 2021:

Total shareholders	872%	Scripless	24.16%
Number of Free float	677%	Shareholding of minor shareholders	30.30%

1.4 Number of authorized capital and fully paid capital

- 1.4.1 The Company has 250 million Baht of authorized capital which are fully paid, Dividing into 25 million ordinary shares at the face value of 10 Baht per share.
- 1.4.2 The Company has not other types of shares that have rights or conditions different from those of ordinary shares.
- 1.4.3 The Company has not a project to issue or offer to sell shares or convertible securities to a mutual fund for investors who are foreigners (THAI TRUST FUND), or options in returns from underlying securities which are shares of the Company.
- 1.4.4 Major shareholders do not have any shareholder agreement on issues that affect the issuance and offering of securities or the Company's management.

1.5 Issuance of other securities

In 2021, the Company did not issue other securities.

1.6 Dividend payment policy

"Depend on the business performance at the rate no less than 1 of 3 of the annual net profit less accumulated loss (if any) according to the separate financial statements".

Retroactive dividend payment based on performance between 2016 - 2020

Year	2020	2019	2018	2017	2016
Earnings per share (Baht) (Separate financial statements)	(1.04)	(1.37)	(1.14)	1.21	1.34
Dividend yield (Baht)	-	-	-	1.21	1.34
Dividend payout ratio (%)	-	-	-	99.79	99.66



2. Risk Management

2.1 Risk Management Policy and Plan

The Board of Directors provides internal control and risk management systems to achieve effective objectives and to comply with applicable laws and standards. The Board of Directors regularly monitors the effectiveness of internal control and risk management on a quarterly basis. The audit committee is assigned to be a moderate before presenting the Board of Directors for consideration.

The Company has internal control and internal audit policies, risk management policies to ensure the confidence of shareholders and all parties involved in continuous operations. It can achieve objectives and create value added to the organization as follows:

Internal control policy and internal audit

- 1) The Company provides a good and effective internal control system to ensure the efficient operation of the Company. There are accurate and reliable operational reports and financial reports as well as being treated in accordance with the requirements of the relevant laws.
- 2) The Board of Directors has reviewed the effectiveness of the internal control system based on the main elements of the internal control system, which are classified into 5 elements: the control environment, risk assessment, control activities, information and communications in the organization as well as monitoring and evaluation
- 3) The Company assigns the agency direct responsibility for internal audits, risk assessments and internal control evaluations, which shall be under the supervision of the Audit Committee.
- 4) The Audit Committee is responsible for reviewing the company's internal control system, risk management system and an appropriate and efficient internal audit system.
- 5) All employees of the Company must have a positive attitude towards internal control and internal audit, cooperate in the inspection and apply the results to be appropriately and quickly revised.

In addition, In the event that the Company has other businesses in which the Company invest in a stake of 20 percent or more The Company monitors its performance quarterly and appoints a representative of the Company to be a director in order to attend the meeting and consider the performance of such investments.

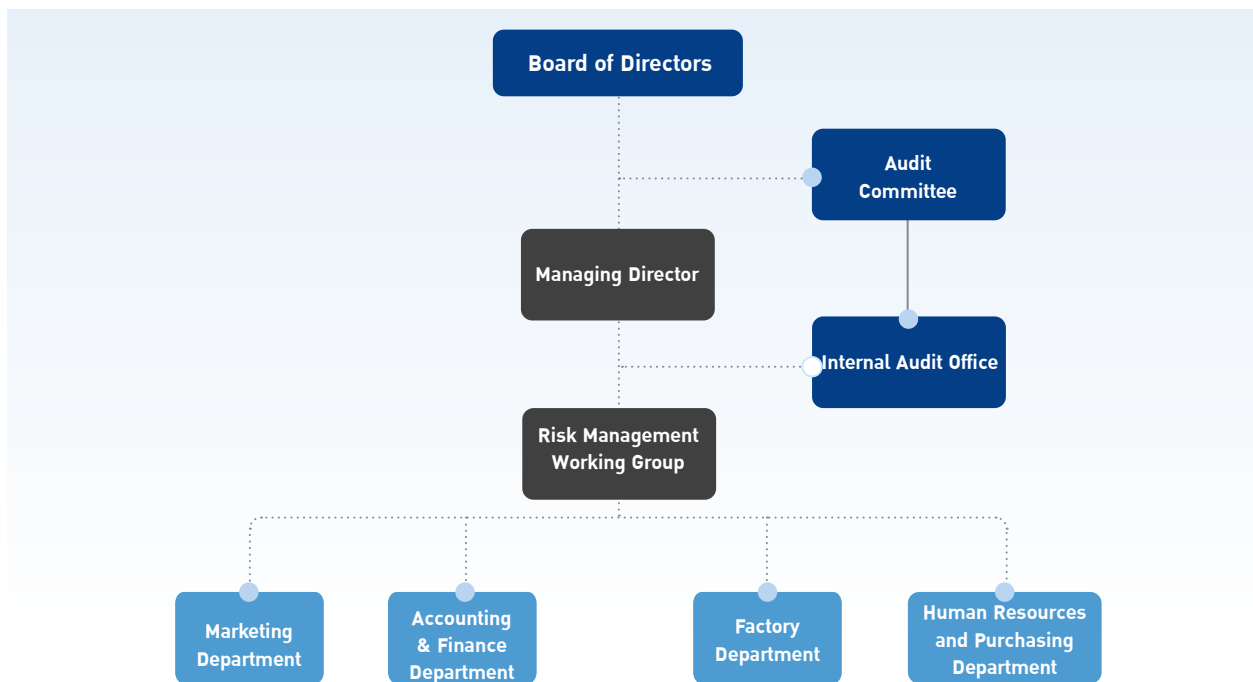
Risk Management Policy

- 1) To establish a risk management system at the company level, division level and support level to be linked to the company's vision, objectives and main goals in the implementation of the company's core tasks.
- 2) Define the risk management process as the same approach throughout the organization.
- 3) To ensure that risk management is the responsibility of employees at all levels to be aware of the risks that exist in their organization and within the organization. The risk management must be focused on various risk management under systematic internal control, stay at the right level.

- 4) Promote and encourage risk management as an important tool for managing organizations that people of all levels must understand, cooperation in creating a positive image, strengthening good corporate governance for excellent management.
- 5) Require continuous monitoring, investigation and evaluation of risk management to be used to review and improve the company's operations to be effective and appropriate in accordance with the conditions.
- 6) Promote and develop the adoption of state-of-the-art information technology systems in the company's risk management process and encourage people of all levels to have access to the company's risk management information sources thoroughly.

Structure of risk management of the organization

The structure of risk management identifies the division which is responsible for risk management, task tracking system, risk management reporting, which the organization has designated the organization and the responsible person for the risk management work, both at the policy level and the worker level.



The Company has appointed a risk management committee at the management level to evaluate and establish preventive measures, as well as to require those responsible for monitoring and supervision. Conduct risk analysis and management at the entire operating level to reduce the impact or mitigate potential risks to the organization. Managing Director and Senior Management Executive Officer as follows:

- | | |
|----------------------------|------------------------------------|
| 1. Mr. Suthin Phadetpai | Chairman of the Board of Directors |
| 2. Mr. Praphan Triyasuk | Vice Chairman |
| 3. Mrs. Phalada Mekvaranon | Director |
| 4. Mrs. Achara Maneesawath | Director |
| 5. Mr. Kittipong Pinkeaw | Director |

- | | |
|-----------------------------|----------------------------|
| 6. Mr. Teerayut Kruehong | Director |
| 7. Mr. Thatthep Som-ocha | Director |
| 8. Mr. Surong Likitmaharerk | Director |
| 9. Ms. Suwannee Phodokmai | Director |
| 10. Mr. Somporn Raipanpai | Director And the secretary |

Responsibilities

The Board of Directors has authority

- Provide feedback and approve risk management policies
- Review risk management reports, supervise the effectiveness of management operations to manage unacceptable risks.
- Promote a culture of risk management within the organization.
- To consider and approve acceptable risk levels and acceptable deviation levels

For organizations (Risk appetite & Risk tolerance)

- Set directions or guidelines for risk management and take steps to ensure that management has the appropriate tools and procedures to manage risks.

The Audit Committee has authority.

- Independently monitor risk management as well as provide feedback, advise management to understand significant risks and link them to internal controls and internal audits.
- Present a report on the adequacy of the risk control system to the Board of Directors.
- Promote a culture of risk management within the organization.
- Review the implementation of risk management processes to ensure that such processes can also be implemented appropriately within the organization.

Managing Director, Authority

- Establish the risk management structure and present the risk management policy to the Board of Directors for approval before bringing it into practice.
- Supervise and monitor risk management as well as communicate with the Risk Management Working Group to understand significant risks.
- Promote a culture of risk management within the organization.
- To introduce and approve the organization's risk management framework, which consists of risk management policies, risk management structure, acceptable risks and risk management processes
- Report significant risks to the Board of Directors for consideration

The Internal Audit Office has authority.

- Promote a culture of risk management within the organization.
- Ensure appropriate internal controls for risk management and those controls are followed throughout the organization.

- Ensure that the risk management system is properly implemented and followed throughout the organization.
- Communicate with the Risk Management Working Group to understand risks and conduct internal audits along the risk-based auditing.
- Review, monitor, evaluate the risk management of each division and provide feedback.
- Report the results to the Managing Director / Audit Committee

The Risk Management Working Group has authority.

- Study, track, collect data of problems, obstacles and analysis of preliminary risk causes that affects operations, including risk management systems.
- Prepare operational risk management manuals
- Assess risks by accounting risks, identifying various risks, and analyzing and assessing potential risks and affecting operations' trends
- Suggest ways to improve obstacles, prepare a risk management plan and present a draft analysis to the Risk Management Subcommittee.
- Prepare a plan to prevent or reduce risks
- Prepare performance report according to risk management plan to the Managing Director quarterly or as assigned.
- Evaluate and prepare risk management reports of the Company
- Supporting and promoting risk management as an ongoing process and as a culture in the organization.
- Perform other tasks as assigned by the Managing Director / Audit Committee.

Division Manager / Division Authority

- Identify, assess risks, and prepare significant risk management and internal control plans in accordance with the guidelines and policies assigned by the service provider.
- Evaluate and monitor the performance of the risk management plan and key internal controls in due course.
- Support and promote the effective implementation of the risk management plan and internal control of officers in the unit.
- Promote a culture of risk management within the organization.

Risk Management Process

The Company has adopted a risk management framework for 4 main areas of operations: financial risk management, customer, production and learning and innovation. The risk management process is included in the "Risk Management Manual", which is divided into 7 main processes as follows:

1. Defining objectives
2. Identifying risks
3. Risk Assessment
4. Risk Management
5. Risk control
6. Reporting
7. Monitoring and evaluation

Risk Management and Reporting Plan

The Audit Committee has a duty to review risk management as proposed by management each quarter. Management will report on risk management, including risk management plan, propose to the Audit Committee for knowledge and consideration before reporting to the Board of Directors.

2.2 Risk factors for the company's business operations

The Company recognizes the importance of risk management under changes affecting the business both from internal and external factors. Risk management is an important component of every process of the Company's business operations and must be connected at all levels, thus establishing a risk management policy and the Risk Management Committee has been established to perform the overall risk management duties in the best interests of the whole. For risk management at the corporate level, it is systematically managed under the supervision of the managing director, and the risks at the operating level are under the supervision of the executives responsible for the performance of the units, which is the responsibility of all divisions to manage and control the risks to an acceptable level. The risk factors are as follows:

2.2.1 Risk of business operations

1) Risks from relying on core business segments

The Company's core revenue is about 90 percent from the automotive industry. When a situation affects the automotive industry, it will affect the company's sales inevitably, in order to reduce the risk of such incidents, the Company plans to develop production processes, modernize machinery and equipment and be able to support more aspects of other tasks, such as those related to the electrical appliances and other consumer goods industries.

Regarding to Financial Position, the Company's current and future performance and business opportunities may be significantly negatively impacted in the event of a claim concerning quality or delivery issues for automotive customers. If the event can prove to be caused by the workpiece that the Company is a contractor. This will cause the Company to bear a very high cost as a result of claims from customers, including potential loss of revenue from the production of the workpiece in question, or possibly all the pieces currently employed, including the workpieces in the future, too.

2) Risks from changes in raw material prices

In the event that the price of raw materials is changed, the price is higher. It will also have a high cost of sales impact, which can lead to lower profits. However, the Company has implemented and has an agreement with each customer to restructure the sales price based on the changing raw material price. It has assigned the marketing section to monitor changes in raw material prices and regularly review sales prices with customers.

2.2.2 Operational riskss

Risks of shortage of raw materials critical to production

The company orders 100% of the plastic resin from domestic agents by purchasing it in Baht currency. Global crude oil price factors influence the raw material price of plastic goods, as plastic pellets are a by product of crude oil refining. If the price of crude oil in the global market rises, it will result in higher plastic pellet prices and will follow by increasing production costs respectively. Therefore, volatility varies according to market conditions and other factors such as the level of supply and demand, foreign exchange rates, etc. The Company has guidelines for supporting the risks as follows:

1. Plastic pellet prices from more than 1 seller are checked and compared before ordering.
2. Track plastic pellet price trends from domestic and international sellers.
3. If the price of plastic pellets is raised, the Company does not have to take the risk of fluctuations in the price of plastic pellets, since the major customers have agreed to be the recipient of that risk by taking the burden of adjusting the price of the product according to the change in the price of the raw material.

The Company must prepare to find information of new production companies near crude oil production sites or precursors to produce sufficient plastics.

2.2.3 Financial risks

1) Credit risk

The Company has credit risks associated with deposits with banks and financial institutions. The maximum amount that the Company may have to lose from lending is the book value shown in the statement of financial position.

As per trade receivables, the Company manages risk by using policies and procedures to properly control lending and therefore does not expect material financial losses. In addition, the Company regularly monitors the backlog of trade receivables. The Company considers impairment every day at the end of the reporting period. The reserve rate of the expected credit loss is calculated based on outstanding aging from the due date. For customers with similar forms of credit risk, it will be grouping customers by customer category. The calculation of expected credit impairment losses takes into an account the effect of weighted probabilities, the value of time-based money and reasonable and supportive information available as of the date of reporting on past events, current conditions and forecasts for future economic conditions. Generally, the Company will set aside 100% according to the Company's policy if the debtor is overdue for more than 180 days.

In terms of financial instruments and bank deposits, the Company manages credit risks associated with balances with banks and financial institutions by investing only with approved counterparties and within credit limits assigned to each counterparty.

The Company has not very high credit risks of fixed income securities as the parties are banks with a high credit rating assessed by international credit rating institutions.

2) Market risk

The Company has two types of market risks: exchange rate risk and interest rate risk.

Exchange rate risks

The Company considers that exchange rate risk is low because the volume of foreign exchange transactions that occur during the year is small and the amount of each item is relatively low.

Interest rate risks

The Company is at risk from significant interest rates related to bank deposits and government bonds. Most financial assets and liabilities have interest rates that rise and fall at market rates or have fixed rates that are close to current market rates.

3) Liquidity risk

Risks posed by the Company Liabilities and obligations cannot be paid at the time of arrival because the assets cannot be converted to cash in time for the completion of the debt payment or are unable to provide sufficient financing or can be paid for, but at a cost that exceeds acceptable levels. This may affect the Company's revenue and financial position.

The Company has established a liquidity management policy with the monitoring and consideration of liquidity risks by management on a monthly basis. Liquidity risk management methods such as monitoring the Company's operating results, financial position and cash flow received and paid to assess liquidity position at different times and analysis of the Company's key financial ratios.

2.2.4 Risk of relying on large customers from 30 percent of total sales

In the past year, the Company has not been at risk of relying on major customers since 30 percent of sales.

2.2.5 Risk of having a major shareholder > 25 percent

Union Public Company Limited is a major shareholder holding 12,380,130 shares in the Company, representing 49.52 percent of the total number of shares sold but its operations are not characterized by significant reliance on large companies. If there are interagency transactions between them, the nature of the interagency transactions that occur, is a business-as-usual list with general commercial conditions. The audit committee consists of 3 independent directors considering connected transactions that may have conflicts of interest in accordance with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission's guidelines in order to ensure that such transactions are reasonable and in the best interests of the Company. In addition, the Board of Directors' meeting on the agenda to approve such transactions. Directors who have interests or may have conflicts of interest No voting right.

2.2.6 Regulatory risks and related regulations

The Company recognizes and values compliance with securities and exchange laws, announcements and requirements of the Stock Exchange of Thailand as well as laws relating to the company's business if there is a breach. Penalties will be imposed in accordance with the Company's regulations and in accordance with applicable laws or regulations.

In 2021, by monitoring, investigating and evaluating this risk, It was not found that there was any illegal practice or requirements of the Stock Exchange of Thailand.

2.2.7 Information System Risks

Database risks are lost and computer failures are unusable, which can damage the company's operations. The Company has managed the risk by purchasing additional storage equipment to support the larger amount of data, as well as providing additional storage systems to preserve backups in other locations to ensure the security of company data.

2.2.8 Risk of disaster

In the past year, no catastrophic events occurred. However, the Company has comprehensive all risk insurance to mitigate and compensate for damage in the event of a disaster.

2.2.9 Pandemic risk (COVID-19)

In the past year, the Company has been affected by the risks posed by the COVID-19 pandemic, which has been implemented by the Company's prevention policies, including measures to control the spread of the COVID-19 virus. It supports and encourages all employees to be vaccinated against the virus and proactively conducts random testing for vulnerable groups.

2.2.10 Security Risks Environment & Community

The Company is aware of safety-related issues. The company has established policies and procedures to ensure good management of employee hygiene and safety and in accordance with environmental laws and regulations, risk management measures. The Company has raised awareness and priority for the safety of all employees. The company has organized activities to build a good understanding of health and safety throughout the organization. These activities are including with safety week, monitoring activities, and elimination of risk points to prevent accidents (Completely Check Completely Find Out or CCCF). 5S Activity to create a safe, clean, convenient and easy-to-monitor workplace environment. White Factory Project for a free workplace drug, scheduling maintenance of machinery equipment, annual health check-up for employees. In addition, the Company has initiated activities in continuous development and a project to reduce waste and energy consumption include the use of LEDs lamps in the Company's factories everywhere. Solar panels are installed to reduce electricity consumption and preparing for waste banking. Therefore, the Company has been certified to ISO 14001 environmental standards, which confirms the commitment and reliability of safety and environmental management, as well as providing environmental certification such as polluted water, air, noise, dust to assess compliance with the law and regulate it to meet the required standards. Promoting activities that reduce global warming, such as the installation of solar panels, waste banks, etc. which comply with environmental laws.

2.2.11 Good Corporate Governance Risks

The company recognizes the importance of good corporate governance, therefore, the roles of the Chairman committee and the managing directors are clearly separated to achieve a counterbalance between them. In addition, the Board of Directors consists of 3 independent directors representing 33.33 percent of the total number of directors, in accordance with the best practices of good corporate governance principles of listed companies in 2017.



3. Business sustainability development

3.1 Sustainability Management Policies and Goals

Union Plastic Public Company Limited Conduct business with awareness and recognize the importance of Sustainability Development with a focus on the balance between economy, society and environment. Conduct business responsibly to all stakeholders in accordance with good governance principles, along with creating value and reducing the impact on society and the environment, the Company has established guidelines for the sustainable development of the organization as follows:

1. Strive to develop business processes according to the core mission of the organization based on good corporate governance principles, transparency Treat workers with equality and take into an account human rights principle throughout the supply chain, taking into an account all stakeholders.
2. Promote social and environmental responsibility operations in the core processes of the organization. (CSR in process) to reduce the impact on society and the environment, as well as ensure the economical and cost-effective use of resources.
3. Promote the sustainable development of the organization and respond to sustainability development goals (SDGs) in accordance with international standards, including reporting on the sustainable development of the organization, covering all dimensions of operations in economic, social and environmental areas.
4. Support and drive employees of all levels and stakeholders participate in social responsibility activities (CSR) with a consciousness and behavior for sustainable development in all processes of the organization.
5. Cultivate and raise employee awareness at all levels of work with integrity, morality and ethics. Risk Management for social and environmental responsibility to become a culture of the organization as well as take care of the well-being of employees. Promote the atmosphere and work environment to make employees' happy at work while developing their operational potential to be effective and be able to respond to the goals of the organization.

We will deliver a comprehensive range of products and services with products to reduce environmental impacts for sustainable growth with stakeholders

- **Economic Dimension**

The Company is focused on the implementation of good corporate governance principles. Ethically comply with laws, covenants. relevant requirements of the country in which the business is conducted and the practices are international. Transparent disclosure of information and performance and risk management adapt to change and seek opportunities to suit the business for sustainable growth and reduce the impact of operations throughout the value chain, as well as respond to the needs of all stakeholders in a balanced manner.

- **Social Dimension**











Conduct business responsibly, taking into an account human rights and equality principles. Protect labor rights, safety, hygiene, and create a positive work environment along with the continuous management and development of new skills and skills required by our people, as well as relying on corporate expertise to create shared value and improve the quality of life of the community, society to grow sustainably.

- **Environmental Dimension**

The Company adheres to responsibility for business development in conjunction with environmentally friendly business operations, make the most of your resources Control and reduce the impact of operations Business on ecosystems and biodiversity, as well as mitigating the impacts and adapting to climate change, based on circular economy.

Sustainability Management Goals

The Company is committed to sustainable organizational development along with economic development, social development and community & environment which leads to the creation of chances, reduce business risks to generate returns in accordance with the Sustainability Management Goals.

Focus on Balance		Strategic Direction	
 Economics 2 Strategies	 Customer Relationship Management (CRM)	 Transparency, Fair Competition and Taxes	
 Social Aspects 3 Strategies	 Create shared value and improve quality of life	 Create a good working environment and take into an account human rights principle.	 Personnel preparation to support future business growth
 Environmental 2 Strategies	 Environmentally Friendly Partners	 Use resources cost-effectively based on circular economy	

3.2 Managing the impact on stakeholders in the value chain of the business

Analyzing stakeholders in the value chain of the business, the Company attaches importance to managing stakeholders throughout the value chain of the business, covering those affected or potentially affecting the Company's operations from the past, present to the future, in conjunction with effective management of the value chain of the business. To ensure that stakeholders are maintained in a balanced manner in accordance with the corporate mission. In summary, the results of the analysis of the expectations and the results to meet the expectation of each groups of stakeholders are as follows:

Stakeholders	Stakeholders needs and Expectation	Stakeholders Responsiveness
1.Shareholders	<ul style="list-style-type: none"> • Good return on investment and continuous growth • Transparency can be verified. • Business growth potential • Business development for sustainability and response to future changes • Increased competitiveness • Responsible operations for society, communities and the environment 	<ul style="list-style-type: none"> • Good performance generation • Compliance with the Code of Conduct To shareholders • Good Corporate Governance • Prepare a business strategy plan • Striving for sustainable organizational development and eco-excellence operations (EOE: Eco - Operational Excellence) • Dividend payment / repayment of liabilities correctly • Transparent and timely disclosure of corporate information through channels such as the Company's website The Stock Exchange of Thailand Annual Report and Sustainability Report • Risk management carefully • Support public events
2. Customer	<ul style="list-style-type: none"> • Product quality meets customer's requirements. • Product prices are reasonable and competitive. • Accurate, complete and timely delivery of goods • Products are safe and environmentally friendly. • Fast response before and after sales service 	<ul style="list-style-type: none"> • Response to customer satisfaction in all 3 areas (Q,C,D,S) Increase productivity and co-develop new products/services • High quality, low cost and environmentally friendly products • CRM operations (Customer Relation Management) • Comply with the code of conduct to customers.

Stakeholders	Stakeholders needs and Expectation	Stakeholders Responsiveness
3. Staff	<ul style="list-style-type: none"> • Treating workers fairly and equally • Career stability and career progression • Occupational Health and Safety • Fair benefits and benefits compensation • Promoting learning and employee development 	<p>Strictly comply with human rights policy and employment policy.</p> <ul style="list-style-type: none"> • Improve the development system according to the career path • Create an environment Occupational health and safety of work such as control Pollution according to standards and laws • Review of remuneration and evaluation system • Training and development of personnel • Organizing activities and projects to create participation within and outside the organization • Satisfaction and complaint management as appropriate • Assessment of employee satisfaction to the organization • Comply with the code of conduct for employees.
4. Partners	<ul style="list-style-type: none"> • Fair and transparent procurement as required by law • Prepare fair contracts and comply with the agreement. 	<ul style="list-style-type: none"> • Treat partners with fairness, equity No exploitation • Do not call, do not accept or do not provide any other benefits. • Audit and development of partners • Follow the framework for ethics to partners

Stakeholders	Stakeholders needs and Expectation	Stakeholders Responsiveness
5. Society, Community and Environment	<ul style="list-style-type: none"> • Reducing the negative impact of operations on communities and society, such as air quality and effluent sound, smell. • Supporting community activities • Economic promotion and career building/ Valuable Revenue 	<ul style="list-style-type: none"> • Environmental Management with ISO14001 • Compliance with the Corporate Social Responsibility Code of Conduct Community & Environment • Environmental and greenhouse gas management, water and waste disposal • Legal Energy Management • Legal security management • Corporate Social responsibility For example, pour bio-fermented water on World Environment Day. • Local employment and sustainable income • Promoting learning with youth in the community, such as giving books to Minburi Youth Center • Support bilateral projects and interns • Disclosure of performance through sustainability reports and annual reports
6. Government agencies	<ul style="list-style-type: none"> • Compliance with laws, regulations and regulations • Reducing the impact on communities such as air quality And the water goes public. • Reducing the negative impact of normal operations on the environment and society. 	<ul style="list-style-type: none"> • Good Corporate Governance • Comply with the relevant code of conduct in accordance with the regulations. • Environmental Management Energy, water and waste disposal according to standard values and control better than standard values. • Energy Efficiency Management • Disclosure of performance through sustainability reports and annual reports • Dissemination/ Exchange/ Research and Development of Knowledge and Innovation together

3.3 Sustainability management in the environmental dimension

3.3.1 Environmental policies and practices

The Company has policies and practices that are followed to laws and regulations. Environmental regulations relating to the Company's business operations and accredited environmental management system ISO14001 are committed to reducing negative environmental impacts on various issues. For example, energy, water, waste

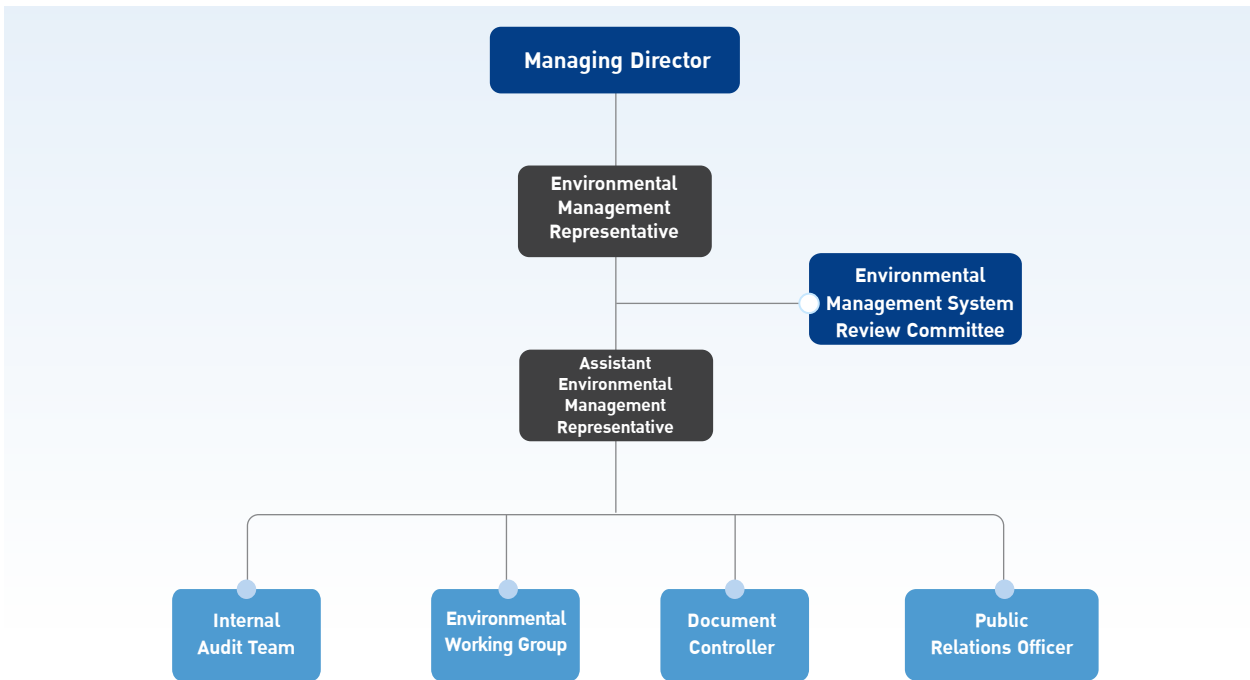
disposal, pollution and management to reduce greenhouse gases as a whole, as the Company deems important and in line with the context of the business by applying policies and practices related to management in the environmental dimension to the company's website.

The company has a policy review. Guidelines and/or environmental goals in the past year that the company deems appropriate. The Company has established policies and plans for energy and environmental conservation as part of its business operations ranging from procurement, production, delivery of goods and services and waste disposal.

Environmental Policy

1. Strictly comply with the Regulations of the Industrial Estate Act, laws and environmentally related requirements.
2. Support the efficient and cost-effective use of resources to make the most of them.
3. Focus on managing and preventing pollution, environmental impact by providing objectives and goals to implement. Continuous review and adjustment
4. Raise environmental awareness for employees by training and supporting participation.

Environmental Working Group Team Chart



Environmental Performance

1. Energy Management

The company manages energy efficiently, including lighting systems, air conditioning systems, main machinery in production.

The Company has modified the machinery used in the production (injection molding machine) from hydraulic to electrical system to reduce electricity consumption and maintain the related electrical control equipment.

This will reduce electricity consumption by 43,751 kWh by 2021. The company uses a total of 5,704,800 kWh of electricity, saving on electricity bills, Baht 169,831 or 0.77% compared to the previous year and reduced the use of hydraulic oil for the whole year.



Bureau Veritas Certification

UNION PLASTIC PUBLIC CO., LTD.

11/1 SERITHAI 62, SERITHAI ROAD, MINBURI, BANGKOK 10510, THAILAND

This is a multi-site certificate, additional site(s) are listed on the next page(s)
Bureau Veritas Certification Holding SAS – UK Branch certifies that the Management System of the above organization has been audited and found to be in accordance with the requirements of the management system standards detailed below

ISO 14001:2015

Scope of certification

MANUFACTURING OF THERMOPLASTIC PART BY INJECTION MOLDING
PROCESS, PAINTING, ASSEMBLING AND FINISHING OF COMPONENT PARTS

Original cycle start date:	18 January 2012
Expiry Date of Previous Cycle:	NA
Certification / Recertification Audit date:	NA
Certification / Recertification cycle start date:	17 January 2021
Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on:	17 January 2024

Certificate No.: TH016160 Version: 1 Issue Date: 17 January 2021

Signed on behalf of BVCH SAS UK Branch



0008

Certification Body Address: 5th Floor, 66 Prescot Street, London, E1 9PR, United Kingdom

Local Office: Bureau Veritas Certification (Thailand) Ltd. 16th Floor, Bangkok Tower, 2170 New Petchburi Road, Bangkok, Huaykwang, Bangkok 10310, Thailand

For further information regarding the scope and validity of this certificate, and the applicability of the management system requirements, please call 800 870 4800



2. Water management

The Company has managed water resources, which is an important factor in the production of maintenance and inspection of the water supply system within the production process to meet the standards continuously. In 2021, the Company recorded a total water consumption of 35,455.81 cubic meters, a decrease of 7,209.28 cubic meters, or 17 percent, compared to the previous year.

3. Waste garbage, waste disposal and pollution management

Reporting waste garbage, waste disposal and pollution management data reflects the cost-effectiveness of resource utilization and cost management capabilities for disposing of waste or waste from business processes. It also helps to build confidence that businesses can properly control and minimize the negative impact of business processes that may afflict communities and society.

However, this is reporting waste garbage or waste disposal management data should cover business processes such as waste or production waste, packaging, according to the type of waste garbage or waste disposal, such as hazardous/non-hazardous waste, recyclable/non-recyclable waste, as well as pollution management data should also cover business processes, including air pollution, odors, sounds, chemicals and hazardous materials, as well as sources of pollution (excluding water pollution) such as in-line machinery. Vehicle pollution from transportation, which can directly affect the health and safety of employees and nearby communities, the company has systematically managed waste garbage and waste disposal in the business process in accordance with the 3R (Reduce Reuse Recycle) principle, has an effective type of waste sorting system, along with raising awareness and engaging with stakeholders to reduce waste disposal in 2021 satisfactorily in accordance with the intended objectives. In addition, the Company measures environmental quality in offices and around the establishment at least once a year. In 2021, air quality standards were found. Smell, sound, and lighting are normal as required by law and no cases of chemical leakage from business operations have been found.

4. Management to reduce greenhouse gas reduction volume

The company is focused on managing to reduce greenhouse gases. It found that the activities of businesses with the highest amount of greenhouse gas emissions are the use of electricity from office air conditioners and the use of fuel from corporate vehicles, so the company has implemented all continuous maintenance measures for air conditioning in accordance with the energy conservation plan by 2021.

Greenhouse gas-causing activities

1. The Company has main activities that generate greenhouse gases from upstream to downstream business as direct emissions only, without the characteristics of indirect emissions. In terms and directly, as mentioned above:
 - 1.1 Cooling system (office air conditioning)
 - 1.2 Use of cargo vehicles in oil-based factories (Forklift)
 - 1.3 Baking raw materials using heating tanks to bake raw materials is to put a jacket covering the body of the baking tank to provide less heat loss in baking in number of 5 pieces.

2. Management methods in terms of greenhouse gazing reduction
 - 2.1 Air conditioning in the office is to replace the oldest air conditioner mainly in order to a new, high-performance one. The new 5 pieces can reduce greenhouse gas formation to 13.69 TonCo₂/Yr.
 - 2.2 Inserting a jacket covering the chassis of the raw material baking tank can reduce greenhouse gas formation to 5.53 TonCo₂/Yr.
 - 2.3 Cancel the use of oil forklifts, switch to electric type instead of all.
3. The image including the organization 2021 can reduce greenhouse gas formation to 19.22 TonCo₂/Yr.
4. The image including the organization 2020 can reduce greenhouse gas formation to 129.86 TonCo₂/Yr.
5. Goals, guidelines and strategies to reduce greenhouse gas problems from future businesses
 - 5.1 Target reduces by 3 percent of the chance of generating all gases in the organization.
 - 5.2 The approach is to gradually change low-performance electrical machinery and equipment to high efficiency and reduce energy consumption.

Remark : The Company has calculated co2 values based on customer company guidelines as a basis for practice.

3.4 Sustainability management in social dimensions

3.4.1 Social policies and practices

The Company realizes that it must focus on social, communities and the environment responsibility in order to growth sustainably. Therefore, the guidelines have been established as follows:

- Raise awareness of social responsibility Communities and the environment to happen among employees at all levels continuously.
- Supervise the practice in accordance with legal and regulatory requirements. Strictly relevant
- Promote, support projects or activities that will improve the environment according to the system. ISO 14001 to achieve the goal and be correct as required by law.
- Focus on activities focused on social, community & environment development which aim to create and conserve natural resources.
- Continuous improvement of production processes and operations to prevent potential negative consequences, including the knowing use of natural resources, and Reduce waste without need.
- Do not take any action that adversely affects natural resources and the environment, as well as contains preventive measures to avoid actions that may cause environmental pollution.
- Does not support any activities that are harmful to society or good morals and/or are promoting abysmal jokes
- Provide systems and channels for complaints pleading guilty in matters that may affect society & community perform a cause check, update, revise, and inform the results and carry out the work for the complainant in a timely manner.
- Promote and support activities in accordance with iso environmental standards system ISO14001: 2015 and energy conservation projects for efficiency and efficiency
- Public relations for stakeholders to realize the importance of healing environment

3.4.2 Social performance

- The process of preparing the report, the Company has taken an action regarding the responsibility to society but it has not yet been compiled into a book for society to know.
- Operation in accordance with the policies disclosed by the Company as follows:

Religion & Culture Local Traditions

The Company organizes religiously related activities because employees in the Company have different religious beliefs but can coexist peacefully and reconciliation with each other without discrimination.



Religion & Culture Local Traditions

July 23, 2021 : Candle Festival at Wat Bangphen Nuea and Wat Bang Phen Tai

Welfare representatives and employees of Union Plastic Public Company Limited together with Saha - Union Group companies, Bangchan district offers candles at Wat Bamphen Nuea and Wat Bang Peng Tai annually.

Respect for human rights and fair treatment of workers

Over the past year, the Company has conducted its business on a good governance basis to comply with labor practices and under labor law, without employment restrictions or discrimination regarding race, religion, gender or age, as well as having a principle of treating employees fairly: equality in equality and freedom, prioritizing the value of life. The body also takes care of the quality of life of employees to be happy at work.



Respect for human rights and fair treatment of workers

June 23, 2021 : Give rice boxes at covid-19 vaccination service points.

Welfare Representative Union Plastic Public Company Limited has been giving rice boxes to Social Security Officers in Area 10 at the Vaccination Point Service Unit at Kasem Bundit University for a period of 20 days.

Business practices that affect social responsibility

- The Company has no matters being investigated or under investigation by the competent authorities that the Company's operations are carried out. There have been significant violations of the law in relation to the 8 principles.
- The Company's business operations are not involved in or alleged to have a negative impact on the environment or do not comply with 8 principles, especially in cases where it appears in the news to the public and is the case that may significantly affect the Company's business operations, reputation or credibility.

Activities for the benefit of society and the environment

Environmental Protection

The Company is always aware of business operations that may have an environmental impact on society and nearby communities. Therefore, the Company is focused on improving the system of environmental protection, which can be seen in the Company's policy of promoting and supporting environmental activities continuously. The activities start from within the Company to the external society, such as social and environmental waste sorting activities. Participation in the cleaning activities of Wat Bamphen Nuea Minburi, Minburi, etc.

Community or Social Development

The Company has always taken into an account that the community and society surrounding the Company are very important to the Company because we operate in close proximity to such communities and societies, thus enabling the Company to focus on good relationships and benefit all parties. Therefore, we have cooperated with communities and government agencies to play a role in improving and promoting the quality of life of people in the community and surrounding society and throughout the business period. The Company has been well-cooperative with government agencies, and of the community, and the Company has supported and helped society in various ways, such as being an advocate for the development of youth education, victim relief activities to promote and preserve Thai traditions, have always been recognized by the community and surrounding society and the Company has supported and helped society in various ways, such as being an advocate for the development of youth education



Community Activities

June 14, 2021 : Give rice to Kheha Cumchon Bang Chan Community

Welfare Representative Union Plastic Public Company Limited with Saha - Union Group Companies Khet Bang Chan Give rice to Kheha Cumchon Bang Chan



Social Activities

July 9, 2021 : Donate money to buy a ventilator to the hospital.

Nopparat Ratchathani Executives of Union Plastic Public Company Limited with Saha - Union Group companies Bangchan Donate 220,000 Baht to Buy Ventilator for Nopparat Ratchathani Hospital

(1) Employees and workers

The Company adheres to human rights principles, from employment to the care of employees and personnel, so that all employees and personnel can feel a sense of family affiliation with the organization. as follows:

Employment

Description	Number of Employee	
	Male	Female
Full-time Employee	189	292
Disabled Employee	4	2
Total	193	294

Employee Training

In 2021, the Company organized 155 training courses to increase the skills and potential of employees with a total of 5,316 training hours, with an average of 10.92 hours per person per year.

Safety, Occupational Health and Working Environment

In 2021, the Company continuously develops and improves safety operational efficiency to reduce the risk of illness and take care of the quality of life of employees or employees appropriately with significant operations as follows:

1. Conduct measurements and analyze the work environment to ensure safety at work and in accordance with the law.
2. General employee health check-up and working with risk factors in order to monitor work sickness.
3. Conduct fire drills and fire evacuations so that employees have knowledge of initial fire protection and are ready to respond to potential fires in order to reduce property damage and reduce personnel losses.

In 2021, no cases of occupational injuries were found to be stopped. There were 16 cases of occupational injuries. The Company has already taken measures to prevent such accidents:

1. Provide equipment for safely inserting stored specimens to prevent injury to employees from cuts.
2. All employees must be trained in terms of job description and work safety before starting work.
3. Improve the working area to prevent a repeat of the accident.
4. There is a review of the operating methods to prevent accidents.

Employee engagement

In 2021, the company plans to improve employee engagement, with 3.81 percent of employees on turnover rate, down from 9.10 percent last year.

(3) Community and society

Community/Social Treatment includes: Reducing the impact of operations on communities and society participation in the proper development of communities/society, which demonstrates efforts to improve the quality of life of people in society in a sustainable way.

The Company operates its business responsibly with the community and society, focusing on reducing environmental impacts and avoiding operations that may negatively affect the quality of life of communities around the establishment. In 2021, no complaints were found from the community on social and environmental issues and environmental activities such as waste banking projects, bio-extracted water pouring on World Environment Day, etc.

In addition, the Company has been involved in improving quality of life and promoting community engagement, and in 2021, the Company has organized activities with the community such as giving children's day gifts, giving books to Minburi Youth Center, offering candles at Wat Bamphen Nuea-Wat Bang Peng Tai, giving rice boxes to social security staff in Area 10, giving rice boxes to staff of Nopparat Ratchathani Hospital, giving rice to Kheha Chumchon Bang Chan donating money to buy breathing apparatus to Nopparat Ratchathani Hospital, etc.



4. Management Discussion and Analysis: MD&A

Summary of Financial Ratio (Separate Budget)				
LIQUIDITY RATIO	UNIT	2021	2020	2019
Liquidity ratio	Times	4.30	2.93	3.36
Quick Ratio	Times	3.39	2.56	2.80
Operating Cash Flow to Current Liabilities	Times	(0.54)	(0.35)	(0.25)
Receivable Turnover Ratio	Times	7.53	6.65	7.80
Collection Period	(Day)	48	54	46
Inventory Turnovers Ratio	(Round)	46.74	57.28	67.71
Average Inventory Period	(Day)	8	6	5
Account Payable Turnover Ratio	(Times)	6.28	4.78	5.87
Payment Period	(Day)	57	75	61
Cash Cycle	(Day)	(1)	(15)	(10)
PROFITABILITY RATIO				
Gross Profit Margin Ratio	(%)	2.35	(5.23)	(1.27)
Net Profit Ratio	(%)	0.29	(4.76)	(4.80)
Return on Equity	(%)	0.36	(5.61)	(7.21)
EFFICIENCY RATIO				
Return on Total Assets	(%)	0.28	(4.19)	(5.38)
Return of Fixed Assets Ratio	(%)	24.65	4.59	4.12
Total Assets Turnover Ratio	(Times)	0.96	0.88	1.12
FINANCIAL POLICY RATIO				
Debt to Equity Ratio	(Times)	0.25	0.32	0.36
Times Interest Earned Ratio	(Times)	(422.22)	(3,216.73)	N/A
EBITDA Coverage Ratio	(Times)	(0.70)	(0.36)	(0.26)
Dividend Payout Ratio	(%)	-	-	-
DATA PER SHARE AND GROWTH RATIO FOR ALL BUSINESS TYPES				
DATA PER SHARE				
Book Value per share	(Baht)	19.60	18.82	18.26
Earning Per Share	(Baht)	0.07	(1.04)	(1.37)
Dividend per share	(Baht)	-	-	-
GROWTH RATIO				
Total Assets	(%)	(1.67)	0.28	(4.49)
Total Liabilities	(%)	(19.81)	(7.59)	3.42
Revenue from Sales or Services	(%)	11.08	(26.17)	1.42
Operating Expenses	(%)	2.84	(22.95)	2.66
Net Profit	(%)	106.58	23.86	(19.44)

Overview of Operating Results - Separate Business

In 2021, the company had sales income 541.46 Million Baht which was increased 11.08 percent from 2020 while year profit was 1.7 Million Baht which was increased from last year 106.58 percent. There was an increase in profit from higher sales of plastic parts and a reduction in the cost of production in the reduction of employees.

The company had a dividend 24 Million Baht which was decreased from last year 12.19 Million Baht or 33.38 percent.

During the year, there were net cash flows used in investing activities of 20 Million Baht.

Financial Position

Asset

The company still had a stable financial structure, cash and cash equivalents 52.29 Million Baht.

The company had total assets 611.11 Million Baht, decreased 1.67 percent and most of the company's assets are non-current assets 52.81 percent and current assets 47.19 percent.

Current Assets: at the end of 2021, equal to 288.37 Million Baht, decreased 6.04percent, most of them are cash and cash equivalents, trade account receivable, inventories, advance payment for goods, and other current financial assets.

Cash and cash equivalents 52.29 Million Baht, decreased 26.95 Million Baht, other current financial assets which are fixed deposit in the bank of 100 Million Baht.

Investment: the company had total financial assets 112.65 Million Baht, consists of collateral assets 13.05 Million Baht and investments in an associated company of 2.5 Million Baht and other non-current assets 97.09 Million Baht.

Liabilities and Equity

The company had net debt 121.00 Million Baht, decreased 29.89 Million Baht. This was mainly from a decrease in normal trading due to the payment of debts with short credit terms (according to the announcement of the Trade Competition Commission of Thailand, subject: Fair Trade Practices Guidelines on Trade Credit Term, in case of small and medium business entrepreneurs (SMEs)).

Total shareholders' equity equal to 490.11 Million Baht, divided into distribution capital and paid in full 250 Million Baht, share premium 167.20 Million Baht, and the rest is retained earnings.

Asset Management Ability

Trade Account Receivables and Other : Receivable: equal to 75.01 Million Baht, increased 6.12 Million Baht which was the receivable who has not yet paid the full amount. The company has assessed and analyzed the payment history of each receivable and did not find any provision for credit losses until now.

Inventory : equal to 48.66 Million Baht, increased 11.37 Million Baht, because of increased customer orders.

Intangible Asset : The company had intangible asset 0.76 Million Baht in 2020 and at 1.40 Million Baht in 2021 which was increased 0.64 Million Baht.

Liquidity and Sufficiency of Fund

In 2021, the company had cash and cash equivalents at the end of the year equal to 52.29 Million Baht, decreased from last year 26.95 Million Baht, with net cash used in operating activities 46 Million Baht and net cash flow used in investment activities 20 Million Baht.

The company's liquidity was 4.30 times while the cash flow liquidity ratio was (0.54) times.

Important Financial Ratio

Return on Assets (ROA) in 2021 was 0.28 percent, increased from last year (4.19 percent).

Return on Equity (ROE) in 2021 was 0.36 percent, increased from last year (5.61 percent).

Net Return on Fixed Assets in 2021 was 24.65 percent, increased from last year 4.59 percent.

Total Asset Turnover in 2021 was 0.96 times, increased from last year which was 0.88 times because total income increased while average total assets decreased.

Liquidity Ratio in 2021 was 4.30 times, increased from last year which was 2.93 times because decreased in current liabilities as announced by the Trade Competition Commission of Thailand.

Inventory Turnovers Ratio in 2021 was 46.74 rounds, decreased from last year which was 57.28 rounds because the number of orders from customers who have slowed down from extending the delivery time of products that have already manufactured orders but still unable to deliver to customers.

Average Collection Period in 2021 was 48 days, decreased from last year which was 54 days.

Average Inventory Period in 2021 was 8 days, slower than last year which was 6 days.

From said Financial Ratio, the company's liquidity was at a manageable level, trade accounts receivable are accounts receivable that have not yet been due and there is no problem in debt collection because they are excellent receivable who are group of companies that manufacture cars, motorcycle and no history of outstanding debts. The company therefore considers not to set aside provision for credit losses from trade accounts receivable.

Risk Analysis : In the short-term risk analysis or company's liquidity analysis in short-term repayment found that in 2021, the company's liquidity was increased from 2020. As for Quick Ratio, it was increased from last year which was from 2.56 times to 3.39 times. Total Assets Ratio to Total Liabilities was increased from 4.11 times to 5.05 times because the company recognizes the fair value of financial assets that the company classification of investments in equity securities which are not held for trade, it is an equity instrument that is required to measure fair value through other comprehensive income in accordance with applicable financial reporting standards.

Affordability Ratio : considering the overall, the company still had the potential to pay off debt without any risk impact. The company had net cash flow used in operational activities 46 Million Baht in 2021.

There was cash flow received from dividend income and investments in other current financial assets in total 100 Million Baht including cash and cash equivalents at the end of the year at 52.29 Million Baht. The liquidity of the company was 4.30 times, it could also be assured that the company had sufficient liquidity to reliably pay debts and taxes.

Capital Expenditures

In 2021, the company had capital expenditures on equipments related to improving the efficiency of the production process, total amount of 25.15 Million Baht.

Factors affecting future operations

In 2021 is a year that the overall economy had slightly improved even the Corona Virus 2019 (Covic-19) outbreak continues. There was a total production of 1,685,705 cars that was increased 18.21 percent, total motorcycle production was 1,780,654 motorcycles and was increased 10.24 percent, the data from the Federation of Thai Industries.

It is estimated that in 2022, approximately 1,800,000 cars will be produced, an increase of 114,295 cars which is increased 6.78 percent, and approximately 2,000,000 motorcycles which is more than year 2021 equal to 219,346 motorcycles or 12.31 percent.

From the above situation, the company prepares to deal with such situations by focusing on two main strategies which are increasing sales by focusing on the quality of sales leads to higher sale margin and strategies to reduce production costs through continuous development and improvement. Moreover, include investment of new machines to replace old machines to increase production efficiency.

In addition, the company has implemented the enterprise-wide risk management to accommodate risks that may occur in the future including medium and long term planning for sustainable growth as well.



5. General Information

Company General Information Union Plastic Public Company Limited

Type of Business	Provide manufacturing services and manufacturing plastic parts and molds
Head Office	11/1 Soi Serithai 62, Min Buri, Min Buri, Bangkok 10510 Tel. 0 2517 0109 -14 Fax 0 2517 0529 WEB SITE : www.unionplastic.co.th
Branch No. 1	99/8 Moo 5, Bangna - Trad Road (km.38), Bang Samak, Bang Pakong, Chachoengsao 24180 Tel. (038) 571 741- 5 Fax (038) 842 418
Registered Capital	Fully paid-up 25,000,000 ordinary shares at par value of Baht 10 per share

Legal entities, which the Company holds 10% shares or more

Associated Company	PSV Mould Co., Ltd.
Type of Business	Manufacturing service, manufacture & sales of molds for equipment and tools manufacturing
Head Office	46/36 Moo 9, Bang Pla, Bang Phli, Samut Prakarn 10540 Tel. 0 2315 5161 - 3
Registered Capital	Fully paid-up 1,000,000 ordinary shares at par value of Baht 10 per share
Shareholding	
Company's shareholding	249,999 shares, 25% of total shares
Related Company	Union Nifco Co., Ltd.
Type of Business	Plastic parts manufacturing
Head Office	99/11 Moo 5 Bangna - Trad Road (km.38), Bang Samak, Bang Pakong, Chachoengsao 24180 Tel. (038) 842 130 - 5 Fax (038) 842 129
Registered Capital	Fully paid-up 1,000,000 ordinary shares at par value of Baht 100 per share
Shareholding	
Company's shareholding	199,976 shares, 19.9976% of total shares

Other References

Securities Register	Thailand Securities Depository Co., Ltd.
Head Office	93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Dindaeng, Bangkok 10400 Tel: 0 2009 9000
Securities Registrar Office	Capital Market Academy
	2/7 Moo 4 (North Park), Vibhavadee Rangsit Road, Toongsonghong, Laksi, Bangkok 10210 Tel. 0 2596 9000 Fax 0 2832 4994 - 6
Auditor	EY Office Limited.
Head Office	Lake Rachada Office Complex Building, 33 rd Floor, 193/136-137, Rachadapisek Road, Klong Toey, Bangkok 10110 Tel. 0 2264 0777 Fax 0 2264 0789, 0 2264 0790
	<ol style="list-style-type: none"> Ms. Vilailak Laohasrisakul Certified Public Accountant No.6140 (Signed the financial statements of 2018-2021) Mrs. Poonnard Paocharoen Certified Public Accountant No.5238 (Signed the financial statements of 2015-2017) Mr. Termphong Opanaphan Certified Public Accountant No.4501 (Signed the financial statements of 2014) Ms. Vissuta Jariyathanakorn Certified Public Accountant No.3853

5.1. Other information

Juristic person in which the company holds shares: details under item 1.3 Shareholding structure of the group of companies

5.2 Legal Disputes

The Company does not have any legal disputes that may affect the decision of investors.

5.3 Secondary market

The Company does not have any securities listed on the stock exchanges of other countries.

5.4 Regularly contacted financial institutions (Only if the company issues debt securities)

- None -



SECTION

2

Corporate
Governance Policy



6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Guidelines

6.1.1 Policies and guidelines related to the Nomination and Remuneration Committee of Directors and Executives

Union Plastics Public Company Limited is committed to being the leading plastic parts manufacturer in the country, creating credibility for shareholders and stakeholders in business operations, promoting development and growth continuously and sustainably, conduct business with responsibility, fairness, transparency, accountability, and good ethics in accordance with good corporate governance principles with the aim of maximizing the benefits of shareholders and stakeholders.

The Board of Directors has therefore formulated a good corporate governance policy for all directors, executives, and employees of the Company to adhere to as guidelines for practice as follows:

1. All directors, executives and employees of the Company manage and operate with honesty, transparency, fairness, can be examined, and carefully monitor the management of conflicts of interest, including not advocating for corruption in all forms, both directly and indirectly, in accordance with the principles of good corporate governance and under the prescribed business ethics.
2. Support participation and communication so that all shareholders are treated equally, have the right to access information and news, as well as have appropriate communication channels with the Company.
3. Promote and support the maintenance of financial credibility to ensure that important information of the Company, both financial and non-financial matters, is adequate, accurate, reliable, timely and transparent.
4. Promote and establish a control system, including financial controls, operations, operational supervision, internal audits, appropriate and effective controls, and risk management.
5. Emphasize the rights of all stakeholders, including shareholders, creditors, business partners, competitors, employees, communities, and the environment, etc., as well as ensure that such rights or agreements made together are protected and in compliance with the regulations of the law and corporate social responsibility principles, which are factors that promote the Company's sustainable growth.
6. Consider formulating the Company's Code of Business Conduct for the Board of Directors and all employees to use as a guideline for conducting in conjunction with the Company's rules and regulations.
7. Provides an individual and collective self-assessment of the Board of Directors every year to serve as a framework for reviewing the Board's performance of duties.

The Company requires directors, executives, and employees of the Company to acknowledge such guidelines and implement them for maximum benefit, promote knowledge of the Company's code of conduct for all employees at all levels, emphasizing on creating awareness among employees from the start of their work through orientation coupled with communication to explain principles and practices to all employees with knowledge and understanding and can apply them as principles for working strictly. The good corporate governance manual and business ethics are disclosed on the Company's website (www.unionplastic.co.th).

Policy on the Board of Directors

The Board of Directors consists of people with knowledge, expertise, and experience who are able to benefit the Company very well, with full dedication and time. In performing duties under its responsibilities, the Board of Directors is appointed by the shareholders to supervise the Company's operation guidelines, appoint the management to be responsible for the business operations, and appoint specific committees for assigned matters and appoint the Company's auditors, as well as appoint the company secretary to be responsible for the conduct of meetings and legal compliance with the following topics related to policies and practices concerning the Board of Directors.

1) Composition, Qualifications of the Board of Directors, and Appointment of Directors

This is because the Board under the leadership of the Chairman of the Board must have leadership and be able to continuously control the management's operations in order to achieve efficiency and effectiveness and achieve goals that are core of the Company's business operations which can create and increase investment value for government shareholders, the public and other stakeholders.

2) independence of the Board

The Board shall decide, express opinions, and vote on the matter for which it is authorized to make decisions. If the Board's decision is under pressure from work or family duties, or has a stake in the matter, it will distort and cause biased decision making towards yourself, close person, or for one's own benefit. Independence of directors is therefore a matter of great concern in order to protect the interests of shareholders and the Company. Directors who lack independence should not make decisions.

3) Roles, Duties and Powers of the Board

The Board of Directors is like a representative of the shareholders, responsible for the performance of the shareholders, determines the direction of growth, decides important matters of the Company with care and honesty. The Board's also plays an important role in corporate governance. For the best interest of the Company, the Board of Directors must act in a professional manner to look after the interests of all parties and be independent of the management to oversee the performance and turnover of the risk management department, including the determination of remunerations.

4) Roles and Duties of the Chairman of the Board

- The Chairman of the Board's is independent from the management and does not interfere in the management's normal day-to-day operations by clearly separating the roles and duties.
- Supervise the performance of duties of the Board of Directors to be effective, support, give advice and assist the management's operations to be within the framework of the powers granted by the Board of Directors.
- To approve the agenda of the Board of Directors meeting by discussing with the Chairman and Managing Director.
- Serve as the chairman of the board of directors and shareholders' meetings effectively.
- Encourage and supervise the directors to adhere to the scope of powers, duties, responsibilities to shareholders and stakeholders, and in accordance with the principles of good corporate governance, ethical standards and business ethics.

5) Establishment of sub-committees

In order to scrutinize important operations carefully and effectively, the Board of Directors has established two sub-committees, namely the Audit Committee, the Nomination and Remuneration Committee.

6) Board meetings and receipt of information sheet

All directors should attend the Board of Directors' meeting with the company secretary responsible for preparing documents, location, and coordinating the meeting. Each director must be informed of the meeting date, meeting agenda, and meeting information to be studied in advance.

7) Company Secretary

The Board of Directors appoints a company secretary to oversee the smooth and transparent board of directors' meetings and shareholders' meetings in accordance with regulations and laws.

8) Evaluation of the Board's performance

The Board of Directors must evaluate the performance annually as a framework for reviewing the performance of the Board of Directors and reviewing, analyzing results of operations, and using them to improve their work further.

9) Remuneration of the Board of Directors and Managing Director

The Board of Directors and the Chief Executive Officer and Managing Director are unable to determine remuneration for themselves due to conflict of interests. Remuneration must be made by the Remuneration Committee to determine and propose to the Board of Directors to approve. The remuneration for the directors will be proposed to the shareholders for approval based on performance of the Board of Directors.

Remuneration Policy for Directors and Executives

The Board of Directors has appointed the Nomination and Remuneration Committee to consider the criteria and form of remuneration for the Company's directors and sub-committees and propose to the Board of Directors for consideration and approval as follows:

1. Remuneration for directors has 2 parts, which are monthly remuneration and meeting allowance once/monthly. Directors' remuneration is reviewed every year to make it appropriate by considering comparison of listed companies in the same industry with similar business size, obligations and responsibilities of the Company's performance committee, and suitability to the current economic situation, taking into account the experience, duties, roles and responsibilities of each director, as well as the Company's performance.
2. Remuneration of the Managing Director and senior management is in accordance with the principles and policies set by the Board of Directors in accordance with the performance of each executive and the Company's performance.

10) Succession Plan

The Board of Directors must ensure that the Company has an appropriate selection system for personnel who will be responsible for key management positions at all levels. The selection of the Chairman and Managing Director will follow the recruiting process which considers both internal and external persons and is in accordance with the standard law for directors and employees.

In this regard, the Company must prepare personnel for succession planning, especially in the executive position by defining policies/ guidelines for management and development of executives, as well as preparing individual development plans in order to be ready to hold higher positions when there are vacancies such as the position of President and Managing Director, Deputy Managing Director position or equivalent, Assistant Managing Director position or equivalent, Division Manager position or equivalent.

11) Development of Directors

The Company stipulates that there is orientation for new directors every time and provides director's handbook, useful information documents for being a director, as well as a briefing on business operations to create knowledge and understanding of the business and various operations, as well as policies and guidelines for good corporate governance. The Company wishes the directors to develop their knowledge, competence, and skills in performing their duties as directors in terms of the Company's business, good corporate governance principles, and other courses that are beneficial to the performance of their duties. This is done by encouraging directors to consider attending training courses with the Thai Institute of Directors Association and other institutions in related courses continuously throughout the year. In addition, the Company also supports the organizing of in-house briefing by inviting experts and consultants to regularly present useful information for businesses.

12) Principles for holding other positions of executives in companies in the group

For the principle of holding a position as a qualified advisor or holding any position in a company, agency, or other juristic person of the group's executives, he must be appointed by the Board's resolution to the top management, executives, and employees of the said company to present the matter for acknowledgment to the Board of Directors in which they work or to the top executive of the company they work for, as the case may be.

Nomination and Appointment of Directors and Top Executives

Nomination of Directors

The person nominated have been considered by the Nomination and Remuneration Committee, which is responsible for selecting qualified persons or persons with knowledge, competence, and experience in business administration, meeting the statutory requirements and having sufficient time to perform their duties for the Company with transparency, to be proposed to the Board of Directors to propose to the shareholders at the annual general meeting on the agenda for the election of directors, which is carried out in accordance with the Company's Articles of Association as follows:

- (1) One shareholder has a vote equal to one share per one vote.
- (2) In the election of directors, voting may be used for electing directors individually or several at a time to form a single committee, up to the total number of directors to be elected at that time, depending as deemed appropriate in the shareholders' meeting. However, in each resolution, shareholders must vote with all the votes they have under (1) and cannot divide their votes to any person or any committee to any extent.
- (3) Voting for the election of directors shall be made by a majority of votes. If there are equal votes, the chairman of the meeting shall have a casting vote.

Criteria and methods of nomination of directors

A person nominated as a director must have qualifications and must not have any prohibited characteristics as follows:

(1) Having qualifications and not having any prohibited characteristics under the law governing public limited companies, securities and stock exchange laws, and good corporate governance of listed companies

(2) Knowledgeable, capable, and independent; able to perform duties as a director with duty of care and duty of loyalty. He must also be able to devote necessary time to the company, possesses the right qualifications, is in good physical and mental health, is creative in meetings, able to be direct and has the courage to express opinions in meetings, and have good work history and ethics.

(3) Possess at least one of the key competences in one area such as corporate business, accounting and finance, strategic management, good corporate governance, laws and regulations.

(4) The Nomination and Remuneration Committee considers the person who has qualifications and does not have any prohibited characteristics as mentioned above and presents them to the Board of Directors for approval before proposing them to the shareholders for further approval.

Criteria for the selection of independent directors

The Company has criteria for selecting independent directors by recruiting from those who have knowledge, ability, experience, understand the company's business and related businesses, as well as having vision and enough time to perform their duties. Those people are suitable to become independent directors of the Company. The Company is of the opinion that the above independent directors can use their knowledge and abilities to give useful opinions suitable for the Company's business operations. The Company has set the number of independent directors according to the minimum criteria of the Securities and Exchange Commission (SEC) which requires one-third of the total number of directors and independent directors must meet the minimum qualifications of the SEC to enable independent directors to be truly independent and suitable for the Company's business as follows:

1. Holding shares of not more than 1 percent of the total number of shares with voting rights of the Company*, including shares held by related persons of that independent director.
2. Not being or used to be a director who participates in management, employees, advisors receiving regular salary, or person with power of control of the company, including the parent company, subsidiary company, joint company, major shareholder or person with power of control of the company, unless: having been discharged from the aforementioned nature for not less than 2 years.
3. Not being a person who is related by blood or by legal registration of other directors, company executives, major shareholders, person with power of control, or persons to be nominated as directors, executives, or persons with power of control over the company or its subsidiaries.
4. Does not have or has ever had business relationship with the Company, including the parent company, subsidiary company, joint company, major shareholder or controlling person of the Company in a manner that may impede the exercise of one's independent judgment, including not being or has ever been a significant shareholder or controlling person of any person having business relationship with the Company, including the parent company, subsidiary company, joint company, major shareholder or controlling person of the company, unless having been discharged from the aforementioned nature for not less than 2 years.
5. Not being or have ever been an auditor of the Company, including the parent company, subsidiary company, joint company, major shareholder or person with power of control of the company and not being a

shareholder with significant controlling power, or a partner of the audit firm which has an auditor of the company, including its parent company, subsidiary company, joint company, major shareholder or person with power of control of the company, unless having been discharged from the aforementioned nature for not less than 2 years.

6. Not being or having been a provider of any professional services, including legal advisory services or financial advisors who receive service fees in excess of 2 million baht per year from the Company, including parent companies, subsidiaries, associates holding a major shareholding or person with power of control of the company and not being a shareholder with significant controlling power or a partner of the professional service provider, unless having been discharged from the aforementioned nature for not less than 2 years.
7. Not being a director who has been appointed to represent the Company's directors, major shareholder, or shareholders who are related to major shareholders.
8. Not operating a business of the same nature and in significant competition with the business of the Company or its subsidiaries, or not being a significant partner in a partnership or being a director who participates in the management of employees, advisors who receive regular salary, or holding more than 1 percent of the total number of voting shares of other companies that operate businesses of the same nature and in significant competition with the business of the Company or its subsidiaries.
9. There is no other nature that prevents from expressing an independent opinion on the Company's operations.

Appointment and Removal of Company Directors

1. The directors of the Company are elected by the shareholders' meeting with not less than 5 people and not more than 15 people and with not less than 3 independent directors. In which not less than half of the total number of directors must reside in the Kingdom and at least one director of the Company must have knowledge in accounting and finance, provided that the directors must have qualifications as specified by laws and regulations. The Board of Directors has resolved to increase the proportion of independent directors to be not less than half and continue to practice until current.

2. The shareholders' meeting shall elect directors whom the Nominating Committee selects and nominates qualified persons in accordance with the following criteria:

- (1) One shareholder has votes equal to the number of shares held.
- (2) Each shareholder may use all his/her votes under (1) to elect one person or more persons to be directors, but cannot divide the votes to any person to any extent.
- (3) Persons receiving the highest number of votes in descending order shall be elected as directors equal to the number of directors to have or to be elected at that time.
- (4) In the event that the persons elected in descending order have equal votes, exceeding the number of directors to have or to be elected at that time, the chairman of the meeting shall have a casting vote.

3. At every annual general meeting of shareholders, one-third of the directors shall retire by rotation, if the number of directors cannot be divided exactly into three, the number nearest to one-third shall be retired. Directors who must retire from office in the first and second year after the registration of the company shall draw lots to determine who will retire. In the third and subsequent years, the director who has been in the position for the longest time shall retire.

4. In the event that a director's position is vacant for reasons other than retirement by rotation, the Board of Directors may elect a person who has qualifications and does not have any prohibited characteristics under the Company's Articles of Association to replace the vacant position at the Board of Directors' meeting next time, unless the remaining term of the retiring committee is less than 2 months, whereby the Board of Directors must have votes to appoint not less than three-fourths of the number of the remaining directors. However, the person elected to replace the director will be in the position of the director only for the remaining term of the director he replaces.

5. Any director who wishes to resign from office must submit a resignation letter to the Company. The resignation is effective from the date the resignation letter reaches the Company.

6. In voting for any director to retire before the expiration of his term, a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and holding shares amounting to not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

Orientation for new directors

After the selection of directors has been completed, the Board of Directors has scheduled orientation for new directors to create knowledge and understanding of the Company's business and operations to prepare for the performance of each director's duties. There is a company secretary to coordinate the following matters:

1. Matters that should be known such as the nature of business and the structure of the directors, as well as the scope of powers and duties of the directors.
2. General business knowledge, operational guidelines, and production process visits.
3. Arrange a meeting between the Chairman of the Board and the Directors to ask for in-depth information on the Company's business operations.

In the event that the Company selects a new director in order to provide the directors with information that is relevant

At present, the Company has assigned the Company Secretary to be responsible for preparing information on the Director's Manual, Good Corporate Governance Manual, and Business Code of Conduct, including guidelines related to laws, rules, regulations, and important policies for the new directors.

Recruitment of top executives

In selecting a person to be a Managing Director, the Board of Directors assigns the Nomination and Remuneration Committee together with the Chairman of the Board of Directors to consider and nominate persons with complete and suitable qualifications, knowledge, abilities, skills, and experiences that are relevant and beneficial to the Company's operations and is a person who has a good understanding of the Company's business and is able to manage the work to achieve the objectives and goals set by the Board of Directors and present them to the Board of Directors' meeting for consideration and appointment. As for the selection of executives that are of lower levels from the Managing Director, the Board of Directors assigns the Managing Director to conduct the selection process and has the power to appoint the executives and then present them to the Board of Directors' meeting for acknowledgment.

Supervision of operations of subsidiaries and associated companies

At present, the Company does not have any subsidiaries. In the case of associated companies, the Company sends representatives to attend the shareholders' meeting every year.

6.1.2 Policies and Practices relating to shareholders and stakeholders

In conducting business of Union Plastic Public Company Limited, the Board of Directors is aware of the duties and responsibilities of the operation by adhering to the principles of good corporate governance for efficiency in managing the organization which will enhance the effectiveness of the Company's business operations on the basis of sustainable and stable growth, creating appropriate returns for all stakeholders and shareholders.

In addition, the Company has established anti-corruption policy to reflect the direction and framework of the Company's action against corruption in accordance with appropriate good corporate governance principles. In order to adapt to the country's economic and social environment, the Company requires its directors, executives, employees, and related parties to adhere to this Anti-Corruption Policy in its business operations to promote the Company to be an organization with good management, efficiency, ethics, and business ethics. The company has published the policy and anti-corruption practices, conflicts of interest including penalties in case of violations in the Good Corporate Governance Manual and business code of conduct on the Company's website (www.unionplastic.co.th)

1) Rights of shareholders

As the owners of the Company, the shareholders have the right to determine the direction of the Company's business or make decisions that have a significant impact on the Company. The shareholders' meeting is therefore an important platform for shareholders to express their opinions, contact and inquire, and consider casting votes, and select the Board of Directors to supervise the Company on behalf of the shareholders. Therefore, the shareholders have the right to attend the shareholders' meeting with sufficient time for consideration and acknowledgement of the results of the meetings.

Schedule for holding a shareholders' meeting

The Company has determined that the Annual General Meeting of Shareholders shall be held once a year within 4 months from the end of the Company's fiscal year and in case of urgency, special agenda must be proposed. The Company has scheduled an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year. and in case of urgency, it is necessary to propose a special agenda which affects or relates to the interests of shareholders or relates to conditions or rules, applicable laws that must be approved by the shareholders, the Company will call an Extraordinary General Meeting of Shareholders on a case-by-case basis. In 2021, the Company has scheduled an Annual General Meeting of Shareholders on Wednesday 21 April 2021 at the meeting room on the 9th floor, Head Office Building, Saha-Union Public Company Limited, No. 1828 Sukhumvit Road, Bangchak Subdistrict, Phra Khanong District, Bangkok 10260.

Notification of the shareholders' meeting in advance

In 2021, the Board of Directors has disclosed the meeting resolutions, meeting dates, and agenda, and notified the announcement on the website of the Stock Exchange of Thailand to inform shareholders in advance on the date the Board of Directors resolved prior to the delivery of the meeting invitation letter, important and necessary supporting information for the Board's decision/opinion, minutes of past meetings with complete details, annual reports along with meeting supporting documents, documents required for assigning proxy and clearly stating how to use them as specified by the Company by sending it to shareholders within 14 days before the date of the shareholders' meeting and sending a copy of the minutes of the meeting to the Stock Exchange of Thailand (SET) and the Ministry of Commerce within the period as specified by the law as well as publishing on the Company's website (www.unionplastic.co.th)

Conducting the shareholders' meeting

Before starting each shareholder meeting, the chairman of the meeting will introduce the board of directors, the management team, the Company's auditor and the chief financial officer who act as a middleman and witness to the meeting for acknowledgement and then explain all the rules including the method of counting the votes of the shareholders who must vote on each agenda according to the Company's Articles of Association. This includes the exercise of voting rights in each agenda clearly and when information is provided according to the agenda, the chairman will give all attendees an opportunity to express opinions, suggestions, and ask questions in each agenda. This year, for hygiene purposes, the Company has provided paper and online questionnaires for attendees to ask instead of using a microphone. Then the chairman and the executives will answer questions clearly to the point and pay attention to every question and then allow the meeting to vote on that agenda. As for the agenda for the election of directors, the chairman will allow the shareholders to vote individually. The chairman will proceed the meeting according to the agenda and will not add any agenda without notifying the shareholders in advance unless the meeting resolves to change the order of agenda items by a vote of not less than two-thirds of the number of shareholders attending the meeting or shareholders holding a total of not less than one-third of the total number of shares sold may ask the meeting to consider matters other than those specified in the meeting invitation letter when the meeting has already considered the agenda as specified in the Articles of Association. In this regard, at the Annual General Meeting of Shareholders for the year 2021, there was no change in the order of the agenda and no request for the meeting to consider other matters that were not specified in the meeting in any way. At every meeting, the minutes of the meeting are recorded accurately and completely and concluded with a resolution along with the vote counting. The total duration used for each shareholder meeting is approximately 3-4 hours. However, at the 2021 Annual General Meeting of Shareholders, the meeting was scheduled at 10:30 AM with registration starting at 8:00 AM. At the time of the meeting, a total of 46 shareholders attended the meeting, with self-attendance 16 shareholders and 30 proxies, totaling 15,069,219 shares, representing 60.28percent, which is more than one-third of the total number of shares sold, totaling 25,000,000 shares. The meeting attendees and clarified information consisted of

- The total number of members of the Committee was 7 out of 9, with the Chairman acting as the Chairman of the Meeting to clarify and provide information in case of any related inquiries.

Guidelines on conflict of interest

According to the Company's Good Corporate Governance Manual, all directors, executives, and employees are required to prepare conflicts of interest reports in both annual and new reports during the year in the event that there is a change. In any meeting, stakeholder or person with conflict of interest with the Company must be informed to the meeting and not participate in the consideration or abstention on such matter in the shareholders' meeting. If any director has conflict of interest or is involved in any agenda, that director will notify the meeting requesting to abstain from attending the meeting and abstaining from voting on that agenda.

Disclosure of the results of the shareholders' meeting

In 2021, the Company will send a summary of the results of the shareholders' meeting to the SET and the SET Board of Directors within the evening after the meeting and send the minutes of the shareholders' meeting (in which the minutes of the meeting are recorded by clearly separating the agenda, specifying the number of directors attending the meeting / absent from the meeting, shareholders' questions and explanations of the board of directors, vote-counting methods and vote-counting results in each agenda) to the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC) within 14 days, including disseminating the minutes of the meeting, video and audio of the meeting on the Company's website.

2) Equitable treatment of shareholders

The Company treats each shareholder equally (even if they hold unequal shares and have different voting rights according to the number of shares held). All shareholders have equal rights as shareholders regardless of gender, age, race, nationality, religion, belief, social status, disability, or political opinion. In this regard, the Company has published the information of the Company's shareholders' meeting in advance of the date of the shareholders' meeting and prepared and disseminated them in English and Thai language. This includes requiring directors who have interests to refrain from participating in the meeting to consider that agenda, and also organizing other activities for the shareholders of the Company, opening up opportunities without limitations.

Proposal of additional meeting agendas and nomination of persons to be appointed as directors

For the 2021 Annual General Meeting of Shareholders, the criteria, including the procedure for considering the right of minority shareholders to propose agenda and/or names of persons to be appointed as directors in advance, are set forth by the Board of Directors for consideration and determination as an agenda item for the general meeting of shareholders to provide opportunities for shareholders to participate in the supervision of the Company and the selection of qualified persons and to perform duties efficiently for the best interests of the shareholders and all stakeholders. The Company had published the said rules on the Company's website and notify the announcement on the website of the SET.

Facilitating the shareholders in the shareholders' meeting

Despite holding meetings under the epidemic situation of COVID-19, where the safety and occupational health of the attendees must be taken into account, the Company still provides convenience to all shareholders under Social Distancing measures. Reception staffs were assigned to provide adequate convenience, with arrangement of reserved meeting rooms, and an interactive broadcasting system between meeting rooms, security arrangements, and emergency response plans for meeting attendees. Staffs were also assigned to provide photocopying services and verify the correctness of the registration documents before meeting time, along with applying technology to the shareholders' meeting by using the barcode system for registration and voting. for convenience and speed. Eventhough the majority of shareholders attending the annual general meeting are Thai people, with Thai language being used as medium in conducting the shareholders' meeting, the Company has prepared documents for the shareholders' meeting and other related documents in 2 languages, namely Thai and English, for Thai and foreign shareholders, along with making the Company's website available in 2 languages.

Appointment of proxy

In order to maintain the right to shareholders who are unable to attend the 2021 Annual General Meeting by themselves, shareholders can appoint any other person or independent director of the Company from all of the independent directors attending the meeting. The Company will specify the names in the proxy form as prescribed by the Ministry of Commerce in order to be able to attend the meeting and vote on behalf of the shareholders without conditions. In the event that a shareholder appoints proxy to another person, the Company will grant the right and treat the proxy as if it were a shareholder. Moreover, the attached proxy form, along with details and procedures, has been disclosed on the Company's website 30 days prior to the meeting date. Shareholders can ask for more information either by phone or other channels such as the website, e-mail, etc.

3) Role towards stakeholders

The Company places importance on taking care and taking into account all groups of stakeholders, both internally and externally, with social and environmental responsibilities, and has established guidelines on business ethics for stakeholders as shown in the manual on good corporate governance.

Critical disputes with stakeholders

In 2021, the Company does not have any disputes with stakeholders.

4) Disclosure and Transparency

Disclosure, as a key indicator of transparency, is a key factor in ensuring investor and stakeholder confidence. Therefore, the Company places importance on the disclosure of accurate information and established various information disclosure channels so that all stakeholders can easily access information, along with campaigning for directors, executives, and employees to realize the importance of information disclosure and transparency in operations and establishing an appropriate and fair complaint handling mechanism for complainants and respondents.

5) Relationship with investors

Investors can contact Investor Relations directly at Tel. 0-2517-0109-14

Email: phalada@unionplastic.co.th and track the Company's information through the website www.unionplastic.co.th which has information in both Thai and English that has been updated and current.

Preparation of reports on interests of directors, executives, and related persons

During the first quarter of 2021, the Board of Directors has prepared a Director's Stakeholder Report Form to be used as a basis for governance on stakeholder matters at the director level and, like senior management, has prepared the aforementioned report for every year and sent to the Company Secretary to collect and make a copy for the Chairman of the Board and the Chairman of the Audit Committee for use in the investigation and supervision of conflicts of interest.

6) Preparation of reports on changes in securities holdings

In order to supervise the use of internal information, the Company has determined that the Board of Directors and executives, including spouses or cohabiting persons as husband and wife, and underage children, when securities holding changes are made, it must be notified and report the changes in securities holding to the Office of the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 and its amendments within 3 business days from the date of purchase, transfer, or receipt of transfer. The Company has set a policy to disclose/report buying/selling/transfer changes in the securities holdings of directors and executives to the Board of Directors when there is changes in the monthly meeting. This matter is set as a regular agenda in the Board of Directors' meeting calendar. In addition, during the 1 week prior to the closing date of the quarterly and annual financial statements, the Company Secretary will notify the directors, executives, or departments that have received insider information to not disclose inside information to outsiders or persons who are not related to and prohibit trading of the Company's securities during 45 days for the quarterly statement and 60 days for the annual statement (from the closing date of the budget until the date of the statement to the SET). That is, before the financial statements are released to the public in order to prevent the misuse of inside information (Insider Trading).

Notification of conflict of interest at the meeting

The Board of Directors has established policy on conflicts of interests in every Board meeting. The Chairman of the Board will inform the meeting to ask for cooperation from the directors to comply with the policy on conflicts of interest that in any agenda that the directors are related or have conflicts of interest, the directors are requested to inform the meeting to abstain from voting or giving any opinions.

7) Consideration and review of connected transactions

The Audit Committee is responsible for considering and reviewing connected transactions or transactions that may have conflicts of interest that may affect the Company's operations in accordance with the laws and regulations of the Stock Exchange of Thailand before submitting to the Board for approval.

8) Taking care of the rights of shareholders

The Company has established methods for equitable and fair treatment of the rights of all shareholders by stipulating policies and guidelines regarding the rights of shareholders and fair treatment of shareholders in writing and adherence for all directors, executives, and employees to be in compliance with the Good Corporate Governance Manual, ethical standards and business code of conduct.

9) Anti-corruption

The Company has established this anti-corruption policy to reflect the direction and framework of the Company's action against corruption in accordance with the principles of good corporate governance that are generally accepted to be appropriate for its application in accordance with the socio-economic environment of the country. The Company requires its directors, executives, employees, and related parties to adhere to this Anti-Corruption Policy in conducting business to promote the Company to be an organization with good management, efficiency, code of conduct and ethics in business operations.

Anti-Corruption Policy

Union Plastic Public Company Limited is committed to conducting business with good morals and ethics by adhering to good corporate governance and the Company's Code of Business Conduct as well as policies and operational guidelines to different groups of stakeholders of the Company. Therefore, the Company has established this policy as guideline for appropriate practices and to prevent corruption in various operating procedures within the Company and to ensure that the Company has clear guidelines in business operations for sustainable development.

Duties and responsibilities

1. The Board of Directors has duty and responsibility in formulating policies and promoting the oversight of systems that support effective anti-corruption to ensure that the Executive Board is aware of and prioritizes against corruption and inculcating culture within everyone in the organization to understand and realize the importance of corruption problems.
2. The Audit Committee has duties and responsibilities as follows:
 - Review the financial and accounting reporting system, internal control system, internal audit system and risk management system to ensure compliance with international standards, is concise, appropriate, up-to-date, and efficient.
 - Receive corruption whistleblowers in which individuals within the organization are involved and can examine the facts as informed.

3. The Managing Director and the management team have the duties and responsibilities as follows:
 - Establish a corruption policy and encourage support for such policies in the organization.
 - Communicate the corruption policy to employees in the organization, business partners, contractors, or those related to the Company's business operations.
 - Review the appropriateness of policies, systems, and measures related to anti-corruption to ensure they are consistent with changes in business, regulations, legal requirements.
 - Cooperate and assist the Audit Committee in investigating the facts as informed or the tasks assigned by the Corruption Audit Committee, which can be assigned to those involved that can help in the investigation of the facts.
4. The Risk Management Committee, which has senior management as a member, has the duties and responsibilities as follows:
 - Lay down policies and monitor corruption risk management by analyzing and identifying corruption risks that are important to businesses, assessing risks, likelihood of impacts, in order to formulate management measures, appropriate action plan for monitoring the design and implementation of internal controls which are then reported to the Audit Committee to review the risk assessment.
 - Advise the Board of Directors and executives on the actions that should be taken to reduce or prevent such risks, as well as communicate to personnel guidelines to prevent or reduce risks in operating processes of all work units that may cause corruption.
5. The Internal Audit Office has the duties and responsibilities as follows:
 - Verify and review the operation to ensure that it complies with the policies, guidelines, operating authority, rules, and regulations of regulatory bodies to ensure that the Company has appropriate and adequate control system on potential corruption risks and report to the Audit Committee.

Guidelines on Anti-Corruption

The Board of Directors, Executive Committee, and employees of the Company must strictly adhere to the anti-corruption policy and good business code of conduct, and must not be involved in corruption, whether directly or indirectly, including those involved in the Company's business operations as follows:

1. Do not be involved in actions such as accepting or giving gifts, souvenirs, gratuity, or any other benefit which manifests itself as giving/accepting bribes to stakeholders in the matter for which they perform their duties or responsibilities for obtaining benefits in an untruthful way.
2. In the procurement process, the Company's regulations must be adhered to and carried out for transparency and accountability.
3. Expenditure on business entertainment and other expenditures related to the performance of business contracts is permitted but has a clear and verifiable expenditure objective.
4. Employees should not neglect or ignore when they see actions or behaviors that are considered corruption which may affect the Company either directly or indirectly. Employees must notify their supervisor or responsible person for their acknowledgment and cooperate in the investigation of facts.
5. The Company will provide fairness and protection to employees who refuse or report clues about corruption related to the Company by using whistleblower protection measures.

6. The company is committed to promoting a corporate culture that adheres to anti-corruption and the acts of giving/receiving bribes is unacceptable to any person.
7. The Anti-Corruption Policy extends to the internal processes of personnel management such as recruiting or selection for hiring, promotion, training, performance appraisal, and remuneration.
8. The Company encourages dissemination of knowledge to supervisors to communicate knowledge and understanding to employees at all levels, including other people who have to do business related to the Company in terms of anti-corruption policies.
9. The Company is committed to establishing and promoting a corporate culture that corruption and bribery through public or private transactions are unacceptable to individuals of any level.
10. Directors, executives, and employees of the Company at all levels are prohibited from demanding, accepting or engaging in any form of corruption and bribery, whether directly or indirectly.
11. The company will comply with the laws related to anti-corruption and is against any acts of giving/receiving bribes in all countries where the Company does business with and will cooperate with government officials as best as possible.
12. Any person who commits corruption and is involved in giving/receiving bribes which is a violation of the Company's code of conduct will be subject to disciplinary action in accordance with the regulations set forth by the Company. In addition, they must be punished by law if the act is illegal.
13. The Company has established responsible person structure and risk management system, internal controls, and internal audits to promote and support anti-corruption policies, including reviewing the appropriateness of systems and measures to in accordance with changes in business, regulations. and legal requirements.
14. The Company has policy of conducting business with political neutrality in support of legal compliance and democratic governance. The Company does not have guidelines to promote, support or provide political assistance to political parties, politicians, or persons involved in politics, either directly or indirectly. Employees still have political rights and statutory freedoms but are strictly prohibited from conducting political activities within the Company or using any Company resources for such operations.
15. The use of Company money or assets for charitable contributions must be made in the name of the Company only. The charitable donation must be towards foundation, association, public charity organization, temple, school, hospital, medical facility, or social benefit organization that has certificate or credibility that can be examined and are to be proceeded through procedures according to the Company regulations.
16. The use of Company funds or assets to support projects or special events must be made in the name of the Company only. The financial supports paid must have a clear purpose without any involvement with reciprocal benefits to any person or entity, have verifiable evidence, and are to be proceeded through procedures according to the Company regulations.

Giving/receiving business gifts and entertainment

In order to operate the Company's business efficiently and appropriately, the Company has established guidelines as follows

- The Company's procurement system must go through procedures according to the Company's regulations with transparency and verifiability.
- Directors, executives, or employees should not give/receive gifts and/or gratuities that are unnecessary and inappropriate to government officials or those involved in business with the Company or from others

who may benefit from the performance of the Company's employees. If the Company receives gifts and/or gratuities in excess of normal value on traditional occasions, employees must refuse to accept them and report to their superiors in a hierarchical order for acknowledgement.

- Directors, executives, or employees should not give/receive entertainment that is unnecessarily and inappropriate to government officials or those who are involved in business with the Company or from others who may benefit from the performance of the Company's employees.

6.2 Code of Business Conduct

Code of business ethics refers to ethical standards, which are standard rules of behavior and conduct. This can be referenced as a document for organizations or individuals with relevant interests to establish standards of behavior and customs, as well as in accordance with the legal framework to guide operations of the organization.

The Company has established guidelines for business operations and operates under the framework of ethics, morality, honesty, which will create a foundation for the company to grow sustainably by adhering to the following ethical principles:

1. Preserving the Company's assets and maintaining confidential information
2. Conducting business and performing duties with responsibility and honesty
3. Compliance with laws, regulations, and international human rights principles
4. Use of computers and information technology
5. Treatment of shareholders
6. Treatment of business partners and creditors
7. Treatment of customers
8. Treatment of competitors
9. Treatment of employees
10. Social, community, and environmental responsibility

The Company has disclosed the Good Corporate Governance and Business Ethics Manual on the Company's website (www.unionplastic.co.th)

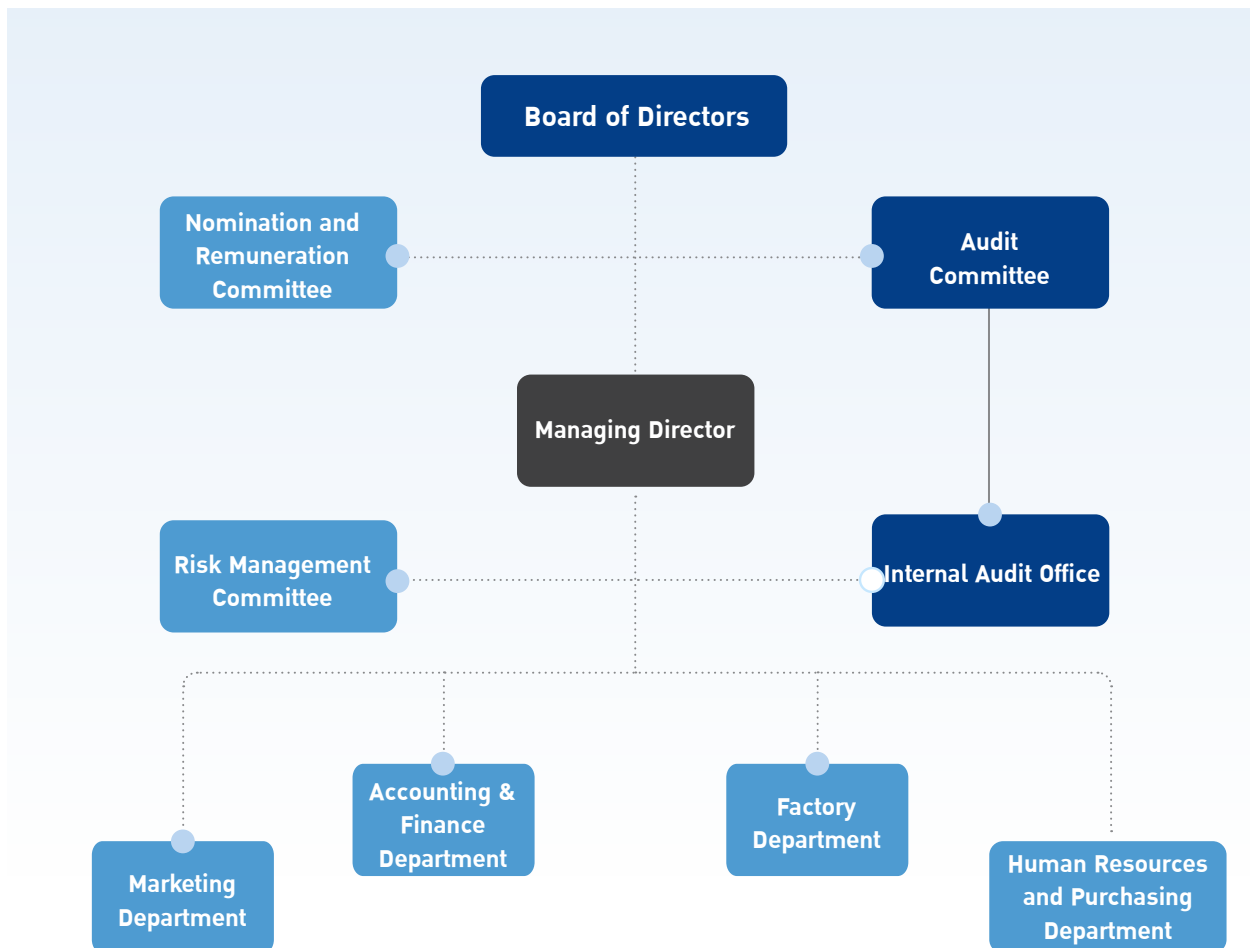
6.3 Significant changes and developments in policies, guidelines, and systems of corporate governance in the past year

- There have been no significant changes in the past year -



7. Corporate Governance Structure and Important Information about the Board of Directors Sub-committees, executives, employees and others

7.1 Corporate Governance Structure



7.2 Information about the Board of Directors

7.2.1 Composition of the Board of Directors

In accordance with the Company's regulations, the Company shall have at least 5 directors, with at least half of the total number of directors which must be resident in the Thai Kingdom and at least 3 out of 4 directors must have Thai nationality. Currently, the Company has 9 directors including:

- 3 Independent Directors
- 1 Executive director and
- 5 Non-executive directors

Qualifications of Directors

Nominated Persons must have properties and do not have prohibited characteristics as follows:

1. Have qualifications and do not have prohibited characteristics under the law on public limited companies and securities and exchange laws, as well as good corporate governance of listed companies.
2. Knowledgeable, competent and independent, able to perform director duties with caution, honesty (DUTY OF CARE AND DUTY OF LOYALTY) and can devote the most time to the company, with the right qualifications and appropriate maturity, have a good health and a perfect mind, be creative in meetings, be straightforward, have the courage to express their opinions at meetings and have a good track record and ethics.
3. Have at least one area of critical knowledge, such as the company's business, accounting and finance, strategic management, good corporate governance, laws and regulations etc.

The Nomination and Remuneration Committee considers qualified persons and does not have the prohibited characteristics mentioned above, and then presents the Board of Directors for approval before presenting the shareholders for further approval.

7.2.2 List and position of Director and controller as of 31 December 2021

Order	List of Directors		Positions
1	Ms. Dalad	Sapthavichaikul	Chairman of the Board of Directors
2	Ms. Suawanee	Thairungroj	Chairman of the Audit Committee
3	Mr. Buncherd	Tanglertpaibul	Independent Director / Member of the Audit Committee/ Chairman of the Nomination and Remuneration Committee
4	Ms. Jutatip	Arunanondchai	Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee
5	Mr. Suthin	Phadetpai	Managing Director
6	Mr. Pongsak	Thiengviboonvong	Director
7	Mrs. Chantorntree	Darakananda	Director
8	Mr. Vacharaphong	Darakananda	Director/Member of the Nomination and Remuneration Committee
9	Mr. Nanthiya	Darakananda	Director

Mrs. Chadaporn Jiemsakultip is the company secretary.

There are 3 independent committee members:

Order	List of Directors	Positions
1	Ms. Sauwanee Thairungroj	Independent Director
2	Mr. Buncherd Tanglertpaibul	Independent Director
3	Ms. Jutatip Arunanondchai	Independent Director

7.2.3 Information about the roles and duties of the Board of Directors

The Company has established the scope, duties and responsibilities between the Board of Directors, the Sub-Committee, Managing Director and Management are clearly monitored to ensure that the Managing Director and management perform their duties as assigned.

Scope and Authority of the Board of Directors

- Perform duties in accordance with company regulations, including supervising and managing the company in accordance with the law, objectives of the Company's Articles of Association, including resolutions of the Board of Directors' Meeting and resolutions of the Shareholders' Meeting
- Responsible for ensuring the company's objectives and main goals, as well as overseeing the board's operations and management to suit the objectives and main goals of business operations effectively.
- Nomination, development, remuneration and evaluation of the performance of managing directors
- Participate in the company's policy, plans and strategies, as well as consider and approve important matters related to the company's operations, such as financial goals, policies, plans, strategies and budgets, as well as direct supervise and supervise the department to organize the implementation of the policy according to defined plans and strategies.
- Establish policies and supervise compliance with good corporate governance principles and business ethics, as well as participate in setting good conduct standards in the work regulations and having penalties. If there is a violation, to inform employees and to act, as well as to emphasize honesty, integrity, morality and non-exploitation of those involved in the Company's business. Under the motto "Morality, Quality, Benefits", the Company regularly evaluates and reviews the compliance with good corporate governance principles once a year.
- Establish measures and policies regarding to the conflicts of interest in case of the Company
- (If any) has transactions with major shareholders referee Executives or persons associated with such persons. The Board of Directors shall have measures and policies in place to make transactions in accordance with general trading conditions and to be treated as well as individuals, taking into an account the best interests of the Company, including in determining the approval of transactions to be made by those who have no interest in the transaction.
- Establish policies in the event that the Company approves transactions with relevant parties in a long-term binding manner (if any), such as trading goods, etc., to be monitored to comply with the agreed condition throughout the binding period with the Company.

- The Risk Management Committee is responsible for analyzing and managing risks to establish risk management measures to a level that can be controlled and accepted. The company continuously monitors the effectiveness and evaluation of risk management and reports progress to the Board of Directors on a quarterly basis.
- Provide internal control system and internal audit in the field of operations, financial and compliance reports and company policies, as well as regular reviews of the Company's internal control system once a year
- Establish the Internal Audit Office, an independent section to be responsible for evaluating the regulatory process, risk management and control by reporting the audit results directly to the audit Committee and managing director.

Authorized Directors to sign company obligations

To perform the work of authority. The Board of Directors may assign to a director, or many people, or others, can act on behalf of the Board of Directors. The signatory is bound by the company to be two directors, jointly signing and stamping the company's key.

7.3 Information about the Sub-Committee

The Company has 2 sub-committees:

1. Audit Committee and
2. Nomination and Remuneration Committee

(1) The Audit Committee consists of 3 independent directors as listed below.

Order	List of Directors	Positions
1	Ms. Sauwanee Thairungroj	Chairman of Independent Director
2	Mr. Buncherd Tanglertpaibul	Independent Director
3	Ms. Jutatip Arunanondchai	Independent Director

*With Mrs. Achara Maneesawad, Internal Audit Manager, as Secretary of the Audit Committee

The Audit Committee consists of: Qualified Directors as announced by the Capital Market Committee, Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SEC) define 3 persons and at least 1 audit committee member have sufficient knowledge and experience to review the reliability of the financial statements, namely: Mrs. Sawanee Thairungroj by all directors must be independent and are not chairman of the Board of Directors or Executive Director. In addition, the Audit Committee can appoint 1 person as an adviser and 1 person of appropriate company official is the secretary of the audit committee.

The Audit Committee has a term of 3 years at a time. The audit committee, who has retired from his term, may be re-appointed. In case the position of audit committee is available for other reasons in addition to the time of issuance, the Board of Directors shall appoint a fully qualified person as the Audit Committee member so that the Audit Committee shall have the full number specified by the Board of Directors, where the person who becomes the Audit Committee member instead can only be in position as much as the remaining term of the directors he represents. In addition, in order for the performance of the duties of the Audit Committee to achieve the goals. The Board of Directors has authorized the Audit Committee has right to do the actions in relation to management, internal auditors, auditors and authority in other areas, as well as other sections to comply with roles and duties in relation to the Audit Committee as specified in the Audit Committee Regulations.

Scope and Authority of the Audit Committee

- Review to have financial reporting accurately, adequately and in accordance with generally accepted accounting standards.
- Review the appropriate and effective internal control system and internal audit system and consider the independence of the audit agency, Internal audit as well as approval for the appointment of migration, termination of Internal Audit Office Manager
- Review compliance with securities and exchange laws Requirements of the Stock Exchange of Thailand and laws relating to the Company's business Discretion
- To consider, select, propose, appoint, propose, terminate a person who is independent to act as the company's auditor, and offer the person's compensation, as well as attend meetings with the auditor without management attending the meeting at least once a year.
- Consider connected transactions or transactions that may have conflicts of interest in accordance with the laws and regulations of the SET. To ensure that such items are reasonable and in the best interests of the Company.
- Review the accuracy of reference documents and self-assessment forms regarding the company's anti-corruption measures in accordance with the Thai Private Sector Collective Action Coalition Against Corruption Program.
- Prepare the audit committee's report publicly in the Company's annual report, which must be signed by the Chairman of the Audit Committee and must contain at least some information as follows:
 - (1) Opinion on the accuracy, completeness and reliability of the Company's financial reports
 - (2) Opinion on the adequacy of the Company's internal control system and risk management system.
 - (3) Opinions on compliance with securities and exchange laws, the terms of the Set of Exchange or laws relating to the Company's business
 - (4) Opinion on the suitability of the auditor
 - (5) Comments on transactions that may have a conflict of interest
 - (6) Number of audit committee meetings and attendance of each audit committee member
 - (7) The opinions or overall observations received by the Audit Committee are derived from the performance of duties in accordance with the Charter or the Regulations of the Audit Committee.
 - (8) Other items that shall be deemed to be known by shareholders and investors under the scope of duties and responsibilities assigned by the Board of Directors.
- Provide management with the correcting of detected defects as well as expedite them to correct them.
- Monitor and evaluate performance deemed important by the Audit Committee
- Perform any other operations as assigned by the Board of Directors.

(2) Nomination and Remuneration Committee. There are 3 persons listed below.

Order	List of Directors	Positions
1	Mr. Buncherd Tanglertpaibul	Chairman of the Nomination and Remuneration Committee
2	Mr. Vacharaphong Darakananda	Member of the Nomination and Remuneration Committee
3	Ms. Jutatip Arunanondchai	Member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee is appointed by the Board of Directors' meeting, the majority of members (2 out of 3) of the Nomination and Remuneration Committee are independent directors and chairman of the Board of Directors are not a member of the Nomination and Remuneration Committee.

Scope and Authority of the Nomination and Remuneration Committee

1. Select the person who deserves to be nominated as a new director Proposed meeting of the Board of Directors to consider
2. Establish guidelines for the nomination of directors according to the criteria and methods of nomination of directors.
3. Consider the guidelines for determining remuneration for directors.
4. Assign remuneration to directors by presenting at the Board of Directors' meeting.

7.4 Information about executives**7.4.1 List and Management Position**

According to the organizational structure in 2021, it consists of Managing Director, 3 Divisions Managers under the chain of Supervision as follows:

1. The group under the Managing Director consists of marketing section, human resources and purchasing Division
2. Accounting and Finance department consists of accounting, finance and information technology departments.
3. The Factory department consists of production planning and control, quality assurance, Bangpakong production, Bangchan production, maintenance section, R&D and Warehouse Section
4. Internal Affairs of Audit Department consists of the internal audit office.

The list and positions of the company's executives are 4 persons:

Name	Position	Qualifications
1. Mr. Suthin Phadetpai	Managing Director	Master of Business Administration
2. Mrs. Phalada Mekvaranon	Accounting and Finance Manager	Master of Business Administration KasemBundit University
3. Mr. Praphan Triyasuk	Factory Manager	Bachelor of Electrical Engineering King Mongkut's University of Technology (North Bangkok)
4. Mrs. Achara Maneesawath	Internal Audit Manager	Master of Public and Private Management, National Institute of Development Administration

For detailed information on the knowledge, expertise, skills, experience of each executive appears in attachments 1 and 3.

7.4.2 Policy on remuneration of executive directors and executives

The remuneration of managing directors and senior executives is in accordance with the principles and policies set by the Board of Directors in accordance with the performance of each executive and the company's performance.

7.4.3 Remuneration of Directors and Executives

The remuneration of directors and executives is in accordance with the rules and policies set by the Board of Directors, depending on the performance of each executive and the performance of the Company. The company's executives are 4 persons including: Managing Director, 3 Managers. As per remuneration are as follows:

Unit: Million Baht

Entries	2021	2020	2019
Salary and Bonus	9.94	11.03	12.59

Other Executive Remuneration

The company pays contributions to the provident fund for 1 manager at the rate of 3percent of the base salary.

7.5 Information about employees

The Company has a total of 487 employees as of December 31, 2021, 37 office employees, 450 factory employees. The Company has clearly allocated employees according to their mission and responsibilities in accordance with the restructuring of the organization. This will increase the competitiveness of the organization, including improvements, to comply with current economic conditions as follows:

Order	Organization	Number of people
1	Accounting and Finance Department	13
2	Factory Department	450
3	Others	24
Total		487

Employee Returns

The Company has a policy of paying employees compensation in the form of salary, annual subsidies, pensions, resignation grants, provident fund contributions, contributions to compensation funds and contributions to social security funds

The Company has adjusted annual wages/salaries to employees based on the performance of each employee and the company's performance. In 2021, the Company will measure its performance according to the Balanced Scorecard.

Annual subsidies are awards that the Company has allocated to raise morale and motivate employees to see the importance of diligence in their work.

Provident Fund contributions are welfare arrangements to incentivize employees to work with the Company for a long period of time at 3 percent of employee salary.

Contributions to the Social Security Fund are welfare benefits held by the Company in accordance with labor protection laws.

In 2021, the Company paid the employee's return. As follows: (Unit : Million Baht)

List	2021	2020	2019
Salary and wages	123.92	125.96	175.13
Annual subsidies	11.50	9.38	15.37
Social Security Contribution	2.26	3.16	5.41
Provident fund contributions	2.18	2.70	3.85
Total	139.86	141.20	199.76

Developing knowledge for employees

The Company has focused on personnel development by providing training plans for employees in total number of 155 courses, focused primarily on in-depth skills or specialized abilities. The total number of hours in 2021 was 5,316 hours, with an average of 10.92 hours per person per year.

7.6 Other important information

7.6.1 Company Secretary

The Board of Directors has resolved to appoint Mrs. Chadaporn Jiemsakultip as Company Secretary from January 1, 2016 onwards. The qualifications of the company secretary are shown in attachment 1.

Responsibilities of the Company Secretary

The Company Secretary shall perform the duties as defined in Section 89/15, Section 89/16, Section 89/17 and Section 89/23 of the Securities and Exchange Act (No. 4), B.E. 2551 (2008). This came into force on August 31, 2008 with responsibility, caution and integrity, as well as complying with the law, objectives of company, regulations resolutions of the Board of Directors as well as the resolutions of the shareholders' meeting. The legal duties of the company secretary are as follows:

1. Prepare and maintain the following documents:
 - A. Director Registration
 - B. Letter of appointment of the Board of Directors Minutes of the Board of Directors' Meeting and annual reports of the company.
 - C. Letter of appointment of shareholders' meeting and minutes of the shareholders' meeting
2. Maintain the report of interest reported by directors or executives and submit a copy of the report of interests to the Chairman of the Board of Directors and Chairman of the Audit Committee
3. Take other actions as announced by the Capital Market Supervisory Board.
4. Other duties of the Company Secretary
 - The Company is designated as the Supervisory Unit supervisor (Compliance Unit), responsible for providing legal advice and related rules and regulatory practices in the implementation of the board's activities in accordance with the law.

- Responsible for conducting meetings of the Board of Directors. Sub-Committee and Shareholders' Meeting
- Coordinate with internal agencies to comply with the board's resolutions and the resolutions of the shareholders' meeting.
- Coordinate with regulators such as the Securities and Exchange Commission, the Stock Exchange of Thailand, as well as overseeing the disclosure and reporting of information to regulators and the public in accordance with the law.
- Provide orientation, provide information, coordinate the directors' training courses necessary to perform the duties of directors and advise newly appointed directors.

7.6.2 Person assigned to direct responsibility for overseeing accounting

Those assigned to direct responsibility for overseeing the company's accounting. Union Plastic Public Company Limited is the Accounting Manager who currently appoints Ms. Angkhana Soree as supervisor of accounting, which has been in this position since January 1, 2020, as a qualified bookkeeper and the conditions of being a bookkeeper in accordance with the criteria in the Announcement of the Department of Business Development. More details are shown in the executive history details in attachment 1.

7.6.3 Internal Audit Supervisor

The person assigned to the responsibility is the supervisor of the company's internal audit. Union Plastic Public Company Limited is the Internal Audit Manager Audit Office, which currently appoints Mrs. Achara Maneesawad as head of internal audit. More details are shown in Section 2, "Section 9, Internal Control and Interagency Items", and details of the history of the internal audit supervisor in attachment 3.

7.6.4 Supervisor of The Company's Operations Supervisor (Compliance)

The person assigned to be responsible for overseeing the operation of Union Plastic Public Company Limited is the company secretary, who has now appointed Mrs. Chadaporn Jiemsakultip as the company's compliance supervisor. More details are shown in Section 2 "Topic 9 Internal Controls and Interagency Items", and executive history details in attachment 1.

7.6.5 Investor relations and contact information

Those who have been appointed to the position of Investor Relations are Mrs. Phalada Mekvaranon who holds the position of Accounting and Finance Manager effective January 1, 2020. Investors or individuals can contact investor relations. Tel. 0-2517-0109-14 ext. 130 Email:Phalada@unionplastic.co.th or via www.unionplastic.co.th website.

7.6.6 Audit Fee

In accordance with the Public Limited Companies Act, Article 51 requires that the annual shareholders' meeting appoint and determine the auditor's remuneration, the 28th Annual General Meeting of Shareholders of the Year 2021 has resolved to appoint the Company's auditors as follows:

1. Ms. Wilailak Laohasrikul, Certified Auditor Registration no. 6140 (4th year auditor) or
2. Mrs. Poonnart Paocharoen, Certified Auditor Registration number 5238 or
3. Mr. Termpong Oponpun, Certified Auditor Registration number 4501 or
4. Ms. Wissuta Jariyattanakorn, Certified Auditor Registration No. 3853

Such auditors are affiliated with the company. EY Office Limited is an authorized auditor approved by the SEC, including having no relationship and/or interests with the Company / executives / major shareholders or persons associated with such persons, thus, having sufficient capacity to review and comment on the Company's financial statements.

(1) The Company pays audit compensation to EY Office Co., Ltd., which is the auditor's office affiliated with the auditor.

In 2021, total 1,200,000 baht (one million and two hundred thousand baht)

In 2020, total 1,200,000 baht (one million and two hundred thousand baht)

In 2019, total 1,200,000 baht (one million and two hundred thousand baht)

The Company does not pay audit fees directly to the auditor or the person/entity related to the auditor.

(2) Other service fees, the portion paid during the fiscal year is a joint expense observing the destruction of goods, amount of 20,000 Baht



8. Report on key operating results related to corporate governance

8.1 Summary of performance of the Board of Directors in the past year

8.1.1 Recruiting, developing, and evaluating the performance of the Board of Directors

Nomination of Directors

In the past year, there was no selection of new directors.

Development of Directors

The Company encourages and supports the Company's directors to attend training on an annual basis (details of training are shown in the profile of each director as per Enclosure 1) in courses related to the performance of directors' duties such as IOD's DCP, DAP courses, etc., to continuously develop the Board's potential, as well as to build knowledge and understanding of the Company's business and operations, along with to apply new technologies and innovations to support efficient performance of duties of directors.

In 2021, the Company has provided 165 hours of training to develop knowledge for directors and executives as follows:

Item	Training course	No. of hours
1	Board and Management Relationship	3
2	Budgeting	42
3	Problem Solving by 3G 5 Why	120
Total number of hours		165

Evaluation of performance of the Board

The Board of Directors arranges for an annual performance assessment of the Board of Directors and sub-committees by evaluating their own individual and panel group performance at least once a year for including the evaluation results in considering operational results and problems for further improvement.

In 2021, the Company has self-assessment of the Board of Directors on a panel basis and individual basis, including self-assessment of the Audit Committee, the Nomination Committee, and the assessment of the Nomination and Remuneration Committee as follows:

1. Board of Directors Self-Assessment Result (Panel-based)

Assessment Item	Score (%) Year 2021	Score (%) Year 2020
1. Structure and qualifications of directors	93.75	96.53
2. Roles, duties, and responsibilities of the Board of Directors	94.12	96.73
3. Board Meeting	93.83	97.22
4. Directors' duties	94.44	96.83
5. Relationship with the management	94.44	97.22
6. Self-development of directors and executive development	92.13	95.83
Overall average score	93.85	96.73

Total 6 items, the average score of the 9 directors is 93.85%, which is considered good to very good.

Board of Directors Self-Assessment Result (Individual)

Assessment Item	Score (%) Year 2021	Score (%) Year 2020
1. Structure and qualifications of directors	94.44	97.22
2. Board Meeting	94.44	97.22
3. Roles, duties, and responsibilities of the Board of Directors	93.89	96.11
Overall average score	94.19	96.72

2. Audit Committee Self-Assessment Results

Assessment Item	Score (%) Year 2021	Score (%) Year 2020
1. Composition and qualifications	100	100
2. Board Meeting	100	100
3. Roles, duties and responsibilities of the Audit Committee	89.74	89.74
4. Reporting	100	100
Overall average score	94.67	94.67

3) Nomination and Remuneration Committee Self-Assessment Result

Assessment Item	Score (%) Year 2021	Score (%) Year 2020
1. Structure and qualifications of Nomination and Remuneration Committee	83.33	90.00
2. Nomination and Remuneration Committee Meeting	83.33	91.67
3. Roles, duties, and responsibilities of the Nomination and Remuneration Committee	81.94	86.11
Overall average score	82.84	89.22

8.1.2 Meeting attendance and remuneration of the Board of Directors

1) Board Meeting

The Company arranges Board of Directors' meeting at least once a month to follow up on the performance to determine whether it is in accordance with the objectives or plans laid down or not. In the year 2021, there were 12 Board of Directors' meetings. Directors who are not on duty will attend every meeting. The schedule showing attendance of individual committees and the schedule of the 2021 Board of Directors meeting are as follow:

Schedule for the date of the 2021 Board of Directors' meeting

No.	Date
1	Wednesday, 20 January
2	Wednesday, 24 February
3	Wednesday, 17 March
4	Wednesday, 21 April
5	Wednesday, 19 May
6	Wednesday, 23 June
7	Wednesday, 21 July
8	Wednesday, 25 August
9	Wednesday, 22 September
10	Wednesday, 20 October
11	Wednesday, 24 November
12	Wednesday, 22 December

Table showing meeting attendance of the Board of Directors

No.	Name	Position	Number of times attending the meeting/Number of meetings				
			Shareholder meeting	Board of Directors	Audit Committee	Nomination and Remuneration Committee	In percent
1	Ms. Dalad Saphavichaikul	Chairman of the Board	1/1	12/12			100
2	Mrs. Sauwanee Thairungroj	Independent director/ Chairman of Audit Committee	1/1	11/12	4/4		91.67
3	Mr. Buncherd Tanglertpaibul	Independent director/ Audit Committee/ Chairman of Nomination and Remuneration Committee	1/1	12/12	4/4	1/1	100
4	Ms. Jutatip Arunanondchai	Independent director/ Chairman of Audit Committee/ Nomination and Remuneration Committee	0/1	10/12	4/4	1/1	83.33
5	Mr. Suthin Phadetpai	Managing Director	1/1	12/12			100
6	Mr. Pongsak Thiengviboonvong	Director	1/1	12/12			100
7	Mrs. Chantornree Darakananda	Director	1/1	12/12			100
8	Mr. Vacharaphong Darakananda	Director/ Nomination and Remuneration Committee	1/1	12/12		1/1	100
9	Mr. Nanthiya Darakananda	Director	0/1	6/12			50
							91.67

with Mrs. Chataporn Jeamsakulthip as Company Secretary

2) Board of Directors' remuneration

The Board of Directors has appointed the Nomination and Remuneration Committee to consider the criteria and form of remuneration for the Company's directors and sub-committees and propose to the Board of Directors for consideration and approval as follows:

1. Remuneration for directors has 2 parts, which are monthly remuneration and meeting allowance once/monthly. Directors' remuneration is reviewed every year to make it appropriate by considering comparison of listed companies in the same industry with similar business size, obligations and responsibilities of the Company's performance committee, and suitability to the current economic situation, taking into account the experience, duties, roles and responsibilities of each director, as well as the Company's performance.
2. Remuneration of the Managing Director and senior management is in accordance with the principles and policies set by the Board of Directors in accordance with the performance of each executive and the Company's performance.

Remuneration for directors, committees, and other monetary remuneration

According to the Company's Articles of Association, directors are entitled to receive remuneration from the Company in the form of monetary rewards, meeting allowances, allowances, bonuses, or other benefits in accordance with the Articles of Association or as may be considered by the shareholders' meeting in which a fixed amount may be set or to be laid as rule and set from time to time or to be effective indefinitely until there is a change.

Criteria for payment of remuneration for each committee are as follows:

Monetary compensation	Year 2021 (per month: baht)	Year 2020 (per month: baht)
Board of Directors: meeting allowance, paid monthly		
Chairman	8,000	8,000
Executive directors	8,000	8,000
Non-executive director	8,000	8,000
Independent director	8,000	8,000
Audit Committee: Remuneration paid every month		
Chairman of the Audit Committee	11,000	11,000
Audit committee	10,000	10,000
Nomination and Remuneration Committee		
: Meeting allowance, paid per meeting attendance		
Chairman of the Nomination and Remuneration Committee	6,000	6,000
Member of the Nomination and Remuneration Committee	6,000	6,000

Remuneration for directors, committees, and other monetary remuneration

No.	Name	Position	Remuneration (baht)			
			Board meeting allowance	Audit Committee's Remuneration	Nomination and Remuneration Committee meeting allowance	Total
1	Ms. Dalad Saphavichaikul	Chairman of Board	96,000.00			96,000.00
2	Mrs. Sauwane Thairungroj	Independent director / Chairman of the Audit	96,000.00	132,000.00		228,000.00
3	Mr. Buncherd Tanglerpaibul	Independent director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	96,000.00	120,000.00	6,000.00	222,000.00
4	Ms. Jutatip Arunanondchai	Independent Director / Member of the Audit Committee	96,000.00	120,000.00	6,000.00	222,000.00
5	Mr. Suthin Phadetpai	Managing Director	96,000.00			96,000.00
6	Mr. Pongsak Thiengviboonvong	Director	96,000.00			96,000.00
7	Mrs. Chantornree Darakananda	Director	96,000.00			96,000.00
8	Mr. Vacharaphong Darakananda	Director / Nomination and Remuneration Committee	96,000.00		6,000.00	102,000.00
9	Mr. Nanthiya Darakananda	Director	96,000.00			96,000.00
			864,000.00	372,000.00	18,000.00	1,254,000.00

The resolution of the 28th Shareholders' Meeting held on 21 April 2021 approved the Directors' remuneration in the amount of not more than 1,500,000 baht per year, similar to that in 2020, by assigning the Board of Directors to consider and allocate as deemed appropriate.

The Board of Directors and the sub-committees are to receive remuneration in meeting allowances only, with no other remuneration.

8.1.3 Supervision of Subsidiaries and Subsidiaries

At present, the Company does not have any subsidiaries. In the case of associated companies, the Company sends representatives to attend the shareholders' meeting every year.

For the principle of holding a position as a qualified advisor or holding any position in a company, agency, or other juristic person of the group's executives, he must be appointed by the board's resolution to the top management, executives, and employees of the said company to present the matter for acknowledgment to the Board of Directors in which they work or to the top executive of the company they work for, as the case may be.

8.1.4 Monitoring for compliance with corporate governance policies and guidelines

The Company attaches great importance to good corporate governance by stipulating relevant policies and guidelines in the Company's corporate governance policy and business ethics as well as promoting real practice to build confidence in all groups of stakeholders. According to the Corporate Governance Survey of the Thai Institute of Directors Association (IOD) according to the Corporate Governance Survey of Listed Companies Year 2021, on the overall the Company is within the "good" criteria, which the survey results were based on information disclosed to public in 2021.

1) Conflicts of Interest

The Company has policy to protect the legitimate interests of the Company in order not to cause conflicts of interest. Therefore, the following guidelines have been established.

- Do not act in any way that is contrary to the business interests of the Company, either directly or indirectly, such as causing the Company to lose benefits or gain less than it should, or to share benefits from the Company.
- Comply with the rules, procedures, and disclosure of connected transactions in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
- Do not do anything that competes with the business of the Company, both directly and indirectly.
- Do not seek benefits in personal affairs with the company, such as doing anything to sell goods and services to the Company.
- The Company requires directors, executives, and related persons who are responsible to report their securities holdings, including their spouses and underage children, within 3 business days from the date of purchase, transfer, or receipt of transfer of the Company's securities to Office of the Securities and Exchange Commission in accordance with Section 59 by submitting such reports to the Board of Directors through the Company Secretary annually, including disclosure in the Company's annual report.

Preparation of a report disclosing transactions that may have conflicts of interest with the Company

The Company requires all directors, executives, and employees to prepare a report disclosing transactions that may have conflicts of interest with the Company by disclosing any transactions with suspected conflicts of interest with the Company and in any approval through the conflict-of-interest reporting system. In such cases, the principle must not be imposed abnormal conditions or special requirements as an internal control process, including appointing the Internal Audit Office and the Audit Committee to be responsible for, manage, and resolve said conflict of interest.

2) Supervision of the use of inside information

The Company provides reporting system for trading in company securities in advance. If company personnel need to trade in the company's securities, they must inform the company secretary through the system at least 2 days in advance. In 2021, there were no reports on securities trading in advance of those involved in inside information.

The Company has guidelines for the supervision of the disclosure of the Company's confidential information to outsiders by requiring all employees to comply with the confidentiality regulations specified in the work regulations. Any employee who violates or fails to comply will be subjected to disciplinary action in accordance with the Company's regulations. In addition, each year the Company requires directors and executives to sign certificate of interest report of directors and/or executives in order to demonstrate good will of not doing anything that causes conflict of interest to the Company. This includes the use of confidential information of the Company, whether for personal gain or not, or bringing damage to the Company intentionally or not, including disseminating such information to customers who sell products, service providers, competing companies, or other third parties.

For securities trading, the Company allows directors and executives to avoid trading in the Company's securities during 14 days before the disclosure of quarterly financial reports and annual financial statements until 24 hours after disclosure of such information to the Stock Exchange of Thailand (SET).

The Company requires directors and executives to report their interests and holdings of securities annually or when there is a change, and the company secretary shall keep them.

In 2021, no such offence was found and there was no case where directors/executives of the Company had traded securities using inside information and the Company has considered disclosing guidelines for supervising the use of information within the period as follows:

Schedule of dates for directors and executives to avoid trading in the Company's securities in 2021

Item	End date of each quarter	Date of submission of financial statements (within the date)	Day/month/year to avoid trading UP securities
Financial statements for the year 2020	31 December 2020	1 March 2021	15 Feb '21 to 2 Mar '21
1 st quarter financial statements	31 March 2021	17 May 2021	3-18 May '21
2 nd quarter financial statement	30 June 2021	16 August 2021	2-17 Aug. '21
3 rd quarter financial statement	30 September 2021	15 November 2021	1-16 Nov. '21

Schedule of dates for directors and executives to avoid trading in the Company's securities in 2022

Item	End date of each quarter	Date of submission of financial statements (within the date)	Day/month/year to avoid trading UP securities
Financial statements for the year 2021	31 December 2021	28 February 2022	14 Feb '22 to 1 Mar '22
1 st quarter financial statements	31 March 2022	17 May 2022	3-18 May '22
2 nd quarter financial statement	30 June 2022	15 August 2022	2-16 Aug. '22
3 rd quarter financial statement	30 September 2022	15 November 2022	1-16 Nov '22

Securities holding information of Union Plastic Public Company Limited of Directors and Executives

No.	List of directors	Number of shares in 2021	Number of shares in 2020	Number of shares increase (decrease)
1	Ms. Dalad Saphavichaikul	-	-	-
2	Mrs. Sauwanee Thairungroj	-	-	-
3	Mr. Buncherd Tanglertpaibul	9,660	9,660	-
4	Ms. Jutatip Arunanondchai	-	-	-
5	Mr. Suthin Phadetpai	-	-	-
6	Mrs. Chantornree Darakananda	-	-	-
7	Mr. Vacharaphong Darakananda	-	-	-
8	Mr. Nanthiya Darakananda	-	-	-
9	Mr. Pongsak Thiengviboonvong	1,000	1,000	-

No.	List of executives/company secretary	Number of shares in 2021	Number of shares in 2020	Number of shares increase (decrease)
1	Mrs. Phalada Mekvaranon	-	-	-
2	Mr. Praphan Triyasuk	-	-	-
3	Mrs. Achara Maneesawath	-	-	-
*	Mrs. Chadaporn Jiemsakultip (Company Secretary)	-	-	-

3) Anti-corruption

The Company has established this anti-corruption policy to reflect the direction and framework of the Company's action against corruption in accordance with the principles of good corporate governance that are generally accepted to be appropriate for its application in accordance with the socio-economic environment of the country. The Company requires its directors, executives, employees, and related parties to adhere to this Anti-Corruption Policy in conducting business to promote the Company to be an organization with good management, efficiency, code of conduct and ethics in business operations.

Guidelines on Anti-Corruption

The Board of Directors, Executive Committee, and employees of the Company must strictly adhere to the anti-corruption policy and good business code of conduct, and must not be involved in corruption, whether directly or indirectly, including those involved in the Company's business operations as follows:

1. Do not be involved in actions such as accepting or giving gifts, souvenirs, gratuity, or any other benefit which manifests itself as giving/accepting bribes to stakeholders in the matter for which they perform their duties or responsibilities for obtaining benefits in an untruthful way.
2. In the procurement process, the Company's regulations must be adhered to and carried out for transparency and accountability.
3. Expenditure on business entertainment and other expenditures related to the performance of business contracts is permitted but has a clear and verifiable expenditure objective.
4. Employees should not neglect or ignore when they see actions or behaviors that are considered corruption which may affect the Company either directly or indirectly. Employees must notify their supervisor or responsible person for their acknowledgment and cooperate in the investigation of facts.
5. The Company will provide fairness and protection to employees who refuse or report clues about corruption related to the Company by using whistleblower protection measures.
6. The company is committed to promoting a corporate culture that adheres to anti-corruption and the acts of giving/receiving bribes is unacceptable to any person.
7. The Anti-Corruption Policy extends to the internal processes of personnel management such as recruiting or selection for hiring, promotion, training, performance appraisal, and remuneration.
8. The Company encourages dissemination of knowledge to supervisors to communicate knowledge and understanding to employees at all levels, including other people who have to do business related to the Company in terms of anti-corruption policies.

9. The Company is committed to establishing and promoting a corporate culture that corruption and bribery through public or private transactions are unacceptable to individuals of any level.
10. Directors, executives, and employees of the Company at all levels are prohibited from demanding, accepting or engaging in any form of corruption and bribery, whether directly or indirectly.
11. The company will comply with the laws related to anti-corruption and is against any acts of giving/receiving bribes in all countries where the Company does business with and will cooperate with government officials as best as possible.
12. Any person who commits corruption and is involved in giving/receiving bribes which is a violation of the Company's code of conduct will be subject to disciplinary action in accordance with the regulations set forth by the Company. In addition, they must be punished by law if the act is illegal.
13. The Company has established responsible person structure and risk management system, internal controls, and internal audits to promote and support anti-corruption policies, including reviewing the appropriateness of systems and measures to in accordance with changes in business, regulations. and legal requirements.
14. The Company has policy of conducting business with political neutrality in support of legal compliance and democratic governance. The Company does not have guidelines to promote, support or provide political assistance to political parties, politicians, or persons involved in politics, either directly or indirectly. Employees still have political rights and statutory freedoms but are strictly prohibited from conducting political activities within the Company or using any Company resources for such operations.
15. The use of Company money or assets for charitable contributions must be made in the name of the Company only. The charitable donation must be towards foundation, association, public charity organization, temple, school, hospital, medical facility, or social benefit organization that has certificate or credibility that can be examined and are to be proceeded through procedures according to the Company regulations.
16. The use of Company funds or assets to support projects or special events must be made in the name of the Company only. The financial supports paid must have a clear purpose without any involvement with reciprocal benefits to any person or entity, have verifiable evidence, and are to be proceeded through procedures according to the Company regulations.

4) Whistleblowing or complaints

The Company provides channels for whistleblowing or complaints against unlawful acts, codes of conduct, or behavior that may imply corruption or misconduct of personnel in the Company, including financial reports that are incorrect or defective internal control system. In this regard, the Company has established measures to protect the whistleblowers in order to allow stakeholders to participate in more effective surveillance of the Company's interests.

Matters for whistleblowing or complaints

- Unlawful acts, corruption, Company regulations, or violations of the Code of Conduct of directors, managing directors, executives, and employees.
- Abnormalities in financial reports, defective internal control systems
- Matters that affect the interests or reputation of the Company

Whistleblowing or complaint channels

- By post, the letter must be sent to the Chairman of the Audit Committee. and/or Managing Director Union Plastic Public Company Limited No. 11/1 Soi Serithai 62, Minburi Sub-district
- Minburi District, Bangkok 10510
- Complaint box within the Company
- Via the Company's Website at (www.unionplastic.co.th) under the subject of complaints
- Managing Director : 02-5170109-14 ext. 102

Process when receiving complaints

- The Internal Audit Office collects facts about the acts of corruption and conducts a preliminary investigation of the information.
- If it is found that the complaint has grounds for corruption, the Office of Internal Audit will collect evidence and submit it to the Managing Director to appoint a committee to investigate facts.
- When the investigation committee has investigated the facts and found that the information or evidence has reasonable grounds to believe that the accused person actually committed corruption, the Company will give the accused the right to be informed of the allegation and allow the accused the right to prove himself/herself by seeking additional information or evidence demonstrating that he or she is not involved in the alleged corruption.
- The investigation committee reports the investigation results together with guidelines for suspending violations or non-compliance with anti-corruption policies or related laws to the Managing Director and the Audit Committee.
- If the accused has actually committed corruption, it is deemed that such action is against the anti-corruption policy and will be subject to disciplinary action in accordance with the regulations set by the Company. If the act of corruption is illegal, the offender may be subject to legal penalties.

Measures for the protection of whistleblowers

- Establish a system to keep information of whistleblowers confidential and impose penalties for officers responsible for such information if the information were disclosed.
- The whistleblower or the complainant may not disclose the name, address, or telephone number unless the whistleblower or the complainant deems that the disclosure will facilitate the Company on report progress or seek additional useful information or clarify facts or mitigate the damage more easily and quickly.
- In the event that the whistleblower or the complainant can be contacted, the Company will notify the result in writing.

Penalties

- Directors, managing directors, executives, and all employees have duty to strictly comply with this policy. Violation or non-compliance with this Anti-Corruption Policy is considered a disciplinary violation and subject to penalties according to regulations, policies, orders, announcements, rules, and other relevant laws or requirements.

In 2021, the Company has not received any clues or complaints about unlawful acts, codes of conduct or fraudulent acts related to the Company.

8.2 Report on performance of the Audit Committee in the past year

8.2.1 Number of meetings and attendance of the Audit Committee

No.	Name	Position	Number of times attending the meeting
1	Mrs. Sauwanee Thairungroj	Independent Director / Chairman of the Audit	4/4
2	Mr. Buncherd Tanglertpaibul	Independent director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	4/4
3	Miss Jutatip Arunanondchai	Independent director / Member of the Audit Committee / Nomination and Remuneration Committee	4/4

8.2.2 Report on performance of the Audit Committee

Dear shareholders

Audit Committee of the Company Union Plastic Public Company Limited, appointed by the Board of Directors, consists of 3 independent directors as follows:

- | | |
|---|---------------------------------|
| 1. Asso. Prof. Dr. Sauwanee Thairungroj | Chairman of the Audit Committee |
| 2. Mr. Buncherd Tanglertpaibul | Audit Committee |
| 3. Miss Jutatip Arunanondchai | Audit Committee |

The Audit Committee has performed its duties and responsibilities as stipulated in the Articles of Association of the Audit Committee and as assigned by the Board of Directors. The Audit Committee has worked independently to focus on the Company' to operate in accordance with good corporate governance principles, perform duties as assigned, with transparency, fairness, accountability, as well as having a system of checks and balances which leads to the best benefits for shareholders, employees, and other stakeholder groups.

In the year 2021, the Audit Committee held a total of 4 meetings with all members of the Audit Committee attended all meetings. In all meetings, discussions were held with the management, internal auditors, and the Company's auditors. In addition, the report of the Audit Committee's review has been submitted to the Board of Directors for acknowledgment and consideration on a quarterly basis. Summary of the performance of the Audit Committee's duties are as follows:

1. Financial reports

The Audit Committee has reviewed the auditor's report, quarterly and annual financial statements together with Auditors and related management to ensure that the Company's financial reports have been prepared accurately and in all material respects in accordance with accounting standards. The interim financial statements and financial reporting standards are disclosed sufficiently, completely, and reliably, as well as listening to clarifications from the auditors, accounting and finance managers, and related executives regarding the information contained in the financial reports, which the auditor has certified without conditions. In addition, meeting was held with the Auditor without the presence of management to listen to opinions on the independent audit of the financial reports, which were reported by the auditors that no significant issues were found and had received cooperation in auditing from the management as well.

2. Internal control and internal audit

The Audit Committee jointly with the Board of Directors review the sufficiency of the Company's internal control system annually according to the assessment form prescribed by the Securities and Exchange Commission (SEC) which consists of 5 parts according to the concept of COSO (The Committee of Sponsoring Organizations of the Treadway Commission). From the evaluation results, it was found that most of the Company had complied with the established guidelines. In addition, each quarter, the Audit Committee reviewed the internal control system based on the audit results proposed by the internal auditors, as well as following up on the results of improvements on significant issues, along with considering the independence of the audit unit, provide opinion on the annual audit plan, indicators of the success of the audit. The Audit Committee is of the opinion that the internal control system and the internal audit of the Company are sufficient and effective.

3. Risk management

Each quarter, the Audit Committee reviews the Risk Management Report to determine the effectiveness of risk management as proposed by the management. These includes management of financial risk, customer risk, operational risk, growth and learning risk. The Audit Committee commented on the framework for assessing the sufficiency and effectiveness of risk management to cover the major risks of the organization.

4. Compliance with official and legal requirements related to business

The Audit Committee has reviewed quarterly compliance with securities and stock exchange laws, tax laws, environmental laws, and other laws related to the Company's business, and provided additional advice on the supervision of operations to ensure that the business operations are in accordance with the announcements and regulations laid down. In the past year, there have been no reports of any violations of ethics or official rules by the Company.

5. Consideration of the appointment of auditors

The Audit Committee has reviewed and assessed the independence of the auditors, including the scope of the audit, as well as the key matters of the quarterly and annual audits, selecting and proposing list of auditors to the Board of Directors to propose to shareholders for approval. Based on the consideration of independence, qualifications, performance results, and appropriate audit fees, the Audit Committee recommended for the appointment of Ms. Wilailak Laohasrisakul from EY Office Company Limited as the Company's auditor for the year 2021 with an audit fee of 1,200,000 baht (one million and two hundred thousand baht only).

6. Connected transactions or transactions that may have conflicts of interest

The Audit Committee has considered and commented on entering into connected transactions or transactions that may have conflicts of interest, taking into account the interests of the Company, are transparent and fair to all shareholders equally, and does not cause any transfer of benefits to ensure that the Company operates in accordance with normal business conditions and discloses complete and sufficient information in accordance with the rules and regulations of the Stock Exchange of Thailand. In the past year, the Audit Committee has approved the connected transaction for transaction with major shareholders and joint directors of 3 companies, which is a medium-sized transaction in the category of short-term real estate rental of not more than 3 years, which have been considered and approved by the Board of Directors including disclosure to the Stock Exchange of Thailand every time.

7. Audit Committee Self-Assessment

The Audit Committee had assessed its individual performance and considers jointly on the performance of duties in accordance with the Audit Committee Regulations and the Audit Committee's good practices annually. The results of the assessment show that the Audit Committee has performed its duties and responsibilities sufficiently and effectively as stipulated in the Audit Committee Regulations and relevant rules and regulations assigned by the Board of Directors.

On behalf of the Audit Committee



{Asso. Prof. Dr. Sauwanee Thairungroj}
Chairman of the Audit Committee

8.3 Report on performance of the Nomination and Remuneration Committee for the past year

8.3.1 Number of meetings and attendance of the Nomination and Remuneration Committee

No.	Name	Position	Number of times attending the meeting
1	Mr. Bancherd Tanglertpaibul	Independent director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	1/1
2	Miss Jutatip Arunanondchai	Independent director / Member of the Audit Committee	1/1
3	Mr. Vacharaphong Darakananda	Director / Nomination and Remuneration Committee	1/1

8.3.2 Report on performance of the Nomination and Remuneration Committee

Dear shareholders

The Nomination and Remuneration Committee has performed its duties in accordance with the roles, duties, and responsibilities of the Nomination and Remuneration Committee as specified by the Company by nominating and selecting persons with knowledge, abilities, and appropriate qualifications to perform duties in positions of directors and senior executives, as well as proposing remuneration policies, guidelines for payment of remuneration and other benefits to the Board of Directors, sub-committees, and senior executives in a fair and transparent manner, taking into account the interests of all parties as a key principle for proposing to the Board of Directors and shareholders.

The Nomination and Remuneration Committee consists of 3 members, with Mr. Bancherd Tanglertpaibul as the Chairman of the Nomination and Remuneration Committee, Miss. Jutatip Arunanondchai and Mr. Watcharaphong Darakanon as the Nomination and Remuneration Committee. Of these, there are 2 independent directors, with the Chairman of the Nomination and Remuneration Committee being an independent director, able to perform duties and express opinions independently.

In the year 2021, the Nomination and Remuneration Committee held a total of 1 meeting with every of the Nomination and Remuneration Committee attended every of the meeting, except for the member of the Nomination and Remuneration Committee who has conflict of interest in any agenda where he will not be in the meeting room and has no right to vote on that agenda. The summary of important matters of the Nomination and Remuneration Committee for the year 2021 is as follows:

1. Conduct nomination and selection of qualified persons to nominate the Board of Directors to consider and propose to the 2021 Annual General Meeting of Shareholders to consider appointing them as directors in place of those who retire by rotation.
2. Conduct nomination and selection of qualified persons to nominate the Board of Directors for consideration and appointment to replace the resigned director.
3. To consider the remuneration and remuneration model for the Board of Directors and the Sub-Committees for the year 2021 to propose to the Board of Directors for consideration and approval in the 2021 Annual General Meeting of Shareholders.
4. Supervise the orientation of new directors for them to understand their roles, duties, and responsibilities, including information about the Company's policies and business practices, as well as other information useful for performing duties.
5. There was evaluation of the performance of the Nomination and Remuneration Committee and annual evaluation report to the Board of Directors for acknowledgment of the results of the Nomination and Remuneration Committee's self-assessment for the year 2021 with an average score of 82.84%.

In this regard, in the selection and selection of persons to nominate to the Board of Directors and the 2021 Annual General Meeting of Shareholders to consider and appoint them as directors, the Nomination and Remuneration Committee will consider the qualifications of the persons in accordance with the criteria and methods of nomination of directors. That is to say, must have qualifications and not have prohibited characteristics as per the law, as well as having qualifications in accordance with the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), and in accordance with the principles of good corporate governance of listed companies in respect of the structure of the board of directors, being knowledgeable, capable, and independent persons with skills, expertise and experience in various professional fields as necessary and beneficial to the nature of the Company's business.

Remuneration and remuneration models are considered fair and reasonable and are reviewed annually by comparing them with listed companies of similar business size and/or in the industry. It also takes into account all relevant factors such as obligations, scope of responsibility, performance, and financial status of the Company and overall economic conditions.

In 2021, the Nomination and Remuneration Committee has performed all assigned tasks with prudence, transparency, impartiality, and independence for the best interests of the Company, shareholders and all stakeholders.

On behalf of the Nomination and Remuneration Committee



(Mr. Buncherd Tanglertpaibul)

Chairman of the Nomination and Remuneration
Committee

8.4 Report on performance of the Risk Management Committee in the past year

8.4.1 Number of meetings and attendance of the Risk Management Committee

No.	Name	Position	Number of times attending the meeting
1	Mr. Suthin Phadetpai	Chairman of the Board	4/4
2	Mr. Praphan Triyasuk	Vice chairman of the Board	4/4
3	Mrs. Phalada Mekvaranon	Director	4/4
4	Mrs. Achara Maneesawath	Director	4/4
5	Mr. Kittipong Pinkeaw	Director	4/4
6	Mr. Teerayut Kruehong	Director	4/4
7	Mr. Thatthep Som-ocha	Director	4/4
8	Mr. Surong Likimaharek	Director	4/4
9	Miss Suwannee Phodokmai	Director	4/4
10	Mr. Somporn Raipanpai	Director and Secretary	4/4

8.4.2 Report on performance of the Risk Management Committee

Dear shareholders,

Union Plastic Public Company Limited attaches great importance to corporate risk governance which it serves as an important tool in dealing with various risks from both internal and external factors such as global economic volatility, uncertainty situations, and new risk factors that tend to be more complex and more intense than in the past, which affect the Company's operations. Therefore, risk management is an important part to reduce the impact and enable the Company to achieve its business goals.

The Risk Management Committee has oversight of the organization's risk management in accordance with the scope of duties and responsibilities. In 2021, there were 4 meetings of the Risk Management Committee which summarized the key points in the performance of duties as follows:

1. Assigns for comprehensive risk assessment in all aspects consistent with the Company's business direction and strategy, including financial risk, customer risk, production risk, and growth and learning risk, as well as innovation and technology risks. Risks will be reviewed and assessed every quarter, including a risk management plan for each issue to control or mitigate risks affecting the Company's business operations.
2. Provide comments and recommendations, including risk management measures to ensure that the Company's risk management covers critical issues in response to the changing environment and risks can be controlled to an acceptable level, as well as monitoring the progress of risk management on a quarterly basis.
3. The performance of the Risk Management Committee is reported to the Audit Committee for acknowledgment and consideration before reporting to the Board of Directors on a quarterly basis.

In summary, the Risk Management Committee has given importance to corporate risk management in order to achieve good efficiency and effectiveness, enabling the Company to achieve its objectives and targets set, along with creating added value for shareholders and stakeholders of the Company sustainably long-term.

On behalf of the Risk Management Committee



(Mr. Suthin Phadetpai)

Chairman of the Risk Management
Committee



9. Internal control and related party transactions

9.1 Internal Control

Adequacy and appropriateness of the Company's internal control system

The Board of Directors provides internal control and risk management systems to achieve objectives effectively and comply with applicable laws and standards. The Board of Directors regularly monitors the effectiveness of internal control and risk management on a quarterly basis and assigns the Audit Committee to scrutinize it before presenting to the Board of Directors for consideration.

The Company establishes the policy on internal control and internal audit to strengthen the confidence of shareholders and all parties involved in the operations continuously, achieve objectives, and create value added to the organization as follows:

Policy on internal control and internal audit

- 1) The Company provides the good and effective internal control system to ensure that the Company's operations are efficient. There are performance reports and financial reports that are accurate and reliable, including the compliance with the requirements of applicable laws.
- 2) The Board of Directors reviews the effectiveness of the internal control system based on the main components of the internal control system, which are classified into 5 components as follows: control environment, risk assessment, control activities, information and communication in the organization, and monitoring and evaluation.
- 3) The Company assigns the section to be directly responsible for internal audits, risk assessments, and internal control performance evaluation which is under the supervision of the Audit Committee.
- 4) The Audit Committee is responsible for reviewing and ensuring the Company's appropriate and efficient internal control system, risk management system, and internal audit system.
- 5) All employees of the Company must have a positive attitude towards internal control and internal audit provide cooperation in performing audit, and apply the results to correct and improve operations properly and quickly.

In addition, in the event that the Company invests in other business in the stake proportion of 20% or higher, the Company monitors performances quarterly and appoints a representative of the Company to be a director in order to attend the meeting and consider the performance of such invested businesses.

In 2021, the Internal Audit Office conducted an audit and review for internal control system in accordance with the risk-based internal audit plan, which is approved by the Audit Committee on November 4, 2020. The Internal Audit Office is responsible for assessing the adequacy of the internal control system and monitoring the revision and amendment of detected issues. It also monitors the supervision to ensure that the Company has the internal control system for monitoring its operations to protect assets from being used unlawfully or without authority by directors or executives, including adequately supervises transactions with persons with potential conflicts of interest and connected persons. The results of the audit are reported to the Audit Committee for approval before being reported to the Board of Directors quarterly. According to the audit results for the 2021, no material deficiencies

regarding the internal control system were found. In addition, the follow-up results of progress regarding the revision of internal controls based on the issues detected are reported. It was found that the Management had fully revised its internal controls in accordance with the suggestions.

Summary of directors' opinions on internal control system and risk management

At the Board of Directors' Meeting No. 12/2564 on December 22, 2021, with the attendance of the Audit Committee, the Board of Directors evaluated the Company's internal control and risk management system by using an internal control system adequacy assessment form prepared in accordance with the framework of COSO (The Committee of Sponsoring Organizations of the Treadway Commission). Additional inquiries were conducted from the Management based on 5 components of internal control, including internal control, risk assessment, operational control, information and communication systems, and monitoring system, totaling 17 sub-principles. The Board of Directors was of the opinion that the internal control system and the risk management were adequate and appropriate. The Company had provided sufficient personnel to implement the established internal control system, which could protect the Company's assets from loss or unlawful use or using by persons without authority, including transactions with persons with potential conflicts or connected persons. It helped personnel of the Company comply with applicable laws and regulations, ensure accurate and reliable financial reporting, and protect shareholders' investments.

Opinions of the Audit Committee on internal control system

The Audit Committee had reviewed the suitability and effectiveness of the internal control system by considering it together with the internal auditor and reporting it to the Board of Directors for acknowledgement or consideration on a quarterly basis. In the previous year, the Audit Committee expressed its opinion and provided suggestions on material matters. However, the Audit Committee concluded its opinions on the internal control system as detailed in the Audit Committee's Report in accordance with Enclosure 6. In addition, according to the meeting with the external auditors, EY Office Company Limited, which is the auditor of the financial statements for the year 2021, they expressed the opinions that, for the overview of the Company's internal control system, no deficiencies were found that would have a significant impact on the auditor's opinion in the financial statements.

Head of Internal Audit and Head of Compliance Department of the Company

The Audit Committee had considered and approved the appointment of Mrs. Achara Maneesawath to be the Company's Internal Audit Manager as proposed by the Management as she possessed qualifications, knowledge, capabilities, and experiences in internal audit operations, including the understanding of the Company's business and activities. It deemed appropriate that Mrs. Achara Maneesawath was suitable for performing the duties of the Head of Internal Audit. However, to consider the appointment, transfer, or termination of employment, the person who holds the position of Head of Internal Audit of the Company shall be approved by the Audit Committee as specified in the Regulations of the Audit Committee. Qualifications of the person holding the position of Head of Internal Audit are shown in Enclosure 3.

The Company assigned Mrs. Chadaporn Jiemsakultip, the Company Secretary, to serve as the Head of Compliance Department to oversee the compliance with the rules of the government authorities supervising the Company's business operations. The qualifications of the Company's Head of Compliance Department are shown in Enclosure 1.

9.2 Related Transaction

Name of group of persons and relationship characteristics	Related Information		
	Nature of Transaction	Transaction Value (Million Baht)	Pricing Terms
1. Saha Union Public Company Limited is the first 10 major shareholders with 49.521% shareholding proportion and has joint directors.	1. Sales of products	0	Cost price plus profit margin of related companies
	2. Trade receivables and other receivables	0	It is the related outstanding balance as at the end of the year 2021.
	3. Other revenues	0	Cost price plus profit margin of related companies
	4. Service fee	0.42	Cost price plus profit margin of related companies
	5. Trade payables and other payables	0	It is the related outstanding balance as at the end of the year 2020.
2. PSV Mould Company Limited is an associate in which the Company holds 24.9999% of the shares and has 1 joint director.	1. Trade receivables and other receivables	0	It is the related outstanding balance as at the end of the year 2021.
	2. Dividend income	0.125	Based on the resolutions of the shareholders' meeting, which is the normal matter of investments with returns
	3. Trade payables and other payables	0	It is the related outstanding balance as at the end of the year 2021.
	4. Other revenues	0	Cost price plus profit margin
3. Union Nifco Company Limited is a related company in which the Company holds a 19.9976% of shares and has joint directors.	1. Sales of products	52.35	Cost price plus profit margin of related companies
	2. Dividend income	24.20	Based on the resolutions of the shareholders' meeting, which is the normal matter of investments with returns
	3. Trade receivables and other receivables	8.42	It is the related outstanding balance as at the end of the year 2021.
	4. Purchase of products	3.67	Cost price plus profit margin of related companies
	5. Trade payables and other payables	0.31	It is the related outstanding balance as at the end of the year 2021.

Name of group of persons and relationship characteristics	Related Information		
	Nature of Transaction	Transaction Value (Million Baht)	Pricing Terms
4. Union Zojirushi Company Limited has joint directors and shareholders.	1. Sales of products	0.016	Cost price plus profit margin of related companies
	2. Trade receivables and other receivables	0.20	It is the related outstanding balance as at the end of the year 2021.
	3. Other revenues	14.36	Cost price plus profit margin of related companies
	4. Trade payables and other payables	0	It is the related outstanding balance as at the end of the year 2021.
	5. Purchase of products	0.54	Cost price plus profit margin of related companies
5. Union Stainless Steel Products Company Limited has joint directors and shareholders.	1. Sales of products	1.15	Cost price plus profit margin of related companies
	2. Trade receivables and other receivables	0.49	It is the related outstanding balance as at the end of the year 2021.
	3. Other revenues	1.08	Cost price plus profit margin of related companies
	4. Trade payables and other payables	0.09	It is the related outstanding balance as at the end of the year 2021.
	5 Service fee	0.71	Cost price plus profit margin of related companies
6. Union Pioneer (Public) Company Limited has joint directors and shareholders.	1. Sales of products	0.85	Cost price plus profit margin of related companies
	2. Trade receivables and other receivables	0.13	It is the related outstanding balance as at the end of the year 2021.
	3. Other revenues	0.56	Cost price plus profit margin of related companies
	4. Trade payables and other payables	0.04	It is the related outstanding balance as at the end of the year 2021.
	5. Service fee	0.69	Cost price plus profit margin of related companies

Name of group of persons and relationship characteristics	Related Information		
	Nature of Transaction	Transaction Value (Million Baht)	Pricing Terms
7. Union Thai-Nichiban Company Limited has joint directors and shareholders.	1. Sales of products	0	Cost price plus profit margin of related companies
	2. Trade receivables and other receivables	0.01	It is the related outstanding balance as at the end of the year 2021.
	3. Other revenues	1.62	Cost price plus profit margin of related companies
	4. Trade payables and other payables	0.03	It is the related outstanding balance as at the end of the year 2021.
	5. Purchase of products	0.51	Cost price plus profit margin of related companies
8. Venus Shoes Company Limited has joint directors and shareholders.	1. Service fee	0	Cost price plus profit margin of related companies
	2. Trade payables and other payables	0.27	It is the related outstanding balance as at the end of the year 2021.
	3. Purchase of products	2.99	Cost price plus profit margin of related companies
9. Union Spinning Mill Company Limited has joint directors and shareholders.	1. Sales of products	3.09	Cost price plus profit margin of related companies
	2. Trade receivables and other receivables	0.61	It is the related outstanding balance as at the end of the year 2021.
	3. Service fee	0	Cost price plus profit margin of related companies
	4. Trade payables and other payables	0	It is the related outstanding balance as at the end of the year 2021.
10. Union Textile Industries (Public) Company Limited has joint directors and shareholders.	1. Purchase of products	0.13	Cost price plus profit margin of related companies



SECTION

3

Financial
Statements



Independent Auditor's report

To the Shareholders of Union Plastic Public Company Limited

Opinion

I have audited the accompanying financial statements in which the equity method is applied of Union Plastic Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2021, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Union Plastic Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Union Plastic Public Company Limited as at 31 December 2021, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matter

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

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

Key audit matter and how audit procedures respond for the matter is described below.

Revenue recognition

The Company's main business is the production of plastic parts for industry and the majority of revenue comes from the automotive industry. Revenue is a key measure of the Company's operating performance because any increase or decrease in revenue affects the profitability of the Company. As a result of the high competition in the industry, there are risks with respect to the amount and timing of revenue recognition from production of plastic parts.

I have examined the revenue recognition of the Company by:

- Assessing and testing the Company's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks.
- Performing analytical procedures on the relation of revenue, trade receivables and cash receipt. In addition, applying a sampling method to select transactions to examine supporting documents for sales and cash receipt.
- On a sampling basis, examining supporting documents for actual sales transactions occurring near the end of the accounting period.
- Reviewing credit notes that the Company issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions near the end of the accounting period.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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



Vilailak Laohasrisakul

Certified Public Accountant (Thailand) No. 6140

EY Office Limited

Bangkok: 23 February 2022



Statement of financial position

Union Plastic Public Company Limited

As at 31 December 2021

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	52,294,382	79,240,856	52,294,382	79,240,856
Trade and other receivables	6, 8	75,005,273	68,884,678	75,005,273	68,884,678
Inventories	9	48,663,776	37,298,470	48,663,776	37,298,470
Advance payment for goods		11,221,120	388,631	11,221,120	388,631
Other current financial assets	10	100,000,000	120,000,000	100,000,000	120,000,000
Other current assets		1,182,158	1,094,226	1,182,158	1,094,226
Total current assets		288,366,709	306,906,861	288,366,709	306,906,861
Non-current assets					
Restricted financial assets	11	13,053,188	13,106,442	13,053,188	13,106,442
Other non-current financial assets	12	97,096,268	72,064,022	97,096,268	72,064,022
Investment in associate	13	8,710,043	10,698,771	2,499,990	2,499,990
Investment properties	14	8,038,631	7,734,562	8,038,631	7,734,562
Property, plant and equipment	15	152,009,160	166,517,349	152,009,160	166,517,349
Intangible assets	16	1,397,508	755,339	1,397,508	755,339
Withholding income tax	17	48,649,679	51,918,341	48,649,679	51,918,341
Total non-current assets		328,954,477	322,794,826	322,744,424	314,596,045
Total assets		617,321,186	629,701,687	611,111,133	621,502,906

The accompanying notes are an integral part of the financial statements.



Statement of financial position (continued)

Union Plastic Public Company Limited

As at 31 December 2021

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 18	65,646,628	102,854,883	65,646,628	102,854,883
Current portion of lease liabilities	19	330,419	1,188,476	330,419	1,188,476
Other current liabilities		1,056,000	534,000	1,056,000	534,000
Total current liabilities		67,033,047	104,577,359	67,033,047	104,577,359
Non-current liabilities					
Lease liabilities, net of current portion	19	1,068,754	1,399,173	1,068,754	1,399,173
Provision for long-term employee benefits	20	33,480,654	30,510,267	33,480,654	30,510,267
Deferred tax liabilities	23	19,419,254	14,412,804	19,419,254	14,412,804
Total non-current liabilities		53,968,662	46,322,244	53,968,662	46,322,244
Total liabilities		121,001,709	150,899,603	121,001,709	150,899,603
Shareholders' equity					
Share capital					
Registered					
25,000,000 ordinary shares of Baht 10 each		250,000,000	250,000,000	250,000,000	250,000,000
Issued and fully paid-up					
25,000,000 ordinary shares of Baht 10 each		250,000,000	250,000,000	250,000,000	250,000,000
Share premium		167,200,000	167,200,000	167,200,000	167,200,000
Retained earnings					
Appropriated - statutory reserve	21	62,500,000	62,500,000	62,500,000	62,500,000
Unappropriated		(41,055,337)	(38,546,933)	(47,265,390)	(46,745,714)
Other components of shareholders' equity		57,674,814	37,649,017	57,674,814	37,649,017
Total shareholders' equity		496,319,477	478,802,084	490,109,424	470,603,303
Total liabilities and shareholders' equity		617,321,186	629,701,687	611,111,133	621,502,906

The accompanying notes are an integral part of the financial statements.



Statement of comprehensive income

Union Plastic Public Company Limited

For the year ended 31 December 2021

(Unit: Baht)

	Note	Financial statements in which			
		the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Revenues					
Revenue	25	541,464,343	487,436,220	541,464,343	487,436,220
Dividend income	12, 13	24,197,096	36,295,644	24,322,096	36,508,143
Other income		24,945,622	21,890,935	24,945,622	21,890,935
Total revenues		590,607,061	545,622,799	590,732,061	545,835,298
Expenses					
Cost of sales		528,743,341	512,927,183	528,743,341	512,927,183
Selling and distribution expenses		21,788,478	24,927,078	21,788,478	24,927,078
Administrative expenses		39,407,636	35,804,715	39,407,636	35,804,715
Total expenses		589,939,455	573,658,976	589,939,455	573,658,976
Operating profit (loss)		667,606	(28,036,177)	792,606	(27,823,678)
Share of profit (loss) from an associate	13	(1,863,728)	156,645	-	-
Finance income		1,025,451	1,839,639	1,025,451	1,839,639
Finance cost		(108,578)	(11,742)	(108,578)	(11,742)
Profit (loss) for the year		(279,249)	(26,051,635)	1,709,479	(25,995,781)
Other comprehensive income					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss)	20	(2,229,155)	2,456,921	(2,229,155)	2,456,921
Gain (loss) on change in value of investments in equity designated at fair value through other comprehensive income - net of income tax	12, 23	20,025,797	(25,011,512)	20,025,797	(25,011,512)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		17,796,642	(22,554,591)	17,796,642	(22,554,591)
Other comprehensive income for the year		17,796,642	(22,554,591)	17,796,642	(22,554,591)
Total comprehensive income for the year		17,517,393	(48,606,226)	19,506,121	(48,550,372)
Earnings (loss) per share					
Basic earnings (loss) per share	24				
Profit (loss) attributable to equity holders of the Company		(0.01)	(1.04)	0.07	(1.04)

The accompanying notes are an integral part of the financial statements.



Statement of changes in shareholders' equity

Union Plastic Public Company Limited

For the year ended 31 December 2021

	Financial statements in which the equity method is applied						(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of equity		
			Appropriated - statutory reserve	Unappropriated	Other comprehensive Income	Gain (loss) on investments in equity instruments	
Balance as at 1 January 2020	250,000,000	167,200,000	62,500,000	(14,952,219)	62,660,529	527,408,310	
Loss for the year	-	-	-	(26,051,635)	-	(26,051,635)	
Other comprehensive income for the year	-	-	-	2,456,921	(25,011,512)	(22,554,591)	
Total comprehensive income for the year	-	-	-	(23,594,714)	(25,011,512)	(48,606,226)	
Balance as at 31 December 2020	250,000,000	167,200,000	62,500,000	(38,546,933)	37,649,017	478,802,084	
Balance as at 1 January 2021	250,000,000	167,200,000	62,500,000	(38,546,933)	37,649,017	478,802,084	
Loss for the year	-	-	-	(279,249)	-	(279,249)	
Other comprehensive income for the year	-	-	-	(2,229,155)	20,025,797	17,796,642	
Total comprehensive income for the year	-	-	-	(2,508,404)	20,025,797	17,517,393	
Balance as at 31 December 2021	250,000,000	167,200,000	62,500,000	(41,055,337)	57,674,814	496,319,477	

The accompanying notes are an integral part of the financial statements.



Statement of changes in shareholders' equity (continued)

Union Plastic Public Company Limited

For the year ended 31 December 2021

	Separate financial statements						(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of equity		
			Appropriated - statutory reserve	Unappropriated	Other comprehensive income	Gain (loss) on investments in equity instruments	
Balance as at 1 January 2020	250,000,000	167,200,000	62,500,000	(23,206,854)	62,660,529		519,153,675
Loss for the year	-	-	-	(25,995,781)	-		(25,995,781)
Other comprehensive income for the year	-	-	-	2,456,921	(25,011,512)		(22,554,591)
Total comprehensive income for the year	-	-	-	(23,538,860)			(48,550,372)
Balance as at 31 December 2020	250,000,000	167,200,000	62,500,000	(46,745,714)	37,649,017		470,603,303
Balance as at 1 January 2021	250,000,000	167,200,000	62,500,000	(46,745,714)	37,649,017		470,603,303
Profit for the year	-	-	-	1,709,479	-		1,709,479
Other comprehensive income for the year	-	-	-	(2,229,155)	20,025,797		17,796,642
Total comprehensive income for the year	-	-	-	(519,676)	20,025,797		19,506,121
Balance as at 31 December 2021	250,000,000	167,200,000	62,500,000	(47,265,390)	57,674,814		490,109,424
				-	-		-

The accompanying notes are an integral part of the financial statements.



Cash flow statement

Union Plastic Public Company Limited

For the year ended 31 December 2021

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) before tax	(279,249)	(26,051,635)	1,709,479	(25,995,781)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	39,498,722	33,833,633	39,498,722	33,833,633
Reduction cost of inventories to net realisable value (reversal)	1,704,136	(1,360,485)	1,704,136	(1,360,485)
Gain on sales/write-off of equipment	(1,573,024)	(975,774)	(1,573,024)	(975,774)
Share of loss (profit) from an associate	1,863,728	-156,645	-	-
Dividend income	(24,197,096)	(36,295,644)	(24,322,096)	(36,508,143)
Employee benefits expenses	1,492,637	30,282,045	1,492,637	30,282,045
Unrealised loss on exchange	13,458	143,105	13,458	143,105
Finance income	(1,025,451)	(1,839,639)	(1,025,451)	(1,839,639)
Finance cost	108,578	11,742	108,578	11,742
Profit (loss) from operating activities before change in operating assets and liabilities	17,606,439	(2,409,297)	17,606,439	(2,409,297)
Operating assets (increase) decrease				
Trade and other receivables	(6,252,323)	8,557,605	(6,252,323)	8,557,605
Inventories	(13,069,442)	21,116,920	(13,069,442)	21,116,920
Other current assets	(10,920,421)	4,209,774	(10,920,421)	4,209,774
Operating liabilities increase (decrease)				
Trade and other payables	(36,247,605)	(8,653,073)	(36,247,605)	(8,653,073)
Other current liabilities	522,000	(53,000)	522,000	(53,000)
Cash flows from (used in) operating activities	(48,361,352)	22,768,929	(48,361,352)	22,768,929
Interest paid	(108,578)	(11,742)	(108,578)	(11,742)
Cash paid for income tax	(16,083,321)	(12,201,653)	(16,083,321)	(12,201,653)
Cash receipt from withholding income tax	19,351,983	-	19,351,983	-
Employee benefits paid	(751,404)	(48,338,170)	(751,404)	(48,338,170)
Net cash flows used in operating activities	(45,952,672)	(37,782,636)	(45,952,672)	(37,782,636)

The accompanying notes are an integral part of the financial statements.



Cash flow statement (continued)

Union Plastic Public Company Limited

For the year ended 31 December 2021

(Unit: Baht)

	Financial statements in which			
	the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Interest received	1,143,721	2,041,354	1,143,721	2,041,354
Acquisition of plant and equipment	(23,931,313)	(35,364,822)	(23,931,313)	(35,364,822)
Repayment of equipment payable	(2,174,940)	(2,607,525)	(2,174,940)	(2,607,525)
Proceeds from sales of equipment	1,971,806	996,729	1,971,806	996,729
Acquisition of intangible assets	(1,189,950)	(648,395)	(1,189,950)	(648,395)
Decrease (increase) in other current financial assets	20,000,000	(20,000,000)	20,000,000	(20,000,000)
Dividend received	24,322,096	36,508,143	24,322,096	36,508,143
Decrease in restricted financial assets	53,254	9,650	53,254	9,650
Net cash flows from (used in) investing activities	20,194,674	(19,064,866)	20,194,674	(19,064,866)
Cash flows from financing activities				
Payment of principal portion of lease liabilities	(1,188,476)	(96,258)	(1,188,476)	(96,258)
Net cash flows used in financing activities	(1,188,476)	(96,258)	(1,188,476)	(96,258)
Net decrease in cash and cash equivalents	(26,946,474)	(56,943,760)	(26,946,474)	(56,943,760)
Cash and cash equivalents at beginning of year	79,240,856	136,184,616	79,240,856	136,184,616
Cash and cash equivalents at end of year	52,294,382	79,240,856	52,294,382	79,240,856
	-	-	-	-
Supplemental cash flows information				
Non-cash transaction				
Increase in accounts payable from equipment	1,214,290	2,425,261	1,214,290	2,425,261
Transfer of property, plant and equipment to investment properties	403,980	4,046,785	403,980	4,046,785
Additions to right-of-use assets and lease liabilities	-	2,683,907	-	2,683,907

The accompanying notes are an integral part of the financial statements.



Notes to financial statements

Union Plastic Public Company Limited

For the year ended 31 December 2021

1. General information

1.1 Corporate information

Union Plastic Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Saha-Union Public Company Limited, a company listed on the Stock Exchange of Thailand. The Company is principally engaged in the manufacture and distribution of thermoplastics. The Company is also engaged in the contract manufacture and repair of molds. The registered office of the Company is at 11/1 Soi Serithai 62, Minburi Sub-district, Minburi District, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic impacts the automotive industry, result in a decrease in the Company’s orders from customers, which impacts the Company’s financial position, operating results, and cash flows at present, and it is expected to do so in the future. However, the Company’s management has continuously monitored the ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to reasonable estimation.

2. Basis of preparation

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

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

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

2.2 The separate financial statements present investment in associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Interest income

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

Finance cost

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

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

4.3 Inventories

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

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

4.4 Investment in associate

Investment in associate is accounted for in the financial statements in which the equity method is applied using the equity method.

Investment in associate is accounted for in the separate financial statements using the cost method.

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income. No depreciation is provided on land for rent.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Property, plant and equipment/Depreciation

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

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

Buildings and building improvement	-	5, 10 and 20 years
Machinery and equipment	-	5 and 10 years
Furniture, fixtures and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation of molds is calculated by unit of production which has 2 - 5 years estimated useful lives.

Depreciation is included in determining income.

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

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

4.7 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The intangible asset is computer software with finite useful lives of 3 years.

4.8 Leases

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

The Company as a lessee

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

Right-of-use assets

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

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

Motor vehicles	5	years
Equipment	13	months

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

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

The Company as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.9 Related party transactions

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

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

4.10 Foreign currencies

The financial statements in which the equity method is applied and the separate financial statements are presented in Baht, which is also the Company's functional currency.

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

Gains and losses on exchange are included in determining income.

4.11 Impairment of non-financial assets

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

An impairment loss is recognised in profit or loss.

4.12 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

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

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

4.13 Provisions

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

4.14 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.15 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

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

Recognition and derecognition of financial instruments

Regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e., the date on which the Company becomes a party to contractual provisions of the instrument.

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

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

Impairment of financial assets

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

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

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

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ELCs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

4.16 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

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

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Post-employment benefits under defined benefit plans

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

6. Related party transactions

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

(Unit: Million Baht)

	Financial statements				Transfer Pricing Policy
	in which the equity method is applied		Separate financial statements		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with related companies</u>					
(related by common shareholders)					
Sales of goods and services	57	59	57	59	Cost plus margin
Other income	2	3	2	3	Cost plus margin
Rental income	16	10	16	10	Contract price
Dividend income	24	36	24	36	As declared
Purchases of goods and raw materials	9	10	9	10	Cost plus margin of related companies
Paid benefits of transferred employees	-	3	-	3	As declared

As at 31 December 2021 and 2020, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Trade and other receivables - related parties (Note 8)		
Related companies (related by common shareholders)	9,864	9,125
Total trade and other receivables - related parties	<u>9,864</u>	<u>9,125</u>
Trade and other payables - related parties (Note 18)		
Related companies (related by common shareholders)	736	2,044
Total trade and other payables - related parties	<u>736</u>	<u>2,044</u>

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Company had employee benefit expenses to its directors and management as below:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Short-term employee benefits	9,740	10,299
Post-employment benefits	195	733
Total	9,935	11,032

7. Cash and cash equivalents

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Cash	50	50
Bank deposits	52,244	79,191
Total	52,294	79,241

As at 31 December 2021 and 2020, bank deposits in saving accounts carried interests at a rate of 0.125 percent per annum.

8. Trade and other receivables

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	9,631	9,025
Total trade receivables - related parties	9,631	9,025

(Unit: Thousand Baht)

Financial statements in which
the equity method is applied/
Separate financial statements

	<u>2021</u>	<u>2020</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	65,092	59,585
Total trade receivables - unrelated parties	65,092	59,585
Total trade receivables	74,723	68,610
<u>Other receivables</u>		
Amounts due from related parties	233	100
Others	49	175
Total other receivables	282	275
Total trade and other receivables	75,005	68,885

9. Inventories

(Unit: Thousand Baht)

Financial statements in which the equity method is applied/
Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	Finished goods	15,338	7,285	(2,994)	(1,087)	12,344
Work in process	5,053	4,482	(1,016)	(314)	4,037	4,168
Raw materials	19,431	16,329	(620)	(324)	18,811	16,005
Spare parts and factory supplies	14,003	12,659	(531)	(1,732)	13,472	10,927
Total	53,825	40,755	(5,161)	(3,457)	48,664	37,298

During the current year, the Company reduced cost of inventories by Baht 8.1 million (2020: Baht 1.7 million) to reflect the net realisable value. This was included in cost of sales. In addition, the Company reversed the write-down of cost of inventories by Baht 6.4 million (2020: Baht 3.1 million) and reduced the amount of inventories recognised as expenses during the year.

10. Other current financial assets

As at 31 December 2021 and 2020, other current financial assets are summarised below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
<u>Debt instruments designated at amortised cost</u>		
Fixed deposits - 6 months	-	50,000
Fixed deposits - 7 months	-	70,000
Fixed deposits - 9 months	100,000	-
Total other current financial assets	<u>100,000</u>	<u>120,000</u>

11. Restricted financial assets

The balance represents investments in government bonds, debt instruments designated at amortised cost, which are pledged as collateral to secure electricity use.

12. Other non-current financial assets

(Unit: Thousand Baht)

Company's name	Shareholding percentage (%)	Cost	Financial statements in which the equity method is applied/Separate financial statements		
			Carrying amount as at 1 January 2021	Gain on measurement of investment in equity instrument	Carrying amount as at 31 December 2021
Union Nifco Co., Ltd.	19.99	20,002	72,064	25,032	97,096
Total		<u>20,002</u>	<u>72,064</u>	<u>25,032</u>	<u>97,096</u>

(Unit: Thousand Baht)

Company's name	Shareholding percentage (%)	Cost	Financial statements in which the equity method is applied/Separate financial statements		
			Carrying amount as at 1 January 2020	Loss on measurement of investment in equity instrument	Carrying amount as at 31 December 2020
Union Nifco Co., Ltd.	19.99	20,002	103,328	(31,264)	72,064
Total		<u>20,002</u>	<u>103,328</u>	<u>(31,264)</u>	<u>72,064</u>

The non-listed equity investment has designated at FVOCI since the Company considered this investment to be strategic in nature.

In addition, in 2021, the Company received dividend from those investment, which still existed at the reporting date, in the amounting of Baht 24 million (2020: Baht 36 million).

13. Investment in associate

13.1 Details of associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Financial statements in which the equity method is applied		Separate financial statements	
			2021 (%)	2020 (%)	Carrying amounts based on equity method		Carrying amounts based on cost method	
			<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
P.S.V. Mould Co., Ltd.	Manufacture and sales of molds	Thailand	25	25	8,710	10,699	2,500	2,500
Total					<u>8,710</u>	<u>10,699</u>	<u>2,500</u>	<u>2,500</u>

13.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit (loss) from an associate company in the financial statements in which the equity method is applied and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Associate	Financial statements in which the equity method is applied		Separate financial statements	
	Share of profit (loss) from an associate during the year		Dividend received during the year	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
P.S.V. Mould Co., Ltd.	(1,864)	157	125	212
Total	<u>(1,864)</u>	<u>157</u>	<u>125</u>	<u>212</u>

13.3 Summarised financial information about material associate

Summarised information about financial position as at 31 December

(Unit: Million Baht)

	P.S.V. Mould Co., Ltd.	
	<u>2021</u>	<u>2020</u>
Current assets	20.8	22.1
Non-current assets	26.9	34.3
Current liabilities	(13.3)	(5.3)
Non-current liabilities	-	(8.7)
Net assets	34.4	42.4
Shareholding percentage (%)	25%	25%
Carrying amounts of an associate based on equity method	<u>8.6</u>	<u>10.6</u>

Summarised information about comprehensive income for the years ended 31 December

(Unit: Million Baht)

	P.S.V. Mould Co., Ltd.	
	<u>2021</u>	<u>2020</u>
Revenue	20.7	38.2
Profit (loss)	(7.5)	0.6
Other comprehensive income	-	-
Total comprehensive income	(7.5)	0.6

14. Investment properties

The net book value of investment properties as at 31 December 2021 and 2020 is presented below:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements		
	Buildings and		
	Land for rent	structures for rent	Total
As at 31 December 2021			
Cost	7,081	8,664	15,745
<u>Less</u> Accumulated depreciation	-	(7,706)	(7,706)
Net book value	<u>7,081</u>	<u>958</u>	<u>8,039</u>
As at 31 December 2020			
Cost	6,677	5,338	12,015
<u>Less</u> Accumulated depreciation	-	(4,280)	(4,280)
Net book value	<u>6,677</u>	<u>1,058</u>	<u>7,735</u>

A reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below:

(Unit: Thousand Baht)

Financial statements in which the equity method
is applied/Separate financial statements

	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	7,735	3,738
Transfers (Note 15)	404	4,047
Depreciation for the year	(100)	(50)
Net book value at end of year	<u>8,039</u>	<u>7,735</u>

The additional information of the investment properties as at 31 December 2021 and 2020 stated below:

(Unit: Thousand Baht)

Financial statements in which the equity method
is applied/Separate financial statements

	<u>2021</u>	<u>2020</u>
The fair value of land for rent	94,291	88,700
The fair value of land and buildings for rent	34,002	27,760

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land for rent has been determined based on market prices with reference to trading information of nearby land, when coincided with the appraisal. While that of the land and buildings for rent have been determined using the income approach. Key assumptions used in the valuation include yield rate, vacancy rate and operating expenses rate.

15. Property, plant and equipment

(Unit: Thousand Baht)

Financial statements in which the equity method
is applied/Separate financial statements

	<u>2021</u>	<u>2020</u>
Net book value:		
Property, plant and equipment	150,648	163,937
Right-of-use assets (Note 19.1)	1,361	2,580
Total	<u>152,009</u>	<u>166,517</u>

Movements of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/Separate financial statements						Total
	Land	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	
Cost							
As at 1 January 2020	76,474	234,731	886,138	14,632	5,137	-	1,217,112
Additions	-	2,780	33,308	1,702	-	-	37,790
Disposals/write-off	-	(800)	(9,178)	(452)	(3,298)	-	(13,728)
Transfers to investment properties	(2,939)	(5,338)	-	-	-	-	(8,277)
As at 31 December 2020	73,535	231,373	910,268	15,882	1,839	-	1,232,897
Additions	-	1,444	21,918	993	-	791	25,146
Disposals/write-off	-	(395)	(32,674)	(317)	(601)	-	(33,987)
Transfers to investment properties	(404)	(3,325)	-	-	-	-	(3,729)
As at 31 December 2021	73,131	229,097	899,512	16,558	1,238	791	1,220,327
Accumulated depreciation							
As at 1 January 2020	-	198,193	837,638	13,082	4,686	-	1,053,599
Depreciation for the year	-	7,292	24,811	905	200	-	33,208
Depreciation on disposals/write-off	-	(800)	(9,171)	(451)	(3,285)	-	(13,707)
Depreciation of transfers to investment properties	-	(4,230)	-	-	-	-	(4,230)
As at 31 December 2020	-	200,455	853,278	13,536	1,601	-	1,068,870
Depreciation for the year	-	7,635	28,708	1,097	192	-	37,632
Depreciation on disposals/write-off	-	-	(32,673)	(314)	(601)	-	(33,588)
Depreciation of transfers to investment properties	-	(3,325)	-	-	-	-	(3,325)
As at 31 December 2021	-	204,765	849,313	14,319	1,192	-	1,069,589
Allowance for impairment loss							
As at 1 January 2020	-	-	90	-	-	-	90
As at 31 December 2020	-	-	90	-	-	-	90
As at 31 December 2021	-	-	90	-	-	-	90
Net book value							
31 December 2020	73,535	30,918	56,900	2,346	238	-	163,937
31 December 2021	73,131	24,332	50,109	2,239	46	791	150,648
Depreciation for the year							
2020 (Baht 32 million included in manufacturing cost, and the balance in administrative expenses)							33,208
2021 (Baht 36 million included in manufacturing cost, and the balance in administrative expenses)							37,632

As at 31 December 2021, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 879 million (2020: Baht 901 million).

16. Intangible assets

The net book value of intangible assets which is computer software as at 31 December 2021 and 2020 is presented below:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Cost	16,192	15,002
<u>Less</u> Accumulated amortisation	(14,794)	(14,247)
Net book value	<u>1,398</u>	<u>755</u>

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	755	579
Acquisitions	1,190	648
Amortisation for the year (included in administrative expenses)	(547)	(472)
Net book value at end of year	<u>1,398</u>	<u>755</u>

17. Withholding income tax

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Year 2018	-	19,352
Year 2019	20,365	20,365
Year 2020	12,201	12,201
Year 2021	16,084	-
Total	<u>48,650</u>	<u>51,918</u>

The Company has requested for a refund of those withholding income tax from the Revenue Department. However, its net realisable value is subject to the result of a tax audit by the Revenue officials. The management believes that the Company will receive the refund of the full amount in future.

18. Trade and other payables

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Trade payables - related parties	344	1,358
Trade payables - unrelated parties	38,530	78,551
Other payables - related parties	392	686
Other payables - unrelated parties	1,357	2,425
Accrued expenses	22,712	17,851
Others	2,312	1,984
Total trade and other payables	<u>65,647</u>	<u>102,855</u>

19. Leases

19.1 The Company as a lessee

The Company has lease contracts for assets used in its operations. Leases generally have lease terms between 1 - 5 years. The contracts prohibit the underlying asset being subleased or used for other commercial purposes.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied/Separate financial statements		
	<u>Motor vehicles</u>	<u>Equipment</u>	<u>Total</u>
As at 1 January 2020	-	-	-
Additions	1,738	946	2,684
Depreciation for the year	(30)	(74)	(104)
As at 31 December 2020	1,708	872	2,580
Depreciation for the year	(347)	(872)	(1,219)
As at 31 December 2021	<u>1,361</u>	<u>-</u>	<u>1,361</u>

b) Lease liabilities

The net book value of lease liabilities as at 31 December 2021 and 2020 is presented below:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Lease payments	1,551	2,847
<u>Less</u> Deferred interest expenses	(152)	(260)
Total	1,399	2,587
<u>Less</u> Portion due within one year	(330)	(1,188)
Lease liabilities - net of current portion	<u>1,069</u>	<u>1,399</u>

A maturity analysis of lease payments is disclosed in Note 30.1 under the liquidity risk.

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

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	1,219	104
Interest expense on lease liabilities	108	12
Expense relating to short-term leases	309	880
Expense relating to leases of low-value assets	188	197

d) Others

The Company had total cash outflows for leases for the year ended 31 December 2021 of Baht 1.8 million (2020: Baht 1.2 million), including the cash outflow related to short-term lease and leases of low-value assets.

19.2 Company as a lessor

The Company has entered into operating leases with related parties for its investment property portfolio consisting of land, buildings and structures (disclosed in Note 14) of the lease terms are between 1 - 30 years.

The Company has future minimum rentals receivable under operating leases as at 31 December 2021 and 2020 as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Within 1 year	6,847	8,473
Over 1 and up to 5 years	-	1,855
Total	<u>6,847</u>	<u>10,328</u>

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Present value of defined benefit obligation	53,088	48,855
Fair value of plan assets	(19,607)	(18,345)
Net defined benefit liability	<u>33,481</u>	<u>30,510</u>

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

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Defined benefit obligation at beginning of year	48,855	85,992
Included in profit or loss:		
Current service cost	2,579	3,248
Interest cost	624	1,254
Past service cost from curtailment and loss on settlement	-	(26,349)
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	1,611	-
Financial assumptions changes	(3,255)	4,796
Experience adjustments	3,873	(7,253)
Transferred employees to related companies	273	-
Benefits paid during the year	(1,472)	(12,833)
Defined benefit obligation at end of year	<u>53,088</u>	<u>48,855</u>
Fair value of plan assets at beginning of year	18,345	34,969
Included in profit or loss:		
Change in fair value	506	(3,292)
Transferred employees to related companies	219	-
Contribution by the Company	1,204	1,409
Paid and settlement during the year	(667)	(14,741)
Fair value of plan assets at end of year	<u>19,607</u>	<u>18,345</u>

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

As at 31 December 2021, the Company expects to pay Baht 8.9 million of long-term employee benefits during the next year (2020: Baht 4.6 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 11 years (2020: 10 years).

Significant actuarial assumptions are summarised below:

	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
	(% per annum)	(% per annum)
Discount rate	2.2	1.5
Salary increase rate (depending on age)	3.5 - 4.0	3.5 - 4.0
Turnover rate (depending on age)	0.0 - 40.0	0.0 - 40.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: Million Baht)

	Financial statements in which the equity method is applied/ Separate financial statements				
	Percentage	2021		2020	
		Increase	Decrease	Increase	Decrease
Discount rate	1%	(3.9)	4.4	(3.9)	4.3
Salary increase rate	1%	4.3	(3.9)	4.2	(3.8)
Turnover rate	20%	(1.2)	1.3	(2.0)	2.2

21. Statutory reserve

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

However, the Company's regulations require the Company to set aside to a statutory reserve at least 10 percent of its net income after deducting accumulated deficit brought forward (if any) until such reserve reaches 25 percent of its registered share capital.

As at 31 December 2021 and 2020, the statutory reserve was Baht 62.5 million (equivalent to 25 percent of its registered share capital) had reached the minimum amounts as stipulated in the Company's regulations.

22. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Salaries and wages and other employee benefits	150,193	181,430
Depreciation and amortisation expenses	39,499	33,834
Repair and maintenance expenses	13,975	12,101
Transportation expenses	19,572	16,361
Raw materials and consumables used	321,522	252,347
Changes in inventories of finished goods and work in process	(8,624)	28,697

23. Income tax

The Company has not liable to corporate income tax for the year 2021 and 2020 due to tax loss.

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Deferred tax on loss (gain) from the change in value of financial assets measured at FVOCI	(5,006)	6,253

The reconciliation between accounting profit and income tax expenses is shown below:

	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Accounting profit (loss) before tax	(279)	(26,052)	1,709	(25,996)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(56)	(5,210)	342	(5,199)
Tax losses for the year that have not been recognised as deferred tax assets	3,454	14,888	3,454	14,888
Effects of:				
Non-deductible expenses	1,670	1,801	1,670	1,801
Tax-exempt dividend income	(4,839)	(7,259)	(4,864)	(7,301)
Share of loss (profit) from an associate	373	(31)	-	-
Additional expense deductions allowed	(706)	(4,178)	(706)	(4,178)
Others	104	(11)	104	(11)
Total	(3,398)	(9,678)	(3,396)	(9,689)
Income tax expenses reported in profit or loss	-	-	-	-

The component of deferred tax liability as at 31 December 2021 and 2020 is as follow:

	(Unit: Thousand Baht)	
	Statements of financial position	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Deferred tax liability		
Unrealised fair value gain on investments	19,419	14,413

As at 31 December 2021, the Company has deductible temporary differences and unused tax losses totaling Baht 201 million (2020: Baht 195 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

As at 31 December 2021, the unused tax losses will expire by 2026 (2020: by 2025).

24. Earnings per share

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

25. Segment information

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

The Company is principally engaged in the manufacture of thermoplastics. It also engages in the contract manufacture and repair of molds. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profit or loss as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

The following tables present revenue and profit (loss) information regarding the Company's operating segments for the years ended 31 December 2021 and 2020.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied							
	Manufacture and distribution of thermoplastics		Contract manufacture and repair of molds		Adjustments and eliminations		Financial statements in which the equity method is applied	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	536,317	444,114	5,147	43,322	-	-	541,464	487,436
Inter-segment revenue	-	-	-	26,421	-	(26,421)	-	-
Total revenues	536,317	444,114	5,147	69,743	-	26,421	541,464	487,436
Segment operating profit (loss)	15,619	(30,125)	(2,898)	10,865	-	(6,231)	12,721	(25,491)
Unallocated income and expenses:								
Dividend income							24,197	36,296
Other income							24,946	21,890
Selling and distribution expenses							(21,788)	(24,927)
Administrative expenses							(39,407)	(35,805)
Share of profit from an associate							(1,864)	157
Finance income							1,025	1,840
Finance cost							(109)	(12)
Loss for the year							(279)	(26,052)

Major customers

For the year 2021, the Company has revenue from three major customers in amount of Baht 120 million, Baht 80 million and Baht 64 million (2020: revenue from three major customers in amount of Baht 139 million, Baht 90 million and Baht 67 million).

26. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the employees and the Company contribute to the fund monthly at a rate of 3 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 2 million (2020: Baht 3 million) were recognised as expenses.

27. Credit facilities

The Company's credit facilities (bank overdraft and short-term loan) are unsecured; however, the Company undertook not to dispose of or transfer or create any obligations to its assets as stipulated in loan agreements, unless prior written consent has been obtained from the banks.

As at 31 December 2021, the credit facilities of the Company which have not yet been drawn down amounted to Baht 20 million (2020: Baht 50 million).

28. Commitments

28.1 Capital commitments

As at 31 December 2021, the Company had capital commitments of Baht 36 million (2020: Baht 2 million) relating to the purchases of machinery and equipment.

28.2 Service commitments

The Company has entered into equipment maintenance services and other service agreements. As at 31 December 2021, future minimum lease payments required under those service agreements were amounting to Baht 2.7 million (2020: Baht 0.9 million).

29. Fair value hierarchy

As at 31 December 2021 and 2020, the Company had the assets that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)				
Financial Statements in which the equity method is applied/Separate financial statements				
2021				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Non-listed equity investments	-	-	97.1	97.1
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Restricted investments in debt instruments	-	13.1	-	13.1
Investment properties	-	-	128.3	128.3

(Unit: Million Baht)				
Financial Statements in which the equity method is applied/Separate financial statements				
2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Non-listed equity investments	-	-	72.1	72.1
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Restricted investments in debt instruments	-	13.3	-	13.3
Investment properties	-	-	116.5	116.5

During the years, the Company has not changed the method and assumptions, used in estimating the fair value of financial instrument. There was no transfer within the fair value hierarchy.

A Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy is presented below:

	(Unit: Thousand Baht)
	Financial statements in which the equity method is applied/ Separate financial statements
	<u>Non-listed equity investment</u>
Balance as of 1 January 2020	103,328
Net loss recognised into other comprehensive income	(31,264)
Balance as of 31 December 2020	72,064
Net gain recognised into other comprehensive income	25,032
Balance as of 31 December 2021	<u>97,096</u>

Key assumptions used in the valuation are summarised below.

Financial instrument	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Non-listed equity investment	Dividend Discount Model using the constant growth rate of the company's future dividend reference to gross domestic product	The constant growth rate of the company's future dividend	0.9%	1% increase (decrease) in the constant growth rate of the company's future dividend would result in Baht 4 million increase (decrease) in fair value

30. Financial instruments

30.1 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash deposits with banks and financial institutions, trade accounts receivable and investments. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

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

Trade receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than 180 days and not subject to enforcement activity.

Financial instruments and cash deposits

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty.

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

Market risk

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

Foreign currency risk

The Company believes that its exposure to foreign currency risk is low since there were few foreign currency transactions during the year and the amount of each individual transaction was quite low.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks and government bonds. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Financial statements in which the equity method is applied/
Separate financial statements

	2021					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	50	2	52	0.125
Trade and other receivables	-	-	-	75	75	-
Other current financial assets	100	-	-	-	100	0.450
Restricted financial assets	13	-	-	-	13	1.875 - 2.000
Other non-current financial assets	-	-	-	97	97	-
	<u>113</u>	<u>-</u>	<u>50</u>	<u>174</u>	<u>337</u>	
Financial liabilities						
Trade and other payables	-	-	-	68	68	-
Lease liabilities	1	-	-	-	1	5.250
	<u>1</u>	<u>-</u>	<u>-</u>	<u>68</u>	<u>69</u>	

(Unit: Million Baht)

Financial statements in which the equity method is applied/
Separate financial statements

	2020					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	77	2	79	0.125
Trade and other receivables	-	-	-	69	69	-
Other current financial assets	120	-	-	-	120	0.600 - 0.625
Restricted financial assets	-	13	-	-	13	1.875 - 2.000
Other non-current financial assets	-	-	-	72	72	-
	<u>120</u>	<u>13</u>	<u>77</u>	<u>143</u>	<u>353</u>	
Financial liabilities						
Trade and other payables	-	-	-	103	103	-
Lease liabilities	1	1	-	-	2	5.250
	<u>1</u>	<u>1</u>	<u>-</u>	<u>103</u>	<u>105</u>	

Analysis of the sensitivity of the floating rate cash at banks to a reasonably possible change in interest rates shows that the impact on the Company's pre-tax profit and shareholders' equity of a 1 percent increase or decrease in interest rates, with other variables are constant, would not be material.

Liquidity risk

This is the risk that the Company will be unable to pay debts and meet obligations when due, because of inability to timely convert assets into cash when settlement is due, obtain sufficient funds to meet the funding needs, or is able to obtain funds but at the cost that is beyond an acceptable level. These risks may affect the Company's income and financial position.

The Company has established a policy for management of liquidity, under which is monitored and reviewed by the management on a monthly basis. The process for liquidity risk management include the monitoring of the Company's operating results, financial position and cash inflows and outflows to assess the liquidity gap for various periods of time and analysis of the Company's key financial ratios.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/Separate financial statements		
	2021		
	Less than 1 year	1 - 5 years	Total
Non-derivatives			
Trade and other payables	68,432	-	68,432
Lease liabilities	396	1,155	1,551
Total non-derivatives	68,828	1,155	69,983

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/Separate financial statements		
	2020		
	Less than 1 year	1 - 5 years	Total
Non-derivatives			
Trade and other payables	102,855	-	102,855
Lease liabilities	1,296	1,551	2,847
Total non-derivatives	104,151	1,551	105,702

30.2 Fair values of financial instruments

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

31. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2021, the Company's debt-to-equity ratio from the financial statements in which the equity method is applied was 0.24:1 (2020: 0.32:1) and the Company's debt-to-equity ratio from the separate financial statements was 0.25:1 (2020: 0.32:1).

32. Approval of financial statements

These financial statements were authorised for issue by the Company's board of directors on 23 February 2022.

A stack of papers with colorful pens and paperclips. The image is partially obscured by a blue geometric shape on the left side.

SECTION

4

ATTACHMENTS

Attachment 1

Details of directors, executives, controlling persons, the Company's secretary and the head of the company's supervisory the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision

Miss Dalad Saphthavichaikul

Age 65 years

Education

Master's Degree in Computer Science, University of Illinois at Urbana - Champaign, U.S.A.

Bachelor's Degree (First Class Honor) in Economics, Chulalongkorn University

IOD's Training

Director Certification Program (DCP) Class 9/2001

Finance for Non-Finance Director (FN) Class 1/2001

Audit Committee Program (ACP) Class 10/2005

Director Diploma Examination Class 4/2001

Ethical Leadership Program (ELP) Class 13/2018

Experiences

1999 - 2007	Executive Director and Vice President, Saha-Union Public Company Limited
1999 - 2011	Director, Saha-Union Public Company Limited
2004 - 2017	Director, Computer Union Co., Ltd.
2011 - May 2014	Director, Union Plastic Public Company Limited
2012 - May 2012	Director, Union Pioneer Public Company Limited
1999 - 2011	Director, Saha-Union Public Company Limited
2012 - July 2019	Chairman of the Risk Management Committee, Saha-Union Public Company Limited
May 2014 - June 19, 2020	Director, The Royal Hotel Co., Ltd.
May 2015 - May 20, 2020	Chairman, Union Textile Industries Public Company Limited
2017	Vice Chairman, Saha-Union Public Company Limited

Current Positions

Listed Companies

2018 - Present	Chairman, Saha-Union Public Company Limited
May 2014 - Present	Chairman, Union Plastic Public Company Limited
June 2012 - Present	Chairman, Union Pioneer Public Company Limited

Other Companies

2012 - Present	Chairman, Union Nifco Co., Ltd.
2013 - Present	Chairman, Union Zojirushi Co., Ltd. Chairman, Union Micronclean Co., Ltd. Chairman, Union Stainless Steel Products Co., Ltd.
March 2014 - Present	Chairman, Union Thai-Nichiban Co., Ltd.
2017 - Present	Chairman and President, Computer Union Co., Ltd.
Present	Chairman and Director, Other Companies

Other Companies

1989 - Present	Director, Processing Center Co., Ltd.
August 2015 - Present	Director, Sukhumvit 62 Medical Limited
December 2017 - Present	Vice Chairman, Navavej International Public Company Limited

Years of Directorship

11 years (since January 19, 2011)

Mrs. Sauwanee Thairungroj

Independent Director / Chairman of the Audit Committee

Age 63 years

Education

Ph.D. in Economics, Washington State University, United States of America, Fulbright Scholarship
Master of Economics in Development Economics, National Institute of Development Administration
Bachelor of Economics (International Economics), Thammasat University

IOD's Training

Director Accreditation Program (DAP) Class 60/2006
Director Certification Program (DCP) Class 88/2007
Audit Committee Program (ACP) Class 18/2007
Advance Audit Committee Program (AAC) Class 26/2017
Director Leadership Certification Program (DLCP Online) Class 2/2021
Risk Management Program for Corporate Leaders (RCL) Class 25/2021

Experience

2006 - 2008	Director, The Stock Exchange of Thailand
2011 - 2014	Director, Financial Institutions Policy Committee, Bank of Thailand
2012 - 2019	President of University of the Thai Chamber of Commerce (UTTC)
2015 - 2017	Association President, Private Higher Education Institute of Thailand
2016 - 2017	Chairman of the Board of Directors of Airport Rail Link Co., Ltd.
2017 - 2018	Advisor, Board of IMT - GT Trade of Thailand (2017 - 2018) Advisor, Economic Development Board in Eastern Area, the Thai Chamber of Commerce (2017 - 2018) Advisor, Board of Promotion and Development Bangkok Entrepreneur of Thai Chamber of Commerce (2017 - 2018) Commerce Advisor, Board of Tourism and Hospitality Business of the Thai Chamber of Commerce

Current Positions

Listed Companies:

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

Saha-Union Group Companies

- None -

Other listed companies

2011 - Present	Chairman of the Audit Committee, Union Auction Public Company Limited
2021 - Present	Independent Director / Chairman of the Audit Committee, The One Enterprise Public

Company / Other position

2011 - Present	Director, Anti-Corruption Organization of Thailand Director, Government Savings Bank
2020 - Present	Director, Higher Education Commission
2021 - Present	Qualified director Executive Committee, Office of the Cyber Security Committee Ministry of Digital Economy and Society
2021 - Present	Director, Anti-Corruption Organization of Thailand
2016 - Present	Director, National Startup Committee, Fiscal Policy Office
2017 - Present	Sub-committee on National Anti-Corruption Policy, pushing the National Strategy on Prevention and Suppression of Corruption Phase 3, Group 6 (2017 - 2021) Executive Committee, New Entrepreneur Development Institute (Order No. 114/2017 of Ministry of Commerce)

Years of Directorship

2 year (since January 1, 2020)

Years of Independent Directorship

2 year (since January 1, 2020)

Miss Jutatip Arunanondchai**Independent Director / Audit Committee / Nomination and Remuneration Committee**

Age 50 years

Education

BSc in Mathematics with Management, Imperial College, University of London, UK

Master Degree, MBA in International Management, University of Exeter, UK

Master Degree, MA in Architectural Interior Design, University of Wales, UK

Master Degree, MA in Economics Law, Chulalongkorn University

IOD's Training

Director Accreditation Program (DAP) Class 78/2009

Audit Committee Program (ACP) Class 26/2009

Monitoring of the Quality of Financial Reporting (MFR) Class 9/2009

Monitoring the Internal Audit Function (MIA) Class 5/2009

Monitoring the System of Internal Control and Risk Management (MIR) Class 6/2009

Monitoring Fraud Risk Management (MFM) Class 6/2011

Experiences

1994 - 1999

Manager, Daiwa Europe Co., Ltd.

2002 - 2005

Corporate Finance Manager, TA Orange Co., Ltd.

Current Positions**Listed Companies**

March 2009 - Present

Independent Director / Audit Committee,
Union Plastic Public Company Limited

January 2020 - Present

Nomination and Remuneration Committee,
Union Plastic Public Company Limited**Other Listed Companies**

2009 - Present

Independent Director / Nomination and Remuneration Committee,
Thai Sugar Terminal Public Company Limited**Saha-Union Group Companies**

- None -

Other Companies

2005 - Present

Executive Director, Rajburi Sugar Co., Ltd. And Group Companies

Present

Executive Director, Rajburi Ethanol Co., Ltd.

Present

Executive Director, Tipamas Co., Ltd.

Present

Director, T S G Asset Co., Ltd.

Present

Director, T S Oil Industry Co., Ltd.

Present

Director, T S Transport and Logistics Co., Ltd.

Present

Director, T S Warehouse Co., Ltd.

Years of Directorship

12 years 9 months (since March 18, 2009)

Years of Independent Directorship

12 years 9 months (since March 18, 2009)

Mr. Pongsak Thiengviboonvong**Director**

Age 65 years

Education

Diploma of Vocational Education

IOD's Training

Director Accreditation Program (DAP) Class 5/2003

Ethical Leadership Program (ELP) Class 13/2018

Experiences

1999 - 2012	Director, Venus Shoes Company Limited
2008 - 2011	Deputy Managing Director, Union Plastic Public Company Limited
2012	Deputy Managing Director, Union Pioneer Public Company Limited
January 2013 - 2019	Managing Director, Union Pioneer Public Company Limited

Current Positions**Listed Companies**

August 2018 - Present Director, Union Plastic Public Company Limited

Saha-Union Group Companies

1997 - Present	Director, Union Shoes Company Limited
2011 - Present	Director, Union Stainless Steel Products Company Limited
2013 - Present	Managing Director, Venus Shoes Company Limited
	Director, Union Rubber Products Corporation Limited

Other Companies

- None -

Years of Directorship

3 years 5 months (since August 1, 2018)

Mrs. Chantorntree Darakananda

Director

Age 58 years

Education

Doctor of Medicine, Chulalongkorn University

Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University

IOD's Training

Director Accreditation Program (DAP) Class 5/2003

Experiences

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

Current Positions

Listed Companies

June 2014 - Present	Director, Union Plastic Public Company Limited
January 2015 - Present	Director, Union Textile Industries Public Company Limited
May 2015 - Present	Nomination and Remuneration Director, Union Textile Industries Public Company Limited
April 2015 - Present	Director, Union Pioneer Public Company Limited
2017 - Present	President, Saha-Union Public Company Limited

Saha-Union Group Companies

April 2015 - Present	Director, Computer Union Co., Ltd. Director, Union Zojirushi Co., Ltd. Director, Union Nifco Co., Ltd. Director, Union Rubber Products Corp., Ltd. Director, Thai Rubber Enterprise Co., Ltd. Director, Union Stainless Steel Products Co., Ltd.
March 2016 - Present	Director, Union Thai-Nichiban Co., Ltd.
March 2017 - Present	Director, Union Zip Co., Ltd.
Present	Director, Other Companies in Saha-Union Group

Other Companies

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

Years of Directorship

7 years 6 months (since June 19, 2014)

Mr. Vacharaphong Darakananda**Director / Nomination and Remuneration Committee**

Age 56 years

Education

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

IOD's Training

Director Accreditation Program (DAP) Class 2/2003

Director Certification Program (DCP) Class 69/2006

Director Diploma Examination Class 19/2006

Role of the Compensation Committee (RCC) Class 15/2012

Chartered Director Class (CDC) 7/2013

Experiences

Assistant Manager, Venus Thread Company Limited

1990 - May 2013 Director, Computer Union Co., Ltd.

1999 - 2000 General Manager, Saha-Union Public Company Limited (Sriracha Operation)

2001 - December 2006 Director, Union Textile Industries Public Company Limited

2007 - 2008 Director, Union Thai-Nichiban Co., Ltd.

2007 - 2011 Director, Union Zojirushi Co., Ltd.

2007 - March 2014 Managing Director, Union Technology (2008) Public Company Limited

May 2014 - March 2017 Director, The Royal Hotel Co., Ltd.

Current Positions**Listed Companies**

February 1992 - Present Director, Saha-Union Public Company Limited

April 1999 - Present Director, Union Pioneer Public Company Limited

April 2000 - Present Director, Union Plastic Public Company Limited

Saha-Union Group Companies

May 2007 - Present Director, Union Stainless Steel Products Co., Ltd.

2007 - Present Director, Thai Rubber Enterprise Co., Ltd.

Director, Union Rubber Products Corp., Ltd.

2008 - Present Director, Union Nifco Co., Ltd.

2009 - Present Managing Director, Union Thai-Nichiban Co., Ltd.

2012 - Present Managing Director, Union Zojirushi Co., Ltd.

September 2015 - Present Director / Acting Managing Director, Union Stainless Steel Products Co., Ltd.

Director, Other Companies in Saha-Union Group

Other Companies

- None -

Years of Directorship 21 years 8 months (since April 26, 2000)

Mr. Nanthiya Darakananda

Director

Age 53 years

Education

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

IOD's Training

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

Experiences

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

Current Positions

Listed Companies

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

Saha-Union Group Companies

- None -

Other Companies

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

Years of Directorship

23 years 8 months (since April 23, 1998)

Mrs. Chadaporn Jiemsakultip**Company Secretary**

Age 59 years

Education

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

Training

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

Experiences

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

Other Companies

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

Years of secretary position	6 years
------------------------------------	---------

Mrs. Phalada Mekvaranon

Accounting and finance manager Chief Financial Officer (CFO)

Age 63 years

Education

Master's degree in business management. Kasembundit University

Diploma in Management Development Program Chulalongkorn University

Training

Orientation Course - CFO Focus on Financial Reporting Class 8

Overview of accounting and tax in the present and Must-known for future CFO or management executive

Year 65 Deferred Tax (2022 Deferred Tax) Impact of TFRS16 and Accounting Relief Measures from COVID-19

TFRS 9 And Related Financial Reporting For Non Financial Institutions

Business Sustainability Strategy in Crisis Risk Management, Class 2/2021

Proportion of shareholding in the company : None

Family relationship with committee and executive management : None

Experiences

1988 - 1997	Accounting and finance manager, Union Nifco Co., Ltd.
2000 - 2004	Accounting and finance manager and manage, Union Nifco Co., Ltd.
2004 - Jun 2007	Accounting, financial and Administrative Manager. Union Plastic Public Company Limited
Jul 2007 - 2019	Accounting and finance manager, Union Nifco Co., Ltd.
1 Jan 2020 - Present	Accounting and finance manager, Union Plastic Public Company Limited

Current position :

Accounting and finance manager

2021 Chief Financial Officer (CFO)

Listed Companies

1 Jan 2020 - Present Accounting and finance manager, Union Plastic Public Company Limited

Saha-Union Group Companies

- None -

Other Companies

- None -

Miss. Angkana Solee**Accounting manager Accounting Controller**

Age 50 years

Education

Bachelor's degree in Business Administration (Accounting), Krirk University

Training :

Business Sustainability Strategy in Crisis Risk Management, Class 2/2021

Year 65 Deferred Tax (2022 Deferred Tax) Impact of TFRS16 and Accounting Relief Measures from COVID-19

Proportion of shareholding in the company : None

Family relationship with committee and executive management : None

Experiences

Mar 2009 - 2019 Head of accounting department, Union Plastic Public Company Limited

Current position

Mar 2020 - Present Head of accounting department, Union Plastic Public Company Limited
2021 Directly appointed to be responsible for accounting supervision

Registered company

- None -

Company in Saha Union group

- None -

Other company

- None -

Attachment 2 Details of the directors of subsidiaries

- Show information about the tenure of executives, and a controlling person in an associated company Related companies and other companies

List of companies		PCL.	Associate	Related companies
List		UP	PSV MOLD	UNC
1. Miss Dalad	Sapthavichaikul	Chairman		X
2. Mrs. Sauwane	Thairungroj	Independent Director / Chairman of the Audit Committee		
3. Mr. Buncherd	Tanglertpaibul	Independent Director / Audit Committee Nomination and Remuneration Committee		
4. Miss Jutatip	Arunanondchai	Independent Director / Audit Committee Nomination and Remuneration Committee		
5. Mr. Suthin	Phadetpai	Managing Director	/	
6. Mr. Pongsak	Thiengviboonvong	Director		
7. Mrs.Chantornree	Darakananda	Director		/
8. Mr. Vachaphong	Darakananda	Director / Nomination and Remuneration Committee		/
9. Mr. Nanthiya	Darakananda	Director		

Remark: X = Chairman X/ = Vice Chairman / = Director ø = Director O = Managing Director

PCL. UP : Union Plastic Public Company Limited

Associate PSV MOLD : PSV Mould Company Limited

Related companies UNC : Union Nifco Company Limited

Details of the directors of the associated company and related companies

Name	Position	Age	Share holding in the company	Education	Experience	Company/Associate		Related companies
						Union Plastic PCL.	PSV MOLD Co., Ltd.	
1. Mr. Waraphong Jaisin	-	60	-	Bachelor's degree in Industrial Engineering, King Mongkut's University of Technology Thonburi	Present : Managing Director PSV Mould Company Limited	-	0	-
2. Mr. Thanan Chaturonate	-	49	-	Master's degree Art in International Transactions (MAIT), Concentrated in International Bachelor of Business Administration (BBA), Marketing Assumption University	Jan. 2021 - Present Managing Director Union Nifco Co., Ltd 2019 - 2020 Deputy Managing Director Union Nifco Co., Ltd 2017 - 2019 Assistant Director Manager and Business Development Manager Union Nifco Co., Ltd Business Development Manager 2004 - 2016 Union Nifco Co., Ltd Marketing Manager 2001 - 2003 Union Nifco Co., Ltd Marketing Manager 2003 Union Stainless Steel Products Co., Ltd. 1999 - 2000 Overseas Sales Sang Ah (Thai) Co., Ltd. 1998 - 1999 Marketing Blue Light Industrial Co., Ltd.	-	-	0

Remark : X = Chairman X/ = Vice Chairman / = Director ø = Director O = Managing Director

Attachment 3

Details of the Heads of the Internal Audit and Compliance Units

1) Details of the person assigned by the company to act as the head of the internal auditor

Name-Surname	Mrs. Achara Maneesawath
Current position in the company	Internal Audit Manager
Education	<ul style="list-style-type: none"> • Bachelor's degree in Economics, Chulalongkorn University • Master's degree in public and private sectors management, National Institute of Development Administration • Diploma Certified Professional Internal of Thailand (CPIAT) from The Institute of Internal Auditors of Thailand. • Diploma Endorsed Internal Auditing Program (EIAP) from Chulalongkorn University in conjunction with The Institute of Internal Auditors of the United States of America (The Institute of Internal Auditors : IIA)
Seminar and training in 2021	<ul style="list-style-type: none"> • Assessing fraud risks during audit planning. risk management in the Covid-19 situation • Business Sustainability Strategy for Crisis Risk Management, Class 2/2021 • Impact and Countermeasures Cybersecurity Risk COSO ERM 2017 • INTERNAL AUDIT MODERNIZATION • Risk Management from COVID • Audit and risk management of financial institutions during COVID-19 • Understanding Climate Change as Business Drivers • Fraud investigation in the digital age • Innovative IA: Recalibration For the Covid • Integrated business process audits and audits.
Experiences	<p>Mar 2010 - Present : Internal audit manager and secretary of audit committee Union Plastic Public Company Limited</p> <p>Jan 2000 - Mar 2010 : Internal audit manager and secretary of audit committee Union Plastic Public Company Limited and Union Pioneer Public Company Limited : Sub-committee for directing and evaluation of internal audit for Saha Union group. : Secretary of task force for corporate governance of companies in Saha Union group.</p> <p>May 1999 - Dec 1999 : Assistant manager, internal audit office Financial Institution Asset Management</p> <p>Oct 1992 - Mar 1999 : Head of audit section 1, audit office, Dynamic Eastern Finance Thailand (1991) Public Company Limited</p> <p>May. 1985 - Sep. 1992 : Head of Internal Audit Department United Bank (Currently renamed to Bank CIMB Thai Public Company Limited)</p>

Attachment 4

Assets used in business operations and details of property appraisal transactions

Assets for business undertaking and details of asset appraisal

- None -

Attachment 5

Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company including the powers and duties of the Board and the powers and duties of the sub-committees

1. Good Corporate Governance Manual ethical standards and business ethics of Union Plastic Public Company Limited has established a good corporate governance policy so that the board all executives and employees take it as a guideline for their work. To foster an efficient company in business operations with excellent corporate governance and management. Have integrity in business be transparent and verifiable. The company has announced the principles of good corporate governance. and prepare a manual on good corporate governance Ethical Standards and Code of Conduct for the Board of Directors, executives and all employees to be informed and considered as operating principles The manual is published on the website. www.unionplastic.co.th for details related to good corporate governance and good corporate governance manual Ethical Standards and Code of Conduct can study by following the link below.

<http://www.unionplastic.co.th/member/20-03-52/th/Good-Corporate-Governance-Policies->

2. Board of Directors' powers and duties and the powers and duties of the sub-committees of Union Plastic Public Company Limited (Reported under Section 2 "Section 7.2.3 Information on the Roles and Duties of the Board")
Annual Registration Statement / Annual Report 2021

Attachment 6

Report of the Audit Committee

Report of the Audit Committee Report

To Shareholders

The Audit Committee of Union Plastic Public Company Limited, appointed by the Board of Directors, consists of 3 independent directors as follows:

1. Assoc. Prof. Dr. Sauwanee Thairungroj Chairman of the Audit Committee
2. Mr. Buncherd Tanglertpaibul Member of the Audit Committee
3. Ms. Jutatip Arunanondchai Member of the Audit Committee

The Audit Committee has performed duties and responsibilities set out in the Audit Committee Regulations and as assigned by the Board of Directors. The Audit Committee performs duties independently to ensure that the Company performs operations based on the good corporate governance principles. The Audit Committee performs duties as assigned which are transparent, fair and traceable. There is the system of balance of power, which leads to the best interests for shareholders, employees and other stakeholders.

In 2021, the Audit Committee held a total of 4 meetings. All members of the Audit Committee attended every meeting. At the meetings, the Audit Committee discussed with the Management, internal auditors and auditors of the Company on related matters and presented the Audit Committee's review report to the Board of Directors for acknowledgement and consideration on a quarterly basis. The important duties of the Audit Committee can be summarized as follows:

1. Financial Reports

The Audit Committee reviewed the auditor's reports, quarterly and annual financial statements together with the auditors and relevant executives to ensure that the Company's financial reports were presented fairly in all material respects in accordance with Accounting Standards on Interim Financial Statements and Financial Reporting Standards, and information was disclosed adequately, completely and reliably. The Audit Committee listened to clarifications regarding information under financial reports unqualifiedly certified by auditors, accounting and finance managers as well as relevant executives. In addition, the meetings were held with the auditors without the attendance of the Management for independently hearing opinions on the audit of financial reports. The auditors reported that no significant issues were found and the Management provided good cooperation in audit.

2. Internal control and internal audit

The Audit Committee collaborated with the Board of Directors to review the adequacy of the Company's internal control system annually in accordance with the assessment form provided by the Office of the Securities and Exchange Commission (SEC), which consists of 5 components according to the framework of COSO (Committee of Sponsoring Organizations of the Treadway Commission). According to the results of the assessment, it was found that the Company complied with the specified guidelines. In addition, the Audit Committee quarterly reviews the internal control system based on the results proposed by the internal auditor, monitors the results of amendment and improvement of significant issues, considers the independence of the internal audit section, and approves the annual audit plan and key performance indicators of audit operations. The Audit Committee was of the opinion that the Company's internal control system and internal audit were adequate and effective.

3. Risk Management

The Audit Committee reviews risk management reports and considers effectiveness of risk management as proposed by the Management, which includes risk management on finance, customer, operation, and growth and learning. The Audit Committee expressed opinions on the framework for assessing the adequacy and effectiveness of risk management to cover the major risks of the organization.

4 Compliance with government and legal requirements relating to business

The Audit Committee reviewed the compliance with the laws on securities and exchange, tax, environment, and other laws relating to the Company's businesses every quarter, and provided additional advices on operational control to ensure that the business operations are in accordance with specified notifications and requirements. In the previous year, there was no report that the Company had violated ethics or government regulations.

5. Appointment of auditor

The Audit Committee reviewed and assessed the auditor's independence, including the scope of the audit and important matters on the quarterly and annual audit, selected and nominated the list of auditors to the Board of Directors for presenting to shareholders for approval. According to the consideration results of independence, qualifications, performance, and appropriate audit fees, the Audit Committee nominated Miss Wilailak Laohasrisakul of EY Office Company Limited to be appointed as the Company's auditor for the year 2021 with the audit fee of 1,200,000 baht (one million two hundred thousand Baht).

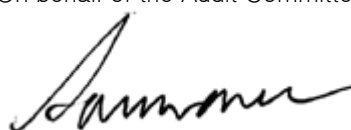
6. Connected transactions or transactions with potential conflicts of interest

The Audit Committee considered and expressed opinions on connected transactions or transactions with potential conflicts of interest by taking into account the Company's interests that they were transparent and fair to all shareholders equally and without causing the transfer of interests to ensure that the Company had performed operations according to normal commercial conditions and had sufficient and complete disclosure in accordance with the rules and requirements of the Stock Exchange of Thailand. In the previous year, the Audit Committee approved the connected transactions with major shareholders and joint directors, totaling 3 companies, which were medium-sized transactions in the type of short-term property lease for the period of not more than 3 years. They were considered and approved by the Board of Directors and disclosed to the Stock Exchange of Thailand every time.

7. Self-assessment of the Audit Committee

The Audit Committee annually evaluated their individual performance and jointly considered performances of duties according to the Audit Committee's regulations and best practices of the Audit Committee. According to the assessment results, the Audit Committee had performed its duties and responsibilities adequately and effectively as defined in the Audit Committee's regulations and related regulations and as assigned by the Board of Directors.

On behalf of the Audit Committee



(Assoc. Prof. Dr. Sauwanee Thairungroj)
Chairman of the Audit Committee

Attachment 7

Report of Nomination and Remuneration Committee

To Shareholders,

The Nomination and Remuneration Committee has performed the duty according to the duty and responsibility of the Nomination and Remuneration Committee as stipulated by the Company. The duty includes to recruit, select, propose knowledgeable and capable persons with appropriate qualifications to perform the duty of directorship and high-level executives as well as to propose a remuneration policy, guides to remuneration payment and other benefits to the Board of Directors, sub-committees and high-level executives on a fair and transparent basis by taking into account interests of all parties in order to propose to the Board of Directors and shareholders.

There are 3 members in the Nomination and Remuneration Committee consisting of Mr. Buncherd Tanglertpaibul the chairman of the Committee, Miss Jutatip Arunanondchai and Mr. Vacharaphong Darakananda, 2 of which are independent committees. The chairman of the Nomination and Remuneration Committee is an independent committee who can perform the duty and express opinions independently.

In 2021, the Nomination and Remuneration Committee held 1 meeting with all members attending the meeting except for any agenda the committee member who had a stake in such an agenda would be absent from the meeting room and did not have the right to vote. The performance of the Recruitment and Remuneration Determination Committee in the year 2021 is summarized as follows:

1. Recruited and selected persons with appropriate qualifications and submitted to the Board of Directors to consider and propose to the 2021 Annual General Meeting of Shareholders in order to consider the appointment in place of the committee member who was completing terms.
2. Recruited and selected persons with appropriate qualifications and submitted to the Board of Directors to appoint as a committee member in place of the committee member who resigned.
3. Considered to determine the remunerations and forms of remunerations for the Board of Directors and sub-committees for the year 2021 in order to propose to the Board of Directors to consider and ask for approval from the meeting of the 2021 Annual General Meeting of Shareholders.
4. Supervised to ensure the orientation arrangement for new committee members in order to understand the duty and responsibility as well as to equip them with information on policies and nature of business operations of the Company and other information that will be useful for performing the duty.
5. Evaluated the performance of the Nomination and Remuneration Committee and reported the annual evaluation result to the Board of Directors for acknowledgement. The self-assessment of the Nomination and Remuneration Committee for the year 2021 was concluded with the average score of 82.84 percent.

In recruiting and selecting a person to propose to the Board of Directors and the 2021 Annual General Meeting of Shareholders to consider appoint as a committee member, the Nomination and Remuneration Committee will consider the person's qualifications based on the prescribed criteria and recruitment methods, that is the person

must have the required qualifications and does not have prohibitive characteristics stipulated by law as well as have qualifications according to the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) along with the good corporate governance principles of a registered company in terms of the committee structure who must be knowledgeable, capable and independent while having skills, expertise and experiences specifically in professions necessary and beneficial to the nature of the Company's business.

For the determination and forms of remunerations, consideration is carried out in a fair and reasonable manner with annual remuneration revision by comparing with registered companies with similar size of business and/or industry as well as considering related factors comprehensively such as burden, duty, scope of responsibility, business performance and financial status of the Company and the overall economic conditions.

In 2021, the Nomination and Remuneration Committee has performed the assigned tasks thoroughly with carefulness, transparency, neutrality and independence for the maximum benefit of the Company, shareholders and all stakeholders.

On behalf of the Nomination and Remuneration Committee



(Mr. Buncherd Tanglertpaibul)

Chairman of the Nomination and Remuneration
Committee

Attachment 8

Report of Risk Management Committee

To Shareholders

Union Plastic Public Company Limited emphasizes the supervision of organizational risk management as an important tool in dealing with risks from internal and external factors such as fluctuations of the world economic situations as well as uncertain circumstances and new risk factors that are more complex and severe than in the past that affect the business operations of the Company. Therefore, risk management becomes crucial in helping to reduce such effects and ensure the Company be able to achieve its specified business goals.

The Risk Management Committee has performed its duty in supervising the organizational risk management based on the specified duty and responsibility. In 2021, there were 4 meetings of the Risk Management Committee and the performance of the Committee is summarized as follows:

1. Determined risk assessments in all aspects in line with the business direction and strategies of the Company including financial risk, customer risk, production risk and growth and learning risk as well as innovation and technology risks. Revisions and assessments were carried out in every quarter and a respective risk management plan in each issue was prepared in order to control and mitigate the impacts on the business running of the Company.
2. Provided opinions and recommendations as well as risk management measures in order to ensure that the risk management of the Company cover all important issues, respond to the changing environment, risks being controlled at an acceptable level, and monitor and report progresses in risk management on a quarterly basis.
3. Reported the performance of the Risk Management Committee to the Audit Committee for acknowledgement, considered and scrutinized before reporting to the Board of Directors for acknowledgement on a quarterly basis.

In sum, the Risk Management Committee places importance to the efficient and effective organizational risk management such that the Company can achieve its specified objectives and goals as well as create value added to shareholders and stakeholders of the Company sustainably in the long term.

On behalf of the Risk Management Committee



(Mr. Suthin Phadetpai)

Chairman of the Risk Management
Committee

Attachment 9

Regulations of Audit Committee of Union Plastic (Public) Company Limited

According to the approval of the Board of Directors under the resolution of the Meeting No. 12/2563 on December 23, 2020, the Regulations of Audit Committee are approved and adopted as follows:

1. Components and Qualifications

The Audit Committee consists of 3 members, including one Chairman of the Audit Committee and two members of the Audit Committee. All of them shall be an independent director. In addition, the Audit Committee shall appoint one consultant and one internal audit officer of the Company to be the secretary to the Audit Committee.

2. Term of Office

The tenure of the Audit Committee is 3 years for each term. The member of the Audit Committee who retires by rotation may be re-elected to hold the same position.

In the case that the position of the member of the Audit Committee is vacant for any reasons other than the retirement by rotation, the Board of Directors shall appoint qualified persons to be the member of the Audit Committee so that the number of members of the Audit Committee will reach the quantity specified by the Board of Directors. The person appointed to be a member of the Audit Committee shall retain his/her office only for the remaining term of office of the member of the Audit Committee whom he/she replaces.

3. Duties and Responsibilities of the Audit Committee

- 3.1. Reviewing the accurate and sufficient financial reporting of the Company according to the generally accepted accounting standards
- 3.2. Reviewing the Company's internal control system and internal audit system to be appropriate and effective, considering the independence of the Internal Audit Department, and approving appointment, transfer, and dismissal of the Manager of Internal Audit Manager
- 3.3. Reviewing the Company's compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, or other laws relating to the Company's businesses
- 3.4. Considering, selecting, nominating, and proposing for dismissal and appointment of any independent person to be the auditor of the Company and proposing the remuneration of such person, including attending the meeting with auditors without the attendance of the Management at least once a year
- 3.5. Considering a connected transaction or a transaction with potential conflict of interests to be in accordance with the laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable and provide the highest benefits to the Company
- 3.6. Reviewing the accuracy of reference documents and self-assessment form regarding the Company's anti-corruption measures according to the Thai Private Sector Collective Action Against Corruption

- 3.7. Preparing the Report of the Audit Committee and disclosing it in the Company's Annual Report, which must be signed by the Chairman of the Audit Committee and contain at least the following information:
- (a) Opinions on the accuracy, completeness, and reliability of the Company's financial reports
 - (b) Opinions on the adequacy of the Company's internal control system and risk management system
 - (c) Opinions on the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or laws relating to the Company's businesses
 - (d) Opinions on the appropriateness of the auditor
 - (e) Opinions on transactions with potential conflicts of interest
 - (f) Number of Audit Committee meetings and the meeting attendance of each member of the Audit Committee
 - (g) Opinions or overall observations received by the Audit Committee from the performance of their duties in accordance with the Charter or Regulations of the Audit Committee
 - (h) Other items that the shareholders and general investors should acknowledge under the scope of duties and responsibilities assigned by the Board of Directors
- 3.8. Ensuring that the Management takes the corrective action for any detected defects and expediting to correct such defects
- 3.9. Supervising and evaluating performances as deemed necessary by the Audit Committee
- 3.10. Performing any other acts as assigned by the Board of Directors

4. Authority of the Audit Committee

To achieve the goals of performance of duties of the Audit Committee, the Audit Committee has the authority to perform the following actions.

4.1. Actions relating to the Management

The Audit Committee has the authority to invite the Management, manager/head of department, or employees of related companies to attend the meeting, clarify matters, express opinions, or submit relating documents as necessary.

4.2. Actions relating to Internal Auditor

- 4.2.1. Providing understanding to the Board of Directors, auditors, and Internal Audit Department to maintain the same direction
- 4.2.2. Approving the appointment, removal, transfer, and dismissal, and considering performances of the manager of Audit Department in terms of the internal audit and information system audit as proposed by the Management
- 4.2.3. Providing guarantee on independence of internal auditors
- 4.2.4. Ensuring the operations of the Internal Audit Department to be under the supervision and control of the Management or managing director (*)

4.3. Actions relating to Auditor

- 4.3.1. Reviewing and evaluating performances of auditors
- 4.3.2. Nominating the list of auditors to the Board of Directors and presenting the remuneration for annual audit to the Annual General Meeting of Shareholders for an approval
- 4.3.3. Expressing opinions on wage rate of services and other consulting works provided to the Board of Directors by auditors

4.4. Other authorities

The Audit Committee has the authority to inspect relevant persons and related matters within the scope of their authorities and duties. In addition, the Audit Committee also has the authority to hire specialized experts to provide consultation and opinions as deemed appropriate by the Audit Committee.

This shall be effective from December 23, 2020, and replaced the Regulations dated November 15, 2017.



(Ms. Dalad Saphavichaikul)
Chairman of the Board

() refers to operations of the Internal Audit Department which require a person to supervise and control such operations. Each year the Internal Audit Department shall prepare the audit plan to determine what actions are needed to be performed and present it to the Audit Committee for an approval. Any command and order for the Audit Department to perform such duties shall be subject to the supervision and control of the Management, including the report of audit results required to be corrected immediately to the Management, so that the Management will be able to issue orders for correction in a timely manner.*

Roles and Duties of Departments Relating to the Audit Committee

1. Duties of the Board of Directors

1. Approving the Regulations of the Audit Committee to ensure the clear scope of duties and responsibilities
2. Establishing good corporate governance and determining appropriate roles of the Board of Directors
3. Establishing the Internal Audit Department and providing the appropriate and effective internal control system
4. Appointing the Audit Committee and ensuring that the Audit Committee complies with rules and regulations of regulatory agencies

2. Duties of the Legal Department

1. Summarizing important lawsuits of the Company and opinions and presenting them to the Audit Committee for acknowledgement
2. Attending the meeting with the Audit Committee and external legal consultants in the case that there is any transactions affecting the financial statements or in the case as deemed appropriate by the Audit Committee

3. Duties of the Accounting and Finance Department

1. Preparing the financial statements and presenting them to the Audit Committee's Meeting for review and consideration based on the specified period
2. Regularly monitoring new accounting standards and notifying the Audit Committee when new standards affecting the Company are enforced
3. If the Management changes the accounting policy, the Management shall notify the Audit Committee.
4. Monitoring and reviewing connected transactions or transactions with conflicts of interests and considering them immediately in order to take correct actions according to rules or manage and correct them properly and then reporting relevant matters to the Audit Committee for acknowledgement and consideration
5. Reviewing the Management and Discussion Analysis and the Annual Report to ensure its correctness before presenting it to the Audit Committee for acknowledgement

4. Duties of the Internal Audit Department

1. Proposing the audit plan to the Audit Committee, which the audit plan shall:
 - 4.1.1 Be appropriate and consistent with assessed risks
 - 4.1.2 Include the audit of electronic processes
 - 4.1.3 Include connected transactions between the Company and related parties
2. Monitoring and acknowledging the policy on business risks and control risks of the Company and reporting important degree of risk to the Audit Committee, including risk mitigating methods
3. Reviewing, discussing, and considering the scope and audit plan of internal auditors and auditors, and considering any matters being audited together with the Audit Committee and auditors in order to:
 1. Create relationships and support for financial audit
 2. Reduce redundancy of audit works and effectiveness obtained from resources of the Internal Audit Department and auditors
4. Reporting to the Audit Committee for considering the adequacy of:
 - 4.4.1 Internal control system, including internal control system using computers
 - 4.4.2 Important defects that auditors, internal auditors and the Management have common opinions

5. Reporting the following matters to the Audit Committee as soon as possible:
 - 4.5.1 Corruption and important defects detected during the year
 - 4.5.2 Difficulties possibly arising during the audit which may include the scope of operations or obstacles of accessing to necessary information for the audit
6. Summarizing the report of internal audit results or any matters as deemed appropriate and presenting it to the Audit Committee within 30 days from the last day of each quarter

5. Duties of External Auditor

1. Attending the meeting with the Audit Committee every year in order to plan the audit plan and before the auditor will certify the annual financial statements
2. Submitting the quarterly financial statements to the Company at least 5 business days before submitting the financial statements to the Stock Exchange and SEC
3. Reporting important degree of risk and risk mitigating methods
4. Reporting to the Audit Committee when the annual audit is completed in order to consider the following matters:
 1. Annual Financial Statements and Notes to Financial Statements
 2. Report of Auditor
 3. Observations and additional suggestions on audit plan of auditors
 4. Difficulties or significant conflicts with the Management during the operations of auditors
 5. Other material matters relating to audit standards that the Audit Committee should understand or communicate with auditors

6. Duties of Compliance Units

The department responsible for overseeing the compliance with government rules or regulations shall summarize operations of each quarter and present them to the Audit Committee for acknowledgement.

7. Duties of Secretary to Audit Committee

1. Preparing the correct minutes of meeting of the Audit Committee according to standards
2. Coordinating with officers of any departments in the Company in order to provide information to the Audit Committee
3. Summarizing performances of the Audit Committee every quarter and presenting them to the Board of Directors for acknowledgement or consideration each quarter
4. Drafting the Annual Report of the Audit Committee



Union Plastic Public Company Limited

11/1 Soi Serithai 62 Minburi, Bangkok 10510

Tel. 0 2517 0109 Fax. 0 2517 0529

Website : <http://www.unionplastic.co.th>