

Corporate Governance

Corporate Governance Policy

The Company directors are committed to good corporate governance in accordance with the code of conduct for the directors of listed companies and its related practices set by the Stock Exchange of Thailand, and the Securities and Exchange Commission. Additionally, the Company is determined to develop the corporate governance to meet the international practice.

The corporate governance policy focuses on the structure and relationship of committees, management and shareholders to ensure competitiveness, growth and value added to shareholders in the long term. The Company directors have adopted a good corporate governance principle in compliance with basic principles to apply knowledge in a meticulous and moral manner and to provide an efficient, transparent and accountable management system. This will create confidence and reliance in shareholders, investors, stakeholders and all parties concerned so that good governance is a tool to add value and promote the company's sustainable growth

Therefore, the Board of Directors understand the roles, duties and responsibilities with the Company and Shareholders and practice the guidelines for good corporate governance for the listed company directors to comply with the guidelines of the Stock Exchange of Thailand and to improve the company operates to ensure above-board in working and implementation of business ethics and preparation of internal control systems including the importance of equality of shareholders and to maintain of Shareholders's benefit is important.

Rights of shareholders

In addition to the basic rights of shareholders, such as the right to transfer shares, shareholders can transfer shares without any legal requirements. The Company also conducts various matters that promote the exercise of the rights of shareholders as follows:

➤ The Company emphasizes on and respects the rights of shareholders by following the rules prescribed by law and according to the Corporate Governance Policy, the Company held the Annual General Meeting of Shareholders for the year 2020 on 8 July 2020. There were 9 directors attending the meeting. The senior managers, and the Auditors from PricewaterhouseCoopers ABAS Ltd. And KPMG Phoomchai Audit Ltd. And Inventech Systems (Thailand) co.,Ltd. oversaw the registration and reviewed the voting results in each ballot. The Legal Agenda and Consultant Araya Sunlakawit attended the meeting as observants this meeting.

➤ The Company has publicized both the Thai and English versions of the invitation to shareholders' meeting on the Company's website, www.ubisasia.com. The Company informed the shareholders through the news system of the Stock Exchange of Thailand (SET) on 29 May 2020 so that the shareholders study the information before the meeting date. The Company published the Company Information and Annual Report on 29 May 2020

➤ The company announced the rules and procedures for attending shareholders' meeting along with the sufficient information for each agenda's decision of the shareholders in the notice of the meeting.

➤ The Company provided documentation to assist the delegation, prepared Power of Attorney Form B and Form C, and nominated Independent Directors to be considered by the shareholders. Stamp are provided for convenience without any extra charge.

➤ The Company has disclosed the Minutes of the Annual General Meeting of Shareholders for the year 2020 on the Company's website, www.ubisasia.com.

Equal treatment for shareholders

Board of Directors has a policy to treat shareholders equally whether major shareholder, minor shareholders, institutional investors, or foreign shareholders in order to aChief true equality

- On 1 October 2019, the Company provided the opportunity for the shareholders to propose the agenda item and to nominate persons to be elected as directors in advance for the Annual General Meeting of Shareholders for the year 2020, the period from 1 October 2019 to 31 December 2019 by informing through the Stock Exchange of Thailand and also publish the rules and procedures of such matters on the Company's website at www.ubiasia.com
- On 7 January 2020, the Company informed the Stock Exchange of Thailand that none of the shareholders proposed agenda or the list of persons to be elected as directors in advance
- The Company sent the invitation letter together with the Proxy Form B and Form C, which are the form that the shareholders can set their own voting of each agenda and to avoid inconvenience of the shareholders who are unable to attend the meeting on their own, they can delegate power of attorney to other persons or independent directors to attend the meeting and vote on their behalf. Shareholders can download the proxy form via the Company website www.ubiasia.com
- The company used a computerized system for registration and vote counting including the use of ballots for shareholders' convenience. Particularly, for an election of directors, the ballot will be the type for individual voting. The company collected all ballots after the end of the each agenda from all shareholders attending the meeting.
- The company did not add to the agenda or change any important information without informing the shareholders in advance in the Annual General Meeting of Shareholders for the year 2020.
- The Company gave shareholders the opportunity to express their opinions and make inquiries at the meeting before any resolution was made each agenda
- Board of Directors imposed restrictions on the use of internal information by directors, executives, and related staff in order to exploit the company's shares for personal gain, to let others use the information for benefits in trading company shares. Directors and the executives must prepare a securities holding report as stipulated under Section 59 of the Securities and Exchange Act 2008.
- Board of Directors determined that the Board of Directors and executives are required to report their own interests and that of related persons, as prescribed in Section 89/14 of the Securities and Exchange Act 2008, by the end of December each year or report immediately if any related action has taken place

Taking into account the role of stakeholders

The Company operates its business by taking into account the rights and fairness of all stakeholders whether they are stakeholders within the company, such as employees and management of the company, or stakeholders outside the company, such as competitors, partners and customers, as prescribed in the guidelines set out in the Company's Code of Conduct. The Company recognizes that the support and advice from all stakeholders will be beneficial for the Company's business and business development, so it monitors and follow-up on the business operation to ensure compliance to related laws and regulations with an extension to all stakeholders. The details are as follows.

- **Employees**, The company places great importance on its employees. It recognizes that employees are the important resource that will drive the organizational success. The Company therefore focuses on continual employee development by setting annual training plan, both within and outside the organization. The Company also ensures the most suitable and safest workplace environment, treats employees fairly, provides appropriate compensation and welfare to promote good quality of life by providing provident fund, diligent care, nursing room, annual health checkup, accident insurance and health insurance, and employee uniform. The Company also makes annual travel arrangements and the management of sports events between head office and factory. The Company also set up policies about Occupational Health and Work Environment and appoint a safety committee to ensure maximum safety as well as the installation of signs of accident statistics from work, and provide security

training. They also prepared fire prevention and containment plans, fire escape routes, fire extinguishers and alarms in order to provide employees with a safe working environment.

➤ **Customers** are committed to producing standardized products and services with a focus on continuous product quality development, proper and fair pricing to meet the needs of customers including the importance of effective after-sales service, allow customers to understand and use the product correctly. It is customer satisfaction. The company provides channels of commenting or complaints via the company website. It will be sent directly to the company's management. It also allows customers to visit the production process or review the production process in accordance with the standard quality management system.

➤ **Shareholders**, The Company respect the basic rights of shareholders as prescribed by the law, company regulations and ethics. The company also controls intercompany transactions, measures to prevent conflict of interest, and protect the internal data usage for personal benefits. And the company works by creating an appropriate compensation to shareholders. In addition, in the annual general meeting of shareholders, The Company takes into account the voting rights of shareholders and lets the shareholders ask questions and express their opinions independently. The Company's Board of Directors and management will respond fully to inquiries and information.

➤ **Competitors**, The Company has a policy to treat competitors honestly and fairly according to the Code of Ethics and the strict legal framework. Therefore, there are requirements for the implementation of the anti-counterfeiting and anti-corruption policy.

➤ **Partners**, The company has a policy of fair dealing with partners, equal treatment with contract partners, and / or agreements made under common commercial terms. The company has set up procurement procedures to be in line with ISO9001 quality system and select partners who do business in accordance with the law and comply with safety and occupational health standards as well as partners who are aware of the business environment.

➤ **Environment**, The Company establishes guidelines for conducting business under the framework of responsibility for the environment, community and society by focusing on the production system that is friendly to the community by controlling the production according to the production process in accordance with the requirements. Of the industrial estate. It also has a policy to check the quality of the environment from outside experts. The company has never had any disputes with the community or employees. In terms of Community Support Activities, the company also pays attention to projects such as inviting employees to donate to flood victims in the southern part of the country.

➤ **Financial Institutions**, The company treats employees according to terms and conditions of trade agreements including the fulfillment of contractual conditions established between the company and commercial banks or financial institutions well throughout. The company has not had any conflicts over the past period and for trade creditors, the company has an obligation to comply with ISO 9001 to ensure fairness to all trade creditors, and still maintain a good relationship. It can always be trusted.

➤ **Intellectual Property/Copyrights**, The company does not support activities that involve the infringement of intellectual property or copyrights by imitation. In the year 2020, the company has no involvement in the infringement of intellectual property or copyrights in any way.

➤ **Corruption**, The Company has established guidelines for supervision and control to prevent and track the risks of corruption by publishing policies and practices in the fight against corrupt corruption.

- The Company has established Whistle Blowing Channels to keep the complainers informed of appropriate and fair protections as well as being protected against distillation due to the complaint. If anyone has a

clue about counterfeiting or corruption, illegal business ethics or internal defect control systems that may cause business risk / damage, you can use the following channels:

- ✓ Send mail to 807/1, 6th Floor, Rama 3 Road, Bang Phongphang, Yannawa, Bangkok 10120
 - ✓ Sending e-mails to CEO
 - ✓ E-MAIL: D2B@ubisasia.com
 - ✓ Send via the company's website www.ubisasia.com/contactus
- In case of employee complaints, complaints will be sent to the Executive Chairman as per the set up on the system on the company website.
 - In the case of administrative complaints, complaints will be sent to the Chairman of the Audit Committee as it is set up on the system on the company website.

The Company has disclosed a clear process for dealing with complaints as stated in the Anti-Corruption Policy Guide and Guidelines. In 2020, the Company did not receive any complaints from stakeholders.

Disclosure and Transparency

The Company is aware of the Company's important information disclosure for both financial and other important information, which is the policy of corporate governance completely, transparently and in compliance with the criteria established by the Office of the Securities and Exchange Commission And the Stock Exchange of Thailand by providing equal information to shareholders through various channels such as Annual Report, Annual Report Form (Form 56-1), Stock Exchange of Thailand Information system, including Publish on Company Website (www.ubisasia.com) which always updates the information. The company has disclosed information to show transparency in doing business as follows:

➤ The Company has established a corporate governance policy and ethical business practices that the company must be socially responsible and environmentally responsible

➤ The Company has appointed a new Risk Management Committee according to the resolution of the Board of Directors Meeting No. 7/2560 held on August 11, 2017, the Board of Directors approved the appointment of new Risk Management Committee to provide effective risk management oversight and comply with the new risk management guidelines and to be systematic covers all aspects as appropriate and specify the risk management policy to support management and operations under the management of risk management and the prevention of corruption

➤ The company has disclosed the list of directors and sub committees including the roles, duties, scope of authority and term of the Board of Directors and sub committees, number of meetings, and number of times each director attended the meeting in 2020

➤ The Board of Directors has provided opinions on the financial statements accurately, completely and credibly with full and sufficient disclosure for investors to make decisions. The Board of Directors 'Report on the Board of Directors' Responsibilities for Financial Statements has been prepared in the Annual Report for the year 2020 and submitted to the Stock Exchange of Thailand.

➤ The Company facilitates the work of independent auditors and cooperates in the disclosure of accurate and transparent information to enable the auditor to express his / her opinion accurately, completely and independently in order for shareholders and investors to trust the company information with confidence

➤ The Company discloses the policy on remuneration for directors and executives. The Nomination and Remuneration Committee will determine the remuneration structure for directors and executives by comparison with the same industry level based on information surveyed by trusted agencies such as the Stock Exchange of Thailand or the Thai Institute

of Directors Association, etc., together with the performance of the Company and responsibilities of directors by presenting to the shareholders meeting for approval. Except for the Managing Director, the Board of Directors will approve.

➤ The Audit Committee has prepared a report of the Audit Committee to give opinions on the internal control system and the proposed list of auditors which included in the 2020 Annual Report.

➤ The Board of Directors determines the policy for directors and executives to report to the Company on their own and related parties' interests from the date of their appointment. The company secretary is responsible for documenting the stakeholders' reports to the Board of Directors. In 2020, the Company's directors and executives did not have any interest and if any director or management has any stake in the matter, directors with vested interests will not participate in the decision on the agenda. The Company will notify its resolutions via the Stock Exchange of Thailand's information dissemination system for shareholders to know about

➤ The Board must ensure that the Company complies with SEC announcement in case of connected transactions. The company will propose these cases to the Audit Committee for review and approval before submitting them to the Board meeting. This will let the Board know the details of connected transactions before making an approval and informing SET

➤ UBIS (Asia) Public Company Limited has assigned specific persons responsible for investor relations on the Company's behalf and communicate with institutional investors, shareholders, analysts and public sector. The Company appointed Mr. Pasithphol Temritikulchai, Managing Director, as a representing executive who discloses the information, together with the Investor Relations, via e-mail pasithphol@ubiasia.com or telephone number 02-683 0008 and Fax 02-294-2013

➤ The Board provides whistle-blowing channels for all stakeholders to directly contact the directors and the independent directors to complain via their e-mail addresses. Moreover, the Board will keep the complainants' information confidential.

➤ The Company has been certified as a member of Collective Anti-Corruption (CAC) of Thai Institute of Directors according to the resolution of CAC Committee no. 4/2017 on February 12, 2018, the certificate will be valid for 3 years from the date of approval

Responsibilities of the Board of Directors

The Board comprises a group of skilled and knowledgeable individuals from various fields of expertise and with accepted leadership. The Board takes part in setting the vision, mission, strategies and business policies and oversee the company's operation to make sure that it complies with laws, objectives, regulations, resolution of shareholder's meeting and good governance. The Company follows the principles and direction given by SET as below:

The Principles of Corporate Governance

Always valuing the Principles of Good Corporate Governance, the Board formulated the policy to ensure the transparent and auditable business conduct and increase the investors' confidence by regularly disclosing the information to the public and shareholders. The Company also recognizes the importance of internal control and internal audit. For risk management, it closely controls and manages risks by putting code of conduct as a top priority and fairly treating business partners, shareholders and all stakeholders.

Leadership and Vision

The Board plays the roles in compliance with the standard of good corporate governance as below:

- Setting vision, mission, strategies, goals, business plans and company budget
- Regularly overseeing and monitoring the management performance to ensure that it follows the plan and achieves the goals.

- Providing sufficient internal control system and regularly monitoring it, with Dharmniti Co., Ltd. auditing, assessing, and reviewing the Company's internal control system during the annual audit.
- Ensuring that the company has proper risk management measure that is regularly monitored for the Company's best interest.

Conflict of Interest

To prevent the conflict of interest, the Board cautiously directs the business transactions that may potentially lead to conflict of interest. It defines the policy and method to prevent the management and related parties from using the Company's inside information for personal interest. The Board must approve the transactions with conflict of interest, and the Audit Committee must approve the connected transactions. The approval for these transactions must consider the company's best interest, fairness, reasonable transaction that meets the market price. Moreover, to ensure fairness and the Company's best interest, the stakeholders or parties who may have conflict of interest cannot attend the approval process. If the connected transaction falls under SET regulations, announcements, order or rules, the Company will follow SET requirements. Furthermore, the Company laid out the preventive measure against the use of inside information by allowing only the assigned individuals to access that information. All directors and executives of the Company are aware of their duties and responsibilities for inside information and will not use it for their personal interest or trading. The company also set the disciplinary penalty for violation or incompliance.

Business Ethics

The company has realized the importance of ethics value creation for company's culture. The company has created business code of conduct to promote all responsibility behaviors for work, shareholder, coworker, stakeholder and society including how to avoid any behavior that might against ethics, laws and regulations. The company has created 10 business code of conduct as follow; 1) honesty 2) trust 3) confidentiality 4) professionalism 5) personnel 6) leadership 7) ownership 8) good governance 9) Anti-corruption and 10) reporting employee's violation against ethics.

Power balancing of non-executive committee

The company has audit committees consisted of 3 independence audit committees and 1 Independent committee. Thus, the Company has 4 Independent committees from total of 9 company's committees which is more than one – third of all committees so this can help balancing power of nonexecutive committee.

Compensation of executives and committees

The company defines compensation for the company's committee at the same level as industry and suit with their duty and responsibility. Compensation is high enough to keep and motivate committees qualified under the company's requirements. For the executives, the compensation is followed by the policies and regulations made by the company's directors, and related with company performance and each executive's performance.

Board meetings

The Company has set up a meeting of the Board of committees at least once every 3 months and has additional meetings as necessary. There is a clear agenda ahead, and the monitoring of the results on a regular basis. To hold the annual meeting of the committees, the meeting invitation will be prepared with the supporting documents 7 days in advance of the meeting in order for the board to have sufficient time to study the information before attending the meeting

Internal control system

The company gives priority toward internal control system both in management level and staff level. For the efficiency, the company has set up duties, authorities, and responsibility of all staffs and executives. The company has securities holding usage control for benefit the company, and separate duties and authorities of staff, monitoring staff, and evaluators for balancing and auditing properly. In addition, there is also internal control toward finance system. The company has defined

approval authority of committees by defining financial approval authorities, financial amount as approval lists required; such as usual expenses of business, buying production materials, buying any selling products, including contract commitment and assets trading list, or purchasing or construction or rental for company business followed by company's objective, and asset rental revenue under consideration properly in management and company's business. The company has defined additional conditions as follow; 1) all authorities can't approve their own requests 2) any duties or progress under approval financial amount must follow the laws, regulations, guidelines, manuals, and announcements from the company, The Securities and Exchange Commission, and The Securities Exchange of Thailand 3) the authorities of subsidiary committee has to be defined by the executive committee but not exceed than executive committee's approval authority. If exceed than that, have to ask for executive committee's approval. The subsidiary also conduct adequate internal control systems and all-time monitoring by Dharmniti Internal Audit Co., Ltd. that audit and review company internal control for annual internal auditing.

Committee's report

Company's committee takes responsibility toward significant business conduct, business financial of company and subsidiary company, and financial information which public in annual information report and annual report. The financial report has to follow the accounting standard that is certified in Thailand by picking up and carefully conduct proper policy, estimates the best including reveal enough significant information in financial budget note.

Conducting business with fairness and anti-corruption

UBIS (ASIA) CO., LTD. Or "UBIS" stands by its mission in conducting business transparency and fairness by taking responsibility for social or all stakeholders under good governance and ethics guidelines, including company's policy and stakeholder's regulation. The Company has been certified as a member of Collective Anti-Corruption (CAC) of Thai Institute of Directors according to the resolution of CAC Committee no. 4/2017 on February 12, 2018, the certificate will be valid for 3 years from the date of approval

The Company joined in member of "Collective Action Coalition in Private Sector against Corruption" in order to show intention against corruption. Thus, the Company has policy for executive, committees, and employee to follow law strictly, has strong intention against corruption, and realize that corruption is critical threat that can destroy freedom and fair competition, including damage on country's economy and social development.

The company has policy to define responsibility, regulation, and rule for proper conduct against corruption in all company's business activities. For proper considering and acting decision toward risky corruption business, the company created "Anti-corruption policy" to be company's regulation for business conduct and sustainable business development.

In addition, company has set up the whistle-blowing channel for reporting bad behavior and corruption. If anyone has clue about bad behavior and corruption, or any attempts that violate code of conduct, or defective internal control system that might cause risk or damage to company's business, he or she can contact directly to chairman of committees, the chairman of audit committees, independence committees, and/or audit committees in these following channels.

- Send letter to the company's address : 807/1 6th floor Rama3 Road Bangpongpang Yannawa Bangkok 10120
- Send an email directly to Chairman, Email : D2B@ubisasia.com
- Send via company website www.ubisasia.com or Contact Us
- For employee's complaint, it will be sent directly to Chairman
- For executive's complaint, it will be sent directly to Chairman of Audit Committees

However, all clues or complaints must be polite and contain the following details.

- Name and Surname of the complainant
- Facts or details about mis-conduct along with evidences (If available)
- Name and Surname of whistleblowers

The measures to protect whistleblowers or complaints as below

- Company will keep the complaints as confidentiality and only disclosure as necessary to ensure safety and prevent risks that could have happened to the appellant. (In case the appellant does not disclose his or her name, he or she, however, must specify the details, facts, or enough evidence to show corruption or misconduct as reported.)
- Appellant can request to provide protection as necessary and appropriate.
- Those who suffer damage will be mitigated by a fair and proper process.

The investigation of complaints is as follows

- In case those who are complained are in manager or lower position, their supervisor and human resource director will jointly investigate the complaints.
- In case those who are complained are in executive or higher position, the Audit Committee will perform the investigation.
- In case the result of investigation is unacceptable by those who are complained, it shall be escalated to The Audit Committee for consideration.

However, company does not accept complaints as follows

- The complaints which the Audit Committee has already finalized and there is no new evidence.
- The complaints which the appellant has ceased to be an Employee of the Company for more than 5 years.
- The matters do not have evidences or specify the behavior of the corruption that is clear enough to conduct the investigation.

The matters that have been reported for clues or complaints are follows

The Company secretary takes responsibility to compile the documents received from these channels in order to summarize the recommendations of all issues to company's Board of Directors for consideration and proceeding. The company has rules for setting up an inquiry committee to establish the judicial process for investigation and punishment. In case where the evidence appears sufficiently clear that the appellant is dishonest toward clues or evidences, they may receive the punishment for each case as follows.

- If being an employee, will be investigated and considered punishment following company's work regulations.
- If it is a third party and causes damage to company, the company may consider legal action against the whistleblowers as well.

Regarding the complaints, the company will keep the information as confidential and will not disclose to others unless required in the process of investigation, prosecution, testimony, or cooperation in court or government agencies having legal authority.

Applying the principles of good corporate governance

The Board of Directors is committed by adhering to the principles of good corporate governance, good practices for Directors of Listed Company, regulations, and the related good practices of the Stock Exchange of Thailand, the Securities and Exchange Commission, and improving the level of corporate governance to be in line with international practices. The policies of corporate governance has been prepared to be used as guideline for the Board of Directors, Executives, and Employees.

The Board of Directors will promote and supervise the implementation of the established policies in order to aChief goal of creating stability and sustainability for the organization and shareholders. The Board of Directors understands their roles, duties, and responsibilities of the Board of Directors towards the company and shareholders, and has studied the guidelines for compliance with the good corporate governance as specified by the Stock Exchange of Thailand to improve the Company's operations in order to create the transparency in work, conducting business ethical operation, creating internal control systems including the importance of equality of shareholders, and the protection of shareholders' interests.

Supervision of the Subsidiaries' Operation

The Board of Directors has a regulatory mechanism that enables management control and accountability of the Subsidiary operations in order to protect the benefits of the Company's investment as follows.

- The Company has sent a representative to be a Director, Executive, or controlling person in Subsidiary in proportion to shareholding which must be approved by the Board of Directors
- The appointed person will have duty to perform for the best benefit of the subsidiary company
- The scope of duties and responsibilities of the Director or Executive representing of the Company in determining the important policies such as capital increase, capital reduction, as well as changes to Company regulations or operational policies, etc., however, the approval by the Board of Directors is required before voting or exercising voting rights at the same level that must be approved by the Board of Directors if it is conducted by the Company itself
- In case of being a Subsidiary, the appointed persons must ensure that the subsidiary has regulations regarding connected transactions and/or acquisition and disposition of assets in accordance with the practice of the Company. The data storage and accounting records must be aligned with the policies of the Company as to enable the company to examine and compile the consolidated financial statements in time
- The Company representative must ensure that the subsidiary has appropriate internal control mechanism and comply with the Company

Supervision on the use of the Inside information

The Company has a policy prohibiting the Directors, Executives, and Employees, who are acknowledge the inside information to use the information that has not been disclosed to public for their own or other's benefits with the following guidelines

- The Directors and Executive are required to prepare and submit the security holding report of their own, their spouses, and underage children to the Securities and Exchange Commission as follows.
 - To submit first report on Securities Holding (Form 59-1) within 30 days from the date of being a Director
 - To report the changes in Securities Holding (Form 59-2) within 3 days working from the date of purchase, sell, or transfer of securities, and send the copy of security holding report to the Company Secretary within the date of report sending to record the changes and summarize the securities of each Director and individual Executive for submission to the Board of Directors in the next meeting
- Announce that Directors, Executives, and Employees who acknowledge the significant inside information that may affect the changes in trading price of the securities must suspend for the purchase or sale of the securities during 1 month before the Company announce results of operations (The schedule of overall operation announcement is 45 days from the end of quarter and 60 days from the end of accounting period) or until such internal information is disclosed to the public.

Decide the measure of penalty

The Company has set the penalty of violation for the use of Company's information on personal benefit in the Company's regulations with the highest penalty according to the law.