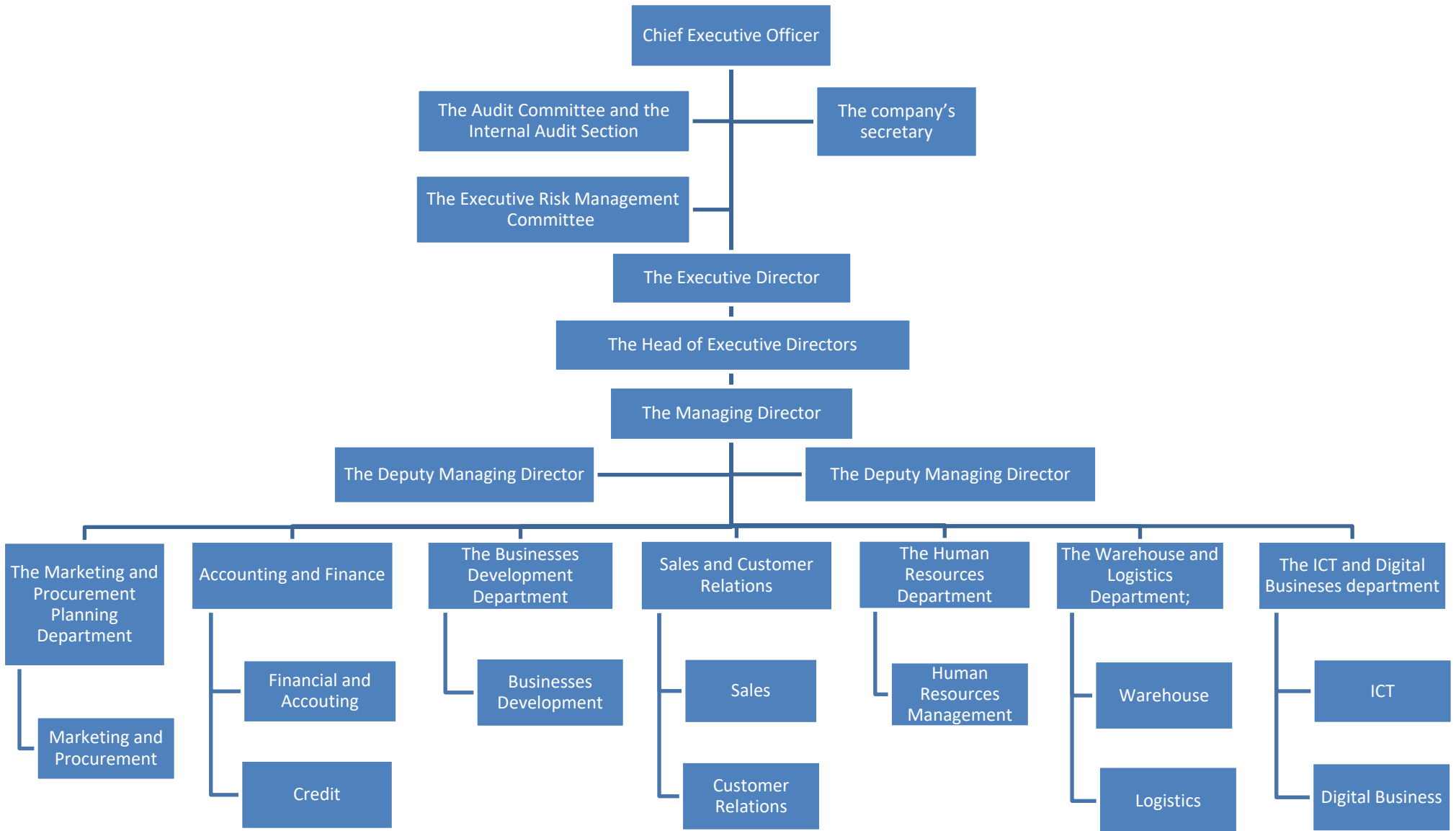




# บริษัท ยูเนี่ยน ปีโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนี่ยนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4





บริษัท ยูนิออน ปิโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูนิออนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BOROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

## Standards and Company Operations

### Authority and Company Operations

The agenda of the shareholders' meeting No.1/2548 on the 25<sup>th</sup> of July, 2548 B.E. had proposed the authority and the operations of the Company's board by following:

1. The Civil and Commercial law influence and other laws had proposed a response to the Company's board and company's committees.
  2. To have the authority to adhere to the company's regulations from the Company's board.
  3. To have the authority to propose primary policies for business functions and financial policy, crowd funding policy, capital oversight policy, and Company Risk Management of the company.
  4. To improve the company's budget through company investment projects; as well as to operate projects coinciding with plans implemented.
  5. To facilitate the functions of the company to accomplish goals and to implement guidelines for resolving problems through completing that objective.
  6. To facilitate under the laws prescribed, goals, company guidelines and to adhere to the shareholders' meetings based upon agendas; as well as to make inquiries about the Memorandum of Association.
  7. To formulate company committees, sub-committees or persons who could act as officers with provided permission from shareholders including those persons that may or may not have conflict of interest in the voting process.
    - To adhere to the laws as prescribed, and acknowledging shareholders' meeting agendas.
    - To compose a the record of stakeholders in the committee under the laws prescribed or through stock exchange principal.
- Furthermore, proposition must seek approval from all shareholders of the company, the Director's Board; with a vote of 3 out of 4 from shareholders who participated in the meeting. Moreover, these individuals have the right to vote.
- To safely and efficiently transfer every functions of the company or a few functions of the company.
  - To transfer or purchase private companies' property to become a part of our line of companies.
  - To revised and terminate all functions of the company or a few parts of the company.
  - To revised the company guidelines or the Memorandum of Association.
  - To constitute new shares to pay the company or pay off debt investment transitions.
  - To boost capital increase or to manage the company's capital contraction
  - To implement more details under the laws prescribed..



บริษัท ยูเนียน ปิโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนียนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BOROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

## Standards and Internal Audit operations

### Job functions and Internal Audit Committee functions

The agenda of the shareholders meeting No.6/2548 occurred on the 27<sup>th</sup> of May, 2548 B.E. Furthermore, Company's Board meeting No. 5/2549 occurred on the 21<sup>st</sup> of September, 2549 B.E.. Both of these meeting introduced company regulations and listed the operations of the Company's Board by following :

#### **Job functions and Internal Audit Committee functions**

1.To assess and audit the company in furnishing proper and transparent financial documentation; which could be assemitated with a sufficient amount of data with coordination. In addition, these designations occurs with the external auditor and with company officers; who are task with providing honest, and transparent financial documentation both quarterly and annually. Moreover, the Audit Committee can assess the significance of the listed documentation with the financial auditor.

2. To audit the company in providing exceptional quality standards; as well as possess a proper internal system through the assessment of both internal and external auditors.

3. To audit the company's functions in adhering to stock market law, stock market values or following company guidelines regarding financial securities.

4. The Company Auditor will authorize through the consideration of remittance treated under honesty, possessing a sufficient amount of resources; as well as adhering to the amount of the audit's tasks of the auditing business.

5. The Company's data is disclosed through the deliberation of conflicts arising; to resolved any issues and dissmentating information with individuals at future shareholder's meetings.

6. To adhere to the fundamentals of the company committee. For example, to amend financial structure and to asses risks through proper management; to adhere to businesses ethics code of the director, and to disclose information to the public under laws and departmental analysis for organization.

7. To adhere to the company committee's objective; which company committee No.1 /2548 occurred on the 17<sup>th</sup> of June,2548 B.E. This meeting had deliberated that the Audit Committee had to demonstrate audit activity by disclosing the company's annual report with the signature of the individual in charge of the auditor committee by the following:

- The deliberate about the company's processes and disclose honest and transparent company financial records.
- The deliberate about the sufficiency of the company's internal control system.
- The feedback from the auditor can be continuous and make future announcements.
- To deliberate about adhering to the property and stock exchange laws in implementing property management and company business laws.



บริษัท ยูเนียน ปีโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนียนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

- Every report from both the shareholders and investors must acknowledge the job functions and the Company Committee's operations.

More so, the Auditor Committee must adhere to company guidelines; that are authorized from the company committee; as well as mustn't authorize Conflicts of Interests from becoming onset or implementing certain projects that could damage the company or company sub-committees through Conflicts of Interests. Moreover, disclosed information must be delineated to the company committee for deliberation.



บริษัท ยูนิออน ปิโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูนิออนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

### **Job functions and the Director's Board functions**

The Director's Board agenda meeting No.1/2548 occurred on the 17<sup>th</sup> of June , 2548 B.E. Furthermore, the Company's Board meeting No. 5/2549 occurred on the 21<sup>st</sup> of September, 2549 B.E.. Both of these meetings had implemented company regulations and adhered to the job functions; as well as the Director's Board functions by the following:

#### **Job functions and the Director's Board functions**

1. To design and to implement company regulations, proper business ethics, adhere to plans of action, following sufficient structure, proper company principle authority, following Corporate Governance Code regarding the economy, Reducing company conflicts that may arise, and bringing forth these suggestions for future company committee deliberation.
- 2.To implement company plans, managing the annual budget of the company; as well as deliberating about the functions of the company at future company committees for deliberation.
3. To investigate and to adhere to the functions of company; through the structure of managing capital efficiently.
4. To contemplate and deliberate about investing, and purchasing alongside tangible fixed company assets for processing and presenting this essential information to the company's committee for deliberation.
5. To deliberate about the authorization of Company financial transactions; regarding the rate of money which adheres to the company's guidelines for authorization and are deliberated with company committee.
6. Each Director's Board is permitted to only vote for 2 members from the Director's Board committee. In addition, these individuals within each Director's Board must sign alongside with a company stamp for power of attorney. Thus, permitting trustworthy individuals to complete this process formally.
7. To provide feedback for my company functions through the company's committee.



**บริษัท ยูเนียน ปีโตรเคมีคอล จำกัด (มหาชน)**  
**UNION PETROCHEMICAL PUBLIC COMPANY LIMITED**

อาคารยูเนียนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

8. To possess the right in imposing proper care for the well-being of company officers with future check-ups in accordance with the company's guidelines and the laws as prescribed.

Additionally, any approval made by the Director's board mustn't disclose the list of confidential information; because this could cause a conflict of interest to arise within the company or within the sub-committees of the company. However, a few lists of confidential information must be authorized from the shareholders in accordance to Thailand's Stock market ethics, transparency and with the Securities and Exchange Commission of Thailand.



บริษัท ยูเนียน ปิโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนียนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

### **Job functions and the Managing Director's functions**

The Director's Board agenda meeting No.1/2548 occurred on the 17th of June, 2548 B.E. Furthermore, the Company's Board meeting No. 5/2549 occurred on the 21<sup>st</sup> of September, 2549 B.E. Both of these meetings had proposed company regulations, job functions, and the Managing Director's Board functions by the following:

#### **Job functions and the Managing Director's Board functions**

1. To organize and manage the entire structure of the company, and facilitate the operations of the administrative component of the company.
2. To possess the authorization in employing, founding, and terminating previous employees; as well as to confer wages, bonuses, salary increments, and to formulate a committee for the Provident Fund for each company employee.
3. To possess the authorization in approving the budget for buying resources; to manufacture products, and provide customers with excellent quality services. Furthermore, each company asset is managed till the authorization of the company's financial data under company guidelines through the company's committee.
4. To possess the authorization in implementing guidelines, communicating about guidelines, and recording; to make person adhere to both the company's interests and guidelines. Subsequently, this retains the structure of the company in functioning sufficiently and correctly.
5. To possess the authorization to represent the company for authorized persons outside of the company; which contribute benefits to the company
6. To authorize departmental who are essential for the structure and efficiency of the company
7. To possess the authority and accountability to the functions presented by the Director's Board.

Additionally, the authorization of the Director's Board mustn't disclose the list of confidential information; which could result in conflicts of interests within the company and within company sub-committees. More so, a few list of confidential information must be authorized from shareholders in accordance to the guidelines set forth through Thailand's Stock Market capital and through the Securities and Exchange Commission of Thailand.



บริษัท ยูเนี่ยน ปิโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนี่ยนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

### **Team Charter Revision 2565 B.E.**

#### **Union Petrochemical Public Company Limited**

The Director's Board agenda meeting No.1/2565 that occurred on the 22nd of February, 2565 B.E. had revised the founding of Team Charter for revision 2565 B.E; according to the job functions and the Team Charter Revision functions by the following:

#### **The aim of the Charter Revision Committee**

1. To establish blueprints for the company in instilling the Corporate Governance Code.
2. To provide the company with the assistance regarding proper internal control facilitation, assessing risks through sufficient management, and merging internal controls applicably; to assist the company in offering exceptional quality standards and possessing ongoing objectives.
3. To present the Company's financial data as honest, truthful, and trustful, believable, and understandable.
4. To check-up and assess if company officers are adhering to the laws as prescribed, regulations, company guidelines, and adhering to the company's agendas as put into effect

#### **The Audit Committee's Code of Conduct**

The Common Procedures of the Audit Committee are listed as the following:

1. To aid the Director's board in fulfilling their supervisory job functions by reassessing the financial reporting structure, mangaging the internal control system, determing the Audit procedures; as well as assessing legal conformity through proper observation process, observing Code of Conduct and policies authorized by the Director's Board.
2. The Audit Committee must be nonpartisan, and provide advancement of autonomy through the functiosn of the Company Auditor, the Internal Auditor and the External Auditor.
3. The Audit Committee must fulfill there job functions as prescribed, and must both integrate and deliberate with the Director's Board, provide sufficient management, possess competent internal auditors and external auditors regarding financial reporting assessments.





4. The Audit Committee's members must possess adequate acknowledgement of the functions and the operations of the Audit Committee; regarding the assessment of the Audit Committee Business Operations Internal Control and both managing and assessing company risks.
5. The Audit Committee must determine and record the efficacy of the Board; as well as Audit the Director's Board and shareholders each year.

### **The Authorization of the Audit Committee**

The Audit Committee possesses the authorization to handle or research issues or other information through its job functions.

The job functions of the audit committee are listed by the following:

1. To deliberate about the selection of an auditor and compensation; in proposing shareholders for authorization and respect towards efficacy besides the auditor's report.
2. To deliberate and provide impressions of the Company's functions, company guidelines and financial records to the Director's Board with proper facilitation; as well as to deliberate about any issues that may arise through the structure of the company and its' officers if there is disapproval present about company financial information.
3. To deliberate and provide impressions on the progression of the company's functions and authorization
4. To deliberate and provide impressions on the job scopes and the organizational framework of the Audit Office, the academic and employment background of every audit office manager and individuals from the internal audit office; regarding reassessing budgets, managing meets, transmission, discharge, acknowledgement of remuneration and a sufficient understanding of proper ethics of through the organizational structure of both the Internal Auditor and the yearly audit report.
5. To deliberate and authorize the SAR's charter and audit plan through efficient inspection
6. To aid external individuals of the company or company officers with recommendations or suggestions; as well as managing audits applicably with the company handling any costs that arise
7. To deliberate and elect sub-committees, company officer groups or analytical committee in the Audit Committee by conferring duties within the job functions of the Audit Committee as applicable
8. To communicate with the company's directors, shareholders, company officers, established individuals outside of the company, and those individuals who have retained job titles and functions of the company. Furthermore, this assessed through company representatives at varied levels, internal auditors, auditors and correlated third parties directly and



without hindrance in inquiring about factual information, furnishing confidential information as permitted by law; and requesting assistance in the managing the performance of the Audit Committee or the individuals who are employed within that Audit Committee

9. To persuade shareholders, company officers, internal auditors, external auditors, external individuals who work outside of the company and correlated third parties to participate in company meetings as applicable
10. To deliberate and select the Audit Office, internal auditors, external individuals who work outside of the company, company officers, sub-committees of the company or independent work group committees. Furthermore, the Audit Committee director delegates job functions for audit accounts, confidential data, documentation, records, computer systems and fulfills the job functions of various company departments; which include observing correlated individuals in accordance to the company's plan. Moreover, audits are delegated by the Director's Board, are obtained and are announced through the issues that arise through cases that involve corruption.

### **The foundation of the Audit Committee**

The Director's board has selected an Independent company director without there being any conflict in any other company positions. Furthermore, the structure of this organizational structure comprises of 1 individual; who acts as the director of the audit committee. Moreso, at least 2 individuals but not more than 4 individuals are members of the Audit Committee. In addition, at minimum one member of the Audit Committee must possess an understanding of accounting or administrative finance procedures. However, other directors must possess an acknowledgement of topics for discussion; such as taxes, rules, guidelines, etc.

The administrator of the audit office; which comprised of the secretary of the Audit Committee by the position of the Director's Board of the Audit Committee must appoint an assistant secretary for the Audit Committee as applicable.

### **The Audit Committee academic and employment background**

1. To be independent entity and not a major shareholder, a shareholder of a major shareholder, in charging of running the company's Director's Board, a company director or an individual who has company positions and functions in the organizational structure of the company must operate with responsibility in fulfilling job functions as delegated through autonomy and impartiality by not being managed by company directors, company officers, or company majority stakeholders.
2. To possess awareness and acknowledgement in business, business administration and proper Corporate Governance Code



3. To possess integrity, transparency, credible, and being acknowledged by members of society
4. To be mindful with information in the capabilities and the skillsets in determining and making choices
5. To possess the capability of managing honest, and ethical human relations; as well as acknowledging the viewpoints of other individuals
6. To provide an ample amount of time in fulfilling job functions from the audit committee; which are applicable and sufficient without retaining job title from the Audit Committee in more than 3 other organizations simultaneously and mustn't retain too many job titles from various sub-committees
7. By not being the individual delegated in being part of the company's sub-committee; that implements regulations, guidelines, or possesses the authorization in making choices through efficient organizational structure or sufficient company functions
8. Having no personal company co-dependence; such as not being a working for the company as a customer company specialist, not following the law, there being conflicts of interest available; or being individuals who has been employed or obtained remuneration from the company entities through joint venture, through correlated businesses or with company majority shareholders
9. Not being a family member that is related to any individual working the company; who has job functions which pertain to the organizational structure of the company

### **The Audit Committee Length of Office Term**

1. The Audit Committee has a term of office in accordance to the term of being a Company director.
2. The Audit Committee may be elected to hold the proceeding duty as the Director's Board views appropriate.

### **Retirement from the Audit Committee's functions**

1. Ever member of the Audit Committee is terminated from his/her duties if the following occur:
  - 1.1. Once becoming a Company's director or
  - 1.2. The absence of the Audit Committee's credentials or
  - 1.3. The Director's Board has confirmed a verdict for dismissal or
  - 1.4. Termination
2. If the Audit Committee comittese necessittates the need for terminating their duties and responsibilities before the term has been completed, it must make an announcement to the Director's Board 1 month in advance or beforehand.



## The Audit Committee Meeting

1. The Audit Committee must congregate at a minimum of 4 sessions each year. Furthermore, the Audit Committee's Director could hold additional meetings if there is necessity delegate information from the inquiry of the Audit Committee or the Company's officers or directors.
2. The Audit Committee must hold a meeting before the Director's meeting is held; as well as must be coherent with the allotments of financial documentation, recording, internal audits, and external audits.
3. The majority of the Audit Committee must comprise of individuals; who assessed for a minimum of two of thirds of votes. of members. However, if the Audit Committee isn't able to attend the meeting individuals are able to do so on their on. Moreover this meeting can occur through electronic communication and teleconference through the television, radio, and the internet as applicable.
4. During the conference, the Audit Committee has the option to appeal to individuals who want to attend the meeting as applicable. For example, company officers, both internal/external auditors, external individual that work outside of the company, and other individuals that pertain to the meeting's agenda. Moreover, these individuals must seek data or documentation as needed and that is applicable.
5. There must be a particular conference with company officers or internal/external auditors at a minimum of once a year and a conference with the managers of the internal audit at a minimum of once per quarter.
6. The secretary or the assistant secretary of the Audit Committee must organized and facilitate the agenda of the meeting agenda; as well as must facilitate documentation of the coference which is in accordance to the viewpoints of the Audit Committee's Director and must presented to the Audit Committee at a minimum of 3 days before the meeting occurs.
7. The secretary or the individual facilitates job functions regarding the individual who records the information of each Audit Committee meeting.
8. The basic agenda conference of the Audit Committee comprises of the proceeding information:
  - 8.1 Financial documentation and internal audits.
  - 8.2 Internal authority, Company Risk Management and Good Corporate Governance.
  - 8.3 Internal Audit.
  - 8.4 Agreement with the rules, regulations, laws, and applicable resolutions of the Director's Board.
  - 8.5 Agreement with the Code of Business Conduct.
  - 8.6 Documentation of the Audit Committee's Conduct



## **The Audit Committee's Job functions and duties**

The Audit Committee is task establishing in facilitating the proceeding subject matter:

### **Internal Control and Company Risk Management**

- (1) Assess the efficacy and proficiency of the internal control and company risk management regulations, risks asessed by organizational structure and function; including maintaining communication channels for significance of internal control in assessing the risks of every company employ warmly and sincerely.
- (2) Deliberate with both the internal and external auditors regarding the job functions in reassessing the audit system, internal control and company risk management regarding the basic functions; as well as being corelated with the computer system in acquiring security systems, computer system information, and implementing supporting procedures.
- (3) Reassess on the development of departmental management in accordance to the suggestions of both the internal and external auditors regarding internal control measures and the company risk management financial documentation.

### **Crisis and anti-corruption policies**

#### a) Basic financial documentation

- (1) Reassess fundamental accounting and documenting problems that arise at the company on a professional level; as well as manages notifications would have an impact on financial documentation
- (2) Analyze legal problems that may have a significant effect on the outcome of financial documentation
- (3) To reassess the adaptness and authenticity of the information system and its introductory mechanism regarding financial documentation
- (4) To assess the preference, utilization and transition of accounting fundamentals; which incorporates the effect on the acknowledgement of a variety of administrative entities.
- (5) To revalue the evaluation or problems requiring justification; which comprise attributes are abstract and subject to transition in accordance to foreseeable events or viewpoints and the awareness of these individuals inclined. For instance, the asesments of capital or obligations affect financial documentation. Moreover, Accounts receivable that are assumed to be outstanding,



gradual transitioning or if the overall cost of inventory isn't up-to-date with foreseeable obligations, reorganizing costs, managing Non-Refundable Loans, foreseeable insurance, reserve for legal disputes and other income or expenses that may become onset in the future

- (6) To reassess the internal control system, the financial reporting risk assessment of the company and acknowledge the prospects of corruption; which hinder the financial role and outcome of nominal company functions and is applicable for the company's framework.

#### b) Annual financial report

- (1) Reassess the annual financial report in terms of accuracy, integrity, authenticity, applicability of accounting fundamentals utilized in financial reporting and the compliance with data comprehended from the Audit Committee.
- (2) Analyze problematic transaction records of peculiar items such as objects correlated to conflicts of interest, debt or unusual items, such as related items, conflict of interest Debt reestablishment and disclosure of information etc.
- (3) Deliberate with the management of the company, the audit office and reassessing financial information regarding audits. Moreover, this is demonstrated through the record of annual financial documentation.
- (4) Evaluate the problems in the annual report before disclosing them to the general public; to guarantee that the data is comprehensible, factual, and transparent

#### c) Provisional financial documentation and Introductory announcements

- (1) To evaluate the integrity, the authenticity and the reliability of the introductory data, data on fundamental problems, essential assessments, performance contrasted to founded assessments and peculiar circumstances that become onset
- (2) To assess the compliance of the fundamentals of accounting in provisional financial documentation; with basic acceptance of accounting fundamentals and those elements determined annual financial documentation
- (3) To analyze the job duties and the cooperation of both the internal and external auditors, in assessing provisional financial documentation
- (4) To deliberate with company management, the audit office and the auditor in assessing financial documentation; regarding provisional finance and the suggestions provided from both internal and external auditors.
- (5) To evaluate integrity and honesty in providing information about financial documentation and provisional financial documentation.



**Including the internal audit process regarding the following:**

- (1) Assess the job functions and the organizational structure of the company; regarding the academic and employment background of the Audit Office Manager and provisional auditors for compensation, establishing charters, implementing Audit Plans, corresponding with the budget inspector.
- (2) To deliberate about the selection, transition, termination, performance, assessment in regards to exceptional manager inclinations; as well as both internal and external auditors.
- (3) To analyze and assess the efficacy and persuasiveness of the function of the company for checking.
- (4) To deliberate with the director in regards to a devoted auditor without organizational structure at the conference; so that the efficacy Auditors is instilled and that they are independent and obtain cooperation from every entity.
- (5) To prepare for appropriate assessment; when an inquiry is made and based on conjecture, grievances announced during the anti-corruption case or has been summoned by company management or functions which has been delegated by the Director's Board which may implement external individuals that work from outside of the company to aid in inspecting applicable company audits.

**Correlated Entities**

- (1) To analyze academic and employment backgrounds, awareness, autonomy, transition, borders, and Review the qualifications knowledge Independence, rotation, boundaries and adjustments regarding the work ethic and the compensation of the company auditor.
- (2) To exam financial documentation and inquiry suggestions from the auditors who have obtained financial documentation.
- (3) To deliberate with the auditor particularly without organizational structure being present at the conference; to gurantee the performance of the individuals who are employed. Furthermore, the Audit Committee is nonpartisan and obtains participation from every entity that adhered with the laws as prescribed, company guidelines and solutions from the Director's Board.

**Provisional and Annual**

- (1) To assess the efficacy and the pervasiveness of the procedure or organizational structure in measuring adherence to related laws as prescribed, company guidelines and solutions from the Director's Board; which incorporate the suggestions of the Auditor's viewpoint of the company with sufficient management, a variety of company obligations with third parties, organizational structure company regulations, and ruels as well as the autonomy of the company.





- (2) To evaluate the appraisal of how the company is affected, assessing the company's functions and analyzing financial documentation; if for any reason the company doesn't adhere to the laws as prescribed, related guidelines and other information from other clauses.
- (3) To analyze the audit documentation of managerial entities such as the Revenue Department, the Stock Exchange of Thailand; if the company is listed on the Stock Exchange of Thailand.
- (4) To exam the procedures obtained from organizational structure; to be applicable with an applicable company conduct; including determining the measures of the Director's Board and the organizational structure in mitigating corruption incorporating communication channels for support.
- (5) To evaluate the configuraiton of the company's directors and company officers; in measuring their demeanor, and attitudue towards anti-corruption polices and preventing illegal choices from occurring.
- (6) To obtain anti-corruption from individuals in the company; who are tasked, or are selected for given job functions; such as an individual or a group of individuals to assess the documentation or inspect factual information in case there is an inquiry based on questionable evidence or providing a grievance about corruption or not adhering to the laws as prescribed, correlated company guidelines, and other ruels, including presenting to the issue at hand to the Director's Board cooperatively in the deliberation of penalties or revisions to such issues.

### **Adhering to the Code of Business Conduct**

- (1) To adhere to the development and issued the code of conduct for company functions, company officers, and other individuals that work for the company.
- (2) To evaluate the obligation of company management to instill a productive work environment; which applies to exceptional company ethics, such as being an excellent company role model and conversing with other company officers in observing the fundamentals of the code of conduct which pertain to the company's guidelines and individual demeanor.
- (3) To assess the procedure for observing and assessing adherence to the Code of Business Conduct; which includes penalties for not adhering to the laws as prescribed.





## Audit Committee Reporting

(1) There are 2 types of reporting of the Audit Committee stated to the Director's Board by the following:

1.1. To address on the functions fulfilled by the Audit Committee through regular function; such as

- The recorded information of the Audit Committee's meeting mentioned about meeting deliberation; which conferred to the Director's Board for application.
- An assessment of the Audit Committee quarterly and annually recorded functions listed by the Audit Committee's director.
- Viewpoints on financial documentation through internal control organizational structure, company risk, Good Corporate Governance and an efficient Internal Audit procedure.

1.2 Viewpoints on problems that necessitate the Director's board to seek immediate course of action;

- Conflicts of Interests recorded and incentives from it.
- Conjecture or beliefs that there may be corruption present, inconsistencies or Consequential irregularities in internal control.
- Questionable breach of related laws as prescribed and company guidelines which have an obligation third parties, solutions from the Director's Board, or solutions provided through organizational structure.

(2) Documentation of the Audit Committee to the shareholders

The documentation from the Audit Committee should be disclosed to the shareholders once a year by stating the efficiency of the Audit Committee in the annual report and implemented by the Audit Committee's director.

(3) Documentation of the Audit Committee to the managerial structure of the company, and the documentation of the Audit Committee based on the managerial structure of the company are in accordance with the prerequisites of each business in retaining exceptional quality standards.

## Maintaining quality

(1) Building relationship with management

The Audit Committee shall coordinate and consult with and always, always to ensure that he has a heart in business and has a request information that is correct and sufficient for the operation and to ensure that the management is aware of the problem and has made improvements in accordance with recommendations from the Audit Committee, Audit Office, Auditor and Organization.



The audit committee may insist that management to participate in conferences based on the problems that pertain to the meeting agenda; or to organize an independent conference for any particular subject matters. For example, documentation must be deliberated or requested from company management; which the board guarantees that the company's position is proper and is sufficient.

1. Risks within the company that are found to affect the organizational structure of the company
2. Attributes which affect the company; such as the market and competitors, laws as prescribed, taxes, etc.
3. Disputes and existing lawsuits and investigations that will become onset in the foreseeable future.
4. Treasury integrity and functions such as cash management hedging from the exchange rates, overdue agendas, and other types of reservations, etc.
5. Correlated policies and functions that don't desire investments to made new businesses or broadening existing companies.
6. Policies and functions correlated with employee coherence; which include employment issues.
7. A variety of property insurance policies and life insurance for the company's directors
8. Medium-term business plan and annual plan the company and company officers.

## (2) Growth and training

Audit committees must be constantly and persistently improved and prepared; to strengthen the related awareness to the efficacy of the Audit Committee, such as through organizational structure and financial control measures, financial company risk management regarding accounting and implementing financial documentation and good corporate governance, etc.

## (3) Conduct analysis

The Audit Committee must evaluate its conduct at least once a year; to guarantee that the conduct of the target is in accordance of being purposed and applicable. The conduct may be analyzed independly or a members of a grouping.

## (4) Implementation of fundamental procedures and essential procedures to develop conduct

After the Audit Committee has analyzed its own conduct, it must: Utilize the outcome received from the analysis into deliberation of problems that must be revised in by conduct; Manage preferences and deliberate essential formative procedures and mechanisms by characterizing transparent objectives, agendas, and accountable individuals in proposing to the Director's board for consideration.



บริษัท ยูเนียน ปีโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนียนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BOROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

(5) Reassessment and amendments to the charter of the Audit Committee

The Audit Committee must reassess the charter of the Audit Committee, at a minimum of once a year; to develop to given scenarios and heighten the functions of the Audit Committee proficiently and seriously. Thereafter, propositions can be made the company's board; in authorize other job duties.

**Other responsibilities**

- (1) Delegate and deliberate with other sub-committees of the company; which are selected by Director's board that are incorporated in correlation to the conduct of the Audit Committee, such as the adhered to the company's sub-committees in mitigating risks.
- (2) To achieve other job functions and duties as delegated by the Director's Board



**บริษัท ยูเนี่ยน ปิโตรเคมีคอล จำกัด (มหาชน)**  
**UNION PETROCHEMICAL PUBLIC COMPANY LIMITED**

อาคารยูเนี่ยนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BORDOMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

**Committee Risk Management Charter**  
**Union Petrochemical Public Company Limited**

In accordance with the determination from the Director's Board Meeting No. 3/2022 that occurred on the 8th of April, 2022, formulated of Committee Risk Management procedures for managing the organizational structure of the company to be proficient in its functions. Thus, the Committee Risk Management Charter had been formulatd by the following

**1. Goals**

The Commitee Risk Management Charter had been implemented in determining the organizational structure for company risk and its partners. In addition, its determines the establishment, job functions, tasks, and obligations of those individuals in correlation with company risk management functions. Subsequently, this assist the company in functioning and managing a variety of other companies; in accomplishing success achievements according to the aims set forth in having stable and transparent organizational structure.

**The Commitee Risk Management Charter comprises of proceeding measures**

1. Selection, length of term and the compensation of Committee Risk Management.
2. Job functions, roles, and tasks of Commitee Risk Management.
3. Commitee Risk Management Meetings.
4. Documentation of Committee Risk Management.
5. Evaluation of Conduct.

**2. Definition**

- A Charter means the Commitee Risk Management Charter.
- The company's name is Union Petrochemical Company Limited (Public).
- The company board means a company committee selected to facillitate responsibilities for Risk Management.
- High-level executives mean government officers holding the position of Managing Director and Assistant Managing Director



### 3. Committee Risk Management Charter

The Director's Board, the Audit Committee for Risk Management Committee and senior management aids in the facilitation in the risk management procedures of the company; as well as is transparent and adequate at an applicable risk level. For this purpose, the Committee regarding Risk Management Committee will complete its managerial functions with awareness of the company risk assessment; in providing feedback or recommendations and offering assistance that is constructive for the company's risk management in its entirety.

#### 3.1 Selection, length of term and compensation

1) The Committee on Risk Management is selected by the Director's; in aiding the Director's Board in managing a variety of levels based risk assessment services within the company. Thus, guaranteeing that the individual who is task with handling the organizational structure of the company for Risk management has integrated applicable risk management procedures. Moreso, these procedures comprise of various types of risks correlated to the company's functions in its entirety.

2) The Committee on Risk Management comprises of at minimum 3 directors for the company, senior management and/or related company officers who possesses awareness of Risk Management.

3) The Director's board selects the Committee on Risk Management Director and also selects the Committee on Risk Management.

4) The Committee on Risk Management has a length of term; which is persistent with the job role as a director of the company. Directors, who have responsibilities in delegating operations for risk, have a term of office which is according to the term of office of a director from the company unless the Director's board has variant viewpoints.

5) If the position is resigned upon by the term from the Committee on risks management; the following occurs:

- (1) Resignation
- (2) Retired as a director from the company.
- (3) Death
- (4) The shareholders' meeting or the Director's board meeting has agreed for dissolution.



However, the Committee on Risk Management director resignation doesn't affect the job duties or functions of other Committee on Risk Management Committee delegates

6) Compensation of the Committee on Risk Management Director and the committee on management is presented at the Director's Board meeting.

### 3.2 Job functions and tasks

1) The Committee on Risk Management possesses the authority to have a variety company departments explained in thorough documentation or persuade company officers and related employees of the company to participate in the Committee on Risk Management meetings; for explaining or assisting in stating information regarding company risks and conduct of functions as the Committee on Risk Management Committee view applicable. A proposal, recommendation or suggestion for data is a function in participating with the Committee on Risk Management.

2) The Committee on Risk Management has the authority to delegate functions and execute certain duties where applicable; to conduct the Charter's responsibilities or other circumstances as implemented by the Director's board in conducting essential functions in certain case.

3) Deliberation and providing information on the organizational structure and regulations for management is completed, before it's conferred to the Director's board for deliberation and authorization.

4) Deliberation and providing information on the assurance of the applicable risk level (Risk Appetite) and the aberration of the company's applicable risk level (Risk Tolerance) are implemented beforehand, and then conferred to the Directors board of deliberation and authorization.

5) Awareness, deliberation and recommendations on the outcome of the risk assessment, regulations and risk management procedures and an organizational structure aid in handling the onset company risks; to assure that the company has sufficient and applicable risk management.



- 6) Proper management aids the achievement of corporate risk management. Furthermore, recommendations and suggestions must be made mitigating issues at applicable risk level which is proficient. Subsequently, check-ups must be conducted to mitigate any onset company risks; which are applicable for company operations in assuring that risks are sufficiently and applicably managed.
- 7) Recommendations and suggestions must be provided for assisting the company, and the Committee on Management and the Risk Management; regarding corporate risk management incorporating advocating and aiding advancements and progression through the risk management system within sufficient organizational structure continuously.
- 8) Manage and aid in managing company policies and maintaining consistent organizational risk organizational structure at a minimum each year; to assure that company polices and company risk organizational structure continues to persistent and applicable for the entire company environment and risk management functions of the SET Group.
- 9) Documentation on organizational structure critical risks; including the status of risk regulations for risk management, improvement and the outcome of company risk management for the Director's board continuously.
- 10) Support recommendations and suggestions on the utilization of third-party services in assisting with independent support for organizational structure, responsibilities, and functions for division of Risk Management.
- 11) Provide viewpoints, and recommendations on recruiting individuals to work for the company from the outside; to aid in the functions of the department on Risk Management. If the workload exceeds the capacity of the existing risk management division, responsibilities can be conducted in obtaining an outcome in a particular timeframe results; as well as such recruitment will aid the company which should occur only once.
- 12) Delegation, shared knowledge and cooperation must occur based on company risks and internal control with the Audit Committee; as well as manage the company's investment risks. Thus, building determination within the company to be sufficient and offer an applicable risk management system; which assist the company in accomplishing its investment aims.

### 3.3 Meeting

- 1) The Committee on Risk Management holds a meeting at a minimum of once every quarter; which any individual related to this meeting can attend.



บริษัท ยูเนียน ปิโตรเคมีคอล จำกัด (มหาชน)

UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนียนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

2) There must be a committee on risk management that attends the meeting. Furthermore, there could be no less than half of the present committee on risk management committee; which is thus treated as the majority.

3) If the Committee on Risk Management Director doesn't participate in the meeting and didn't select a Committee on Risk Management director, the committee on risk management participating in the meeting will choose a director to be in charge of leading the meeting.

4) The Committee on Risk Management Director might announce a meeting on the Committee on Risk Management for particular circumstances. If this inquiry is made by the Committee on Risk Management, the deliberation on supplementary company problems needs to be addressed in their entirety.

5) The Committee on Risk Management might persuade competent individuals for information on meeting agenda in participating in meetings or providing documentation.

6) The Secretary for the Committee on Risk Management or the Risk Management Unit is task with handling meetings, implementing company agendas, completing meeting documentation and documenting the entire meeting; as well as other information from the meeting to be provided within 7 days before the meeting occurs.

7) In the decision for the Committee on Risk Management Committee to the director on risk management and the Risk Management Committee each possess one vote; as well as must deliberate on the majority vote as a precedent in case of fair votes. The director on risk management possesses the right to vote, as well as to speak. However, the secretary of the Director's board doesn't possess the right to vote.

### **3.4 Documentation**

The Committee on Risk Management acknowledges the assessment of risk management documentation and correlated information; such as data of from organizational structure risk status to assure that the foundation and risk management regulations can persist in training to be persistent with the atmosphere of the company. The documentation is conferred to the Director's board in correlation to corporate risk management continuously. For instance, monthly, quarterly or annually, to assure the Director's board acknowledges the critical risks presented in the company and the attributes that may affect the organizational structure and position in the foreseeable future.





# บริษัท ยูเนี่ยน ปิโตรเคมีคอล จำกัด (มหาชน) UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนี่ยนเฮ้าส์ 728 ถนนบรมราชชนนี เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243-4  
UNION HOUSE BLDG., 728 BROMRATCHONNANI RD., BANGPHLAD, BANGKOK 10700 TEL.66 0-2 881-8288 (24 LINES) FAX.66 0-2 433-7243-4

## 3.5 Conduct Evaluation

The Committee on Risk Management analyzes its own conduct and confers documentation to the Director's board each year.

## 4. Charter Assessment

The Committee on Risk Management will analyze and assess the Charter each year or when there is a revision; to assure that the subject matter of the charter is persistent with the aims; as well as the company's risk management procedures. In addition, any charter that has been revised must seek authorization from the Director's Board.

The Committee on Risk Management Charter and the Director's board has deliberated and has sought authorization from the Director's board Meeting No. 4/22, dated 13<sup>th</sup> May, 2022, which is effective from the 13<sup>th</sup> May, 2022 onwards.