



# Corporate Good Governance

**Sanko Diecasting (Thailand) Public Company Limited**



[www.sankothai.net](http://www.sankothai.net)



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## Part 1 General Provisions

### Vision

Sanko has a commitment to be proficient, to lead in the Die Casting Industry and to be recognized internationally; Continuing to acquire innovations in all its operations and create new products obtaining its own trademark; Producing quality products and services for customer satisfaction and business sustainability.

### Mission

1. Perform with excellence in all its operations.
2. Create innovations and use modern technologies in designing and production development.
3. Mobilize employees' potentials in creating its company's very own brand within the year 2019 as a common goal.

### Our Core Value

- Innovation
- Proactive Working
- Achievement Orientation
- Sense of Belonging



## Company's Strategies

- **Quality:** The Company can produce parts which are of the best quality and are well received among the automobiles producers. Moreover, the Company has been certified by the International Standards ISO 9001:2008 and ISO/TS 16949:2009 to ensure and build up confidence for the customers in the long run.
- **Knowledge and Technology:** The Company is specialized in designing molds which is the Know-How that has been passed down from generations to generations. Moreover, the Company continuously develops the production lines, so that it can respond to the demands of the customers.
- **Manufacturing:** Due to the design of the production line, the parts produced can be adjusted quickly with no hassle, meaning that the Company can support a variety of clients from many different industrial groups which reflects the continuous growth of the Company's revenue.
- **Marketing:** The Company has expanded internationally to reduce the risk of the domestic economic situation which increases the demands in the wider group of clients. Also, the Company expands the client base domestically to other businesses other than the automobiles industry by focusing on the groups that the Company is familiar with the productions and services.
- **Products:** Increase the production lines by introducing new injection technique which is "Gravity Die Casting" to add a variety of products and to reduce the restrictions in production and to meet the demands of the clients more. The increase in numbers of machineries, which the Company already has specialized in productions, means that the company can provide a full range of complete service to customers.



## Principles and Rationale

Sanko Diecasting (Thailand) Public Company Limited recognizes the importance of the good corporate governance which allows the Organization to maintain an ethical managing system, transparent and can be monitored. In order to reassure the confidence of the shareholders, investors and the stakeholders, the Company has prepared the 'Good Corporate Governance Manual' for the Board of Directors, Managers and the Company's employees to acknowledge as the business guidelines and use it for the benefits of the shareholders including the stake holders and all the while being responsible to the society and the environment.

## The Importance of Good Corporate Governance

To enhance the good corporate governance system so that it is transparent and has a clear standard which helps improving the Company's capability in competition and preventing any conflicts of interests that may arise. Building the confidence of the investors, shareholders and the stake holders to increase



the stock value of the Company, as well as acting as the index to measure and inspect the performances so that they could be improve for better efficiency.

## The Principles of SANKO's Good Corporate Governance Manual

The principle of good corporate governance is considered a good discipline which all levels of personnel must understand, uphold and strictly follow. If there are any violations of the said principles and the follow up of fair investigation deems guilty, the Company will proceed with disciplinary and/or legal actions accordingly.

The principle of good corporate governance of the Company will be improved for perfection accordingly. The Company expects the personnel to report honestly regarding any operations which may conflict with the principles to the superiors. The Company will treat all information as confidential materials. It is the responsibility of the superior to allow the operations to proceed according to the principles and the code of ethics.



## Part 2 Policies and Corporate Good Governance

### Corporate Governance Policies

The Company is fully aware, and gives all its attention to the “Good Corporate Governance”. The Company believes that the good corporate governance reflects the efficient and transparent management system, which will help promoting the confidence of the Shareholders, investors and all parties involved and will ultimately lead to a sustainable growth of the Company and an increase



in value. The Company has continuously encourages the implementation of good corporate governance by advising the directors and the management to develop good corporate governance and the practices in accordance with the international standards. This is done by following the good corporate governance, as directed by the Stock Exchange of Thailand, and adapts it to the

Company’s corporate governance. Measures are taken to further improve the said policies in accordance with the guidelines of the Stock Exchange of Thailand, which may change in the future to be better suited for the evolving environment of the Company. The practices cover 5 categories as follows;

#### **1. Shareholders’ Rights**

The Company is fully aware and gives its utmost attention to the rights of the Shareholders. This is shown by not taking any actions which may violate or reduce the rights of the Shareholders, including encouraging the Shareholders to use their rights. The basic rights of the Shareholders are, trading or transferring shares, sharing profits with the Company, receiving sufficient information about the Company, attending the meetings to use their rights to vote for appointing or removing the directors, appoints the auditors and any issues which have a direct impact to the Company for

example, dividend allocation, setting or amending the regulations and the Memorandum of association, decreasing or increasing the capital and authorizing special transactions.

The Company has the policy to promote conveniency for the shareholders, including the institutional investors by holding the meeting in the place with sufficient access from the public transport so that the shareholders can easily attend the meetings. The Company always provides information, dates, time, place and agendas including all relevant information for making decisions to the Shareholders prior to the meeting and also notifies the shareholders about all the requirements, as well as the voting procedures. The Company encourages the Shareholders to exercise their rights to fully attend the meeting and to vote, and also to express their opinions and raise any questions relating to the Company in the meeting. The Shareholders may also submit the inquiries or agendas prior to the meeting. The Shareholders may also appoint a proxy to attend the meeting in the case of their absence.

## **2. Equal Practice to Shareholders**

The Company treats all shares holders fairly and equally, no matter the Shareholders who are Executives, non – Executive, foreign Shareholders and minor shareholders which reinforce the confidence in the shareholders that the board and the management has taken great care in the spending of the shareholders funds which is the main factor in creating the confidence for investing with the Company. The Board of Directors holds the responsibility to make sure that all shareholders are treated fairly and that all their basic rights have been met equally.

The Board of Directors have arranged for the Shareholders Meeting in a way that encourages equal practice to all shareholders and give the chance even for minor shareholders to propose any individuals to take the position as directors, prior to the meeting and in an appropriate time frame. The Company also allows the shareholders who cannot attend the meeting themselves to let their proxies attend the meeting, and also have the rights to vote in their stead.

The Board of Directors has stated the methods to protect and prevent the use of the internal information in writings and will announce this as guidelines for all members of the organization.

### 3. Stakeholders' Roles

The Company is fully aware of its responsibility and practices to different groups of stakeholders and will seek the mutual benefits so that all groups of stakeholders can be confident that their rights will be fully protected and well exercised. This has been set as a guideline to follow in order to clearly meet the demands of all groups of the stakeholders as stated in the "Code of Conducts and Business Ethics" and will promote the Board of Directors, the management team including the workers to regard this as the fundamental principles for working in the Company and to take it as the important responsibility for all members.

### 4. Information Disclosure and Transparency

The Company prioritizes the disclosing of all important information relating to the Company, both financial and non-financial information through an accurate, complete, on-time and transparent channel which is easy to access, fair and respectable.

The Company believes that the quality of the financial related reports is something that the shareholders and the outside information give the utmost importance to, the Board of Directors will make sure that all the information displayed in the financial reports are accurate and follow the general standard accounting practices and have been evaluated by an independent auditor. The Company has appointed the Audit Committee, which consists of independent directors who takes responsibility for the quality of the financial report and the internal control. The Board of Directors' reports, Audit Committee's report and the auditor's reports are all presented in the Annual Report.

### 5. Responsibilities of the Board of Directors

The Board of Directors has the vital role of overseeing the operation to ensure the benefits of the Company. The Board of Directors takes action in place of the shareholders and is independent from the management.

The Board of Directors must have leadership, visions and can make an independent decision for the benefits of the Company and for the shareholders. In order to do so, the system is in place to clearly separate the responsibilities between the Board of Directors and the management, and to ensure that all of the Company's activities proceed in a lawful and ethical way.

The Board of Directors consists of personnel with various qualifications, not only skills and experiences but also specialized talents that are useful to the Company, including their devotion and dedication to strengthen the Company and the Board of Directors.

The procedure to elect the Board of Directors, so that they can be appointed by the shareholders, have been done transparently with no influences of the shareholders or from the management team and is assuring to the outside individuals.

To ensure that the Board of Directors can work efficiently and the effectively, the Board of Directors had asked for the Audit Committee to help supporting the directors in the area of financial reports, internal control system's efficiency and executing the rules, regulations and all codes of ethics to promote good corporate governance.

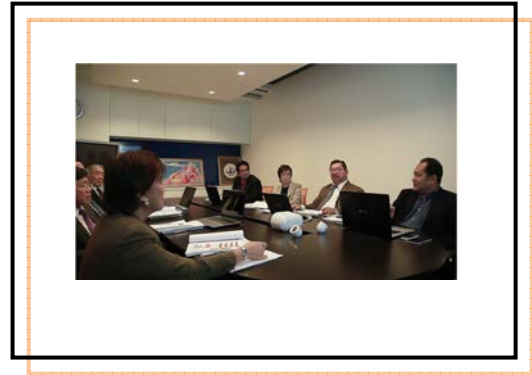
Each director has a good understanding of their responsibilities as Board of Directors and to operate the Company, always ready to share their opinions independently and constantly improve themselves to adapt to the modern times. The Board of the Directors holds this position with honesty, carefully and thoughtfully by considering the benefits of the Company and being fair to all shareholders, giving all information fully and completely.



## The Principles of Good Corporate Governance

### A. SANKO's Good Corporate Governance principles

Good corporate governance means the mechanism of operating the infrastructure and the internal managing system in a way that there are relationships between the Board of Directors, Managers and employees. The management of the said infrastructure and mechanism must reflect the principles of good corporate governance where the Board of Directors act as policy makers and operate honestly and cautiously by assigning the managers to act as their representatives.



### B. The selection and the appointment of Directors and Chief Executive Officer

#### The Selection of Directors and CEO

##### The Board of Directors

The selection of the individuals for the position of the Board of Directors does not come from the nomination committee. The selection of the directors is the responsibility of the Board of Directors which will consider from the qualifications as per the Section 68 of the Public Limited Company Act B.E 2535 and as per the related announcement by the Securities and Exchange Commission. Moreover, the Board of Directors will consider experts from various fields to take up the positions which will be beneficial to the company for advising and giving opinions on many issues. The person must have a strong leadership, visions, morals and ethics with a clean, transparent work profiles and can make an independent decision. Once this is decided, the names will be presented in the Shareholders Meeting for appointment.



Directors shall be elected by the General Meeting of Shareholders under the criteria and procedures as follows;

- a) A shareholder has one vote per one share.
- b) In the election, the shareholders may vote to the nominee individually or many persons at a time depending on the decision of the meeting. The share holders may utilize the vote as per a) to vote, but cannot distribute different amount of votes to many different nominees.
- c) The person who receives the votes of the highest number and the next persons in the order of the number of votes received shall be elected Directors in the number permitted. In case the next persons in the order of the number of votes received obtain equal numbers of votes and the number of such persons exceeds the remaining number of Directors permitted, the Director to be elected therefore shall be decided by the Chairman.

At the Annual General Meeting of shareholders one-third of the Directors, or if their number is not multiple of three, then the number nearest to one-third must retire from office. A retiring director is eligible for re-election. The directors, who will retire in the first and second year after the company is listed, will cast lots to see who will retire in the following years and the director with the longest time on the post will retire from office. The retired directors may be re-elected back into position again.

In case the post of a Director has been vacated owing to reasons other than by completion of his tenure, the Board of Directors shall elect a qualified person, who does not have any prohibitive attributes pursuant to Section 68 of the Public Limited Company Act B.E. 2535 as a

replacement Director for subsequent meetings of the Board of Directors unless the remaining period of the tenure is less than two months. The person who becomes a replacement Director may remain so as long as his/her time as Directors allowed, and must have the approval of no less than 3 out of 4 of the remaining directors.

In addition, the Board of Directors must consist of at least 1 in 3 Independent Directors from all of the Company's directors but no less than 3 persons.

### The Definition of Independent Directors

"Independent Director" is the person who has no relation at all to the management of the company and/or the operation of the Company's business. This person is independent from major shareholders and from Company's executives, including the close relatives of the said people and can express their opinions freely by considering the benefits of the Company and of the Shareholders first.

### Qualifications of Independent Directors

1. Must be a person with qualifications that does not violate the rules, regulations and any other applicable laws.
2. Holding shares not exceeding 1% of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, or juristic persons which may have conflicts of interests by counting also the shares of relating persons.
3. Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than 2 years before the appointment date.
4. Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or

person to be nominated as executive or controlling person of the Company or its subsidiary company.

5. Neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years before the appointment date.

6. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company. , its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years before the appointment date.

7. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding 2 million baht per year from the Company, its parent company, subsidiary company, associate company, or juristic persons which may have conflict of interests, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years before the appointment date.

8. Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to a major shareholder of the Company.

9. Not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.

10. Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1%

of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company.

11. Independent Directors must immediately notify the Board of the Directors in any situation which may jeopardize their qualifications as the Independent Director of the Company.

### C. Scope of Authorities of the Board of Directors

#### The Board of Directors

The scope of authority, duties and responsibilities of the Board of Directors as concluded in the 2<sup>nd</sup> Shareholders Meeting on the 15th December 2009 is as follows;

1) To manage the Company in compliance with laws, objectives, Article of Association, the legalized resolutions passed at shareholders' meeting with honesty, carefulness and protection of the interests of the Company.

2) To appoint the management of the Company from some of directors and / or its executives to take any action as assigned by the Board of Directors and appoint other committee as it determines appropriate

3) To determine the Company's target, policy, business plan and budget, as well as supervise and monitor the management to ensure that they conform the Company's policy.

4) To review and approve policy, direction, strategic, business plan and large investment projects of the company that proposed by management.

5) To monitor the Company's operating performance to ensure ongoing compliance with the plans and budget

6) To consider and approve the significant matters relating to the company or any appropriate operations for the best interest of the Company

An exception for the following matters will be made when approved by the shareholders' meeting. In addition, directors cannot approve any transactions that he/she has interests or conflict of interests of any nature with the Company or its subsidiaries.

(A) Subject to laws must be resolved by the shareholders meeting.

(B) The transactions, which directors have interests or conflict of interests under laws or the requirements of the Stock Exchange of Thailand, have required an approval of the shareholders' meeting.

The following matters must be approved by the Board of Directors by majority vote of the directors attending the meeting and the shareholders' meeting by vote of not less than 3 in 4 of the total votes and entitled to vote.

(A) To sell or transfer entire of the business or a significant part to other parties

(B) To acquire or transfer other companies or private company

(C) To change or terminate some or whole of leasing contracts of the Company and assign person to manage the business of the Company or merge with another party with the purpose of sharing profit together.

(D) Any changes in memorandum of association or article of association.

(E) Capital increase or reduce, bond issuing, merger and acquisition or liquidate the company

(F) Any other matters must be approved by the Board of Directors and the Shareholders' Meeting under the securities laws and / or the requirements of the Stock Exchange of Thailand.

### The Audit Committee

#### Scope of Authorities of the Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;

2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;

3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;

4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;

5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;

6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:

- an opinion on the accuracy, completeness and creditability of the Company's financial report,
- an opinion on the adequacy of the Company's internal control system,
- an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
- an opinion on the suitability of an auditor,
- an opinion on the transactions that may lead to conflicts of interests,
- the number of the audit committee meetings, and the attendance of such meetings by each committee member,
- an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
- other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and

7. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee. In its performance of duties under the first paragraph, the audit committee must be directly responsible to the Company's board of directors, while the Company's board of directors shall remain responsible to third parties for the operations of the Company.

In the case that the audit committee's duties are changed, the Company shall report on a resolution to change its duties, and shall prepare a list and scope of work of the audit committee according to such change in the form as prescribed by the Exchange. Such list and scope of work must be submitted to the Exchange within 3 (three) business days from the date on which the change is made in accordance with the procedures under the Exchange's regulations relating to reporting via an electronic media.

#### **D. Board of Directors Meeting and Obtaining Documents**

Constantly hold the Board of Directors meeting, the Audit Committee meeting and allows sufficient time to debate on various significant agendas. The management must prepare the appropriate information, punctually and accurately to the Board of Directors before the meeting, allowing enough time to study and make correct decision on various topics in the Board of Directors meeting.

#### **E. Code of Ethics for the Board of Directors, Managers and Employees**

Provide work guidelines which relates to morals and ethics so that the Board of Directors, Managers and the employees may acknowledge the standards and the work guidelines which the managers should encourage and thoroughly notify the personnel. The code of ethics for the Board of Directors, Managers and employees are as follows;

- The Board of Directors must perform their duties in accordance with the law, the Company's policies, objectives and the Company's regulations. The Directors must manage by putting the benefits of the Organizations and the staffs both present and in the future and also maintaining the corporate image.
- The Managers must perform their duties up to the expectation of the Board of Directors. The actions may affect many groups of stakeholders such as the employees, the shareholders, the general public, trade partners and debtors, competitors and the society as a whole.

- The employees must perform their duties given from the management to the best of their abilities.

#### **F. Information Disclosure and Transparency**

1) The Board of Directors have the responsibilities of disclosing the information both financially and non – financially, sufficiently, reliably and on time, so that the Company's shareholders and stake holders may obtain the information fairly, in accordance with the law, the regulations of the Company and following the information disclosure policies of the Company.

2) The Company's information must be prepared carefully, clearly, accurately and transparently with concise and simple language. Constantly disclose important information both positive and negative information.

3) Establish the Public Relation Department which advertises helpful information to investors, employees, relating parties and the general public. Establish the Investors Relation Department to represent the Company in communicating with the shareholders, financial institutions and securities analysts.

4) The Board of Directors is responsible for presenting the assessment report and the trend of the Company by summarizing simply in the Company's Annual Report.

5) The Board of Directors prepares the balance sheet, profit and loss statement and the audit report of the auditors and also the Board of Directors' Annual Report to present to the annual Shareholders Meeting for consideration.

6) The Board of Directors must prepare the report explaining their responsibilities in assembling the financial reports, together with the auditor's reports in the Company's Annual Reports.

## G. Duty to the Stake Holders

1) The Board of Directors should prioritize the balance for all stake holders by fully indicating all groups of the Company's stake holders and allow proper communication channels between each groups.

2) The Board of Directors should report all information showing that the Company always take the benefits of the stake holders into account, before making and decisions.



### Part 3 Ethice

**Note:** The information on code of ethics can be reviewed from the Business Ethics and Code of Conducts Manual



## Part 4 Charter of Internal Audit

This charter is made with the objective of determining the mission, scope of work, audit authority including the guidelines for operation and practices for the internal auditing of the Company. This is so that the Directors, Managers and all levels of employees may acknowledge the internal auditing. The summary is as follows;

### MISSION

Internal Audit. The mission is consulting and assuring independently and fairly, in order to increase the value of the Organization and improve the internal control system of the Company. Internal audit helps the Company to achieve the set goals through evaluation and improving the efficiency and effectiveness of the risk management system, the internal control system and the corporate governance of the Company strategically and systemically.

### INTERNAL AUDIT STRUCTOR

The Company's internal audit hires the certified internal auditor from an outside source, to act as internal auditor. The Audit Committee will select the auditor to act independently, approve of the internal audit working plans and set up the reimbursement for the internal auditing appropriately. The internal auditor will report directly to the Audit Committee and to the Company's Senior Management.

### SCOPE OF WORK

The scope of work for the internal audit has been set up to ensure that the risk management system, the internal control system and the corporate governance of the Company has been prepared sufficiently and achieve the objectives as described below;

- Identify the risk, evaluate the risk and manage the risk appropriately.
- The Company's information on the financials, management and operations has been prepared correctly, reliably and on time.

- The Company's business operation and practices proceeds according to the policies, regulations and the laws related.
- Resources and assets are acquired economically and the storing process is monitored sufficiently.
- Resources and assets of the Company are used efficiently and cost-effectively.
- All working plans and projects proceed to achieve the set objectives.
- Constant improvement in quality for all procedures and managing activities.

### **DUTIES AND RESPONSIBILITIES**

The internal auditor is responsible for the internal auditing of the Company according to the regulations and the policies set by the Company. The result of the audit is reported to the Audit Committee and summarizing the outcome to the Managers by reporting the efficiency evaluation of the internal control system and the risk management system, including finding solutions to adjust and improve the systems and also to co-ordinate with each departments to initiate the system development process for better efficiency then finally follow up with the performances of the auditees. The responsibilities of the auditor are as follows;

1. Prepare the annual internal audit working plan by using the risk-based methodology to be presented to and approve by the Management and the Audit Committee.
2. Proceed with the audit as planned, including any special projects which are assigned to by the Audit Committee and the Management.
3. Report the findings and the progress of the operation, in comparison with the working plans.
4. Follow up with the auditee, whether or not they have improved the systems as suggested.
5. Support the operation and provide information which is necessary for the procedures of the Audit Committee and the Management concerning the auditing and any regulations involving the Company's business.
6. Co-ordinate with the Company's auditor, so that the financial investigation can be achieved as planned.

7. Advise the Management on risk management planning and improve the internal control system.
8. Proceed with any activities as assigned.

### AUDITOR AUTHORITY

The internal auditor is granted the authority to access information, system and the personnel of the Company in the areas relating to the audit as deemed necessary and appropriately. All levels of Managers in the Organization are responsible for supporting the internal auditor to achieve the objectives for the utmost benefits of the Company.

Any documents and information obtained by the auditor or acquired during the inspection will be kept confidential and not disclosing to other parties before authorized by the person in charge unless the disclosure is enforced by the law.

### STANDARD FOR PROFESSIONAL PRACTICE

The internal auditor must follow the code of conducts and the policies of the Company and upholds the standard for professional practices and the related code of ethics.

### The Auditing Procedures

1. Inspect each of the Company's departments according to the working plan and evaluate whether or not there have been any follow ups in projects, policies, goals and objectives including the procedures guidelines and the related laws.
2. Once the audit is complete, the auditor will hold the exit conference together with the Managers of each department in order to discuss and exchange opinions about facts, any errors found and improvement or adjustment measures before presenting it in the report.
3. The audit report will be done in written form, describing the objectives, scope of inspection, errors found and the suggestion for improvement including the opinion of the auditees.
4. The internal auditor will follow up the work procedures from each department as suggested and co-ordinates with the auditees and advises on how to improve correctly.
5. The auditor must be independent and perform their duties ethically and honestly.

### The Auditing Report

The content of the audit covers the objectives of the inspection, the scope of the inspection, the basic information of the auditing activities, the outcome, improvement guidelines by the auditees, the auditor's suggestions and the opinion of the auditees.

The internal audit report is considered a property of the Company and of the internal auditor. If there are viewing requests or the reports must be used as a reference for outside parties, it must be approved by authorized Senior Management of the Company.

Once the meeting for summarizing the result is complete, the report will be presented to relating parties as follows;

- The Audit Committee receives the reports (4 copies)
- The Deputy Managing Director receives the report (1 copy)
- The Audited Department receives the copy of the report (1 copy)

The internal auditor will follow up the results of the inspection and the practices of the auditees to improve according to the suggestions. The management has carried on the procedures effectively and that the Senior Management understands the risks of not complying with the suggestion and notifies the outcomes to the Audit Committee.

This Internal Audit Charter has been approved but the Audit Committee on.....

(.....)

Chairman of the Audit Committee