

3. Internal Control and Internal Audit Policy

The Board of Directors shall arrange for the Company to have internal control systems in all aspects and various internal audit systems, which are essential foundations for successful business operations, sustainable growth and stability, therefore provide effective internal control and internal audit system, adequate to the nature, size of the work or the environment to ensure that all departments of the Company have complied with the relevant rules, regulations and policies with reliable, accurate, complete and full reporting and efficient and effective operations. The Company shall prioritize the prevention of loss or damage and rectification rather than investigating after the incident has occurred.

The Company shall hire an independent internal auditor to report directly to the Audit Committee and/or the Board of Directors to ensure that the Board of Directors is confident that the Company's key operations and important activities are carried out in accordance with the established guidelines with efficiency and with sufficient conciseness and to ensure that internal control and internal audits cover all aspects. The Company has adhered to guidelines for the following 5 components of internal control:

3.1 Control Environment

- 1.1 Organize the organizational structure, clearly demarcate the chain of command and the separation of duties and responsibilities.
- 1.2 Set clear policies, goals, directions and business plans of the Company, as well as corporate governance in accordance with the goals.
- 1.3 Clearly formulate policies, regulations, and regulations of the Company for use as principles and guidelines for operations and to prevent damage or omissions in the work.
- 1.4 Prepare codes of conduct relating to ethics and business ethics of the Company and its employees so that directors, executives, employees of all levels and related persons can implement them properly and appropriately.
- 1.5 Prepare job description to understand the roles, duties and responsibilities.
- 1.6 Organize training, develop personnel to have knowledge, abilities, skills and experiences.

3.2 Risk Assessment

The Company attaches great importance to the risks which are unpredictable events that may occur but if there is an event that will cause damage, the company therefore requires all agencies to assess hidden risks in the organization and control that risk to an acceptable level by continually and consistently assessing risks. The Company's internal audit will focus on risk-based audits by doing risk assessment for the job. The selection of high-risk work for use in the audit plan will make the audit effective.

3.3 Control Activities



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The Company provides adequate and appropriate internal control activities that are efficient and effective by emphasizing control activities in a preventive, searchable, corrective or substitute manner. This will reduce the damage from potential mistakes and achieve success in accordance with the object of internal control such as establishing policies, work plans, budgets, procedures and operating procedures as well as organizational structure, division of duties, authorization of authority, etc. Directors, executives and employees at all levels must cooperate and strictly adhere to the rules, regulations issued by orders or announcements.

3.4 Information and Communication

4.1 The Company provides adequate and timely use of necessary information that must be accurate, clear, easy to understand and up-to-date.

4.2 The Company arranges communication between the executives and the operators or between the departments together for understanding and coordinating the operation by organizing regular break-in meetings on a regular basis.

3.5 Monitoring

The Company regularly monitors, reviews and evaluates the internal control results by independent assessors from external agencies who are not related to the Company such as an internal audit consultant and report the results directly to the Audit Committee. If the process or control has weaknesses, it is the responsibility of the management to consider systematically and continually determine the control measure and solve the problem.