

## 9. Internal Control and Related Party Transactions

### 9.1 Internal Control

#### Internal Control and Risk Management

I.C.C. International Plc. adheres to teamwork spirit, based on transparency and good corporate governance, which have been the company's management philosophy for many years. This has proven to be one of the key factors in maintaining effective internal control systems.

The Audit Committee, with all members attended, reported the audit result to the Company Board of Directors at the 12/2565 Board of Directors Meeting on 24 February 2023, whereby the Board assessed the corporate internal control system on the basis of information from corporate management and the auditors' report. A summary of the findings concluded that in the assessment of the corporate internal control system which consists of the five elements: control environment, risk management, control measures, information technology and communication and monitoring, the board concurred with the opinion of the Audit Committee that the corporate internal control system is adequate and appropriate.

#### Chief of Internal Auditor

Since 2004, the company has appointed an outside party, Dharmniti Internal Audit Co., Ltd., as consultant to oversee the quality of internal auditing and control, in the interests of self-improvement and in response to the ever-changing internal and external environment. Dharmniti Internal Audit Co., Ltd. has assigned Miss Somcharee Kawkomdee as an internal auditor.

The Audit Committee has scrutinized the qualifications of Dharmniti Internal Audit Co., Ltd. and Miss Somcharee Kawkomdee and found that they are suitably qualified for this task because of their independent standing and 12 years of experience in internal auditing of businesses with the same nature as the company's.

Details of the Chief of Internal Auditor can be found in the attachment 3 on page 217 of the Annual Registration Statement/Annual Report 2022 (Form 56-1 One Report)

For better efficiency in auditing, the company has mandated that the internal auditor coordinate with the Secretary of the Audit Committee who is responsible for the Internal Audit Unit, reporting directly to the Audit Committee on a quarterly basis.

Dharmniti Internal Audit Co., Ltd. has coordinated closely with the company's Internal Audit Unit to submit and discuss the audit results with the President and Executive Chairman before reporting in writing to the Audit Committee every quarter. This is aimed at exchanging views and opinions for further internal audit works especially the issues regarding the control of sales management to ensure consistency and promotion of the company's business which has become more diversified and complicated. Emphasis continued to be placed on development of information technology in support of internal auditing process in line with the company's business development plan according to the new Enterprise Resource Planning (ERP) and the Paper Usage Decreasing Plan. For operations in 2022, Dharmniti Internal Audit Co., Ltd., as the company's internal audit consultant, reported that I.C.C. International Plc. had adequate and appropriately effective Internal Control Systems.

#### Organization and Environment

The company's organizational nature and environment enable management to implement actions efficiently and effectively, with clear set objectives in business operations, whereby performance can be clearly followed up and evaluated and managed on the basis of good corporate governance and fairness, mainly taking into consideration fairness to customers.

#### Risk Management

The Risk Management Committee, comprising Mr. Amorn Asvanunt as Chairman, and Mr. Thamarat Chokwatana, Ms. Munchusa Terapongpipat, Miss Yauwaluk Namakorn, Mr. Yothin Suvannakate, Mr. Viritpol Chaitavornsathien, and Mrs. Duangrudee Milintanggul as member, reported progress in risk management for the Year 2022 to the Audit Committee.

In 2022, The management proceeded with modification of the organization structure along with the improvement and development of the work processes to increase efficiency and productivity in both business and back-office sections; namely, merging work units, restructuring all supervising levels from company level, division level, to the others, utilizing Information Technology to replace traditional works and reducing redundant work steps, under the guidelines of the Company's risk assessment which covered strategic, operational, fraud and corruption, cybersecurity, and personal data breach according to Personal Data Protection Act (PDPA) AD2019. The Company also appointed a Data Protection Officer (DPO) and hired consultant team to assess the Company's cybersecurity state to make sure that the Company had work processes and systems that were consistent with the cybersecurity framework according to the appropriate Information Technology's system management standards, to comply with the Company's policies, Anti-Corruption Policy, and to enhance the Company's preparedness in the face of changing internal and external situations, as well as in the line with shifting competitive and marketing trends, with the objectives to bolster sustainability of its business.

### Control of Administrative Operations

I.C.C. International Plc. provides a clear and written delegation of authority and financial approval limit for each level of the management. In conducting transactions with major shareowners, directors, management executives or other related parties, the company has adhered strictly to the official procedures and regulations.

For clarity of personnel's legal obligations, the company has issued sets of regulations for strict adherence by employees in accordance with the corporate rules and related laws concerning corporate governance policies, business ethics and employee ethics.

The Audit Committee, together with the Vice President of Accounting and Finance, have carefully scrutinized on the basis of transparency twenty-three inter-related transactions, including the anticipated benefits in line with market situation and conflicts of interests of related parties, prior to proposing them to the Board of Directors for approval.

During the year, the Board of Directors developed the policy that management report periodically through executive summaries on significant and binding transactions that were carried out by authorized staff, with a view to fostering good corporate governance and providing better risk management.

Whereas the Company has announced its intention to become a member of the Private Sector Collective Action Coalition against Corruption: CAC and has been renew certified as member of Thailand's Private Sector Collective Action Coalition against Corruption on 4 November 2019. In 2022, the Company submitted the application to renew the Private Sector Collective Action Coalition Against Corruption (CAC) membership certificate for the second time on 27 September 2022. The renewal was approved on 31 December 2022.

It is noted that in 2022, the Company has not received any complaint or report of any alleged or suspected acts of corruption via any of the channels provided.

Furthermore, the Board of Directors and the management team have motivated and enforced the operational discipline of employees in compliance with legal and regulatory procedures, as well as the principles of good corporate governance as stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

### Information Technology and Data Communication Systems

The company always provides sufficient and comprehensive information to the Board of Directors to consider in the meetings and sets meeting dates well in advance.

### Monitoring

The company has set clear objectives in writing for business operations, with systematic monitoring and solution directions, in case operations deviate from targets.