

## Corporate Governance Policy

### Objectives

The Company's Board of Directors intends to have Amata VN PCL ("Company") be an organization that is effective in conducting its businesses in full compliance with the principles of good corporate governance to create maximum benefits for the shareholders by considering the interests of all stakeholders together with moral principles, full transparency, and accountability.

The Company has, therefore, established the following policies on good corporate governance for use as operating guidelines to be strictly adhered to by the Company's Board of Directors, Management, and staff.

1. The Board of Directors, Management, and staff are required to be committed to adopt and adhere to these 5 '*core principles of good corporate governance*', specified by the Stock Exchange of Thailand (SET) and the international OECD organization, in discharging their responsibilities:
  1. Rights of Shareholders
  2. Equal Treatment for all Shareholders
  3. Role of Stakeholders
  4. Information Disclosures and Transparency
  5. Board Responsibilities
  
2. The Board of Directors will govern and oversee the Company in conducting its businesses for maximum benefits of the shareholders (Fiduciary Duty), through adhering to these core principles and operating guidelines:
  - 2.1 Discharging its duties with care (Duty of care),
  - 2.2 Discharging its duties with honesty and integrity (Duty of Loyalty),
  - 2.3 Discharging its duties in accordance with all applicable laws as well as, the stated objectives and Articles of Association of the Company, and all resolutions of the shareholder meetings (Duty of Obedience), and

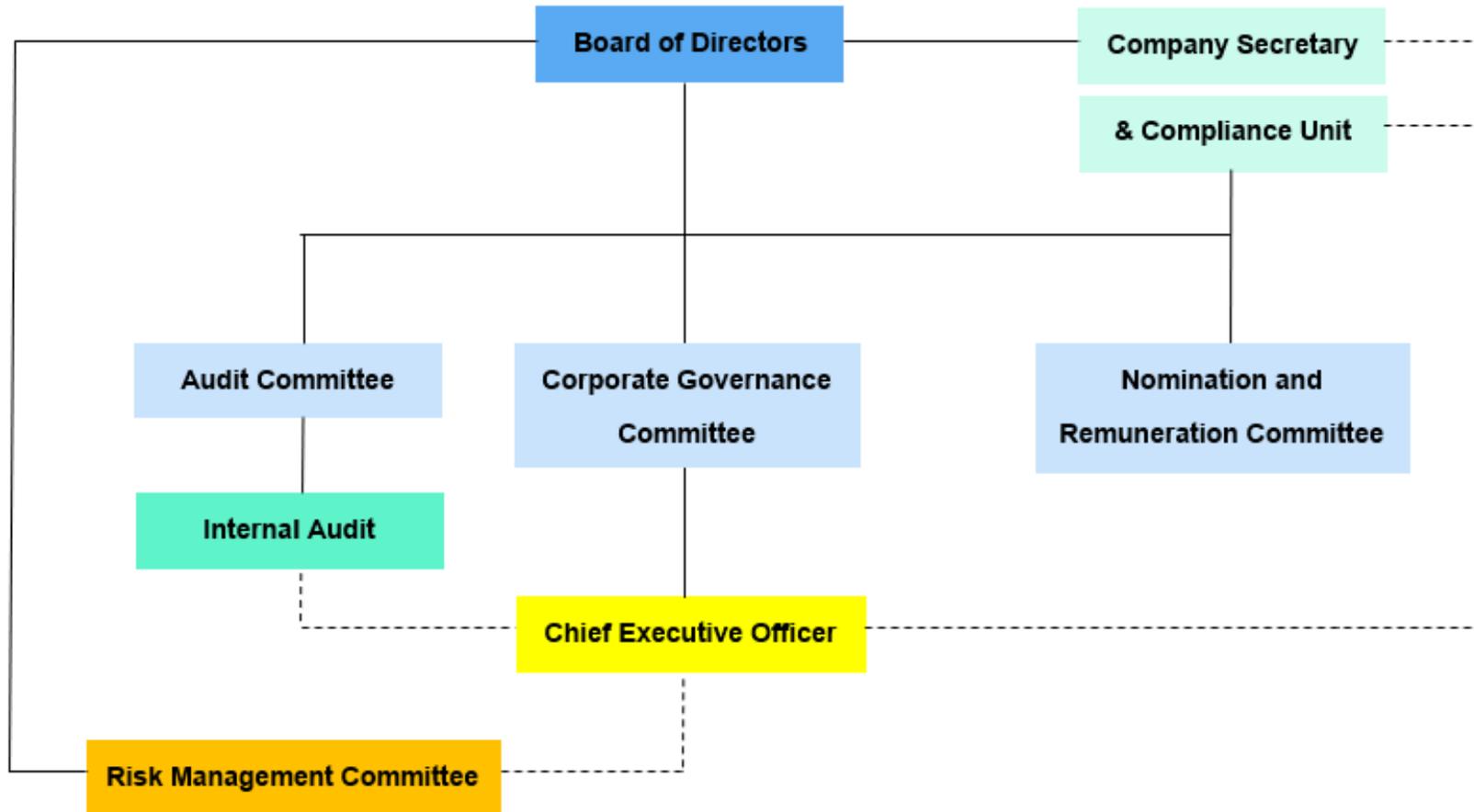
2.4 Disclosing information to shareholders in a correct, comprehensive, and fully transparent manner (Duty of Disclosure).

3. The Company's Board of Directors, Management, and staff are fully committed to make use of best practices relating to the Company's established principles of corporate governance as well as the established operating guidelines relating to good moral principles and ethics in conducting the business, together with the required ethical behavior on the part of its Board of Directors, Management, and staff members in discharging their respective duties and responsibilities.
4. The Company's Board of Directors, Management, and staff will be committed to the principles of equitability through treating all stakeholder groups in an equal manner and ensuring that all their decisions and any associated activities protect and prevent any conflict of interest situations from occurring.
5. The Company's Board of Directors, Management, and staff will discharge their respective responsibilities with due care in an honest manner and with integrity, as well as in full accordance with all announced applicable, relevant laws, regulatory requirements, and regulations of the Company.
6. The Company's Board of Directors, Management, and staff will be committed to discharging their respective responsibilities in an honest, equitable, and fully accountable manner.
7. The Company's Board of Directors, Management, and staff will recognize and fully respect the rights of the shareholders as the true owners of the Company and will treat all shareholders in equal manner through disclosing all relevant financial and non-financial information in an adequate, timely, and credible manner so that all shareholders, investors, and stakeholders of the Company will receive sufficient information on an equal basis.
8. The Company's Board of Directors has determined various channels of communication for use by shareholders, investors, and regulatory authorities, as well

as any required communications or disclosures of any relevant information to all interested parties and stakeholders.

9. The Company's Board of Directors has determined the implementation of the Company's management structure and clearly defined associated approval authorities and scope of responsibilities of each Member of the Board of Directors and the Management.
10. The Company's Board of Directors has undertaken activities to establish the internal control system and risk management procedures that are appropriate and adequate, as well as accounting system and financial reporting procedures that are correct and credible.
11. The Company's Board of Directors has determined various policies in regard to anti-corruption/fraud practices, non-violation of intellectual property rights, and respect for laws and human rights.

### Corporate Governance Structure



# Part 1 Good Corporate Governance Best Practice

## Section 1

### Rights of Shareholders

#### 1. Meetings of Shareholders

The Board values and respects the rights of all shareholders and their equal treatment. Both retail investors and institutional investors are considered owners in a portion of the Company and have the following basic rights:

##### 1.1 Fundamental rights

- Right to purchase, sell, and transfer shares and share certificate.
- Right to be informed with truthful and valid information in a timely manner for decision making.
- Right to receive a proportion of the profit of the Company.
- Right to attend and vote on the Company's policies in the shareholder meetings.
- Right to appoint and remove directors at shareholder meetings and set their remuneration.
- Right to appoint Company Auditors and set their remuneration rate.
- Right to receive share warrants in proportion to the number of shares owned.

1.2 Ordinary shareholder meeting: The Board will arrange to have an annual ordinary shareholder meeting within 4 months of the end of the accounting period or when there are urgent agenda that affect or concern the benefits of the shareholders or require shareholders' approval, as the matters are related to conditions, regulations, or laws that must be approved by the shareholders.

1.3 Details of the agenda items of the ordinary shareholder meetings shall be disclosed around 1 month prior to the meeting day on the Company's website ([www.amatavn.com](http://www.amatavn.com)) along with the rights of the shareholders in attending the meeting and voting.

- 1.4 Extraordinary shareholder meeting: This will be called as necessary or when a shareholder or shareholders of at least 10% of all issued shares send a letter to the Board requesting them to call an extraordinary shareholder meeting at any given time. Such letter must specify the topic and reason to call for a meeting and the Board must proceed to call for such meeting within 45 days after receiving the letter from the shareholders. Furthermore, every shareholder of the Company has the right to vote in accordance with the number of shares held as each share equals 1 vote and there is no special share with unusual right to limit the rights of other shareholders.
- 1.5 The Board should also facilitate participation of the shareholders in using their rights such as by setting the meeting at a location that is convenient to travel to, establishing a channel for shareholders to propose agenda or send questions for the meeting. The rules in sending in such questions must be included on the letter of invitation and the Company's website. Company Secretary's Email: [csamatavn@amata.com](mailto:csamatavn@amata.com), Facsimile: 0-2318-1096.
- 1.6 As for the shareholders who can not join the meeting, the Board will send them an easy-to-fill Letter of Authorization so that they may choose the director themselves or opt for nomination of independent directors. The Board must send the letter of invitation to the shareholders, specifying the date, time, and the rules within at least 7 working days before the day of the meeting and there must also be newspaper advertisement at least 3 days before the day of the meeting.

## **2. Procedures on the Meetings of Shareholders**

- 2.1 The Board of Directors should encourage the Company to use secure, fast, precise, and accurate technology in the shareholders meeting for attendee registration, printing ballots, and processing voting results.
- 2.2 For the convenience of AMATA VN's shareholders, there is a barcode system to register each shareholder, in which such information is included on the invitation letter. This is to facilitate faster registration process. In addition, AMATA VN's system of voting in each agenda item is transparent by the collection of voting ballots, in which each must be voted as agreed, disagreed, or abstained. The shareholders could request to verify such process at the end of the meeting.

- 2.3 All directors should attend shareholders' meetings. Shareholders should be able to ask questions directly to the chairpersons of the committees responsible for any specific issue.
- 2.4 In the meetings, there should be no bundling of several items into the same vote, for example, election of directors.
- 2.5 The board should encourage the Company to appoint an independent party of scrutineers/inspectors to count and/or validate votes at the annual general meeting or extraordinary general meeting. These scrutineers shall be disclosed at the meeting and recorded in the minutes.
- 2.6 The board should encourage the use of voting cards for important agenda items such as related party transactions or acquisition or disposal of significant assets, for transparency and future reference.
- 2.7 The chairman of the meeting should allocate adequate time for discussion and encourage shareholders to express their opinions and ask questions related to the Company's operations.
- 2.8 The Company keeps video recordings of all and every session of AMATA VN shareholders' meetings as records to be made available for any shareholder who has any enquiry or the need to monitor the events during each meeting.

### **3. Writing and releasing of the minutes of shareholders' meetings**

- 3.1 The minutes of shareholders' meetings should include a description of the voting and vote procedures used, declaring both before the meeting proceeds, including an opportunity for shareholders to ask questions or raise issues, questions and answers, resolutions, voting results of each agenda item containing approving, dissenting, and abstaining votes, and list the board members who attended or missed the meetings.
- 3.2 The Company should make publicly available on its website by the next working day. ([www.amatavn.com](http://www.amatavn.com))
- 3.3 The Company shall publish the meeting minutes within 14 days after the general shareholders' meeting which will be submitted to the Stock Exchange of Thailand (SET) and the Ministry of Commerce in due time.

## **Section 2**

### **Equitable Treatment of Shareholders**

AMATA VN values the importance of equitable treatment of all shareholders, including major shareholders, minor shareholders, institutional investors, and foreign shareholders and have introduced measures to promote this equality, especially for the minor shareholders as follows:

1. The right to vote in the meeting should be in accordance with the number of shares that the shareholder is holding. One share is one voting right.
2. The Company has produced a proxy form for the shareholder meetings, in which the shareholders could determine the directions of their vote and in accordance with the stipulations of the Ministry of Commerce. The form will be sent along with the letter of meeting invitation. The shareholders could then give proxy to an independent director of the Company (the names of the independent directors will be included in the letter). Furthermore, the Company grants the right for shareholders to vote even when the meeting is in progress, on the agenda which are still being considered and not yet gone to vote, on such agenda the meeting would then consider as in quorum, unless the meeting sees otherwise.
3. The Company established a policy that the executive shareholders shall not add agenda to the meeting of shareholders without first notifying all shareholders in advance, so that all shareholders may be able to search for more information on the agenda before voting.
4. The agenda to appoint Company's directors must be done individually.
5. AMATA VN allows the shareholders with minimum shares of 0.05% of the Company's registered shares for 12 months consecutively to propose agenda for the shareholder meetings and nominate qualified candidates for directorship from October to December every year. This is announced via the Stock Exchange of Thailand's channel and the Company's website, with clear and transparent procedure and practice.
6. The board has specified procedures concerning the use and protection of inside information (Insider Trading) of related personnel such as the board, the management

and other employees in the related departments (including the spouse and minor child of such related personnel) as follows:

- 6.1 The related personnel shall not buy or sell the securities of the Company within 1 month before the release of the quarterly financial reports and within 24 hours after the release of such report (Blackout Period).
  - 6.2 In any case of learning sensitive information which has yet to be disclosed and may affect the price of the Company's securities, one shall not buy or sell such securities until 24 hours have passed after a public disclosure of such information. The executives or the department with the inside information are also forbidden to disclose such information to unauthorized personnel or a third party to prevent insider trading practice.
  - 6.3 In the case that there is a change in the shares of the directors and the executives, including of their spouses and minor children, such change must immediately be notified to the Securities and Exchange Commission, Thailand, in pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days of such buy, sell, and transfer.
  - 6.4 The Company specified that the directors and the executives must report the holding of the Company's securities in every board meeting.
  - 6.5 The Company specified that the directors and the executives must report the purchase and sale of the Company Securities to the board at least 1 day in advance.
- 7 The Company values the importance of diligently managing the conflicts of interests of the related personnel, which are the board, the executives, and the employees, to be fair and transparent. The board has specified policies and procedures on the conflicts of interests as follows:
- 7.1 The board and the executives must report the stakes, relating to the management of the Company or its subsidiary, of themselves and of the related persons when they first take up position as a director or an executive. Any change to such stake must be reported on every occasion and at the end of the year. Furthermore, the company secretary must make copies and send such report to the Chairman of the Board and Chairman of the Audit Committee within 7 days after the Company received the report, in pursuant to the Securities and Exchange Act B.E. 2535, to check and prevent conflicts of interest.

7.2 Disclosure of the Company's shareholding structure in its subsidiaries, affiliated companies, joint ventures, and holding companies to ensure the shareholders that the shareholding is clear, transparent and that there is no cross shareholding with major shareholders to avoid benefits to a specific party.

7.3 The board should require board members to abstain from participating in the board discussion or voting on a particular agenda item in which a given director has a conflict of interest.

### **Section 3**

#### **Role of Stakeholders**

The Board of Directors has specified a policy to promote cooperation between the Company and its stakeholders in order to create values, financial stability, and sustainability of the Company. The Company values the importance of the stakeholders such as customers, employees, business partners, shareholders, investors, creditors, competitors, the community the Company operates in, society as a whole, and the government, as follows:

#### **Shareholders**

The Company is determined to conduct its business in a transparent manner for the Company's growth and investment returns to shareholders while providing sufficient information to all parties equally.

#### **Employees**

The Company considers its employees to be the key factor in its success and has various policies such as policy to develop the employees' professional skills, policy on quality of working life, human rights policy, policy to appropriately reward employees in both short and long terms, employee safety and health policy which requires report of employees' yearly workplace injury and illness statistics in the sustainable development report. The Company has also established provident fund for employees.

**Business Partners**

The board has explicitly specified the business partners and business partner selection policy, which will be disclosed to the public.

**Competitors**

The board has specified a policy on fair competition with the competitors not to tarnish their reputation with wrongful accusation.

**Creditors**

The board has specified a policy on the debtor such as responsible actions of a debtor, management of capital in case of defaults, and strict compliance to the creditors' conditions.

**Customers**

The board has specified a policy on the customers to enhance their satisfaction and confidence in the Company's products and services. In addition, the Company continues to develop services in its industrial estates so that they become perfect cities for customers.

**Community and Society**

The Company's policy on the community and society focuses on its sustainability as well as improves the quality of life of the people. The Company organizes activities that involve and assist the community and society, with members of the board and management attending throughout the year.

**Environment**

AMATA VN PCL invests in its subsidiaries in Vietnam which develop industrial land, utilities, services as well as commercial and residential areas for both domestic and international investors. The Company values the importance of proficient use of natural resources and is aware of the environmental impacts to the community. AMATA VN has

specified proficient use of natural resources, in which all employees within the group are fully aware and strictly comply with.

### **Stakeholders' Contact Channels**

The Company welcomes useful and value-adding opinions from its stakeholders, which can be communicated to the Board of Directors through the following channels: Sending an e-mail message

- Chairman of Audit Committee  
Amata VN Public Company Limited  
2126 Kromadit Bldg., New Petchburi Rd., Huaykwang  
Bangkok 10310  
acamatavn@amata.com
  
- Company Secretary  
Amata VN Public Company Limited  
2126 Kromadit Bldg., New Petchburi Rd., Huaykwang  
Bangkok 10310  
csamatavn@amata.com

Regarding complaints or other sensitive issues, the company will protect the informant and keep all opinions secret and will respond in a private manner within 15 days from the date of receipt of such information.

## **Section 4**

### **Information Disclosure and Transparencies**

The Board of Directors highly emphasizes AMATA VN's information disclosure process in both financial and non-financial aspects where it must be accurate, complete, timely, and transparent. The information provided should also be easily accessible and extremely reliable comparable to a detailed report on AMATA VN's audited financial status and actual business operation results which must also provide information that indicates the

actual controlling interest in the Company since it is the shareholders' rights to be informed about the structure of the ownership of the business entity that they invested in. The Board strives to sustain strict compliance with the relevant laws, rules, and regulations with regards to information disclosure and transparencies as follows:-

1. The Company shall disperse information in accordance with the stipulated regulations through the information dissemination channels provided by the Stock Exchange of Thailand, the reports required by authorities, and also disclose on AMATA VN's own website in both Thai and English languages;
2. The Board shall report the results and details of AMATA VN's Corporate Governance undertakings in the reports required by authorities;
3. Taking into account the Securities Exchange Commission Regulations with regards to the policy conditions and method of disclosure of listed companies financial status and business operation results, AMATA VN has stipulated that the Company's information will be publicized in the reports required by authorities, according to related announcements and handbooks:-
4. AMATA VN's Board shall arrange for the publishing of the Audit Committee's report to accompany the Company's audited Financial Statements and the Corporate Governance report in the reports required by authorities;
5. The Board shall disclose the name list and the roles and responsibilities of the Board and each Committee members together with the number of meetings held and the attendance record of each of the Board and Committees members;
6. AMATA VN's Board shall report the various types of remuneration that each member receives and the compensation provided for being Directors in Subsidiary Companies or having other duties such as a Consultant together with the remuneration of the Company's top 4 Executives starting from AMATA VN's CEO in the reports required by authorities;
7. Information Disclosure and the Contact Person empowered to disclose AMATA VN's Information;

7.1 Information Disclosure in accordance with the Stock Exchange of Thailand's regulations;

7.1.1 Set up an Investor Relations Department with the responsibility of communicating with the public namely, shareholders, institutional investors, investors, analysts, and relevant government agencies on the following issues:-

- (1) Disclose important information for the benefit of the public;
- (2) Widely disseminate information to the public;
- (3) Clarify rumours and various news;
- (4) In the event of any abnormal trading of AMATA VN's stocks;
- (5) Occurrence of any unusual promotional information;
- (6) For the trading of listed company stocks, the duty of disclosing correct, sufficient, timely, transparent, equitable, and just internal Company information, AMATA VN empowers the Chief Executive Officer or Vice President – Finance and Accounting to take responsibility;

7.1.2 Appoint a Contact Person empowered to coordinate with the Stock Exchange of Thailand (SET) in providing information as follows:-

- (1) Disclosure of information during every accounting cycle namely, the Annual Financial Statements, Quarterly Financial Reports, and other reports required by authorities, by the Vice President - Finance and Accounting.
- (2) All information disclosure according to important events such as, acquiring/disposing of assets, important related transactions being considered and approved by the Board, scheduled Shareholders' Meetings, changes in Directors and Auditors, relocation of Company's Headquarter, report of the Shareholders' Meetings and various investment plans must be made by the Vice President - Finance and Accounting.

7.2 The Chairman of the Board shall be assigned as AMATA VN's spokesperson to provide general information on the organization's administration and management to the mass media;

- 7.3 Determine a Contact Person to coordinate with other related agencies such as:-
- 7.3.1 For the Thailand Securities Depository Co., Ltd., the Company Secretary shall be assigned as the contact person;
- 7.3.2 The Company Secretary is assigned as the Contact Person for coordinating with the Securities and Exchange Commission;
8. The Board and Management have to report all their shareholdings and any changes made in the size of their shareholdings in compliance with the criterion set by the Securities and Exchange Commission;
9. All Directors and the top 4 Executives beginning with the Chief Executive Officer are responsible for preparing their own related transactions report to the Board Chairman and the Chairman of the Audit Committee in compliance with the Securities and Exchange Act B.E. 2551;
10. Directors and Executives shall inform the Company through the Company Secretary at least one day prior to the purchase/sale of Company shares and report such transactions to the Board every quarter;
11. The Board shall set up a risk management procedure that can be implemented on all types of risks whether it be the risks of the Company's vision, objectives, business strategies, financials, productions and any other operations while taking into consideration the chances of its occurrence and the severity of the effects it could cause. And must also prepare precautionary, preventive and corrective measures and clearly identify the person responsible together with establishing a monitoring, assessment and reporting system by forming a Risk Management Committee at the management level to prepare the work plan and report the results of its implementation to the Board of Directors at least twice a year;
12. The Board shall establish an internal control system that covers all areas, in Finance, Operations, in accordance with the relevant laws, rules, and regulations; and set up an efficient mechanism for auditing and counter balancing that is capable of constantly protecting, preserving and nurturing shareholders' capital investments and

Company's assets. In addition, the Board shall oversee the Company's regulations, establish an independent internal audit unit that reports directly to the Audit Committee who is responsible for auditing the operations of all of AMATA VN's business units to comply with the set regulations;

Information that should be disclosed in accordance with the reports required by authorities (Details as in related announcements and handbooks):

1. Disclosure of Shareholding Structure: -

Shall disclose shareholding structure that clearly reveals in details of the major shareholders in proportion to minority ones which should also be up-to-date information where the holdings by Nominee shall not exceed 5 percent. In addition, AMATA VN's Board members have to report both direct and indirect shareholdings;

2. Information disclosure contained in the Company's Annual Report must be complete, explicit and beneficial for the investors/shareholders, for example, it must include the following:-

- Company's long-term objectives;
- Using discussion and analysis methods in describing the Company's financial statement and its meaningful transformations, factors that can significantly affect overall business operations, non-financial indicators such as market share, level of customers' satisfaction;
- Analyzing the status of the industry and the level of competition together with AMATA VN's capability to compete;
- Disclosure of the proportion of shares in the Company's business shareholding structure;

3. Disclosure of information with regards to important risks that could cause severe damage on AMATA VN's business, the chances of its occurrence and the available precautionary measures to soften or prevent these risks from taking place;

4. Disclosure of various policies related to profits derived from business operations such as:-

- Dividend Payment Policy;
- Whistleblower Policy;

Disclosure related to the Board of Directors such as:-

- Qualifications and self-improvement;
- Directors' compensation;
- Meeting attendance;
- Company share holdings and tradings;

#### **4.1 Disclosure of Information**

4.1.1 The Board of Directors has a system to verify that all of the Company's information disclosed to the investors are accurate;

4.1.2 The Board shall approve the Company's Corporate Governance Policy, Code of Conduct, Risk Management Policy, and Corporate Environmental and Social Responsibilities Policy, and disclose the ability or inability to implement these policies together with the relevant factual arguments in each case and publish them in the reports required by authorities and Company's website;

4.1.3 The Board shall ensure that the Company discloses the Management Discussion and Analysis (MD&A) Report as supportive documents for the Company's Quarterly Financial Statement that is disclosed in order to give investors better understanding of the shifts in AMATA VN's financial status;

4.1.4 The Board shall reveal the auditing fee and any other related auditing expenses;

4.1.5 The Board shall disclose the roles and responsibilities of AMATA VN's Board and Committees, the number of meetings held and the meeting attendance record of each Director for the whole of the previous year and comments on the

performance of their duties together with the continuous Directors' training and development programs held in the Company's Annual Report;

4.1.6 The Board shall disclose the Company's remuneration policy for Directors and Executives;

#### **4.2 Information Dissemination on AMATA VN's website**

Information disclosure criterion as stipulated by the Stock Exchange of Thailand (SET) and through the SET provided channels, and the reports required by authorities. All information reported on AMATA VN's website shall be done in both Thai and English languages, including following information:-

- (1) AMATA VN's Vision and Obligations;
- (2) Type of Business;
- (3) The name list of the Board members and Management;
- (4) Financial Statements, reports on financial status together with the present and the previous year's overall operation results;
- (5) All information provided for Analysts, Fund Managers or various media;
- (6) Information on Company's both direct and indirect shareholding structure;
- (7) The structure of the Group of Companies, Subsidiary Companies, Joint Venture Companies, Partnership and Special Purpose Enterprises/Vehicles (SPEs/SPVs);
- (8) The group of major both direct and indirect shareholders that holds 5 percent of AMATA VN's listed stocks and with voting rights;
- (9) Both direct and indirect shareholdings of the Company's Directors, Major Shareholders, Company's Executives;
- (10) Ordinary and Extraordinary Shareholders' Meeting Invitations;
- (11) Company's regulations, Memorandum of Association and arrangements made with groups of shareholders, if any;
- (12) AMATA VN's Corporate Governance Policy;
- (13) Risk Management Policy;
- (14) Charter on the Directors' Term on the Board;

- (15) Charter on the Directors' Term in Committees;
- (16) Employees and Directors' Code of Conduct;
- (17) Details on the Company's contact information or the Investor Relations Officer.

## **Section 5:**

### **Board Responsibilities**

The Company's Board of Directors comprises of people who are knowledgeable, capable, and well-accepted at the national level, assigned with the key role and responsibility to define corporate policies and determine both the long-term and short-term business plans with the Management. The Board of Directors is also responsible for determining financial policies, risk management policies and procedures, and the overall corporate image as well as for undertaking governance of the Company together with evaluating the overall operating performance of the Company, and for overseeing, in an independent manner, the performance results of the Executive/Management Group so as to ensure that they are in accordance with the established and agreed business plans.

Key elements that facilitate the Board of Directors to effectively and fully discharge its duties and responsibilities are as follows:

#### **5.1 Board Structure**

5.1.1 The Company's Board of Directors has determined a Board structure that is composed of Directors possessing diverse and varied qualifications in regards to their knowledge, professional experiences, together with both general and specialized skills, that would be beneficial for the Company.

5.1.2 The Board of Directors comprises persons possessing the knowledge, capabilities and professional experiences that are adequate for discharging their duties and responsibilities. There is a total of 5 persons to 12 persons on the Board.

5.1.3 There shall be Non-Executive Director(s) on the Board of Directors, who have relevant expertise that corresponds to the business of the Company.

5.1.4 The Board of Directors has independent directors of no less than 1/3 of the Board members, who can give their opinions on the work activities of the Executive/Management Group in a fully independent manner.

5.1.5 The Board of Directors determines each term of office for Board Directors to be 3 years; and in the event of a retiring Board Director being nominated for reappointment for another term, the Board of Directors will take into consideration the necessity and will propose the reappointment for approval at the Annual General Shareholders Meeting.

5.1.6 The Board of Directors has determined the 'required qualifications' of Independent Directors to be those qualifications specified by the Office of the Securities Exchange Commission (SEC) in regards to Members of the Audit Committee, as follows:

(1) A person who has a shareholding of not more than 1% of the total number of shares with voting rights of the Company, a Subsidiary Company, a Joint Venture Company, and the majority Shareholder Group or the legal entity having the controlling power over the Company; whereby this shareholding also includes those of anyone who is related to the Independent Director in question.

(2) A person who is not or has not been an Executive Director, employee, staff member, or consultant on a monthly retainer fee, or who has a controlling power over the Company, a Subsidiary Company, a Joint Venture Company, a Subsidiary Company of a parallel status, and the majority Shareholder Group or a party with a controlling power over the Company - unless such a status has ceased to exist or has been terminated for not less than 2 years prior to being nominated. As such, this prohibited qualification does not include a person having been a civil servant in or a consultant to a Public Sector agency that is a majority Shareholder of or has a controlling power over the Company.

(3) A person who is related to any other persons by blood or by legal registration - as a parent, spouse, sibling, and children or a spouse of the children of an Executive/Management Group member - to a majority Shareholder of or a person with a controlling power over the Company, and to any persons being

nominated to be an Executive/Management Group member or possessing a controlling power over the Company or a Subsidiary Company.

- (4) A person who is not or has not had any prior business relationships with the Company or parent Company, a Subsidiary Company, a Joint Venture Company, and a majority Shareholder of or party with a controlling interest over the Company in a manner that could hinder a genuine independence of judgment; as well as not having been a significant Shareholder or having had a controlling power over any persons that has a business relationship with the Company or parent Company, a Subsidiary Company, a Joint Venture Company, and a majority Shareholder of or party with a controlling interest over the Company - unless such a status has ceased to exist or has been terminated for not less than 2 years prior to being nominated.
- (5) A person who is not or has been an external Auditor of the Company or parent Company, a Subsidiary Company, a Joint Venture Company, and a majority Shareholder of or a party with a controlling interest over the Company; as well as not being a majority Shareholder, a party with a controlling power over or a Partner in the Audit Firm authorized to be the external Auditor of the Company or parent Company, a Subsidiary Company, a Joint Venture Company, and a majority Shareholder of or a party with a controlling power over the Company to which the person is affiliated - unless such a status has ceased to exist or has been terminated for not less than 2 years prior to being nominated.
- (6) A person who does not provide or has not been providing any professional services – including acting as a legal counsel or financial advisor to and receiving an annual retainer of more than Baht 2.0 million from the Company or parent Company, a Subsidiary Company, and a Joint Venture Company; as well as not being a majority Shareholder of or a party with a controlling power over or a Partner in the Company, or a significant Shareholder in or having a controlling power over or a Partner in any such professional services provider companies/entities - unless such a status has ceased to exist or has been terminated for not less than 2 years prior to being nominated.

- (7) A person who is not a Director authorized to represent a Board Director of the Company, the majority Shareholder, or a Shareholder who is connected with and/or related to the majority Shareholder of the Company.
- (8) A person who is not operating a business that is the same type of business as the Company or its Subsidiary Companies; or a person who is not a significant shareholder in a business partnership; as well as who is not an Executive Director, employee or staff, consultant with a regular salary, or holding more than 1% of the total shares with voting rights of other companies operating the same type of business as the Company or its Subsidiary Companies so as to be considered as a significant competitor.
- (9) A person with any other characteristics that would not facilitate a genuine independence of judgment with regard to the business operations of the Company

5.1.7 The Board of Directors will select the Chairman of the Board, who must be an Independent Director.

5.1.8 The Board of Directors has determined the principle that allows its Independent Directors to be a Board Director concurrently in not more than 3 other listed companies, through taking into consideration the overall ability and effectiveness in discharging their directorial responsibilities on the part of the Board Director, who is also Directors in several other companies based on the fact that Board Directors need to devote their time to undertake their duties in an adequate manner. Furthermore, information relating to Board Directors being Directors concurrently in other listed companies is required to be disclosed in the Company's Annual Report as well as posted on the Company's website.

5.1.9 Executive Directors can also be Director concurrently in not more than 2 other listed companies.

5.1.10 Board Directors should possess the required qualifications specified in the Public Limited Company Act and the Securities and Exchange Act, as well as should not have the specified prohibited qualifications or any indicative inappropriate

characteristics, in order to receive the trust and confidence to be appointed to oversee and manage the conduct of the business by the Company.

## **5.2 Approval Authority of the Board of Directors**

This should be in accordance with the policy on the scope of authority reserved for the Board of Directors of the Company as well as resolutions of the Board of Directors, and Shareholders' Meetings together with the legal requirements and regulations of the Company. This scope of authority also includes defining and reviewing, at least every 5 years, the corporate vision and strategies, together with approving the key business operations and associated business plans, risk management policies, annual budgets and business activities plans, desired annual corporate objectives and goals from the business operations, and also regularly evaluating the operating performance so as to ensure that they are in accordance with the established operational plans.

## **5.3 Separation of duties and responsibilities between the Board of Directors and the Management**

The Company has clearly defined separate and respective roles, duties, and responsibilities of the Company's Board of Directors and those of the CEO as follows:

5.3.1 The Company's Board of Directors has the role of overall governance and oversight of the Company's business operations so as to ensure that they are in accordance with all legal requirements as well as the corporate objectives and regulations of the Company as approved by the Board Meetings together with the Company's policy on corporate governance; whereby Board Directors need to make decisions with all due care, integrity, and in an honest manner for the maximum benefit of the shareholders.

5.3.2 The Executive/Management Group has the duties and responsibilities to undertake normal operating activities based on policies determined by the Board, so as to achieve the established goals and corporate strategies.

## **5.4 Roles, duties, and responsibilities of the Board of Directors**

In order for the Company to effectively enhance the strength and viability of the good corporate governance aspects of its operations, the Company's Board of Directors has the important and proactive roles as follows:

- 5.4.1 Determine the 'vision and mission' and strategic directions of the Company that will support and drive, on a sustainable basis, the ongoing development and growth of the overall economy, society as a whole, and the environment; whereby the Board Directors collaborate in thinking through the various issues as well as in attaching importance to searching for the relevant information required to define such strategic directions and to effectively assess various potential risk factors. This is in order to ensure that the Executive/Management Group will be able to implement the established vision and strategic directions in an effective manner, so as to achieve the targeted operating performance results in accordance with the laws, objectives, articles of association of the Company, the resolutions of the Board meetings, and the resolutions of the shareholders' meetings, with responsibility, diligence and honesty.
- 5.4.2 Review and approve, at least every 5 years, key corporate strategies, corporate objectives and goals, financial targets, and business activities plan of the Company; as well as monitor that the Executive/Management Group, its subsidiaries, and any persons authorized to perform such duties always act in accordance with the agreed corporate business plans and strategic directions.
- 5.4.3 Determine risk management policies, oversee that potential risk factors are assessed, and then define various appropriate risk management activities in a comprehensive manner; as well as oversee and ensure that Risk Management Committee has in place effective procedures relating to risk management and to exploring possible new business opportunities that may arise from such risks.
- 5.4.4 Arrange to have in place an appropriate accounting system, financial reporting procedures, and auditing procedures of the Company accounts that are credible; as well as oversee that procedures are in place to regularly assess that existing internal control systems and internal audit processes together with the existing

risk management procedures are adequate, appropriate and effective, and also that this matter is disclosed in the Company's Annual Report. As well as, sign to certify end of the fiscal year financial statements in order to propose to the shareholders for approval in the Annual General Meeting.

- 5.4.5 Oversee and resolve any situations of conflict of interests and related transactions that may occur; as well as give importance to all key business transactions of the Company so as to achieve overall maximum benefit for the shareholders and all stakeholders, through establishing a policy relating to situations involving conflict of interests.
- 5.4.6 Provide the policy on the remuneration of the CEO that is appropriate so as to motivate positive job performance in both the short term and long term.
- 5.4.7 Determine the policy and requirement that the CEO as well as other senior Executives can serve concurrently as Director in not more than 2 other listed companies, whereby prior approval from the Board of Directors is also required.
- 5.4.8 Assess the CEO performance annually, the results of which will be used as the criteria for determining the proposed increase in the CEO's remuneration that corresponds to the achieved job performance.
- 5.4.9 Have the CEO succession plan in place as a contingency plan for the Company.
- 5.4.10 Establish various appropriate channels of communication for use by each respective shareholder groups; and assess disclosures of relevant information, so as to ensure that they are clear and concise, correct and accurate, and credible as well as achieve high standards of disclosure.
- 5.4.11 Act as an effective leader and a positive role model in effectively discharging responsibilities in compliance with the required good corporate governance practices and the Company's responsibilities to society as a whole.

- 5.4.12 Support and promote the Company in having effective practices and activities to fight all forms of corruption, so as to achieve maximum benefit for the Company and all stakeholders.
- 5.4.13 Arrange the preparation and publication of the Company's Code of Conduct for all Board Directors, members of the Executive/Management Group and Staff.
- 5.4.14 Arrange to have the Company's Code of Conduct for all Board Directors, members of the Executive/Management Group and Staff be the required regulations for them, which they must acknowledge and agree to adhere to such required ethical behaviors.
- 5.4.15 Promote strict adherence to the established Code of Conduct of the Company on the part of all Board Directors, members of the Executive/Management Group and Staff as well as involved external parties, through:
- (1) Distributing a copy of the Code of Conduct to all Board Directors, members of the Executive/Management Group and Staff and signing their acknowledgement and agreement to comply to the required ethical behaviours.
  - (2) Announcing and posting the Code of Conduct on the Company's intranet, so as to allow any involved parties to easily access the information.
  - (3) Announcing and posting the Code of Conduct on the Company's website.

## **5.5 Establishing Board Committees**

In order to facilitate and enable the review and screening of various key aspects of the business operations of the Company in an effective and careful manner, the Board of Directors has established various Board Committees as considered necessary and appropriate. Currently there are 4 Board Committees as follows:

- 5.5.1 Audit Committee consisting of at least 3 Board Directors, all of whom are required to be Independent Directors. The Audit Committee is required to have the qualification of being fully independent, as announced by the Board of Directors of

the Office of Capital Market Supervision in Thailand with regard to the qualifications and scope of responsibility for Audit Committees, in reviewing/overseeing the conduct of business operations, overseeing the preparation of the financial reports, internal control system, selecting the external Auditor; as well as in considering any conflict of interests situations and reviewing the adequacy of the Company's risk management procedures. As such, the Audit Committee should have at least 1 member possessing adequate knowledge and understanding of or experiences in accounting or financial matters, so as to review the credibility of the Company's Financial Statements. (For further details, please refer to Charter of the Audit Committee.)

5.5.2 Corporate Governance Committee is established by the Board of Directors, comprising of at least 3 members to give advice regarding corporate governance to the Board of Directors and oversee the corporate governance work of the Company (For further details, please refer to Charter of the Corporate Governance Committee.)

5.5.3 Nomination and Remuneration Committee is established by the Board of Directors, comprising of at least 3 members having an Independent Director as Chairman of the Committee. The Committee is in charge of selecting and nominating names of qualified persons for appointment as a Board Director as well as for the CEO position; whereby there are established principles and procedures for undertaking the nomination process in a transparent manner; as well as for establishing guidelines in determining the appropriate and reasonable remuneration for the Board and CEO, that would then be proposed to the Board of Directors for review/endorsement to be proposed for final consideration/approval by the Shareholders Meeting (For further details, please refer to Charter of the Nomination and Remuneration Committee.)

5.5.4 Risk Management Committee is comprised of the Management from various departments. The Board of Directors has authorized Chairman of Risk Management Committee to appoint members and secretary of this Committee to consider the risks of the organization, consider the assessment tools to monitor and evaluate the

risks in accordance with the business plan and report back to the Board of Directors on a regular basis.

## **5.6 Orientation for newly appointed Board Directors**

In undertaking the duties and responsibilities as a Company Board Director, Directors should be informed of the overall business operations of the Company. As such, in the event of any changes in the Members of the Board of Directors or an appointment of a new Board Director, the Company will hold an orientation program for the new Directors, in order to introduce an overview of business operations of the Company as well as to provide them with various important information that is relevant and necessary for the discharge of the directorial duties together with operating guidelines relating to good corporate governance, whereby such information includes:

- 5.6.1 The structure and composition of the Board of Directors, together with the associated key policies and work procedures.
- 5.6.2 Corporate strategies, annual business plans and associated KPIs, and the current annual budget.
- 5.6.3 The structure of the Company and of the Executive/Management Group.
- 5.6.4 Key operating level policies as already approved by the Board of Directors.
- 5.6.5 An overview of the type of work activities of the Executive/Management Group.

Newly appointed Board Director should receive the following information/materials and undertake these activities

- (1) Handbook/Manual for Board Directors.
- (2) Introduction to and informal meeting with fellow Directors on the Board of Directors, in order to have informal discussions/exchange of ideas and to ask questions on any current key issues.

- (3) Introduction to and meeting with the CEO to discuss the future operating directions of the Company and general matters, together with both the internal and external issues that may have an impact for the Company.
- (4) Introduction to and meeting with the head of Accounting and Finance Department, in order to be informed and achieve an understanding about the financial aspects and issues, and to ask any questions on these matters.
- (5) Introduction to and meeting with the Company Secretary to discuss corporate governance matters.
- (6) Introduction to and meeting with the senior Executives/Management Group members to discuss operational matters and relevant issues/problems of each Business Unit/Department.

As such, the Company Secretary is responsible for coordinating and arranging the above meetings/matters relating to the new Board Directors orientation program.

## **5.7 Board of Directors Meeting**

- 5.7.1 It is a core and important duty of Board Directors to attend Board Meetings on a regular basis, so as to be informed about as well as to jointly consider and decide on matters relating to the business operations; whereby each year there will be a minimum of 6 Board Meetings, and there may also be additional special meetings to consider an urgent and special matter or issue.
- 5.7.2 Each year a schedule of the Board Meetings for the year will be clearly determined in advance.
- 5.7.3 Non-Executive Directors will meet, at least once a year, without any Executives/Management Group members being present, to discuss and debate various issues of special interest or concern relating to activities undertaken by the Management Group, with a report of the meeting's outcome being submitted to the Chief Executive Officer.
- 5.7.4 During Board Meetings, the Board can consider and pass various resolutions, so long as there is a quorum of no less than 2/3 of the total number of Directors.

- 5.7.5 All Board Directors shall achieve a Board Meeting attendance record of 75% during the year.
- 5.7.6 For Board Meetings, the Chairman of the Board together with the CEO and the Company Secretary will determine the schedule and agenda; whereby an opportunity is given to Board Directors to also propose agenda items for Board Meetings.
- 5.7.7 Supporting documents for the proposed agenda of the Board Meetings are sent not less than 5 working days in advance of the scheduled meeting date, so that Board Directors can have sufficient time to study the relevant information for each agenda item.
- 5.7.8 In considering the various agenda items at Board Meetings, the Chairman of the Board will act as the Chairman of the Meeting and allow all Board Directors to freely express their opinions. As such, passing Board resolutions will be based on a majority vote, with each Board Director having 1 (one) vote. Any Board Director, having a vested interest in particular agenda item being discussed, will not be allowed to be present during the discussions and/or also not entitled to vote on the matter in question. In the event of a tie vote, the Chairman of the Board will have an additional and deciding vote.
- 5.7.9 During Board Meetings, senior Executive/Management Group members will attend so as to be able to make a presentation that is beneficial for Board Directors, and also to be given, directly by the Board, policies to be implement by the Executive/Management Group in an effective manner – with the exception of when any special agenda items are to be discussed by Board Directors or by Non-Executive Directors only, so as to allow an open and free discussion by those Board Directors present.
- 5.7.10 After the end of each Board Meeting, the Company Secretary is responsible for preparing the official minutes of the meeting, as well as submitting it to the Chairman of the Board to review and sign in order to confirm that they are fully accurate and correct; whereby the minutes are then submitted for review and acceptance at the next Board Meeting. As such, Board Directors are able to express their opinions relating to any required corrections, amendments or

revisions within 14 working days, so that the minutes will be completely accurate and correct.

5.7.11 Once the minutes of the Board Meeting have been accepted at the subsequent Board Meeting, these minutes are then stored for safekeeping as confidential documents in the corporate document storage system in the Company's office, as well as being stored in a soft copy format in the electronic corporate document database, together with the respective agenda and supporting documents. This is for ease in future access and reference.

## **5.8 Performance Evaluation of the Board of Directors**

The Board of Directors has determined that a performance evaluation of the Board be undertaken every year, so as to review the actual outcome of the activities of the Board of Directors during the year and to ensure the determination and/or implementation of ongoing improvements of any deficiencies in an adequate manner.

5.8.1 The Board of Directors and Board Committees should undertake a performance self-evaluation at least once a year, so as to allow the whole Board of Directors to jointly review its performance output together with determining areas for further improvement. This is to enhance the overall performance output of the Board of Directors and of the various Board Committees accordingly.

5.8.2 The performance evaluation of the Board of Directors should be undertaken for the whole Board as a group as well as for individual Board Directors and for the Chairman of the Board; whereby the associated procedures, criteria and performance evaluation results are then disclosed in the Company's Annual Report.

5.8.3 Every 3 years, the Company should arrange to have an external consultant help determine operating guidelines, procedures, and relevant questions to be asked in the performance evaluation exercise, which will then facilitate the achievement of straightforward and unbiased evaluation outcomes so as to enable these outcomes to be compared with accepted standards and facilitate further genuine development of the performance evaluation process. The evaluation results and associated skills development plans should then be disclosed in the Company's Annual Report.

## **5.9 Development of Board Directors**

In order to enhance the effectiveness in discharging the duties and responsibilities of Board Directors, the Company supports and encourages members of the Board of Directors and the Executive/Management Group to attend various training courses that would be beneficial in undertaking their activities and regularly participating in various activities to meet Board Directors and senior Executives of other companies. Example of the training courses are training courses held by the internal department responsible for training the Company's staff as well as those held by external regulatory authorities or NGOs, such as training courses held by the Thai Institute of Directors Association (IOD), of which the SEC has specified that Board Directors of listed companies must attend at least 1 course, namely Directors Certification Program (DCP), Directors Accreditation Program (DAP), and Audit Committee Program (ACP).

## **5.10 Oversight to ensure compliance to good corporate governance principles and practices, and regular reviews**

The Board of Directors will oversee and ensure that Board Directors, Executives/Management Group and Staff all act in full compliance with the established operating best practices/guidelines specified in the 'Handbook on the Policy on Good Governance', in order to raise and further develop the standards of good corporate governance in the Company on a continuing basis. This is also to create and achieve continued stability as well as sustainability for the Company, its shareholders, and all stakeholder groups. Further, the Board of Directors has determined that a regular review of the existing 'Handbook on the Policy on Good Governance' be undertaken every year.

## **5.11 The Company Secretary**

The Board of Directors is responsible for appointing the Company Secretary, charged with the responsibility for supporting the Board in preparing the various required documents/materials, Board Meeting agenda, and notifications of the scheduled meetings together with overseeing the smooth running of the actual Board Meetings, Annual General Shareholders Meetings (AGMs) and meetings of the various Board Committees. The Company Secretary is also responsible for preparing the Minutes of the Board

Meetings, the various Board Committee meetings, and also the AGMs together with storing and safekeeping all corporate documents as required by law; as well as providing advice on the discharge of the responsibilities by Board Directors to ensure full compliance with the various applicable legal and regulatory requirements, ensuring that Board Directors and the Company disclose any relevant information as required in a correct, comprehensive and fully transparent manner, and for coordinating key activities within the Company to be fully in accordance with the Board resolutions and then regularly reporting to the Board of the status of such activities.

Effective from November 9, 2020

(Dr. Apichart Chinwanno)  
Chairman