

Policies and Practices Regarding Directors and Executives

The Company has established a corporate governance system that supports and complies with the principles of good corporate governance of the Stock Exchange of Thailand and the Securities and Exchange Commission, as follows:

The Company's management structure consists of:

- 1) **Shareholders** have the ultimate power in the Company and can make decisions on various matters of the Company, unless otherwise provided by law or the Company's Articles of Association. The Company holds an Annual General Meeting of Shareholders every year to inform shareholders of the Company's operating results and to approve the Company's financial statements for the past year, and to vote on various matters such as dividend payments, the appointment of directors, the appointment of auditors, and the determination of remuneration for directors and subcommittees, and auditor remuneration, etc. In addition, the Company may hold Extraordinary General Meetings of Shareholders from time to time to consider other matters that require approval under applicable laws or regulations.
- 2) **The Board of Directors**, composed of qualified individuals with knowledge, ability, experience, and vision, has the duty and responsibility to oversee the business and control the management of the executive, define the vision, mission, values, strategies, and long-term goals of the Company, and has the power to make decisions on various matters that are not in the ordinary course of business of the Company or matters that are material to the business operations of the Company. The Board of Directors shall establish subcommittees, namely the Audit Committee, the Executive Committee, the Sustainability and Risk Management Committee, the Investment Advisory Committee, and other subcommittees as appropriate, to ensure that the duties of the Board of Directors are successfully carried out in accordance with good corporate governance principles.
 - **The Audit Committee** is responsible for reviewing the Company's financial reports for accuracy and adequacy, overseeing the reliability of the financial statements and disclosures, and reviewing the internal control system and internal audit system.
 - **The Executive Committee** is responsible for advising the Board of Directors on setting the Company's strategies, business plans, and budgets, monitoring the performance of management, and having the authority to make decisions on various matters as assigned by the Board of Directors.
 - **The Sustainability and Risk Management Committee** is responsible for setting sustainability and risk management policies and strategies that affect the anti-corruption policy, considering and screening strategic asset allocation to be in line with the Company's acceptable risk appetite, and reporting on sustainability and risk management to the Board of Directors.
 - **The Investment Advisory Board Committee** is responsible for setting investment policies, criteria, and scope, analyzing investment projects, risks, and the expected return on investment that the Company will receive, as well as monitoring the Company's investments to comply with the established investment policy framework, criteria, and scope.
 - **The Chief Executive Officer** and management are responsible for the day-to-day operations of the Company and for managing the Company's various functions as assigned by the Board of Directors, including reporting

on performance to the Board of Directors on a regular basis. The Chief Executive Officer, as the head of management, must conduct the Company's business in accordance with applicable laws and regulations, the Company's Articles of Association, resolutions of the shareholders' meetings, resolutions of the Board of Directors' meetings, and good corporate governance principles. The Chief Executive Officer reports to the Board of Directors.

Combination or separation of positions

The Board of Directors has established a separation of powers and duties to decentralize decision-making and ordering authority, with clear checks and balances and oversight of management, which has been continuously reviewed and improved to be appropriate and cover the Company's various activities, as well as in line with changes in announcements or regulations of various regulators. The Company has established operating authority for management under the regulations on authorization and execution.

Independence of the Board of Directors and Management

1) Separation of the Positions of Chairman of the Board and Chief Executive Officer

The Board of Directors promotes good corporate governance by having the Board of Directors appoint a Chairman of the Board who is not the same person as the Chief Executive Officer. Although the Chairman of the Board is not the same person as the Chief Executive Officer, they are related by blood and are therefore not independent. Therefore, the Chairman of the Audit Committee has been appointed to act as an inspector, to provide opinions on the agenda of the Board of Directors' meetings and shareholders' meetings, as well as to have a clear separation of powers and duties, in accordance with the regulations on authorization and execution approved by the Board of Directors, to enable the Board of Directors to perform its duties of inspection and balance of the management's work independently.

2) Balance of Directors

The Board of Directors ensures that the composition of the Board of Directors is appropriate and that there is a clear separation of roles, responsibilities, and accountability between the Board of Directors and management. All directors are independent in expressing their opinions on the Company's operations with honesty and integrity, safeguarding the interests of the Company without being dominated, and are responsible for performing their duties in accordance with the law, the Company's Articles of Association, resolutions of the Board of Directors' meetings, and resolutions of the shareholders' meetings.

Roles, Responsibilities, and Accountabilities of the Chairman of the Board

To ensure a clear separation of powers and duties in setting the Company's policies and managing the Company's business, the Company has stipulated that the Chairman of the Board and the Chief Executive Officer be two separate individuals. The Chairman of the Board has the following roles and responsibilities:

- 1) Convene meetings of the Board of Directors, preside over meetings of the Board of Directors and shareholders' meetings, and play a role in setting the agenda for meetings in conjunction with the Chief Executive Officer.
- 2) Plays a role in controlling the meeting to be effective in accordance with the Company's regulations, supporting and providing opportunities for directors to express their opinions independently.

- 3) Support and encourage the Board of Directors to perform their duties to the best of their ability, within the scope of their authority, responsibilities, and in accordance with good corporate governance principles.
- 4) Supervise and monitor the work of the Board of Directors and other subcommittees to achieve their objectives.
- 5) Cast the deciding vote in the event of a tie vote at a Board of Directors' meeting.

Roles, Responsibilities, and Accountabilities of the Chief Executive Officer

Manage and oversee the operations related to the general administration of the Company to comply with the objectives, policies, regulations, and rules of the Company, monitor and evaluate the Company's performance on a regular basis, and report on the performance and progress of the Company's operations to the Board of Directors, the Audit Committee, and subcommittees. The delegation of authority and responsibility of the Chief Executive Officer shall not be in the nature of a delegation or sub-delegation that would allow the Chief Executive Officer or the delegate of the Chief Executive Officer to approve transactions in which he or she or a person who may have a conflict of interest (as defined by the relevant authorities) has an interest or may have other conflicts of interest with the Company or its subsidiaries, except for the approval of transactions in the ordinary course of business with a defined scope.

Recruitment and Appointment of Directors

The Board should oversee that the recruitment and selection of directors is transparent and clear in order to obtain directors with qualifications that meet the specified criteria, as follows:

- 1) Provide opportunities for minority shareholders to nominate qualified individuals for election as directors and nominations from major shareholders.
- 2) Qualifications according to relevant laws and regulations, including the Public Limited Company Act, the Securities and Exchange Act B.E. 2535, the Company's Articles of Association, and good corporate governance principles.
- 3) Consider the criteria for the recruitment of directors of the Stock Exchange of Thailand.
- 4) Give importance to those with skills, professional experience, and diverse qualifications in various fields that the Board still lacks and are essential to the Company's business in order to make the Board composition complete and most beneficial.
- 5) Consider knowledge, abilities, and experience relevant to the business to be consistent with the Company's business strategy, including using the Director Pool of the Thai Institute of Directors Association (IOD) as part of the recruitment of new directors.
- 6) Consider the qualifications of directors to be consistent with the Company's business strategy by establishing a Board Skill Matrix, which defines the qualifications of directors to be recruited by considering expertise in various fields, including law, accounting, finance, economics, engineering, and management, in order to integrate knowledge and abilities that are beneficial to the Company's operations.
- 7) Consider the time commitment of directors. If they are former directors who will be returning to the position for another term, their performance during their previous term may be considered. The number of companies that each director will serve on should also be considered, to be appropriate to the nature or

condition of the Company's business, which should not exceed 5 listed companies, to ensure that the efficiency of their work will not be reduced.

- 8) The appointment of independent directors will consider the independence of the person proposed to be an independent director according to the criteria set by the Securities and Exchange Commission (SEC), with the qualifications for independence as specified in the Good Corporate Governance Manual.
- 9) Past performance (if any),
- 10) Providing useful suggestions and comments.

Remuneration of Directors and Executives

The Company has established a remuneration structure for directors, senior management, and employees of the Company to incentivize all levels to perform in accordance with the objectives and main goals of the organization and in line with the long-term interests of the business, as follows:

- 1) Provide remuneration for directors at a level comparable to that prevailing in the same industry, taking into account experience, responsibilities, scope of roles and responsibilities, and the expected benefits to be received from each director. Directors who are assigned additional roles and responsibilities, such as being members of subcommittees, should receive appropriate additional remuneration.
- 2) Provide remuneration for the Chief Executive Officer and senior management in accordance with the principles and policies set by the Board of Directors and in the best interests of the Company. The level of remuneration in the form of salary, bonuses, and incentives will be commensurate with the performance of each executive and must take into account the benefits received by shareholders.
- 3) All non-executive directors will evaluate the performance of directors and executives annually for use in considering the remuneration of directors and executives, using benchmarks agreed in advance with directors and executives based on objective criteria, including financial performance, performance against long-term strategic objectives, management development, etc., and submit the above evaluation results to the Board of Directors for approval, and the Chairman of the Board will communicate the results of the consideration to the Chief Executive Officer.

The Board of Directors approves the performance appraisal criteria and factors, as well as the remuneration structure for senior management, and monitors the Chief Executive Officer to evaluate senior management in accordance with the said appraisal principles and participates in overseeing the establishment of performance appraisal criteria and factors for the entire organization. It has been considered that the remuneration structure for directors, senior management, and employees of the Company is comparable to that of companies in the same industry.

Director Development

The Company has supported all directors to attend training courses as recommended by the Securities and Exchange Commission, organized by the Thai Institute of Directors Association (IOD), such as the Directors Accreditation Program (DAP), the Directors Certification Program (DCP), and the Advanced Audit Committee Program (AACP). Most of the Company's directors have already completed these training courses.

The Board of Directors places importance on attending training courses or seminars in various fields or developing their knowledge and abilities through the following methods:

- 1) The Board of Directors promotes and facilitates training and education for those involved in the Company's corporate governance system, such as directors, audit committee members, executives, and the company secretary, in order to continuously improve their performance. Training and education may be conducted internally or through the use of external institutions.
- 2) Each time a new director is appointed, management will provide documents and information useful for the performance of the new director's duties, including an introduction to the nature of the business and the Company's business operations.
- 3) The Board of Directors requires the Chief Executive Officer to report regularly on the succession planning, which the Chief Executive Officer and senior management should prepare as a continuous plan for successors in the event that they are unable to perform their duties.

The Board should establish a management development program, with the Chief Executive Officer reporting annually on what has been done during the year and should be considered in conjunction with succession planning.

Evaluation of the Performance of the Board of Directors

The Company has implemented a self-assessment process for the Board of Directors, which is conducted in 3 formats: 1) Self-assessment of the Board of Directors as a whole, 2) Self-assessment of each subcommittee, and 3) Individual assessment of each subcommittee at least once a year. The assessment criteria are in line with the self-assessment model of the Stock Exchange of Thailand (SET), which consists of 6 main topics:

1. Structure and Qualifications of the Board of Directors
2. Roles, Responsibilities, and Accountabilities of the Board of Directors
3. Board Meetings
4. Duties of Directors
5. Relationship with Management
6. Self-Development and Management Development

For the performance evaluation of all Board committees, the Company Secretary will explain the evaluation form to the Board meeting in the third quarter meeting, along with distributing the Board performance evaluation forms to each director. Directors conduct self-evaluations both as a committee and individually at least once a year and submit the evaluation results to the Company Secretary before the next meeting. The Company Secretary will summarize the evaluation results of each committee at the fourth quarter meeting of each year. The summary may be presented in a manner that discloses or conceals the evaluator, at the discretion of the Board of Directors. The evaluation results and suggestions will be issued as a resolution of the Board of Directors for consideration to improve the performance and composition of the Board of Directors and subcommittees, including disclosing the criteria, process, and overall evaluation results in the annual report.

Supervising Subsidiaries and Affiliates

The Company will invest in companies that have the same business objectives as the Company's core business or similar businesses or businesses that support the Company's business, which will increase the



Company's operating results or profits, or invest in businesses that create synergy for the Company by supporting the Company's core business to be more comprehensive in order to increase its competitiveness.

In supervising subsidiaries and/or affiliates, the Company will send directors or executives with appropriate qualifications and experience in the business to represent the Company in managing the subsidiaries and/or affiliates in order to set important policies and control the business operations of such subsidiaries and/or affiliates. The directors who are representatives of the Company must perform their duties in supervising the subsidiaries and/or affiliates to ensure that their management or operations are in accordance with the policies set by the Company. They must also exercise their discretion in accordance with the resolutions of the Board of Directors' meetings that approve important matters of the subsidiaries and/or affiliates in order to maximize the benefits to the Company and for the sustainable growth of the Company.



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