

# **Rhom Bho Property Public Company Limited**

## **Corporate Governance Policy**

Rhom Bho Property Public Company Limited complies with the Code of Best Practice Policy to ensure transparency and efficiency in business operations, which will create trust and confidence amongst the shareholders, investors, and all relevant parties. The Company's Board of Directors has thus established the Principles of Corporate Governance in accordance with the Good Corporate Governance Guidelines set by the Stock Exchange of Thailand. The Company's Principles of Corporate Governance comprise five chapters as follows:-

### **Chapter 1: The Rights of Shareholders**

The Board of Directors recognizes and respects the basic rights of shareholders as the company's owners and stock investors, including the right to buy, sell, or transfer shares; obtain relevant and material information on the company; share in the profits of the company; participate and vote in shareholder meetings; express opinions; and participation in key company decisions such as dividend allocation, election and removal of members of the board, appointment of external auditors, and approval of extraordinary transactions.

In addition to the foregoing basic rights of shareholders, various attempts have been made by the Company to facilitate exercise of shareholders' rights as follows:

#### **1. Shareholder Meetings**

1.1 The Company shall hold an annual shareholder meeting within four (4) months from the end of an accounting period. An invitation letter containing adequate information, meeting agenda and opinions of the board for each agenda item shall be sent to shareholders at least seven days prior to the meeting. If there is significant agenda, an invitation letter shall be sent to shareholders at least fourteen (14) days prior to the meeting to provide shareholders sufficient time to review. Examples of such agenda include approval of private placement of shares, issuing securities to employees and directors (ESOP), changing capital structure of the company, entering into connected transactions, acquisition and disposition of significant assets, and delisting. The Company shall also announce the notice of meeting in newspaper(s) for three (3) consecutive days prior to the meeting.

1.2 Shareholders who are unable to attend a meeting in person may appoint an independent director or any person as a designated proxy to attend a meeting on their behalf using an appropriate proxy form sent with an invitation letter by the Company.

Prior to a shareholder meeting, the Company shall give an opportunity to shareholders to send opinions, suggestions, or questions in advance via email address of the Company Secretary [charoen.b@rhombho.co.th](mailto:charoen.b@rhombho.co.th).

1.3 The Company shall select a suitable place with good transportation to hold a shareholder meeting at appropriate date and time and allocate adequate time for discussion.

1.4 At shareholder meetings, shareholders shall be given the opportunity to make inquiries, suggestions, and comments. Directors and relevant executives attending the meeting shall give direct and clear responses to all queries.

1.5 The Company shall prepare the shareholder meeting minutes and submit it to the Stock Exchange of Thailand within fourteen (14) days from the meeting date in accordance with the regulations of the Stock Exchange of Thailand and disclose or disseminate the minutes appropriately and completely.

## **2. Election and Removal of Directors and Determination of Directors' Remuneration**

### **2.1 Election of Directors**

Shareholders have the right to elect directors individually. The Company shall nominate qualified persons and send the names of all candidates nominated together with his/her biographical details to shareholders to review and consider appointing as directors at a shareholder meeting.

### **2.2 Removal of Directors**

The shareholder meeting may pass a resolution to remove any director before the expiration of his or her term of office in accordance with laws and the Company's Articles of Association by the vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and entitled to vote and the total number of shares of not less than one half of the number of shares held by shareholders attending the meeting and entitled to vote.

### **2.3 Determination of Directors' Remuneration**

Shareholders have the right to determine the remuneration of directors in monetary and/or non-monetary forms at the annual shareholder meeting. The Company shall also inform shareholders of the rules and policy for determining remuneration of each director in monetary and/or non-monetary forms on a yearly basis.

## **3. The Right to Appoint External Auditors and Determine Audit Fee**

The Company requires that an appointment of external auditor(s) and determination of audit fee be approved by shareholders at an annual ordinary meeting of shareholders. The Company's auditor(s) must be independent and approved by the Securities and Exchange Commission. Information of a person nominated as an auditor of the Company including audit office, experience, independence, years of audit for the Company (in case of re-appointment), and audit and/or other fees shall be enclosed with a letter of invitation to a shareholder meeting and published on the Company's website for shareholders to review prior to the meeting.

## **4. The Right to Share in Profits**

The Company shall allocate the profits to shareholders in the form of dividends, provided that such allocation is approved by shareholders at an annual ordinary meeting of shareholders.

## **5. The Right to Obtain Relevant and Material Information on the Company on a Timely and Regular Basis**

The Company has a policy to disclose information to shareholders transparently, accurately, completely, and impartially. Every shareholder can access and obtain information, operating results, and management policy of the Company sufficiently, regularly, timely, and fairly by contacting the Company or through such channels as:

- Company's website [www.rhombho.co.th](http://www.rhombho.co.th).

## **Chapter 2: Equitable Treatment of Shareholders**

The Company shall treat all shareholders fairly and equally. Processes and procedures for shareholder meetings shall allow for equitable treatment of all shareholders. Voting rights shall be based on the one share, one vote principle. The Company allows shareholders who are unable to attend a meeting in person to appoint an independent director or any person as a designated proxy to attend a meeting on their behalf using an appropriate proxy form sent with an invitation letter by the Company. The Company shall record a meeting accurately and clearly and send the meeting minutes to every shareholder after submitting it to the Stock Exchange of Thailand and Securities and Exchange Commission within fourteen (14) days from the meeting date. The meeting minutes shall also be published on the Company's website.

Furthermore, the Company shall set measures to prevent insider trading by directors, executives, and employees working with inside information (including their spouses and minor children). All relevant parties shall be prohibited from trading the Company's securities for at least thirty (30) days prior to the disclosure of the quarterly and annual financial statements and within twenty four (24) hours after disclosing such information to the public and from disclosing such information to other parties.

The Company shall inform directors and executives of their duty to report their holdings of the Company's securities and penalties in compliance with the Securities and Exchange Act B.E. 2535 and Regulations of the Stock Exchange of Thailand. Directors and executives must also report any changes in their holdings of the Company's securities and securities held by their spouses and minor children to the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 within three (3) business days of the trading date.

## **Chapter 3: The Role of Stakeholders**

The Company places importance on the rights of all stakeholders, be they internal stakeholders such as employees and executives or external stakeholders such as competitors, suppliers, and customers. The Company is aware that supports and comments from

stakeholders will benefit its operations and business development and shall therefore comply with relevant laws and regulations to ensure that the rights of stakeholders are respected.

Furthermore, the Company shall promote cooperation between the Company and its stakeholders in order to create stability for the Company according to the following guidelines:

**Shareholders:** To operate business as a representative of shareholders and to create the highest levels of shareholder satisfaction, the Company requires its employees to comply with the following guidelines:

- Perform their duties with honesty and integrity and make any decision cautiously and fairly in the interest of all shareholders;
- Manage operations to ensure that the Company has good financial status and performance results and accurately and fully present the Company's financial status, operating results, and financial, accounting, and other reports on a regular basis through such channels as Company's website, newspaper, and written letter;
- Inform all shareholders of future trends that may affect the Company, both positively and negatively, based on actual possibility and supported by sufficient data and reasons;
- Do not use any undisclosed information of the Company to gain benefits for oneself and for others or engage in any act that conflicts with the interests of the Company;
- Ensure that procedures for shareholders meetings allow equitable treatment of all shareholders.

**Employees:** The Company recognizes the importance of employees and has adopted a policy to ensure that its employees are treated fairly in relation to opportunity, compensation, appointment, transfer, and career development as follows:

- All employees shall be treated with dignity, respect, and proper regard of their privacy rights;
- A safe working environment shall always be maintained to protect employee life and property;
- Appointment, transfer, reward, and punishment must be carried out with honesty and based on knowledge, ability, and appropriateness of individual employee;
- Importance shall be placed on enhancing employees' knowledge and skills on a regular basis, including organizing seminars and trainings;
- The Company shall determine employee compensation fairly based on market rate, business competition, job title, performance, and Company's ability to pay such compensation;
- The Company shall avoid any unfair action that may impact employee performances;

- The Company shall inform all employees of employee welfare policy and prepare an employee handbook containing information such as work rules and regulations, group health insurance, group life insurance, and provident fund;
- The Company shall give employees an opportunity to voice their suggestions or report complaints about work and shall determine remedies that benefit all parties and promote teamwork.

**Competitors:** The Company strives to achieve sustainable success and become a leading company under a fair competition. It shall adhere to the following business practices regarding competition:

- Operate business under fair competition rules;
- Do not use unethical and improper means to seek competitors' confidential information;
- Do not falsely accuse or act to damage the reputations of competitors;
- Do not engage in any act that violates intellectual property rights of competitors or others.

**Suppliers:** The Company treats its suppliers with honest and shall strictly comply with agreements and promises made with suppliers. Suppliers shall be chosen fairly under the Company's supplier selection and assessment rules to prevent corruption and misconduct in a procurement process.

**Customers:** The Company recognizes the importance of customers and has adopted a customer service policy as follows:

- Provide services in a polite and enthusiastic manner. Receive customers sincerely and wholeheartedly. Deliver fast, accurate, and reliable services.
- Protect customers' confidential information and do not use such information for the benefit of oneself or others;
- Provide accurate, adequate, and up-to-date information on products and services. Avoid exaggerated advertisements that cause customers to misunderstand the quality or terms and conditions of the Company's products and services;
- Offer recommendations about the Company's products and services efficiently and in customers' best interest.

**Creditors:** The Company is committed to conducting its business with principle and discipline to create trust among creditors, taking in consideration the Company's best interest and on the basis that both parties benefit fairly. Attempts shall be made to avoid conflicts of interest and negotiation and remedy must be done on a basis of business relationship. The Company shall adhere to the following practices:

- Refrain from demanding, accepting, or paying of dishonest benefits in dealing with creditors;

- When there is evidence of demanding, accepting, or paying of dishonest benefits, the Company must disclose such information to the creditor and work together with the creditor to solve the problem fairly and promptly;
- Strictly comply with agreed terms and conditions. Where any term and condition cannot be followed, the Company must promptly notify the creditor in advance in order to find solutions together.

**Communities and society:** The Company is part of a community that will advance together towards social and environmental development for sustainability. It has continued to conduct social and community activities while operating business under CSR principles as follows:

- Adopt a business operation policy that takes into consideration the environment and strictly comply with environmental laws and regulations;
- Adopt an explicit CSR policy;
- Promote social and environmental consciousness and responsibility among employees;
- Respect local customs and cultures of the areas in which the Company operates;
- Conduct social, community, and environmental activities or participate in such activities organized by government, private, and community sectors regularly to improve the quality of life in the community where the Company is located;
- Provide support, as appropriate, for activities organized by local communities in the areas in which the Company operates;
- Promptly and efficiently respond to impacts on the environment, community, and property caused by the Company's operations. Fully cooperate with state officials and relevant organizations to find solutions.

**State agencies:** The Company is determined to comply with state laws, rules, and regulations and support government and private measures in fighting against corruption.

Furthermore, the Company shall comply with relevant laws and rules to ensure that the rights of these stakeholders are respected.

In addition, the Company has created the Employee Code of Conduct to be adhered to by all employees as follows:

- Employees shall perform duties with honesty and diligence and shall improve their work efficiency for their own benefit and for the benefit of the organization;
- Employees shall strictly comply with the Company's rules and regulations;
- Employees shall respect and obey their superiors in accordance with the Company's policy and Articles of Association;
- Employees shall promote unity and solidarity, help each other, and avoid conflicts that may cause damages to the Company and others;
- Employees shall respect and honor each other and avoid disclosing or criticizing others' work and private matters in a way that may damage the reputation of the Company or other employees;

- Employees shall avoid receiving any gift that may cause them to feel uncomfortable in performing their duties and shall immediately notify their superiors if such act is unavoidable;
- Employees shall not use their positions or advantages derived from their positions for personal benefits or the benefit of their associates or to compete in business with the Company;
- Employees shall treat customers and suppliers honestly and equitably;
- Employees shall protect confidential information of customers, suppliers, and the Company;
- Employees shall promptly inform their superiors of matters that may affect the reputation and operation of the Company;
- Employees shall take good care of the Company's properties, keeping them in good condition to ensure maximum usage and preventing waste, loss, and untimely damage or degradation.

### **Disciplinary Action**

When an employee acts out of interests that conflict with those of the Company, a consideration shall be made based on the Company's organizational structure and workplace regulations. The department with which that employee is affiliated shall make a primary consideration and submit a report to senior superior and relevant departments in order to determine appropriate disciplinary action. In the case of severe conflicts of interest that cause significant damages, report the Company's management who will consider the issue in order to find a conclusion and determine a disciplinary action.

### **Determining Disciplinary Action**

1. Oral reprimand
2. Written warning
3. Pay cut
4. Suspension
5. Termination without severance pay
6. Legal action

### **Chapter 4: Disclosure and Transparency**

The Company recognizes the importance of accurate, complete, and transparent disclosure of both general and financial information in accordance with the rules of the Securities and Exchange Commission and Stock Exchange of Thailand, as well as other important information that may affect the Company's securities prices. The Company has disclosed information to its shareholders, investors, and the public through various channels of the Securities and Exchange Commission and Stock Exchange of Thailand and the Company's website [www.rhombho.co.th](http://www.rhombho.co.th).

The Company has not set up a unit to perform the investor relations function. However, the Company Secretary has preliminarily been assigned to communicate with investors, shareholders, analysts, and relevant state organizations.

The Board of Directors is responsible for the Company's financial statements and information presented in annual report. These financial statements are prepared in accordance with Thailand Generally Accepted Auditing Standards using an accounting policy appropriate with the Company's business. Financial report and internal control system, as well as information presented in the notes to the financial statements, are reviewed by the Audit Committee.

## **Chapter 5: Responsibilities of the Board of Directors**

### **1. Structure of the Board**

The Company's Board of Directors consists of qualified persons who play an important role in determining corporate policies, governing, auditing, and assessing the operations of the Company to be in line with the determined plan. The Board's composition is as follows:

- 1.1 The Company has at least one-third (1/3) of the total number of directors, but not less than three (3) directors, as independent directors. At present, the Board of Directors has eight members, of whom three are independent directors.
- 1.2 The Board of Directors has appointed four (4) committees including the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Executive Committee to handle specific tasks on behalf of the Board. Each committee has the rights and duties as described in the Authorities and Duties of the Committee.
- 1.3 At every annual general meeting of shareholders, one-third (1/3) of the total number of directors shall retire. If the number of directors cannot be divided by three, then the number nearest to one-third (1/3) shall retire. The retiring directors can be re-elected.
- 1.4 Independent directors must be qualified persons who possess expertise in accounting, finance, and appropriate fields of business in order to protect the interests of shareholders and other stakeholders. They must also possess the qualifications required by the Securities and Exchange Commission and Stock Exchange of Thailand.
- 1.5 The Company has clearly separated the roles and responsibilities of the Board of Directors from those of Management. While the Board is responsible for determining policies and ensuring that the Management performs in accordance with the policies, executives are responsible for managing the Company in line with the policies. The Chairman of the Board and Managing Director are thus different individuals and both positions must be appointed by the Board of Directors.

The Company Secretary serves the Board of Directors by providing support on regulatory matters; arranging meetings of the Board, Committees, and shareholders to ensure compliance with laws and the Company's Articles of Association and Code of Conduct; preparing and keeping the Register of Directors; preparing invitation notice for



shareholder meetings and shareholder meeting minutes; keeping a report of conflicts of interest prepared by directors and executives, and performing any other acts as required by the Securities and Exchange Commission. The Company Secretary shall also be responsible for submitting a copy of the report of conflicts of interest prepared by directors to the Chairmen of the Board and the Audit Committee within seven days from date on which the report is received.

## **2. Roles, Duties, and Responsibilities of the Board of Directors**

The Board of Directors consists of members with diverse skills and knowledge and leadership. It takes part in determining the Company's vision, mission, strategies, and business policies and ensures that the operations of the Company are in accordance with laws, the Company's Article of Association and objectives, and shareholder meeting's resolutions. For the purposes of monitoring and managing the Company's operations, the Board of Directors has set up various committees to carry out specific tasks on behalf of the Board.

### **2.1 Corporate Governance Policy**

The Company has adopted a written corporate governance policy, which will be reviewed at least once every year. Moreover, the Company shall strictly comply with rules and regulations set by the Securities and Exchange Commission and Stock Exchange of Thailand and/or Market for Alternative Investment and shall present a corporate governance report in its annual report and annual registration statement (Form 56-1).

### **2.2 Code of Ethics**

The Company has defined ethical principles to provide directors and employees with guidance for performing their duties with integrity and fairness and set a monitoring system to ensure compliance with such principles.

#### **2.2.1 Responsibility to Shareholders**

The Company is committed to its shareholders and strives to give shareholders the highest level of satisfaction by focusing on sustainable development and appropriate return, transparency, and reliable accounting system. To achieve these, the Company strictly complies with the following guidelines:

##### **2.2.1.1 Sustainable Growth**

- Perform duties honestly and treat all shareholders fairly in the best collective interest;
- Manage the Company to the best of their ability and knowledge in all case and make decisions with due care;
- Refrain from any act that may cause a conflict of interest with the Company.

##### **2.2.1.2 Information Disclosure**

- Fully and truthfully report status and future trends of the Company to all shareholders on a regular basis;
- Do not use any undisclosed information of the Company to gain personal benefit and for the benefit of others;
- Do not disclose confidential information to outsiders that may cause damage to the Company.

### 2.2.2 Relationships with Customers and the Public

The Company strives to establish trust with customers and the public and assure them that they will receive quality products and services at an appropriate price. It has set forth guidelines to be observed as follows:

2.2.2.1 Strive to create satisfaction for customers and assure them that they will receive quality products and services at an appropriate price and that the Company will continue to improve the standard of products and services;

2.2.2.2 Truthfully provide complete, accurate, and up-to-date information on products and services and maintain good relationship with customers;

2.2.2.3 Offer product and service warranty within an appropriate period;

2.2.2.4 Set up a system for customers and the public to file a complaint about products and services and properly handle the complaint process to deliver a quick response;

2.2.2.5 Do not set an exorbitant price beyond the price of the goods of the same class or kind and prohibit unfair terms of trade;

2.2.2.6 Strictly comply with terms and conditions with customers and the public and immediately notify customers and the public when such compliance cannot be achieved in order to find solutions together;

2.2.2.7 Protect confidential information of customers and refrain from using such information for personal benefit and the benefit of others.

### 2.2.3 Relationships with Suppliers, Competitors, and Creditors

The Company cares about honesty and equality practices in business and developing mutual benefits with suppliers. The Company's suppliers shall strictly comply with laws and rules and adhere to business ethics principles. The Company shall also uphold fair competition and best practices for taking and repaying loans. To achieve these, the Company has set forth guidelines to be observed as follows:

#### 2.2.3.1 Relationship with Suppliers

- Refrain from demanding, accepting, or paying of benefits in dealing with suppliers;

- Strictly comply with terms and conditions with suppliers;
- If compliance with terms and conditions cannot be achieved, immediately notify suppliers in order to find solutions together.

#### 2.2.3.2 Relationship with Competitors

- Comply with fair competition rules;
- Avoid making false accusations to damage the reputation of competitors.

#### 2.2.3.3 Relationship with Creditors

- Strictly comply with terms and conditions with creditors including those for repayment and collateral management. Do not use loan capital in a way that conflicts with the objectives in the agreement made with creditors;
- Truthfully report the Company's financial status to creditors;
- Notify creditors in advance if unable to comply with agreement obligations and work together to find solutions.

### 2.2.4 Promoting Positive Workplace Environment and Culture

Employees are an important factor for success. The Company is thus committed to creating positive workplace environment and culture and promoting teamwork as follows:

2.2.4.1 Offer fair employee compensation in the form of salary and/or bonus;

2.2.4.2 Maintain safe working environment;

2.2.4.3 Appointment, transfer, reward, and punishment must be carried out fairly and honestly based on knowledge, ability, appropriateness, and performance of individual employee;

2.2.4.4 Focus on development and transmission of knowledge and skills. Provide equal opportunities for all employees;

2.2.4.5 Listen to opinions and suggestions of employees at all levels;

2.2.4.6 Strictly comply with employment laws and regulations;

2.2.4.7 Avoid unfair conducts that may affect employee job security.

### 2.2.5 Responsibility to Society and the Environment

The Company cares about society and life quality and takes natural resources conservation and energy efficiency seriously. It has set forth guidelines to be observed as follows:

2.2.5.1 The Company shall consider alternative natural resources with minimal impact on society, life quality, and the environment;

2.2.5.2 Provide support to social and environmental activities regularly;

- 2.2.5.3 Continually promote social and environmental responsibility consciousness among employees at all levels;
- 2.2.5.4 Place importance on conducting business with suppliers who share the Company's concern on social and environmental responsibility;
- 2.2.5.5 The Company regards energy conservation as its key policy;
- 2.2.5.6 Ensure strict compliance with laws and regulations prescribed by regulatory agencies;
- 2.2.5.7 The Company places importance on social and community activities to promote creative development and natural resources conservation, as well as support youth education and public benefit activities to help disadvantaged communities to become self-reliant;
- 2.2.5.8 The Company upholds democracy and encourages employees to exercise their constitutional rights to vote. However, the Company does not have a policy to financially support, whether directly or indirectly, any politician for the benefit of that politician or political party.

The Company has communicated with all employees to ensure strict compliance with these guidelines.

### **3. Conflict of Interest Prevention**

The Board of Directors has set forth a conflict of interest policy based on the principle that any business decision must be made in the best interest of the Company and any act that may cause a conflict of interest must be avoided. A person who is related or connected with a given transaction shall notify the Company of such relation or connection and shall not participate in a decision-making process and approve that transaction.

The Audit Committee shall report related-party transactions and conflicts of interest that have been thoroughly considered in accordance with rules set forth by the Securities and Exchange Commission and/or Stock Exchange of Thailand to the Board of Directors. Such transactions and conflicts of interest shall also be disclosed in financial statements, annual report, and annual registration statement (Form 56-1).

### **4. Internal Control System**

The Company places importance on internal control system in both management and practitioner levels. To ensure efficiency, the Company has clearly specified authorities, duties, and responsibilities of executives and practitioners in writing; supervised the use of company assets; and separated the roles and responsibilities of practitioners from those of monitoring and assessing officers. The Audit Committee has been appointed to review the internal control system and conduct an internal audit.

### **5. Risk Management**

Since 2015, the Company has conducted an internal control system assessment to ensure its adequacy, make operational improvements, and manage risks in order to reduce impacts on the Company's business and increase efficiency.

## **6. Board of Directors' Report**

The Audit Committee is responsible for reviewing a financial report prepared jointly by finance and accounting department and auditor to submit to the Board of Directors every quarter.

The Board of Directors is responsible for financial statements and financial information (statement of the Board of Directors' responsibilities for financial report) to confirm that such financial statements are prepared in accordance with Generally Accepted Auditing Standards and audited by the Company's auditor in annual report and shall ensure that all important information, both financial and non-financial, is disclosed truthfully and completely on a regular basis.

## **7. Board of Directors' Meeting**

1. The Board of Directors is required to hold a meeting at least once every three months. Directors should attend every meeting to express their opinions and exercise discretion independently. If a director is unable to attend the meeting due to force majeure, he/she must notify the Secretary to the Board in advance. The Company shall report the number of meetings attended by each director in the annual report.

2. The Chairman of the Board or person assigned by the Chairman shall set a date, time, and place for a Board's meeting. A meeting may be held in the province where the Company's head office is located or nearby province or any other appropriate place in accordance with the Company's Articles of Association. If the Chairman of the Board or person assigned by the Chairman does not set a meeting venue, that meeting shall be held at the Company's head office.

3. Secretary to the Board or person assigned by the Chairman shall send a meeting invitation letter to each director at least seven days in advance of the meeting. In urgent cases, a meeting may be notified by other means or less than seven days in advance. Secretary to the Board shall send meeting documents to directors in advance of the meeting and such meeting documents should provide adequate information that allows directors to make decisions and exercise discretion independently. Secretary to the Board is also responsible for recoding a meeting, preparing meeting minutes within 14 days from the meeting completion date to be submitted to the Chairman for signature, and keeping the meeting minutes in a systematic manner.

4. A Board's meeting requires the presence of not less than half of the total number of directors to constitute a quorum and the Chairman of the Board to chair the meeting. If the Chairman is absent at the meeting or unable to perform such duty, the Vice Chairman of the Board shall chair the meeting. If there is no Vice Chairman or the Vice Chairman is unable to

perform such duty, the directors attending the meeting shall select one among them to chair the meeting.

5. Directors with stakes in a particular matter being considered by the Board must not express opinions or vote on that matter.

6. A decision of the Board's meeting shall be by a majority of votes. In casting votes, each director shall have one vote. In the case of an equality of votes, the chair of the meeting shall have an additional vote as a deciding vote. The opinion of the director who votes against the matter must also be included in the meeting minutes.

7. The Board of Directors may invite concerned parties including relevant committees, executives, auditors, internal auditors, lawyers, and employees from parent and subsidiary company (if any) to attend the meeting to discuss or clarify issues and answer queries.

8. Secretary to the Board or person assigned by the Chairman is responsible for preparing the minutes of a Board's meeting.

In 2015 and 2016, Board's meetings had been held with attendance by each director as follows:

Director	Number of Meetings Attended/Total Number of Meetings	
	2015	2016
Mr. Suwit Lamsam <sup>2</sup>	7/18	7/7
Mr. Viroj Hutajuta	17/18	6/7
Mr. Dendanai Hutajuta <sup>1</sup>	18/18	7/7
Mr. Darong Hutajuta <sup>1</sup>	18/18	7/7
Mr. Sasipong Pinkeaw <sup>1</sup>	18/18	7/7
Ms. Cheraya Udomvongsup	18/18	7/7
Mr. Chaivuth Chitrakhani <sup>2</sup>	7/18	7/7
Mrs. Jittima Sajjavani Intujunyong <sup>2</sup>	7/18	7/7

Notes: 1/ Elected as director at the Ordinary General Meeting of Shareholders No. 1/2557 on 12 May 2014.

2/ Elected as director at the Ordinary General Meeting of Shareholders No. 3/2557 on 15 November 2014.

## 8. Remuneration of Directors and Executives

The Company has a policy to pay directors and executives an appropriate remuneration, taking into account the Company's operating results and remuneration consistency in the same business/industry, as well as appropriateness of duties and responsibilities of individual directors and executives.

The Company sets remuneration of executives exercises with due care, based on competitive market rate in the same business in order to motivate and retain skilled executives. Executives with more responsibilities shall receive compensation appropriate with their duties and responsibilities. The remuneration of directors and executives shall be

based on the Company's operating results and performance of individual executives. The Nomination and Remuneration Committee is responsible for determining compensation of directors, committee members, chief executive officer, and executives who directly report to chief executive officer. The remuneration of directors and committee members must be accepted with the consent of the Board's meeting and approved by the annual ordinary general meeting of shareholders.

## **9. Development of Directors and Executives**

The Company has a policy to provide and facilitate development and training programs for directors involving in the Company's business management including board members, audit directors, executives, and company secretary in order to continually improve their effectiveness. When there is a change to the Board or a new director is appointed, Management shall provide documents and information useful for the assigned duty and introduce the Company's business and operation to the new director.

## **10. Control of Inside Information**

The Company is committed to ensure that the use of inside information is in accordance with good governance principles. To ensure that investors receive reliable information in an equitable and timely manner, the Company has set forth regulations on use of inside information and purchase and sale of securities by directors, executives, and employees in accordance with securities laws and transparency in business as follows:

- Directors, executives, and employees at all levels shall not use inside information and information obtained by virtue of their positions, which has not been disclosed to the public or Stock Exchange of Thailand and may affect securities prices, for personal benefit or the benefit of others.
- Directors, executives, and senior executives must report the purchase and sale of the Company's securities in accordance with laws and prohibit the purchase and sale of the Company's securities within the required time period.
- The Company shall publicly release information on its important operations promptly through channels described by the Stock Exchange of Thailand and its disclosure policy through the Company's media to ensure that investors receive such information on a timely and equitable basis.

## **11. Communication with the Board of Directors**

Stakeholders may communicate with the Board of Directors by sending their letters, comments, or suggestions to the Company.

### **11.1 Structure of the Company's Directors**

The Company's management structure consists of the Board of Directors and four committees including the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Executive Committee as specified in the Corporate Structure, Article 2.3-10 Management Structure. The Board's Meeting No. 7/2559 (first meeting after

company transformation) on 2 November 2016 resolved to approve duties and responsibilities of the committees as follows:

### 11.1.1 The Board of Directors

As at 31 December 2016, the Board of Directors consists of eight members.

<b>Director</b>	<b>Position</b>
1. Mr. Suwit Lamsam	Chairman of the Board / Chairman of the Audit Committee / Independent Director
2. Mr. Viroj Hutajuta	Director
3. Mr. Dendanai Hutajuta	Director
4. Mr. Sasipong Pinkeaw	Director
5. Ms. Cheraia Udomvongsup	Director
6. Mr. Darong Hutajuta	Director
7. Mr. Chaivuth Chitrakhani	Audit Committee / Independent Director
8. Mrs. Jittima Sajjavani Intujunyong	Audit Committee / Independent Director

Mr. Charoen Boonmanosup serves as Company Secretary.

#### Scope of Duties and Responsibilities of the Board of Directors

1. Perform duties responsibly, with due care, and in good faith in the best interest of the Company and to ensure compliance with laws, objectives and Articles of Association of the Company, shareholder meeting's resolutions, and regulations set forth by the Stock Exchange of Thailand and Securities and Exchange Commission.
2. Determine vision, policies, objectives, operation plans, financial strategies, annual budget, and business directions of the Company and ensure that Management performs in accordance with the determined policies efficiently and effectively in the best interest of shareholders.
3. Regulate, supervise, oversee, and monitor the performance of Management to ensure operations are carried out in accordance with the determined policies and budgets efficiently and review policies, operation plans, and budgets regularly.
4. Be accountable to shareholders, act in the best interest of shareholders, disclose important information to investors accurately and in full, uphold transparency and other standards.
5. Assess performance and set remuneration of directors and senior executives.
6. Be accountable for operating results and performance of Management and ensure it conducts its duties attentively and carefully.
7. Ensure that feasible and reasonable business objectives are clearly determined and can be evaluated to be used as guidelines for operations.
8. Ensure that business operations and practices are carried out with integrity.
9. Ensure that risk management system is implemented by Management efficiently and effectively.
10. Make decision on key matters, such as large-scale investment plan and policy, management authority, acquisition and disposition of assets, and other transactions required by laws.



11. Determine approval levels and authorities of persons or groups of persons to conduct transactions and business operations in accordance with relevant laws to be compiled into an authority manual and review the manual at least once every year.
12. Ensure reliable accounting system, financial reporting, and auditing, as well as internal control system assessment.
13. Make sure the balance sheet and income statement are prepared at the end of each accounting period and are audited by the auditor to be approved at a meeting of shareholders.
14. Protect the interest of shareholders and ensure that efficient internal control system and internal audit are in place. Set procedures to ensure information disclosure and reports are accurate and complete in accordance with relevant laws, notifications, regulations and/or rules of the Securities and Exchange Commission and Stock Exchange of Thailand.
15. Acknowledge important audit reports prepared by the Audit Committee or Internal Audit Department, as well as audit accounts and company advisors and determine resolutions.
16. Consider management structure and appoint Managing Director, Executive Committee, and other Committees as appropriate.
17. Hold an annual ordinary general meeting of shareholders within four months from the end of an accounting period.
18. Give consent to a nomination of auditor(s) and consider an audit fee to be presented at a meeting of shareholders for approval.
19. Prepare a statement of the Board of Directors' responsibilities for financial report to be included together with an auditor's report in an annual report and for other important matters in accordance with the Stock Exchange of Thailand's Principle of Good Corporate Governance for Listed Companies.
20. Appoint, assign, or advise a committee or working group to consider or carry out specific tasks on behalf of the Board.
21. Ensure that each committee complies with its committee charter.
22. Consider and approve matters related to the Company or deemed appropriate for the Company's interest.
23. Authorize a director or directors or other persons to carry out specific tasks on behalf of the Board. The authorized person(s) shall not have the power to approve transactions if he/she is a person with conflicts of interest ("person with conflicts of interest" shall have a meaning as defined in the Notification of Securities and Exchange Commission and/or relevant laws) or has stakes or any other conflicts of interest with the Company or subsidiary company (if any), unless such transaction approvals are in accordance with the policy and rules approved by the Board in line with Securities and Exchange Act, and rules, regulations, notifications, or orders of the Stock Exchange of Thailand and Securities and Exchange Commission.

Furthermore, the following matters must be approved by a meeting of shareholders:

- Matters required by laws to be approved by a meeting of shareholders;

- Enter into transactions in which directors have stakes and required by laws or regulations of the Stock Exchange of Thailand to be approved by a meeting of shareholders;
- The following matters require approval from a Board's meeting and meeting of shareholders with votes of not less than three-fourths of the total number of votes of shareholders present at the meeting and entitled to vote:
  - Selling or transferring the undertaking of the company, in whole or in substantial part, to any other person;
  - Purchasing or taking a transfer of the undertaking of any other public company or private company to be owned by the company;
  - Concluding, modifying or terminating any of the company's undertaking lease contract, in whole or in substantial part, the entrusting of any other person to manage the business of the company, or an amalgamation of the undertaking with any other person with an objective to share profits and loss;
  - Amending Memorandum of Association or Articles of Association;
  - Issuing new shares to pay debt under the Debt to Equity Conversion Scheme;
  - Increasing and reducing capital, issuing debentures, and merging or Dissolving company;
  - Any other matters required by laws.

Directors who have stakes or conflicts of interest in a given matter shall be prohibited from voting on that matter.

24. Board members shall conduct self-assessment and assess the performance of the Board as a whole.

Furthermore, the Board of Directors is responsible for ensuring compliance with Securities and Exchange Act; regulations of the Stock Exchange of Thailand such as connected transactions and acquisition and disposition of assets; notifications of the Securities and Exchange Commission and Capital Market Supervisory Board; or laws related to the business of the Company.

### **11.1.2 Committees**

#### **(1) Audit Committee**

As at 31 December 2016, the Audit Committee consists of three members.

<b>Director</b>	<b>Position</b>
1. Mr. Suwit Lamsam	Chairman of the Audit Committee / Independent Director
2. Mr. Chaivuth Chitrakhani	Audit Committee / Independent Director
3. Mrs. Jittima Sajjavani Intujunyong	Audit Committee / Independent Director

All three member of the Audit committee have full qualifications required by the Stock Exchange of Thailand. Mr. Suwit Lamsam and Mr. Chaivuth Chitrakhani are knowledgeable in the fields of accounting and finance (for backgrounds of directors, please Attachment 1).

#### Scope of Duties and Responsibilities of the Audit Committee

1. Review the Company's financial report to ensure accuracy and reliability as well as adequate disclosure by coordinating with external auditors and executives responsible for quarterly and annually financial reporting.
2. Review the Company's internal control system to ensure appropriateness and efficiency. The Committee may suggest reviewing or examining any items deemed necessary and important and recommend ways to improve the internal control system to the Board of Directors. The internal control system review shall be conducted jointly with external auditors and internal audit manager.
3. Review the Company's compliance with Securities and Exchange Act B.E. 2535, notifications, regulations, and/or rules of the Securities and Exchange Commission and Stock Exchange of Thailand, and other laws related to the Company's business.
4. Select and nominate an independent person to perform auditor functions including account, control system, and financial statement auditing. The Audit Committee has the power and responsibility to select, evaluate, propose remuneration, and oversee the performance of the auditor, as well as review or guarantee the audit firm to the Board of Directors.

The auditor and audit firm shall report directly to the Audit Committee. The Audit Committee has the authority to approve the terms and conditions and preliminary audit fee and other service fees proposed by the auditor.

The Audit Committee will provide advices to the Board of Directors in order to propose to an annual ordinary meeting of shareholders to approve the appointment of auditor and audit fee.

5. Meet with executives and auditor as appropriate to discuss about auditing problems and limitations and Management's actions to solve such problems and limitations, as well as risk management and assessment policy, important financial risks, and measures taken by Management to control or reduce such risks. Moreover, the Audit Committee shall resolve any conflict between executives and auditor related to financial report and shall hold a meeting with the auditor without the presence of Management at least once a year.
6. Promote and build a sense of independence of auditor. The Audit Committee shall provide discuss with the auditor about his/her independence from Management and the Company, including any relationship or service between the Company and auditor that may affect the auditor's impartiality.
7. Review the Company's financial statements, accounting standards and policy, and important changes related to accounting standards, principles, or practices as well as

important decisions that may affect financial reporting, including choices, reasons, and results of such decisions.

8. Consider connected transactions or transactions with potential conflicts of interest to ensure compliance with laws and regulations of the Stock Exchange of Thailand and make sure that such transactions are reasonable and in the best interest of the Company. Disclosure of information must be done accurately and fully.
9. Review and approve or ratify any transaction made between the Company and related party required to be disclosed by the Securities and Exchange Commission.
10. Review the internal audit plan in accordance with Generally Accepted Auditing Standards.
11. Ensure that an appropriate and efficient risk management system is in place.
12. Report the Audit Committee's performance to the Board of Directors at least four times a year.
13. Provide opinions on appointment, dismissal, and evaluation of internal audit's officers.
14. The Audit Committee is entitled to invite Management, executives, or employees to attend the meeting to discuss issues or give opinions or documents deemed necessary or relevant.
15. The Audit Committee is entitled to hire a consultant or outsider under the Company's regulations to provide opinions or advices as necessary.
16. Prepare the Audit Committee's corporate governance report and publish it in the annual report. Such report must be signed by the Chairman of the Audit Committee and contain at least the following information:
  - a) Opinion on the accuracy, completeness, and reliability of the financial report;
  - b) Opinion on the adequacy of the Company's internal audit system;
  - c) Opinion on the compliance with Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the Company's business;
  - d) Opinion on the suitability of the auditor;
  - e) Opinion on transactions with potential conflicts of interest;
  - f) Number of the Audit Committee's meetings and number of meetings attended by each member of the Audit Committee;
  - g) Opinion or overview observation obtained by the Audit Committee from its performance in accordance with the charter;
  - h) Any other matter that shareholders and general investors should know within the scope of duties and responsibilities designated by the Board of Directors.
17. The Audit Committee must conduct a self-assessment and report the assessment results as well as problems that may cause the Audit Committee to be unable to achieve its objectives to the Board of Directors every year.
18. Revise and improve the Charter of the Audit Committee.
19. If the Audit Committee finds or suspects a transaction or action to potentially affect significantly financial status and operating results of the Company such as transaction with conflicts of interest, potential corruption, significant error or defect in the internal control system, and violation of Securities and Exchange Act or regulations of the Stock Exchange of Thailand, the Audit Committee shall notify the Board of

Directors in order to rectify the problems within the time period deemed appropriate by the Audit Committee. Any member of the Audit Committee may report that transaction or action to Securities and Exchange Commission or Stock Exchange of Thailand.

20. Ensure that there are channels for reporting complaints related to improper items in financial statements or other issues and assure complaint reporters that there will be an independent review and appropriate follow-up procedures.
21. If necessary, the Audit Committee may seek advices about investigation from external advisor or professional expert at the Company's own expense in accordance with regulations of the Company.
22. Perform any other task as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

## **(2) Executive Committee**

As at 31 December 2016, the Executive Committee consists of three members.

<b>Director</b>	<b>Position</b>
1. Mr. Dendanai Hutajuta	Chairman of the Executive Committee
2. Mr. Darong Hutajuta	Executive Committee
3. Mr. Sasipong Pinkeaw	Executive Committee

### Scope of Duties and Responsibilities of the Executive Committee

1. Set policies, objectives, business strategies, annual operating plan, business plan, annual budget, and management authorities of the Company to be proposed to the Board of Directors for approval.
2. Oversee the Company's management to ensure that it is in compliance with the business policies, objectives, and directions of the Company.
3. Ensure that the Company's operations are conducted in accordance with laws, objectives, Articles of Association, resolutions of shareholder meeting and Board's meeting, and relevant regulations. Review and improve the charter of the Executive Committee and submit it to the Board of Directors for approval.
4. Approve investment or operating expenditures, applying for any loan or credit from financial institutes, lending, and acting as a guarantor to conduct regular transactions in accordance with the Company's objectives, within the set financial limits, and under the provisions of notifications of the Stock Exchange of Thailand, Securities and Exchange Commission, Capital Market Supervisory Board, or other relevant laws.
5. Set corporate structure and management authorities. Set, revise, and improve position descriptions to cover recruitment, employment, transfer, training, and termination of executives or senior executives and appoint the President/Chief Executive Officer or person assigned by the President/Chief Executive Officer to act as an authorized signatory to sign employment contracts.

6. Oversee and approve matters related to the Company's operations. Appoint any person or persons to carry out specific tasks on behalf of the Executive Committee as it deems appropriate and the Executive Committee can cancel, change, or modify such authority.
7. Appoint advisors to provide advices on various issues necessary for the Company's operations or to be in accordance with relevant laws.
8. Consider the following matters and report to the Board of Directors within the required time period:
  - a) Quarterly and annual performance results of the Company within the time period required by relevant laws;
  - b) Auditor's report on financial statements which include quarterly and annual financial statements within the time period required by relevant laws;
  - c) Corruption, illegal conduct, and other unusual actions which shall be immediately reported to the Board of Directors by the Executive Committee when they are discovered or suspected to occur;
  - d) Other reports as the Executive Committee or Board of Directors deems appropriate.
9. Perform any other task assigned by the Board of Directors.
10. Sub-authorize and/or appoint any person or persons to carry out specific tasks within the time period deemed appropriate by the Executive Committee within the scope of authorization and/or in accordance with rules, regulations, or orders of the Executive Committee. The Executive Committee may cancel, revoke, change, or modify such authorization or authorized person(s) as it deems appropriate.

The authorization of duties and responsibilities by the Executive Committee shall not be done in a way that authorizes or sub-authorizes the Executive Committee or authorized person(s) to approve transactions that he/she has conflicts of interest (as defined in the Notification of Securities and Exchange Commission) or stakes or any other conflicts of interest with the Company and/or subsidiary company, unless such transaction approvals are in accordance with the policy and rules approved by the Board in line with Securities and Exchange Act B.E. 2535 (and Amendment), as well as rules, regulations, and/or notifications of the Securities and Exchange Commission, Stock Exchange of Thailand, and Capital Market Supervisory Board, and other relevant laws.

### **(3) Nomination and Remuneration Committee**

As at 31 December 2016, the Nomination and Remuneration Committee consists of four members.

<b>Director<sup>1</sup></b>	<b>Position</b>
1. Mrs. Jittima Sajjavani Intujunyong	Chairman of the Nomination and Remuneration Committee
2. Mr. Mr. Chaivuth Chitrakhani	Nomination and Remuneration Committee
3. Mr. Dendanai Hutajuta	Nomination and Remuneration Committee
4. Mr. Sasipong Pinkeaw	Nomination and Remuneration Committee

Note: 1/ Appointed as member of the Nomination and Remuneration Committee at the Board of Directors' Meeting No. 16/2558 on 29 June 2015.

## Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

### **1. Nomination**

- 1.1 Set criteria and policies for nominating members of the Board and Committees, taking into consideration the appropriate numbers, structure, and composition of the Board. Determine the qualifications of directors to be proposed to the Board of Directors and/or shareholder meeting, whichever the case may be, for approval.
- 1.2 Recruit, select, and nominate suitable candidates for director and committee member positions that are expired and/or vacant and/or added, whichever the case may be.
- 1.3 Recruit and select suitable candidates for executive positions, especially president and chief executive officer.
- 1.4 Oversee compliance with the Company's corporate governance policy. Review the corporate governance policy annually and propose revision and improvement to the Board of Directors.
- 1.5 Prepare, review, and conclude succession plan and management continuity for president position annually and report to the Board of Directors.
- 1.6 Perform any other nomination task as assigned by the Board of Directors.

### **2. Remuneration**

- 2.1 Set criteria and policies for determining remuneration of members of the Board and Committees and executives to be proposed to the Board of Directors and/or shareholder meeting, whichever the case may be, for approval.
- 2.2 Determine the remuneration of individual directors in both monetary and non-monetary forms. The remuneration of directors and executives shall be considered based on duties, responsibilities, and performances of individual directors and executives and shall be comparable to companies with similar business. The remuneration must be submitted to the Board of Directors for consideration and approved by the Board of Directors and/or meeting of shareholders.
- 2.3 Approve the determination of directors' annual remuneration.
- 2.4 Be accountable for the Board of Directors. Clarify and answer queries about remuneration of directors, committee members, and senior executives at a shareholder meeting.
- 2.5 Disclose the policy, criteria, and reasons for determining remuneration of directors and executives as required by the Stock Exchange of Thailand in annual registration statement (Form 56-1) and annual report of the Company.
- 2.6 Perform any other remuneration task as assigned by the Board of Directors. Management and other units must report or present relevant information and documentation to the Nomination and Remuneration Committee to enable it to carry out operation to achieve its objectives.

### **(4) Risk Management Committee**

As at 31 December 2016, the Risk Management Committee consists of three members.

<b>Director<sup>1</sup></b>	<b>Position</b>
1. Mr. Chaivuth Chitrakhani	Chairman of the Risk Management Committee
2. Mr. Prasert Wannacharoen	Risk Management Committee
3. Mr. Sasipong Pinkeaw	Risk Management Committee

Note: 1/ Appointed as member of the Risk Management Committee at the Board of Directors' Meeting No. 16/2558 on 29 June 2015.

#### Scope of Duties and Responsibilities of the Risk Management Committee

1. Set risk management policy and framework to be submitted to the Board of Directors for approval.
2. Set, review, and improve enterprise risk management framework.
3. Monitor risk indicators and conduct risk assessment.
4. Oversee and encourage to have an enterprise risk management system in place in line with business strategies, objectives, and changing situations.
5. Report important risks to the Board of Directors and Audit Committee and propose how to manage such risks.
6. Consider enterprise risk management report as well as provide opinions on potential risks and set measures to control or mitigate such risks. Improve the enterprise risk management system to ensure continual efficiency.
7. Consider corruption assessment report and impacts of various malfeasances including fraudulent financial reporting, creating loss of assets, corruption, management override of internal controls, modification of information in important reports, and improper acquisition and disposition of assets.
8. Report enterprise risk management results to the Board of Directors. If there is important factor or situation that may significantly affects the Company, immediately notify the Board of Directors.
9. Perform any other task as assigned by the Board of Directors.

#### **(5) Chief Executive Officer**

##### Scope of Duties and Responsibilities of Chief Executive Officer

1. Oversee and manage daily operation and/or management of the Company as well as overall governance to be in accordance with policies, business strategies, operation objectives and plan, financial objectives, and budget that is approved by the Board of Directors and/or meeting of shareholders.
2. Develop business plan and determine management authorities. Set business and annual budgets to be proposed to the Board of Directors for approval and report progress under such plan and budgets to the Board of Directors.
3. Determine the corporate structure; management procedures; employee selection, training, employment, and termination; and employee pay rate, salary, compensation,



bonus, and welfare to be submitted to the Executive Committee and/or Board of Directors (whichever the case may be).

4. Monitor and report the Company's status. Suggest alternatives and strategies in line with policy and market situation.
5. Oversee and regulate the Company's operations such as finance, risk management, internal control, operational and supporting functions, and resources management.
6. Represent the Company and communicate with government and other regulatory agencies.
7. Communicate with the public, shareholders, customers, and employees to ensure good reputation and image of the Company.
8. Ensure that good corporate governance is in place.
9. Issue, revise, add, and improve rules, regulations, and orders related to the Company's operations such as employment, appointment, removal, employee discipline, determination of salary and other compensations, and welfare.
10. Negotiate and approve transaction agreements and/or any task related to daily operations and/or management within the financial limits approved by the Board of Directors in the Table of Approval Authorities.
11. Hold any authority, duty, and responsibility as assigned or according to the policy set by the Board of Directors.

Sub-authorize and/or appoint other persons to carry out specific tasks on behalf of the Chief Executive Officer within the scope of authorization specified in the authorization letter and/or in accordance with rules, regulations, or orders of the Board of Directors.

The authorization of duties and responsibilities by the Chief Executive Officer shall not be done in a way that authorizes or sub-authorizes the Chief Executive Officer or authorized person(s) to approve transactions that he/she has conflicts of interest (as defined in the Notification of Securities and Exchange Commission) or stakes or any other conflicts of interest with the Company and/or subsidiary company, unless such transaction approvals are in accordance with the policy and rules approved by the Board of Directors or shareholder meeting.

### 11.2 Table of Important Transaction Approval Authorities

<b>Transaction</b>	<b>Chief Executive Officer</b>	<b>Executive Committee</b>	<b>Board of Directors</b>	<b>Shareholders</b>
1. Annual investment budgeting	-	-	✓	
2. Borrowing and bond issuance	Not more than 20 million Baht	Not more than 50 million Baht	More than 50 million Baht	
3. Approving purchase of lands and products, hire of construction work / design work / construction	Not more than 20 million Baht	Not more than 50 million Baht	More than 50 million Baht	

control and other works related to a project				
4. Approving condominium unit discount	Not more than 0.50 million Baht or not more than 10% of the condominium unit price, whichever is the lowest	Other	-	
5. Approving purchase of fixed assets	0.50-2 million Baht	2-5 million Baht	More than 5 million Baht	
6. Setting sale commission terms and rates	-	✓	-	
7. Donating to charity	0.10-0.40 million Baht	0.40-1 million Baht	1-2 million Baht	Not more than 10% of the net profit after tax of the previous fiscal year

Notes: - One approval per one time.

- The above table of approval authorities was approved by the Board of Directors' Meeting No. 7/2559 (first meeting after company transformation) on 2 November 2016.

- Approval of transactions with connected parties must consider criteria for "connected transactions" under Section 89/12 of the Securities and Exchange Act and Notification of the Capital Market Supervisory Board No. Tor Jor 21/2551, and Notification of the Stock Exchange of Thailand on Connected Transactions B.E. 2546.

- Approval of purchase or sale of assets of the Company or subsidiary company must consider criteria for "acquisition and disposition of assets" under Section 89/29 of the Securities and Exchange Act and Notification of the Capital Market Supervisory Board No. Tor Jor 20/2551, and Notification of the Stock Exchange of Thailand on Acquisition and Disposition of Assets B.E. 2547.

### **11.3 Recruitment and Appointment of Senior Executives**

Directors and executives of the Company shall possess full qualifications in accordance with Section 68 of the Public Limited Companies Act B.E. 2535 and Notification of the Capital Market Supervisory Board No. Tor Jor 39/2559 on Application for and Approval of Offer for Sale of Newly Issued Shares dated 30 September 2016 and shall not possess any prohibited characteristics described in the Notification of the Securities and Exchange Commission on Requirements for Executives of Securities Companies. Directors and executives shall not be charged with any violation of laws over the past ten years prior to the application date, have not been declared bankrupt by a final court decision, and have not violated rules, regulations, notifications, orders, board's resolutions, or requirements for securities registration with the Stock Exchange of Thailand, as well as circular notices of the

Stock Exchange of Thailand and disputes or lawsuits awaiting court decisions. The Company has set the criteria on composition and recruitment of directors and executives as follows:

### **(1) Recruitment of Directors**

The Company has set the criteria for selecting and appointing directors as follows:

1. The Board of Directors shall comprise at least five members, not less than one half of whom shall reside in the kingdom.
2. The Board of Directors shall be composed of executive directors and/or non-executive directors and independent directors. At least one-third of the total number of directors but not less than three directors should be independent directors. The qualifications of independent directors shall be in accordance with the criteria set by the Capital Market Supervisory Board and Stock Exchange of Thailand.
3. The Board of Directors shall appoint one person who may or may not be a board member to serve as secretary to the board.
4. Directors shall be elected by a meeting of shareholders in accordance with rules and procedures as follows:
  - 4.1 Each shareholder shall have a number of votes equal to the number of shares he/she holds and one share equals one vote;
  - 4.2 Each shareholder may use all his/her votes to elect individual or a slate of candidates to be directors but shall not discriminately divide the votes among the candidates.
  - 4.3 Candidate shall be ranked according to the votes they have received in descending order and the Directors shall be appointed in that order until the required number of Directors is filled. In the case that the number of candidates in the next respective order receiving equal votes exceeds the number of directors to be elected, then the Chairman of the meeting shall cast the deciding vote.

### Qualifications of the Board of Directors

1. Directors shall have qualifications and no prohibited characteristics as specified by the Public Limited Companies Act B.E. 2535 (and Amendment) and shall not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing business whose shares are held by public shareholders as specified by the Securities and Exchange Commission and Stock Exchange of Thailand. Directors shall be listed in the List of Directors and Executives of Securities Companies in accordance with the Notification of the Capital Market Supervisory Board on Criteria for Listing in the List of Directors and Executives of Securities Companies.
2. Directors must be persons with morals, ethical values, and good work history and have adequate time to devote their knowledge and abilities to fully perform duties for the Company.
3. Directors shall be knowledgeable or experienced in business management, accounting and finance, or other appropriate fields.

4. Directors should attend every Board's meeting and shareholder meeting except in cases of force majeure.
5. Directors shall not operate business that are the same as and competing with the Company or become partners or directors in other juristic persons that are the same as and competing with the Company, whether for their own or for others' benefits, unless the directors notify the shareholder meeting prior to their appointment.
6. Directors must promptly notify the Company if they have stakes in any contract made by the Company, whether directly or indirectly, or hold shares or debentures in the Company or affiliated company.
7. Directors shall possess other qualifications that may be subsequently added in order to be consistent with laws and other appropriateness.

#### Term of Office of Directors

1. At every annual general meeting of shareholders, one-third of the total number of directors shall retire. If the number of directors cannot be divided by three, then the number nearest to one-third shall retire. The retiring directors can be re-elected. The method of drawing lots shall be applied to determine directors to be retired in the first and second years after the Company has been listed. In the subsequent years, directors who are in the position the longest shall retire.
2. In the case that any director position is vacant due to reason other than by rotation and the remaining term of office is not less than two months, the Board of Directors shall appoint any person who possesses qualifications and no prohibited characteristics specified in the Public Limited Company Act, Securities and Exchange Act, and other laws related to the Company's business as director to fill the vacancy in the next Board's meeting. The person so appointed shall retain his/her office for the remaining term of the vacated director.
3. Directors vacating office can be re-elected. In addition to vacating office by rotation, directors shall vacate office upon:
  - (a) Death;
  - (b) Resignation;
  - (c) Lack of qualifications or possessing prohibited characteristics specified by laws;
  - (d) Being removed by a resolution of a meeting of shareholders;
  - (e) Being removed by court order.

A shareholder meeting may pass a resolution to remove any director before the expiration of his/her term of office by the vote of not less than three-fourths of the number of shareholders attending the meeting and entitled to vote and the total number of shares of not less than one half of the number of shares held by shareholders attending the meeting and entitled to vote.

#### **(2) Recruitment of Audit Committee**

The Company has set the criteria for selecting and appointing members of the Audit Committee as follows:

1. Hold shares of not more than five (5) percent of paid-up capital of the Company, affiliated company, associated company, or related company, which shall be inclusive of the shares held by related persons.
2. Be a director who does not take part in the management of the Company, affiliated company, associated company, related company, or major shareholder of the Company.
3. Not an employee, staff member, or advisor who receives a regular salary from the Company, subsidiary company, associated company, related company or major shareholder of the Company.
4. Be a director who has no direct or indirect benefit or interest in finance and management of the Company, subsidiary company, associated company or major shareholder of the Company during the period of one (1) year before his/her appointment as a member of the Audit Committee, except where the Board of Directors has carefully considered that such previous benefit or interest does not affect the performance of duties and the giving of independent opinions.
5. Be a director who is not a related person or close relative of any executive or major shareholder of the Company.
6. Be a director who is not appointed as a representative to safeguard interests of the Company's directors, major shareholders, or shareholders who are related to the Company's major shareholders.
7. Be capable of performing duties, giving opinions, or reporting the results of performance of work according to the duties delegated by the Board of Directors free and clear of the control of executives or major shareholders of the Company including related persons or close relatives of the said persons.
8. Possess full qualifications to be a director of the Company.

#### Qualifications of the Audit Committee

1. Must be appointed by the Board of Directors and approved by the meeting of shareholders.
2. Possess qualifications as specified in the Public Limited Companies Act, Securities and Exchange Act, and notifications, rules, and/or regulations of the Securities and Exchange Commission and Stock Exchange of Thailand.
3. At least one committee member must have adequate knowledge in accounting and finance to review the reliability of financial statements.
4. Members of the Audit Committee must be independent directors with the following qualifications:
  - 4.1 Hold shares of not more than one per cent of the total shares entitled to vote of the Company, parent company, subsidiary, or associated company, major shareholder, or controlling person which shall be inclusive of the shares held by related persons.
  - 4.2 Not currently or never have been a director who takes part in the management, employee, staff member, advisor who receives a regular salary, or controlling person of the Company, parent company, subsidiary, associated company, or subsidiary at the same level of major shareholder or controlling person, excepted that that person

has retired from that position for not less than two years prior to applying for approval from the Securities and Exchange Commission. These prohibited characteristics do not include cases where an independent director has been a public servant or advisor of a government agency who is a major shareholder or controlling person of the Company.

4.3 Not a person with blood relation with or legal status as father, mother, spouse, sibling, or child including spouse of that child to other director, executive, major shareholder, controlling person, or person who will be nominated as director, executive, or controlling person of the Company or subsidiary company (if any).

4.4 Not currently have or never have had any business relations with the Company, parent company, subsidiary, associated company, major shareholder, or controlling person in the way that may affect the exercise of independent discretion. Not currently or never have been a significant shareholder or controlling person for persons having business relations with the Company, parent company, subsidiary, associated company, major shareholder, or controlling person, excepted that that person has been free from that relation for not less than two years prior to applying for approval from the Securities and Exchange Commission. These business relations shall include regular commercial transactions, leasing or leasing out property, asset or service transactions, or providing or receiving financial supports including loaning or borrowing, guaranteeing, pledged assets, and other similar behaviors that cause the company or contract party to bear a debt obligation to pay the other party higher than three percent of the Company's net tangible assets or higher than 20 million Baht, whichever is the lowest. A calculation of such debt obligation shall be in accordance with the formula for calculation of connected transactions under the Notification of the Capital Market Supervisory Board on Connected Transactions, with the necessary changes having been made. A consideration of such debt obligation shall include debt obligations incurred in the period of one year prior to entering into business relation with the same person.

4.5 Not currently or never have been an auditor of the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company and also not currently or never have been a significant shareholder, controlling person, or partner of the auditing firm of the current auditor of the Company, parent company, subsidiary, associated company, major shareholder, or controlling person, excepted that that person has retired from that position for not less than two years prior to applying for approval from the Securities and Exchange Commission.

4.6 Not currently or never have been a provider of professional services, legal consulting, or financial consulting services with a fee more than 2 million Baht per year to the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company and also not currently or never have been a significant shareholder, controlling person, or partner of a provider of such professional services, excepted that that person has retired from that position for not less than two years prior to applying for approval from the Securities and Exchange Commission.

4.7 Not currently a director appointed to represent the Company's directors, major shareholders, or shareholder related to major shareholder.

4.8 Not currently operate business similar to and significantly competing with the Company or subsidiary; or not a significant partner of a partnership or director who takes part in the management, or employee or consultant who receives a regular salary; or hold more than one percent of voting shares of any other companies operating business similar to and significantly competing with the Company and subsidiary.

4.9 Not under any conditions that may impede from having independent views towards the company's operations.

4.10 The independent director possessing the above qualifications may be designated by the Board of Directors to make decisions on the operations of the Company, associated company, same-level subsidiary, major shareholder, or controlling person in a collective decision process.

4.11 Be capable of performing duties, giving opinions, or reporting the results of performance of work according to the duties delegated by the Board of Directors free and clear of the control of executives or major shareholders of the Company including related persons or close relatives of the said persons.

4.12 Be a trustworthy and generally accepted person.

4.13 Be able to devote sufficient time to perform the duties of the Audit Committee.

#### Term of Office of the Audit Committee

1. The term of office of the Audit Committee shall cover a period of 3 years and the committee may be re-appointed for another term. In addition to vacating office due to term expiration, directors shall vacate office upon:
  - (a) Death;
  - (b) Resignation;
  - (c) Lack of qualifications of audit director under this Charter or criteria set by the Stock Exchange of Thailand and relevant laws;
  - (d) Retire from director position;
  - (e) Being removed by a resolution of a Board's meeting or meeting of shareholders;
  - (f) Being removed by court order.
2. In the case that any audit committee member wishes to resign, he/she should give a resignation letter to the Chairman of the Board one month in advance together with reason(s) for resigning. The Company must immediately report such resignation and send a copy of the resignation letter to the Stock Exchange of Thailand. In the case that the entire audit committee members resign, the resigning committee members shall be acting in a position until a new audit committee is appointed.
3. In the case that an audit director position is vacant due to reason other than term expiration, the Board of Directors shall appoint any person who possesses full qualifications as audit director to fill the vacancy within 90 days. The person so appointed shall retain his/her office for the remaining term of the vacated director.

#### **(3) Recruitment of Executive Committee**

The Company has set the criteria for selecting and appointing members of the Executive Committee as follows:

1. The Executive Committee shall be appointed by the Board of Directors and one member of the Executive Committee, who is also a Board member, shall be appointed to serve as Chairman of the Executive Committee.
2. The Executive Committee shall be composed of at least three (3) members, who are members of the Board, executives of the Company, and/or outsiders.
3. The Executive Committee may appoint a secretary to the Executive Committee to assist in meeting scheduling, preparing meeting agenda, sending meeting documents, and recording meeting minutes.
4. Members of the Executive Committee shall persons who possess appropriate knowledge, skills, and experiences as well as understand their qualifications, duties, and responsibilities and shall not possess prohibited characteristics specified by laws.
5. Members of the Executive Committee shall be able to devote sufficient time to perform their duties and express their opinions.

#### Term of Office of the Executive Committee

1. The term of office of members of the Executive Committee shall cover a period of not more than three (3) years and the committee members may be re-appointed for another term. In the case that any committee member has completed his/her terms or is unable to hold the positions until end of term causing the members of the Executive Committee to be less than three (3), the Board of Directors shall appoint new committee member(s) to fill the vacancy immediately or at the latest within three (3) months from the date the position is vacant. The new committee member shall retain his/her office for the remaining term of the vacated director.
2. Members of the Executive Committee shall vacate office upon:
  - (a) Expiration of term;
  - (b) Death;
  - (c) Resignation;
  - (d) Lack of qualifications or possessing prohibited characteristics specified by laws;
  - (e) Being removed by a resolution of a Board's meeting.
3. A member of the Executive Committee wishing to resign shall give a resignation letter to the Chairman of the Board at least one (1) month in advance to give the Board of Directors sufficient time to consider appointing a new committee member.

#### **(4) Recruitment of the Nomination and Remuneration Committee**

The Company has set the criteria for selecting and appointing members of the Nomination and Remuneration Committee as follows:

The Nomination and Remuneration Committee shall be appointed by the Board of Directors and shall be composed of one (1) executive director and two (2) independent directors totaling not less than three (3) members. The Chairman of the Nomination and



Remuneration Committee may be appointed by the Board of Directors or Nomination and Remuneration Committee and should be an independent director.

The Nomination and Remuneration Committee may appoint a secretary to the Nomination and Remuneration Committee to assist in meeting scheduling, preparing meeting agenda, sending meeting documents, and recording meeting minutes.

#### Term of Office and Appointment of the Nomination and Remuneration Committee

1. The term of office of members of the Nomination and Remuneration Committee shall cover a period of not more than three (3) years and the committee members may be re-appointed for another term.
2. In the case that any committee member has completed his/her terms or is unable to hold the positions until end of term causing the members of the Nomination and Remuneration Committee to decrease to be unable to perform duties, the Board of Directors shall appoint new committee member(s) to fill the vacancy within three (3) months from the date the position is vacant. The new committee member shall retain his/her office for the remaining term of the vacated director.
3. Members of the Nomination and Remuneration Committee shall vacate office upon:
  - (a) Expiration of term;
  - (b) Death;
  - (c) Resignation;
  - (d) Lack of qualifications or possessing prohibited characteristics specified by laws;
  - (e) Being removed by a resolution of a Board's meeting.
4. A member of the Nomination and Remuneration Committee wishing to resign shall give a resignation letter to the Chairman of the Board at least one (1) month in advance to give the Board of Directors sufficient time to consider appointing a new committee member.

#### **(5) Recruitment of the Risk Management Committee**

The Company has set the criteria for selecting members of the Risk Management Committee as follows:

1. The Risk Management Committee shall be appointed by the Board of Directors and shall be composed of at least one (1) member of the Board and at least one (1) of whom shall be independent director, totaling not less than two (2) members.
2. Members of the Risk Management Committee shall be persons who possess understanding and direct experience in business in order to determine risk management policy that covers the entire organization and ensure that a risk management system or process is in place to properly mitigate the impacts on the Company's business.
3. The Chairman of the Risk Management Committee may be appointed by the Board of Directors or Risk Management Committee.
4. The Risk Management Committee may appoint a secretary to the Risk Management Committee, who may be the head of business support or person deemed appropriate

by the Risk Management Committee to support and assist the committee including preparing meeting agenda and recording meeting minutes.

#### Term of Office and Appointment of the Risk Management Committee

1. The term of office of members of the Risk Management Committee shall cover a period of not more than three (3) years and the committee members may be re-appointed for another term.
2. In the case that any committee member has completed his/her terms or is unable to hold the positions until end of term causing the members of the Risk Management Committee to be less than two (2), the Board of Directors shall appoint new committee member(s) to fill the vacancy within three (3) months from the date the position is vacant. The new committee member shall retain his/her office for the remaining term of the vacated director.
3. Members of the Risk Management Committee shall vacate office upon:
  - (a) Expiration of term;
  - (b) Death;
  - (c) Resignation;
  - (d) Lack of qualifications or possessing prohibited characteristics specified by laws;
  - (e) Being removed by a resolution of a Board's meeting.
4. A member of the Risk Management Committee wishing to resign shall give a resignation letter to the Chairman of the Board at least one (1) month in advance to give the Board of Directors sufficient time to consider appointing a new committee member.

#### **(6) Recruitment of Chief Executive Officer**

The Company has set the criteria for selecting the Chief Executive Officer as follows:

Chief Executive Officer shall be recruited and selected by the Nomination and Remuneration Committee to perform duties related to regular business operations of the Company in accordance with the operation plan and budget approved by the Board of Directors with due diligence, honesty, integrity in the best interest of the Company and shareholders and shall not engage in any act that has interests in or conflicts with the Company.

#### **11.4 Policy on Prevention of Misuse of Inside Information**

To ensure that all stakeholders are treated fairly and equitably and recognizing the importance of the prevention of misuse of inside information, the Company has set forth a policy and procedures to prevent the use of undisclosed inside information by executives and employees for personal benefits, including purchase and sale of securities.

1. The Company has set written guidelines for safeguarding information and preventing the use of inside information to ensure fairness to all shareholders, customers, suppliers, and stakeholders in accordance with laws and principles of good corporate governance.

2. The Company has prohibited its directors, executives, and employees from using material information about the Company's securities, which has not been disclosed to the public and may affect securities prices, for personal benefits or the benefit of others, whether directly or indirectly and whether or not return is received.
3. Directors, executives, staff members, and employees obtaining material information about the Company's securities, which has not been disclosed to the public and may affect securities prices, by virtue of their positions are prohibited from selling or buying or proposing to sell or buy or inducing other persons to sell or buy shares or other securities (if any) of the Company, whether directly or indirectly, in a way that may cause damages to the Company, whether directly or indirectly and whether for personal benefits or for the benefit of others, or disclosing such information in order to let other persons to carry out these actions whether or not he/she receives benefits in return. This regulation shall also apply to spouses and minor children of the Company's directors, executives, staff members, and employees.
4. The Company has prohibited directors, executives, persons holding manager-level or higher positions in accounting or finance or equivalent positions, and staff members working with material inside information that may affect securities prices from selling and/or buying the Company's securities within the period of one (1) month prior to the disclosure of financial statements or performance results and financial status or material information that may affect securities prices and within at least twenty four (24) hours after disclosing such information to the public. In the case that the information disclosed is not well-widespread or is very complex, they shall wait for 48 hours after disclosing such information to the public before selling or buying the Company's securities and such persons and persons related to inside information are prohibited from disclosing such information to other parties.
5. The Company requires directors, executives, and persons holding manager-level or higher positions in accounting or finance or equivalent positions to submit report of their and their spouses and minor children's holdings of the Company's securities to the Company Secretary within thirty (30) days after assuming the position. Furthermore, directors and executives must notify any purchase or sale of the Company's securities at least one (1) day in advance of the purchase or sale to the Board of Directors or person designated by the Board of Directors in order to report to the Securities and Exchange Commission within three (3) days from the day of purchase, sale, transfer, or taking a transfer of such securities in accordance with the Securities and Exchange Act.
6. The Company requires directors and executives to prepare and submit report of interests to the Company Secretary in accordance with the rules set forth in the Securities and Exchange Act.
7. The Company requires directors and executives to report changes in their holdings of securities and submit report of interests to the Company Secretary who shall prepare a report to present at the next Board of Directors' meeting and disclose changes in directors and executives' holdings of securities in the annual report.
8. The Company places importance on preventing misuse of inside information to seek benefits or cause the Company's benefits to decrease or cause conflicts of interests as

specified in the Good Corporate Governance Policy, Code of Conduct, Code of Ethics, employment contracts, and workplace regulations.

9. The Company places importance on confidential information of customers and shall not use such information for the benefit of directors, executives, staff members, and other related persons, unless the information is required to be disclosed by laws.
10. The Company places importance on information protection by controlling and/or preventing access to information of outsiders and determine the right to access to information of employees at different levels according to their duties and responsibilities.
11. In the case that outsiders is involved in specific tasks related to undisclosed information and under negotiation which is deemed to be within the scope of protection of inside information that may affect the Company's securities prices, such outsiders must sign a confidentiality agreement to keep the information confidential until it is disclosed to the Stock Exchange of Thailand and Securities and Exchange Commission.

Directors, executives, employees violating the Policy on Prevention of Misuse of Inside Information shall be subject to disciplinary action and/or legal punishment, whichever the case may be.

## **11.5 Remuneration of Auditors**

### 1. Audit Fee

The Company paid service fees for auditing and reviewing financial statements for fiscal years 2015 and 2016 as follows:

Unit: Baht

<b>Audit Fee</b>	<b>2015</b>	<b>2016</b>
1. Annual audit	560,000	630,000
2. Review of interim financial statements	540,000	570,000
Total	1,100,000	1,200,000

In 2015, the Company paid service fees for annual auditing and reviewing interim financial statements to PV Audit Co., Ltd.

In 2016, the Company paid service fees for reviewing interim financial statements to PV Audit Co., Ltd. and annual auditing to Siam Truth Audit Co., Ltd.

The persons or businesses related to the auditors and audit firms are not the persons or businesses related to the Company.

### 2. Non-Audit Fee

The Company paid non-audit fee including travel and other expenses to the auditors in 2015 and 2016 in the amount of 123,196 Baht and 16,545 Baht respectively.

## **11.6 Other Compliance with the Principles of Good Corporate Governance**

-None-