

## 11. Corporate Governance

### 11.1 Corporate Governance Policy

The Company and its subsidiaries recognize the importance of good corporate governance as a crucial element for the improvement of their efficiency, transparency, competitiveness, as well as their sustainable growth. Good corporate governance provides assurances to all relevant parties that the Company's and its subsidiaries' operations are fair and in the best interest of all parties concerned namely employees, investors, shareholders and other stakeholders. The Company's Board of Directors therefore has resolved to formulate corporate governance policy based on the Securities and Exchange Commission's Corporate Governance Code 2017. This policy shall serve as a guideline for organizational management and an assurance to all that the Company and its subsidiaries have conducted their operations fairly and transparently in the best interest of not just shareholders but all groups of stakeholders. The policy prescribes the followings:

#### **Principle 1 Underlining the Board of Directors' Awareness of Roles and Responsibilities as Corporate Leaders to Generate Sustainable Value for Their Organization**

To ensure that their boards of directors understand their roles and responsibilities as corporate leaders, the Company and its subsidiaries have clearly identified their roles and responsibilities. Under laws, their boards of directors have the duty to responsibly, carefully, and honestly ensure through management that the Company and its subsidiaries have operated in accordance with laws, their objectives and regulations, as well as the resolutions of their shareholders' meetings. The Company and its subsidiaries have also given their boards of directors the authority, duty, and responsibilities to formulate their vision, missions, goals, policies, operational directions, strategies, work plans and annual budget. They are also assigned to supervise and monitor compliance with laws / implementation of policies/work plans within annual budget, to evaluate operating results, and to review reports on those results.

In addition, the Company has set up committee/work panel (s)s to support, review, and supervise the Company's and its subsidiaries' works and management so as to ensure that they proceed in accordance with applicable laws, policies, work plans and annual budget. Established are the Executive Committee, the Audit Committee, and the Work Panel on Risk Management. The Company has identified the clear scope of authority, duties and responsibilities of these committee/work panel(s) too. Charters of the Board of Directors and committee/work panel(s) have been issued, with them being informed of the charters. The Company has also ensured that the charters are reviewed every year to ensure that they always resonate with the direction of the Company and its subsidiaries.

The Company's Board of Directors has also compiled business ethics and prepared corporate governance policy to provide guidelines that ensure ethical business operations, respect for the rights of and responsibility to shareholders/stakeholders, businesses that benefit both society and the environment, and adaptability in the face of changes.

## **Principle 2 Defining Main Corporate Objectives and Goals for Sustainability**

The Company's Board of Directors has identified corporate vision and missions both clearly and appropriately. Also, it has communicated about them with all stakeholders to ensure mutual understanding of the Company's corporate objectives and goals, and employees' operations that are in line with the identified objectives and goals.

The Company and its subsidiaries have the policy to review/consider its strategies and budget every year so as to ensure that they match the overall economic situation and corporate capabilities. Moreover, the Company and its subsidiaries have promoted the creation and application of innovations/technologies for their businesses.

The boards of directors of the Company and its subsidiaries have the duty to supervise and ensure that their operations proceed in line with strategies and budget prescribed. Also, they shall oversee the allocation of important resources.

### **Principle 3 Strengthening Board Effectiveness**

The Company has the policy to set the structure of boards of directors in a way that not only suits its and its subsidiaries' businesses and size but also complies with laws. The ratio of executive and non-executive directors on the boards provides appropriate check and balance. The chairs of the boards and the chairs of the executive committees are not the same person to set clear line of duties and responsibility between supervisory/policy-making roles and day-to-management.

To ensure that its directors have adequate time for their roles and responsibilities, the Company requires that each director holds a post at no more than five other listed companies and attend at least 75 per cent of its Board's meetings in each year. Every year, the Company's Board of Directors must convene at least four meetings.

The Company's Board of Directors have the duty to nominate persons with knowledge, expertise, experience and abilities that are suitable to the businesses of the Company and its subsidiaries for shareholders' meetings to consider and approve. After its listing on the Thai stock market, the Company shall release the information on its directors and executives such as their age, education, experience, shareholding percentage, their number of years as directors, their attendance at meeting; directors' financial and non-financial remuneration, their director position at other listed companies, their roles, duties, and responsibilities; and the performance of committee/work panel (s) in its annual reports.

Furthermore, the Company has appointed its secretary to support and give advice to its directors and executives in regard to compliance with laws, rules, regulations, as well as the Company's Articles of Association. The Company's secretary is also in charge of monitoring and ensuring compliance, organizing the meetings of the Company's Board of Directors and its

shareholders' meetings, coordinating with parties involved for the implementations of resolutions issued by the aforementioned meetings; and carrying out any other task as required by laws.

#### **Principle 4 Recruiting/Developing High-Level Executives, and Human Resources Management**

The Company has formulated clear succession plans for its key positions namely important executive posts such as the post of chief executive officer (CEO) as a means to ensure business continuity. Also, the Company has the policy to offer appropriate remuneration to CEO and other key executives to motivate them to work in the best interest of the Company and its shareholders.

Furthermore, the Company has the policy to enhance the knowledge of and give fresh perspectives to its directors and key executives by offering them training. Executive development projects are also conducted in support of succession plans.

The Company's Board of Directors shall evaluate the performance of the CEO and other key executives every year to determine proper remuneration and also to develop their capabilities for enhanced performance.

#### **Principle 5 Nurturing Innovations and Responsible Business Operations**

The Company's Board of Directors has accorded importance to nurturing the corporate culture of innovations that not only benefits it, its subsidiaries, customers, and other relevant parties, but also foster social and environmental responsibility. Both the Company and its subsidiaries have always paid attention to service quality development, human resources development, environmental care, and social responsibility for the purpose of striking the balance between profit and public benefits.

Also, the Company's Board of Directors is aware of the rights of all groups of internal and external stakeholders. To promote good understanding and cooperation with stakeholders that

will benefit their businesses, boost public confidence in them, and raise their competitiveness in the long run, the Company and its subsidiaries have formulated the following guidelines:

**Shareholders:** The Company and its subsidiaries are committed to conducting their businesses with transparency in pursuit of sustainable growth while generating proper returns to shareholders and added value to themselves in a way that maximize shareholders' benefits. They therefore require that their directors, executives and employees carry out their duties with responsibility, caution, and honesty, and stay clear of conflict of interest.

**Employees:** The Company and its subsidiaries have the policy to treat all employees equally and fairly. In addition to offering proper welfare, the Company and its subsidiaries ensure that employees' remuneration is commensurate with their qualifications. Also, the Company and its subsidiaries seek to enhance their employees' knowledge and abilities to ensure that they have high skills for work efficiency. A provident fund has been established for their employees. Opportunities are also offered so that employees can develop their skills in various aspects.

**Customers:** The Company and its subsidiaries are responsible to customers; comply with applicable laws and standards; focuses on customers' health and safety; treat them fairly; keep their information confidential; provides after-sale services throughout product/service lifetime; and survey customer satisfaction to constantly improve products, services, advertising, public relations, and sales conduct. The Company and its subsidiaries conduct their operations responsibly without any attempt to mislead customers or to take advantage of their misunderstanding.

**Suppliers and Creditors:** The Company and its subsidiaries are responsible to suppliers by offering fair procurement process as well as fair contracts/agreements. Moreover, the Company and its subsidiaries have raised suppliers' knowledge, potential, and abilities to deliver products and services or brought them to par with good standards. Suppliers are also educated about respect for human rights and nudged to ensure fair labor practices, social responsibility, and environmental

responsibility. The Company and its subsidiaries have monitored and evaluated suppliers to develop sustainable business ties.

**Competitors:** The Company and its subsidiaries have the policy to conduct their businesses transparently, refrain from building any unfair competitive edge, and comply with the rules of good competition. Also, they shall neither seek competitors' trade secrets through dishonest/inappropriate means nor slander competitors.

**Community and Society:** The Company and its subsidiaries seek to foster the sense of responsibility to community and society within their organization on a continued basis. In addition to encouraging activities that deliver public benefits, the Company and its subsidiaries strictly do not violate laws.

#### **Principle 6: Risk Management and Internal Control System**

The Company's Board of Directors has the policy to lay down comprehensive internal control system that covers financial/operational affairs and upholds compliance with applicable laws, rules and regulations. Pursuant to the policy, efficient check-and-balance mechanisms are adequately put in place to protect the assets of the Company and its subsidiaries. Authorization processes are prepared with executives and employees assigned responsibilities in a way that keep each other in check. Work guidelines are prepared in writing. The Company and its subsidiaries have hired external auditors to check the operations of every of their units to ensure that they proceed in line with prescribed regulations. External audits are also done to evaluate the efficiency and adequacy of internal control done by internal units of the Company and its subsidiaries.

Moreover, the Company has set up the Work Panel on Risk Management to consider and analyze risks, prepare risk-management measures to prevent adverse impacts on the Company and its subsidiaries, and ensure that risk management proceeds in line with prescribed policy.

The Company's Board of Directors has attached importance to anti-corruption, as reflected by its clear policy against corruption. All relevant parties are also informed of the policy in

order for them to comply with it. The Company's Board of Directors, furthermore, has laid down a policy on how to provide tip-off or file a complaint. Such mechanism can help promote relevant parties' compliance with policies that are related to corporate governance.

The Company has prepared measures to receive tip-off/complaints about violations against laws, ethics, and business ethics, as well as directors', executives', or employees' behaviors that are suggestive of corruption. These measures provide various appropriate communication channels for employees or stakeholders to conveniently lodge tip-off/complaint. Tipsters/complainants who have used such channels are required to provide details of their issues, as well as their name, address and telephone number.

#### **Principle 7 Ensuring Financial Integrity and Data Disclosure**

The Company's Board of Directors is committed to ensuring that both the Company and its subsidiaries comply with laws, rules, and regulations related to data disclosure. The Company and its subsidiaries have accorded importance to disclosing their accurate, complete and transparent financial and non-financial information to relevant parties in an equal manner.

Moreover, the Company's Board of Directors is in charge of preparing annual report, Form 56-1, financial statements of both the Company and its subsidiaries, and financial information in the annual report. Financial statements are prepared in accordance with generally accepted accounting principles. The Company's Board of Directors has consistently embraced proper accounting policies. Caution is exercised in preparing financial statements. Also, it has required that Notes to Financial statements adequately present key information. The Company's Board of Directors has assigned the Audit Committee to ensure the quality of financial statements and to provide opinions on the quality to it.

After its listing on the Thai stock market, the Company shall disclose its and its subsidiaries' information to shareholders and the public via its and the Stock Exchange of Thailand's channels including the Company's website. The Company has assigned its chief financial officer,

Mrs. Araya Tantanasin, to communicate with and provide accurate, complete and correct information to shareholders, investors, securities analysts, relevant authorities, or any other person.

#### **Principle 8 Promoting Shareholder Engagement and Communications**

According importance to shareholders' rights, the Company shall neither violate nor infringe on their rights. Shareholders' basic rights include the right to buy, sell or transfer (their) securities, the right to receive dividends from the Company, and the right to attend shareholders' meetings. Respecting shareholders' right to timely and equal access to complete, accurate, and adequate information on the Company and its subsidiaries for decision-making purposes, the Company's Board of Directors has formulated the following guideline:

1. The Company shall hold shareholders' meetings to offer shareholders opportunities to consider key agendas as defined by laws or issues that may affect the Company's business operations;
2. The Company shall send an invitation to a shareholders' meeting along with relevant information ahead of the meeting in line with requirements set by applicable laws, rules or regulations. The move aims to ensure that shareholders have enough time to study all relevant information prior to the shareholders' meeting. Moreover, the Company shall allow shareholders to submit their questions ahead of the meeting with clear guidelines on how to raise questions posted on its website. The Company shall compile key questions for the shareholders' meeting;
3. The Company shall offer minority shareholders the right to nominate persons to the posts of directors or propose an additional agenda prior to a shareholders' meeting. Minority shareholders shall be informed of clear guidelines on how to make such nominations and proposals in advance. If their proposed agendas are not raised at the meeting, the Company shall provide an explanation there;
4. If shareholders are unable to attend meetings, the Company shall enable them to conveniently name a proxy by preparing at least one independent director as their possible proxy. At a shareholders' meeting, the proxy can attend and vote on



- behalf of shareholders. The name and personal information of the said independent director shall be provided in an invitation to the shareholders' meeting;
5. For foreign shareholders, the Company shall send out an invitation to a shareholders' meeting and relevant information in both Thai and English;
  6. The Company shall add its website as an additional channel to communicate with shareholders after its listing on the Thai stock market. The Company shall publish an invitation to its shareholders' meeting on the website at least 28 days in advance so that shareholders can conveniently download complete information on meeting agendas;
  7. The Company shall equally provide convenience to all shareholders' attendance at shareholders' meetings by choosing appropriate time and venue for the meetings;
  8. Shareholders' meetings shall proceed in line with laws and the Company's regulations. Agendas shall be considered and voted on based on a program that has been prepared in advance. There shall be no material information changes. Also, shareholders shall have equal right to ask questions and express opinions/recommendations;
  9. The Company shall use ballots for a vote on an important agenda. For such vote, independent individuals such as external auditors and legal advisors shall check vote counts at a shareholders' meeting;
  10. The Company shall encourage all relevant directors and executives to attend meetings to address questions raised by shareholders at meetings;
  11. The Company shall record complete and accurate information in the minutes of the meetings fast and transparently. These minutes shall list the names of directors/executives, voting procedures, vote counts, vote results, meeting resolutions, and questions and opinions raised at the meeting in order for shareholders to review. These minutes shall also be made available within 14 days from the relevant shareholders' meeting. The Company, moreover, shall record

shareholders' meetings and keep these recordings for reference purposes. After its listing in the Thai stock market, the Company shall also submit meeting minutes to the Stock Exchange of Thailand or relevant authorities within prescribed timeframe. These meeting minutes shall also be released via the Company's website.

## 11.2 Committee / Work Panel (s)

Structurally, the Company has three committees namely its Board of Directors, Audit Committee and Executive Committee whose qualifications are fully in line with Article 68 of the Public Limited Company Act B.E. 2535 and applicable notifications of the Capital Market Supervisory Board. The scope of duties and authority of the Company's committees are as follows:

### 11.2.1 Scope of Duties and Authority of the Company's Board of Directors

1. The Company's Board of Directors has the duty to identify the Company's and its subsidiaries' objectives, key business goals, vision, missions, policies, targets, strategies, business plans, management structure, approval authority, and budget. Moreover, the Company's Board of Directors is responsible for monitoring and supervising the allocation of key resources, and reviewing, checking, and approving policies, strategies, business plans, and directions of the Company and its subsidiaries that have been proposed by the Management;
2. The Company's Board of Directors has the duty to monitor and supervise the performance and the management of the Management and committee/work panel (s) of the Company to ensure that they effectively and efficiently respond to prescribed objectives, key business goals, vision, missions, strategies, operational plans, and budget for the purpose of delivering maximum value to the Company and shareholders;
3. The Company's Board of Directors has the duty to monitor and supervise the management and operations of the Company and its subsidiaries to ensure they comply with its policies, corporate-governance principles, securities laws, and applicable notifications, regulations and rules issued by the Capital Market Supervisory Board, the Office of Securities and Exchange Commission, and the

Stock Exchange of Thailand that do not contradict with any other law. For example, the Company's Board of Directors monitors and supervises connected transactions and any acquisition/sale of key assets;

4. The Company's Board of Directors has the duty to review and formulate risk management policy for organization-wide implementations, and to ensure there is risk-management system or process to appropriately reduce risks' possible impacts on the businesses of the Company and its subsidiaries;

5. The Company's Board of Directors has the duty to ensure that the Company and its subsidiaries use appropriate and efficient accounting system, prepare adequate and effective internal control system as well internal audit system, and install a process to evaluate the suitability of the Company's and its subsidiaries' internal control system on a regular basis;

6. The Company's Board of Directors has the duty to review the management structure; appoint committee/work panel (s), CEO, and other subcommittees where appropriate; and set the scope of their duties and authority.

The granting of authority, however, shall not give committee/work panel (s), CEO or subcommittees the authority to consider and approve transactions that may cause a conflict, involve their vested interests, or constitute conflict of interest with the Company or its subsidiaries (if any), except in events that the transactions are in line with policies and criteria already considered and approved by the Company's Board of Directors;

7. The Company's Board of Directors has the duty to prepare a written corporate governance policy and apply it efficiently to ensure ethical business practices, respect for shareholders' rights, responsibility to shareholders and stakeholders, and businesses that are not only useful to society and the environment but also adapt well in the face of changes;

8. The Company's Board of Directors has the duty to monitor and manage conflict of interest that may arise between stakeholders and the Company/its subsidiaries, and to prevent illegitimate utilization of the Company's assets, information and opportunities. In events that any director has vested interests

in a transaction with the Company or makes any change to his/her shareholding percentage in the Company and/or subsidiaries, he or she shall inform the Company without delay;

9. The Company's Board of Directors may authorize a director, directors, or any other person to carry out tasks on its behalf under its supervision. Also, the Company's Board of Directors may grant certain authority to the said individual (s) as it deems appropriate for a period of time that it considers reasonable. In such events, the Company's Board of Directors may cancel, revoke, change or adjust that authorization when they think it is appropriate.

Such authorization shall not be done in a way that allows the authorized individual (s) to consider and approve transactions that may involve his/her (their) conflict, vested interests or conflict of interest with the Company or its subsidiaries (if any) based on definitions set forth by the notifications or the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or the notifications of any relevant authority except when the said transactions are done in line with policies and criteria already approved by the Company's Board of Directors.

#### **11.2.2 Scope of Duties and Authority of the Audit Committee**

1. The Audit Committee has the duty to ensure that the Company and its subsidiaries have adequately and accurately released financial statements;

2. The Audit Committee has the duty to ensure that the Company and its subsidiaries have appropriate and effective internal control system and internal audit system. Also, it has the duty to review the independence of internal audit unit, and approve the appointment/transfer/termination of the head of the internal audit unit or any unit related to internal audits;

3. The Audit Committee has the duty to ensure that risk management proceeds in line with risk management policy;

4. The Audit Committee has the duty to ensure that the Company complies with laws related to securities and the stock market, the Stock Exchange of Thailand's regulations, and laws related to the business of the Company and its subsidiaries;

5. The Audit Committee has the duty to consider, select, and nominate an independent person as the auditor of the Company, propose his/her remuneration, and attend at least one meeting with the auditor without the presence of the Management every year;

6. The Audit Committee has the duty to review connected transactions or transactions that may involve conflict of interest, and ensure that they proceed in line with laws and the Stock Exchange of Thailand's regulations for the goal of ensuring that the transactions are reasonable and in the best interests of the Company;

7. The Audit Committee has the duty to compile the Audit Committee's report that will be included in the Company's annual report. Signed by its chair, the Audit Committee's report must contain the followings:

(a) The opinion on the accuracy, completeness and reliability of the Company's financial statements;

(b) The opinion on the adequacy of the Company's internal-control system;

(c) The opinion on the Company's compliance with securities and stock-market laws, the Stock Exchange of Thailand's regulations, and any other law related to the Company's businesses;

(d) The opinion on the suitability of the auditor;

(e) The opinion on transactions that may involve conflict of interest;

(f) The number of the Audit Committee's meetings and attendance by each committee member;

(g) The Audit Committee's overall opinion or observation during the fulfillment of its duties in line with its charter; and

(h) Any other information that the Audit Committee believes shareholders and investors should be aware of pursuant to the scope of duties and responsibilities assigned to it by the Company's Board of Directors; review of the Company's internal audit plans, and evaluation of internal auditors' performance.

8. The Audit Committee has the authority to request independent opinions of professional advisors where necessary at the expense of the Company.

9. The Audit Committee has the duty to carry out any other task assigned by the Company's Board of Directors.

#### **11.2.3 Scope of Duties and Authority of the Executive Committee**

1. The Executive Committee has the duty to screen and review proposals presented by CEO, and present targets, policies, business plans, and annual budget of the Company for its Board of Directors to consider and approve;

2. The Executive Committee has the duty to control, supervise, and monitor the Company's operating results and ensure that they go in line with the identified policies, targets, business plans, business strategies, budget, and authority granted by the Company's Board of Directors with effectiveness, efficiency, and with benefits to the Company's businesses. Also, the Executive Committee has the duty to provide counseling and management advice to high-level executives;

3. The Executive Committee has the duty to monitor and follow up with the progress of investment projects of each business, report overall problems/obstacles, and also recommend solutions to the Company's Board of Directors;

4. The Executive Committee has the duty to review and approve normal transactions of the Company such as investments made within investment budget or a budget approved by the

Company's Board of Directors. The approval limit for each transaction is subject to approval table that is approved by the Company's Board of Directors;

5. The Executive Committee has the duty to recommend an organizational structure that suits the Company's operations for the Company's Board of Directors to consider and approve;

6. The Executive Committee has the authority to approve budget for annual pay raise, salary adjustment or bonus payments for employees of the Company and its subsidiaries;

7. The Executive Committee has the authority to authorize and/or assign an executive director or any other person(s) to carry out tasks under its supervision. Also, the Company's Executive Committee may grant certain authority to the said individual (s) as it deems appropriate for a period of time that it considers reasonable. In such events, the Company's Executive Committee may cancel, revoke, change or adjust that authorization/assignment when they think it is appropriate to do so.

8. The Executive Committee has the duty to carry out any other task assigned occasionally by the Company's Board of Directors.

The Executive Committee shall not delegate or subdelegate its authority, duties, or responsibilities in a way that allows the authorized individual (s) to consider and approve transactions that may involve his/her (their) conflict (based on definitions set forth by the notifications or the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or the notifications of any relevant authority), vested interest or conflict of interest with the Company or subsidiaries and/or related companies. The Executive Committee has no authority to approve such transactions. Any plan to conduct such transactions must be submitted to the Company's Board of Directors and/or a shareholders' meeting (whichever is the case) for approval. Exemptions are granted only in events that the said transactions are done as normal business transactions or based on normal trade conditions and in line with the notifications of the Capital Market Supervisory Board, the Stock Exchange of Thailand, and or relevant authorities.

#### 11.2.4 Scope of Duties, Authority, and Responsibilities of CEO

1. CEO has the duty to supervise and control the operations and/or the day-to-day management of the Company.

2. CEO has the duty to prepare policy, business plans, work plans, annual budget plans, and business strategies of the Company and its subsidiaries based on what the Management has proposed, and also to identify the management structure and line of command for the Company's Board of Directors to consider and approve.

3. CEO has the duty to monitor and supervise the operations and work for the benefits of the Company in line with the vision, business direction, policies, business strategies, targets, work plans and budgets approved by the Company's Board of Directors. Also, CEO has the duty to review, monitor and evaluate the operating results of the Company so as to ensure that they are in line with policies prescribed. CEO, moreover, has the duty to report the results of management and work progress to both the Audit Committee and the Company's Board of Directors.

4. CEO has the duty to consider and approve work or normal transactions done by the Company in line with investment budget or budget approved by the Company's Board of Directors. The approval limit for each transaction as well as related contracts is subject to approval table that is approved by the Company's Board of Directors.

5. CEO has the authority to approve the Company's normal operating expenses in line with budget approved by the Company's Board of Directors. Such approval authority has been granted by the Company's Board of Directors.

6. CEO has the authority to approve workforce planning, employment, recruitment, remuneration, pay, bonus, appointment and transfer of employees. Also, CEO has the duty to identify the duties and responsibilities of each unit and position holders from the level of directors down.

7. CEO has the authority to issue orders, regulations, announcements and memorandums to facilitate the Company's operations in accordance with its policies for its interest and proper order within its organization.

8. CEO has the authority to appoint advisors or work panels for the Company's interests, efficiency, good management and transparency. CEO may authorize a person or persons



to carry out tasks under his/her its supervision. Also, CEO may grant certain authority to the said individual (s) as he/she deems appropriate for a period of time that he/she considers reasonable. In such events, CEO may cancel, revoke, change or adjust that authorization when he/she thinks it is appropriate

9. CEO has the duty to carry out any other task assigned by the Company's Board of Directors.

When CEO or his/her authorized individual (s), or any person may have a conflict (based on definitions set forth by the notifications or the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or the notifications of any relevant authority), vested interest or conflict of interest in a transaction with the Company or subsidiaries and/or related companies, CEO and his/her authorized person shall have no authority to approve the said transaction. Any plan to conduct such transactions must be submitted to the Company's Board of Directors and/or a shareholders' meeting (whichever is the case) for approval. Exemptions are granted only in events that the said transactions are done as normal business transactions or based on normal trade conditions and in line with the notifications of the Capital Market Supervisory Board, the Stock Exchange of Thailand, and or relevant authorities.

### 11.3 Authority to Approve Key Transactions

The Group of Companies has prepared approval table for the Company and its subsidiaries. As the Company is a holding company with its key business operations handled by its subsidiaries namely Icare Health and Healthiness, the table gives the authority to decide on subsidiaries' day-to-day operations to their executives. However, in events of key transactions or issues requiring a budget bigger than approval limits, subsidiaries must first seek the approval from the Company's Board of Directors based on the following table. Key transactions are shown here.

Description	Authorized Persons								
	Healthlead				Icare Health and Healthiness				
	Directors	Executive Committee	CEO	Chief Officers	Directors	Board of Directors	CEP	Chief Officers	Directors
<ul style="list-style-type: none"> <li>● Total annual budget of the Company and its subsidiaries</li> </ul>									
<ul style="list-style-type: none"> <li>○ Annual budget</li> </ul>	/								
<ul style="list-style-type: none"> <li>○ Additional budget per time during a year (no more than 10% of budget approved for each already approved project)</li> </ul>				/		/			
<ul style="list-style-type: none"> <li>○ Transferring an item under a category to another category within budget already approved</li> </ul>				/		/			
<ul style="list-style-type: none"> <li>○ Transferring budget allocated for a category to another category within budget already approved per time:</li> </ul>									
<ul style="list-style-type: none"> <li>- Affected budget exceeds Bt500,000.</li> </ul>	/					/			

Description	Authorized Persons								
	Healthlead				Icare Health and Healthiness				
	Directors	Executive Committee	CEO	Chief Officers	Directors	Board of Directors	CEP	Chief Officers	Directors
- Affected budget is no more than Bt500,000.			/				/		
- Affected budget is no more than Bt200,000.				/				/	
- Affected budget is no more than Bt50,000.					/				/
● Budget for investment expenditure									
○ Annual budget	/								
○ Additional budget per time during a year (no more than 10% of budget approved for each already approved project)			/				/		
○ Transferring an item under a category to another category within budget already approved				/				/	
○ Transferring budget allocated for a category to another									

Description	Authorized Persons								
	Healthlead				Icare Health and Healthiness				
	Directors	Executive Committee	CEO	Chief Officers	Directors	Board of Directors	CEP	Chief Officers	Directors
category within budget already approved per time:									
- Affected budget exceeds Bt500,000.	/					/			
- Affected budget is between Bt200,000 and Bt500,000		/				/			
- Affected budget is between 50,0000 and Bt200,000			/				/		
- Affected budget is no more than Bt50,000.				/				/	
○ Suspending the use of expenditure budget / resumption of the use of expenditure budget				/				/	
● Other investments such as joint ventures or increasing investments	/								

Description	Authorized Persons								
	Healthlead				Icare Health and Healthiness				
	Directors	Executive Committee	CEO	Chief Officers	Directors	Board of Directors	CEP	Chief Officers	Directors
<ul style="list-style-type: none"> <li>● Approving investments in debt instruments and equity instruments for liquidity management</li> </ul>									
<ul style="list-style-type: none"> <li>○ Transactions of over Bt20,000,000</li> </ul>	/								
<ul style="list-style-type: none"> <li>○ Transactions of less than Bt20,000,000</li> </ul>		/							
<ul style="list-style-type: none"> <li>● Approving investments in new businesses or taking back investment money, authorizing feasibility studies on projects/start of projects, suspension of projects/end of projects</li> </ul>	/								
<ul style="list-style-type: none"> <li>● Approving trading in shares of other companies</li> </ul>	/								

### 11.3 Selection and Appointment of Directors and CEO

The selection of persons for the posts of the Company's directors shall be done via shareholders' meetings. The Company's Board of Directors is responsible for nominating candidates for the posts based on their experience, knowledge, abilities and laws-required qualifications because the Company has not yet had a nomination committee for the task. Based on the nominations, shareholders shall select directors at their meetings based on prescribed guideline. The majority vote at the shareholders' meeting is required for the appointment of the Company's directors. The guideline is as follows:

- (a) A shareholder has the number of votes equivalent to the number of shares that he/she has. The number shall not be multiplied by the number of directors to be appointed via the election;
- (b) A shareholder must vote for a candidate or candidates with all votes he/she has as in (a), without the ability to divide the number of votes he/she has. In events that several directors will be elected at the same shareholders' meeting, a shareholder can select candidates in a number that does not exceed the number of directors to be elected.
- (c) Highest-vote earners in respective order shall be appointed directors based on vacancies to be filled at a relevant shareholders' meeting. In events that two or more candidates acquire the same number of votes and the number of such persons exceeds vacancies, the chair of the relevant shareholders' meeting shall cast a decisive vote.

#### 11.3.1 Composition and Appointment of the Company's Board of Directors

1. Shareholders shall review and approve the appointment of the Company's Board of Directors;
2. The Company's Board of Directors shall have no fewer than five members and at least half of them must reside in Thailand. The qualifications of all directors must meet legal requirements.
3. The Company has the policy to ensure that the chair of the Board of Directors and CEO are not the same person so as to set the clear line of duties and responsibility between supervisory/policy-making roles and day-to-management.

4. Structurally, at least one third of directors must be independent directors so as to ensure proper supervision of the Company's affairs. Pursuant to the Office of the Securities and Exchange Commission's rules, the Company's Board of Directors shall have at least three independent directors too.

5. The appointment of the Company's Board of Directors shall be in line with the Company's regulations and applicable laws. Relevant nomination of candidates must also be transparent and clear. The reviews of their qualifications must include adequate information on their background, education, experience, and professional profile for decision-making by the Company's Board of Directors and shareholders.

6. Directors who have completed their tenure can be re-elected.

#### 11.3.2 Qualifications and Appointment of Independent Directors

The Company's Board of Directors shall consider the basic qualifications of persons to be appointed independent directors. In terms of qualifications and prohibitions, independent directors must meet requirements laid down by the Public Listed Act, laws related to securities and stock market, the notifications of the Capital Market Supervisory Board, and other applicable announcements, regulations and/or rules. In addition, the Company shall select candidates from specialists with work experience and suitability for the posts of independent directors and nominating the successful candidates for shareholders' meetings to consider and appoint. The Company has the policy to ensure that there are at least one third of independent directors out of total directors, and at least three independent directors on its Board.

#### Qualifications of Independent Directors

1. An independent director must hold no more than one per cent of total voting shares of the Company, parent company, subsidiaries, associate companies, or legal entities owned by person (s) who have conflicts. Also taken into account are shares held by his/her related persons.

2. An independent director must not be current or former executive director, worker, employee, salaried consultant, or controlling party of the Company, parent company, subsidiaries, associate companies, same-level subsidiaries or legal entities that may have conflict, except in events that he or she has already left that position at least two years before requesting permission from the Securities and Exchange Commission;
3. An independent director must not be related by blood or legal registration as a parent, spouse, sibling, and child or the spouse of a child to executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the Company or subsidiaries;
4. An independent director must have never had any relations with the Company, parent company, subsidiaries, associate companies in the way that such relation may impede him/her from having independent views. Also, an independent director must not currently be or never be a major shareholder, an executive director, or an executive of entities having business relations with the Company, parent company, subsidiaries, associate companies, or legal entities that may have conflict, except in events that he or she has already left that position at least two years before requesting permission from the Securities and Exchange Commission;
5. An independent director must not be a current or a former auditor of the Company, parent company, subsidiaries, associate companies, or legal entities that may have a conflict. Also, an independent director must not be a shareholder, an executive director, an executive of a managing partner of the auditing firms where the auditor of the Company, parent company, subsidiaries, associate companies, or legal entities that have a conflict works except in events that he or she has already left that position at least two years before requesting permission from the Securities and Exchange Commission;
6. An independent director must not provide, now or in the past, professional legal or financial counseling services to the company for a fee of more than Bt2 million per year from the Company, parent company, subsidiaries, associate companies, or legal entities that may have a conflict. In events that the service provider is a legal entity, an independent director cannot be its current or



former major shareholder, non-executive director, executive or managing partner. Exceptions are granted if it has been at least two years after the person has held the position at the time permission is sought from the Securities and Exchange Commission.

7. An independent director must not currently be a director appointed to represent the Company, major shareholders or shareholders who are related to the Company's major shareholders.

8. An independent director must not currently be operating a business in the same nature or that significantly competes against the Company or subsidiaries. Neither they can be a significant partner of the partnership, executive director, salaried worker, employee, or consultant or holds more than one per cent of voting shares of any other companies operating under similar business nature and significant competition to the Company and subsidiaries.

9. An independent director is not under conditions that may impede him/her from having independent views towards the Company's operations.

#### 11.3.3 Qualifications and Appointments of the Audit Committee

The Company's Board of Directors appoints Audit Committee's members and ensures the committee has at least three members. All members of the audit Committee must be independent directors. Either the Company's Board of Directors or the Audit Committee shall name the chair of the Audit Committee.

At least one of the Audit Committee's members must have knowledge, understanding, and experience in the field of accounting and finance, or knowledge related to causes affecting financial statements.

The tenure of the Audit Committee's members lasts three years or till the end of their term as the Company's directors (whichever comes first).

#### 11.3.4 Selection of CEO, Other Chief Officers, or Equivalents

When the post of CEO, other chief officers, or equivalent becomes vacant or position holders are unable to carry out his/her duties, the Company's system requires that the holder of a similar-level position or the holder of the next-lower-level position in the line of command become acting CEO, chief officers, or equivalent until the process to select the new CEO, chief officers or equivalent is completed in line with the Company's guideline. Persons named as CEO, other chief officers, or equivalent must demonstrate vision, knowledge, abilities and other qualifications that suit the Company's corporate culture. The Executive Committee is in charge of selecting qualified candidates for the Company's Board of Directors to consider and approve their appointment.

#### 11.4 Investments in subsidiaries or associate companies

The Company has the policy to invest in subsidiaries or affiliates whose business objectives are the same as those of its core businesses, whose operations are similar of those of the Company, whose operations will support the Company and lead to its better results or operations, or whose operations may achieve synergy for the Company with its core businesses becoming more comprehensive and its competitiveness rising. Also, the Company's Board of Directors may consider investing in any other business, even outside the fields of its core business or other business, if the investment is deemed as having potential and benefits for the Company and its shareholders on the overall.

#### 11.5 Monitoring and Supervision of Subsidiaries and Associate Companies

The Company formulates policies to monitor, supervise and manage the business operations of its subsidiaries/associate companies with aim to ensure the Company's ability to monitor, supervise, and manage their business operations, both directly and indirectly, and measures for the supervision. ("Subsidiaries" and "associate companies" herein refer to subsidiaries or associate companies whose business operations match the definitions defined by the applicable notifications of the Capital Market Supervisory Board and the Securities and Exchange Commission).

If the policies require that any material transaction/action or any transaction/action that may affect subsidiaries'/associate companies' financial status or operating results to receive prior

approval from the Company's Board of Directors or meetings (whichever is the case), the Company's Board of Directors shall convene its meeting and/or shareholders' meeting to consider and approve that transaction/action. In such event, the Company shall disclose data and, fully and correctly, comply with relevant guidelines, conditions, procedures, and methods for approval as laid down by laws governing public listed companies, the Civil and Commercial Code, laws governing securities, applicable laws, as well as notifications, regulations and the guidelines of the Capital Market Supervisory Board, the Office of the Securities and Exchange of Commission, and the Stock Exchange of Thailand mutatis mutandis (where there are no contradictions).

1. The following transactions/actions done by subsidiaries/associate companies require an approval from the Company's Board of Directors;

(1) The appointment or nomination of a candidate for the post of a subsidiary's/associate company's director at the very least based on the Company's shareholding percentage in the said subsidiary/associate company: Except in case the policy or the Company's Board of Directors states otherwise, directors and executives assigned by the Company to appoint or nominate such candidate shall exercise judgement in voting at the meeting of the subsidiary's/affiliate's board of directors on agendas of general management and normal business operations as they deem appropriate in the best interests of the Company and subsidiaries/associate companies (whichever the case is).

Subsidiaries' directors and executives appointed or nominated must be persons on the white list or the list of directors and executives of securities issuers with qualifications, roles, duties, and responsibilities laid down by applicable laws. Also, they must not have any characteristics indicating untrustworthiness pursuant to the Securities and Exchange Commission's Notification of Directors'/Executives' Untrustworthy Characteristics;

(2) For capital increase via the issuance of subsidiaries' shares for capital increase, share allocation, capital reduction, and/or reduction of subsidiaries' paid-up capital that will change shareholding percentage of original shareholders or any action that will affect

directly or indirectly the Company's voting right at the shareholders' meetings of subsidiaries in whatever part by more than 10 per cent of subsidiaries' total eligible votes: Exemptions are granted only when such action is included in subsidiaries' business plans or annual budget that has already been approved by the Company's Board of Directors;

- (3) Review and approval of subsidiaries' payments of annual dividend or interim dividend (if any);
- (4) Amending subsidiaries' regulations except in events that involve significant issues mentioned in Item 2(5);
- (5) Review and approval of the total annual budget of the Company and subsidiaries except for affairs eligible for approval through delegation of authority;
- (6) Appointment of subsidiaries' auditors in events that the said auditors are not full members of the network in which an auditing firm used by the Company is a part of, because it is against the Company's policy that requires subsidiaries' auditors to be under the same umbrella as the Company's auditor.

Items (7) to (10) are significant because they will affect subsidiaries' financial position and operating results. Prior to a meeting of a subsidiary's board of directors that will decide on such item, the director appointed by the Company to hold a position in the said subsidiary and vote on it must seek an approval from the Company's Board of Directors. Such item shall be considered and approved by the Company's Board of Directors if it falls into any of the following categories in terms of size in relation to the nature and/or the size of the Company (Guideline on how to calculate the size of connected transactions or Announcement on Asset Acquisition or Sale (whichever the case is) shall apply mutatis mutandis.

- (7) A transaction between a subsidiary and a connected person of the Company or a subsidiary related to the acquisition/sale of the subsidiary's asset in the following and more cases:

- (1) Transfer or relinquishing of benefits including the relinquishing of the right of claim against parties causing damages to the subsidiary;
  - (2) Sale or transfer of a business of a subsidiary, in whole or in significant part, to another person;
  - (3) A subsidiary's acquisition or acceptance of a business of and transferred by another company;
  - (4) Entering, amending, or terminating of business leases by a subsidiary, either in whole or in significant part, or assigning another person to manage a subsidiary's business; or merging a subsidiary's business to another person's for benefit-sharing purposes;
  - (5) Taking a lease of or leasing a business/asset of a subsidiary, in whole or in significant part;
  - (8) Taking/granting a loan, granting credit line and term, guaranteeing, and entering into a juristic act in a way that with legal-binding effects makes a subsidiary take on additional financial burden, or granting financial help of a significant amount in any other way to another person when it is not at all a normal business transaction of a subsidiary;
  - (9) Terminating the business of a subsidiary; and
  - (10) Any other transaction that is not a normal business transaction of a subsidiary and has material impacts on it.
2. For any of the following transactions by a subsidiary, a prior approval from the Company's Board of Directors is required. Also, it takes three fourths of total eligible votes of shareholders at a shareholders' meeting to grant such approval.
- (1) A transaction between a subsidiary and a connected person of the Company or a subsidiary related to the acquisition/sale of the subsidiary's asset, when it falls into a category that requires approval from a meeting of the Company's shareholders because of its size in relation to the nature and/or the size of the Company (Guideline on how to calculate the size of connected transactions or Announcement on Asset Acquisition or Sale (whichever the case is) shall apply mutatis mutandis.

- (2) A capital increase via the issuance of a subsidiary's shares for capital increase and share allocation, registered capital reduction, and/or reduction of subsidiaries' paid-up capital that will change shareholding percentage of original shareholders or any action that will affect directly or indirectly the Company's voting right at a meeting of the subsidiary's shareholders to the point that it is lower than what subsidiary-related laws require and the Company loses the control of the subsidiary, when it falls into a category that requires approval from a meeting of the Company's shareholders because of its size in relation to the size of the Company (Guideline on how to calculate the size of transactions in Announcement on Asset Acquisition or Sale);
  - (3) Termination of a subsidiary's business when it falls into a category that requires approval from a meeting of the Company's shareholders because of its size in relation to the size of the Company (Guideline on how to calculate the size of transactions in Announcement on Asset Acquisition or Sale);
  - (4) Any other transaction that is not a normal business transaction of a subsidiary and has material impacts on the subsidiary, when it falls into a category that requires approval from a meeting of the Company's shareholders because of its size in relation to the size of the Company (Guideline on how to calculate the size of transactions in Announcement on Asset Acquisition or Sale shall apply mutatis mutandis);
  - (5) Any change to a subsidiary's regulations that may have material impacts on its financial position and operating results. Such impacts include but are not limited to  
a change that will affect the Company's voting rights at the meeting of the subsidiary's board of directors and/or its shareholders' meeting, and the subsidiary's dividend payment;
3. The Company's Board of Directors shall ensure that its subsidiaries have internal control system, risk management system, and anti-corruption system. Also, it shall put in place appropriate, efficient, and adequately strict measures for the monitoring of subsidiaries'/associate companies' operating results so as to ensure that

subsidiaries/associate companies have truly and consistently operated in accordance with work plans, budgets, the Company's policies, laws and notifications on listed companies' corporate governance, as well as applicable notifications, regulations, and guidelines laid down by the Capital Market Supervisory Board and the Office of the Securities and Exchange Commission. In addition, the Company's Board of Directors has monitored and ensured subsidiaries'/associate companies' disclosure of data, financial position, operating results, connected transactions, transactions that may involve conflict of interest, a transaction involving the acquisition or sale of significant asset, a transaction that significantly affects the Company and related procedures proceed in line with its guideline on how to monitor, supervise and manage subsidiaries and associate companies for full and correct compliance with applicable notifications of the Capital Market Supervisory Board and the Office of the Securities and Exchange Commission (pursuant to amendments and additions) (whichever the case is);

4. The Company shall ensure that its directors/executives who are directors of subsidiaries/associate companies attend their board of directors' meetings and vote on agendas based on its line, whenever the meetings consider agendas of importance to the business operations of subsidiaries/associate companies are held;
5. Subsidiaries'/associate companies' directors who are also the Company's directors/executives shall have the following duties:
  - (1) Preparing internal control system and other necessary work systems, proper measures to monitor the operating results of subsidiaries/associate companies; and channels for the Company's directors/executives to receive complete and accurate data of subsidiaries/associate companies for the purpose of monitoring their financial position, operating results, connected transactions, transactions that may involve conflict of interest, the acquisition or sale of assets, and any significant transaction within reasonable timeframe set by the Company. Such preparations are in line with the Company's monitoring of subsidiaries'/associate companies' operating results in Item 3;

(2) Disclosing and submitting to the Company's Board of Directors data about their interests and those of their related persons that are connected to ties or transactions that may involve conflict of interest with subsidiaries/associate companies within the timeframe set by the Company. With a focus on the Company's and subsidiaries' overall interests, such data shall be used to review and approve the ties or transactions. Directors and executives of the Company must not take part in the process to approve any item involving their interests or conflict of interest.

When the following actions enable subsidiaries'/associate companies' directors who are also the Company's directors or executives to receive financial benefits more than their reasonably normal benefits at the expense of the Company and subsidiaries, they shall be assumed actions that significantly contradict subsidiaries'/associate companies' interests.

- (1) A transaction between a subsidiary/associate and its director who is also the Company's director or executive and related person to be done in the way that does not comply with guideline on connected transactions;
- (2) The use of subsidiaries'/associate companies' inside information;
- (3) The use of subsidiaries'/associate companies' assets or opportunities in violation against guideline or general practices prescribed by the Capital Market Advisory Board;
- (4) The aforementioned directors must report business plans, business expansion plans, mega projects, or joint ventures to the Company via regular reports on operating results, as required by the Company's Board of Directors. Also, they shall have to provide explanations in person and/or submit documents for the review of the aforementioned actions upon the request of the Company; and
- (5) The aforementioned directors must provide explanations in person and/or submit relevant documents where reasonable upon the request of the Company.

#### 11.6 Supervision of Inside Information Use

To ensure transparency, to prevent efforts to seek personal vested interests from the Company's and subsidiaries' inside information, and also to avoid accusations about securities trading



by their members, the Company and its subsidiaries have issued the following regulations to its directors, executives, and employees:

1. Directors, executives, employees and workers of the Company and its subsidiaries shall neither disclose nor use secrets and/or inside information of the Company and its subsidiaries for their personal interests or the interests of any other person, directly or indirectly, regardless of whether they are paid to do so or not;
2. Directors, executives, employees and workers of the Company and its subsidiaries, their spouse or live-in partner, and their minor child/children shall not use the inside information of the Company and its subsidiaries in a way that may affect the Company's share price for their personal interests or the interests of any other person. Neither shall they let another person use such inside information in exchange for their benefits. Violators shall face disciplinary punishments based on the Company's and its subsidiaries' rules;
3. The Company and its subsidiaries shall inform its directors and executives of their duty to declare their, their spouse's or live-in partner's, minor child's/children's, and a legal entity whose more than 30 per cent of shares are in their, their spouse's or live-in partner's, and minor child's/children's hand, and also any shareholding percentage change to the Securities and Exchange of Commission pursuant to Article 59 and punishments of the Securities and Exchange Commission Act (No. 5) B.E. 2559.
4. The Company and its subsidiaries bar their directors/executives, their spouse or live-in partner, minor child/children, and a legal entity whose more than 30 per cent of shares are in their, their spouse's or live-in partner's, and minor child's/children's hand from trading the Company's securities for the period of one month that precedes the public release of its financial statements.

The Company and its subsidiaries have already informed their directors, executives, employees, and workers of the aforementioned regulations.

## 11.7 Remuneration for Auditor

### 11.7.1 Audit Fee

The annual shareholders' meeting 2020 on 30 April 2020 passed a resolution to approve the remuneration of 3,000,0000 million baht for the auditor, A.M.T. Associate, in fiscal year 2020 for the audits of interim financial statements of the Company and its subsidiaries. The remuneration amount comprises:

1. Audit fee for the Company's financial statements: 850,000 baht
2. Audit fee for Icare Health's financial statements: 1,300,000 baht
3. Audit fee for Healthiness' financial statements: 850,000 baht

On 9 March 2021, the annual shareholders' meeting 2021 passed a resolution to approve the remuneration of 3,000,0000 million baht for the auditor, A.M.T. Associate, in accounting year 2021 for the audits of interim financial statements of the Company and its subsidiaries. The remuneration amount comprises:

1. Audit fee for the Company's financial statements: 850,000 baht
2. Audit fee for Icare Health's financial statements: 1,300,000 baht
3. Audit fee for Healthiness' financial statements: 850,000 baht

### 11.7.2 Non-Audit Fee

In accounting year 2020 that ended on 31 December 2020, the Company paid for the audit of pro forma financial statements for accounting year 2018 that ended on 31 December 2018 in the amount of 800,000 baht to A.M.T. Associates.

## 11.8 Compliance with Other Corporate Governance Principles

The Company and its subsidiaries have complied with the Corporate Governance Code 2017. The boards of directors of the Company and its subsidiaries have reviewed application of this code to their context at least once a year.