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## **Good Corporate Governance Code**

(the 2<sup>nd</sup> Revision version)

### **TPCS Public Company Limited**

#### **8 Good Corporate Governance Principles**

**Principle 1 The Board of Directors shall be aware of its leadership roles and responsibilities in the creation of the Company's sustainable prosperity.**

The Board shall place a great deal of importance on its awareness of its roles and responsibilities as leaders of the Company and as caretakers of shareholders' and stakeholders' interests. To this end, the Board shall establish both present and long-term business strategies and directions. The Board shall also ensure the transparency of the Company's operations as added value on the road towards sustainability.

#### **Principle 1.1**

The Board shall determine the Company's vision and mission statements, which steer directors, executive officers, and employees towards the same goals. The vision and mission statements shall be annually reviewed.

#### **Guidelines**

1. The Board shall determine the Company's vision and mission statements, objectives, targets, strategies, operational policies, and budgets. Board members shall freely express their opinions while conducting an annual workshop with senior management to establish directions for the Company.

2. The Board shall review company objectives and targets annually to ensure that executive officers are able to execute their plans according to the Company's directions and strategies.

3. The Board shall grant executive officers the freedom to express their opinions and hold discussions to establish the framework of the Company's directions and prepare for events of economic significance.

4. The Board shall offer management-related advice, suggestions, and guidelines, which will be used to establish clear plans and in the allocation of major resources to ensure the achievement of objectives.

5. The Board shall communicate company policies, goals, and directions to everyone in the Company in the following manners:

- To executive officers via meetings, and
- To employees via meetings and internal communication.

6. The Board shall monitor and assess the Company's performance. In this regard, management shall be tasked with preparing and presenting a performance report to the Board at least once every quarter.

### **Principle 1.2**

The Board plays an important role in driving forward all aspects of the Company's organizational culture by supporting and encouraging good corporate governance, competitiveness, and desirable profitability. To this end, the Board shall consider long-term effects, ethical business practices, respect for and responsibility towards shareholders and stakeholders, benefits to society, eco-friendly developments, the minimization of environmental impact, and the ability to cope with change, all of which creates long-term value for the Company.

### **Guidelines**

1. While evaluating the Company's performance, the Board shall consider not only its financial results but also other factors, such as the Company's ethical conduct and environmental impact, by reviewing and approving the proposed environmental management and corporate social responsibility policies.

2. The Board shall play a leading role in creating and driving forward a steadfast organizational culture of ethical conduct. As leaders, board members shall serve as role models and set an example of compliance with good corporate governance principles.

3. The Board shall provide in writing policies and guidelines of good corporate governance, business ethics, and code of conduct, applicable to all directors, executive officers, and employees.

4. The Board shall oversee communication to all directors, executive officers, and employees to ensure their understanding of good corporate governance. The Board shall also make certain that adequate mechanisms have been put in place for regular monitoring, reviewing, and reporting of their compliance with the Company's policies and guidelines.

5. Due to constantly changing factors, the Board shall always monitor current news and events, especially economic conditions and other crises that may affect the Company's performance. Strategies and revenue targets shall be established in accordance with the Company's risk appetites and tolerances. The Board shall promote risk management as an integral aspect of the Company's organizational culture and supports the adequate management of risks that may hinder the achievement of the Company's objectives and strategies. The Corporate Governance and Risk Management Committee shall oversee matters of risk management.

**Principle 1.3**

The Board shall oversee that all directors, executive officers, and employees perform their fiduciary duties responsibly and prudently, and that the Company operates in accordance with applicable laws, Articles of Association, related notifications, and resolutions passed at general meetings of shareholders.

**Guidelines**

1. The Board shall ensure that all directors and executive officers perform their fiduciary duties responsibly and prudently, pursuant to applicable laws, rules, and regulations.

2. The Board shall provide adequate systems and mechanisms to ensure that the Company complies with applicable laws, Articles of Association, related notifications, and resolutions passed at general meetings of shareholders, as well as established policies and guidelines. In addition, any major transaction shall be approved through a due process pursuant to the rules of law.

**Principle 1.4**

The Board shall demonstrate a thorough understanding of the scope of its powers, duties, and responsibilities. The Board shall clearly define the roles and responsibilities of the President and management, as well as ensure that the President and management properly perform their duties.

**Guidelines**

1. The Board shall appoint committees to oversee specific matters and report back to the Board.

2. The Board shall provide charters for itself and for each of the committees, by which the roles and responsibilities of directors are defined. These charters shall serve as points of reference for every director. Each charter shall be reviewed at least annually.

3. The Board shall assign duties and responsibilities to management, as well as monitor its performance, including

- 1) reports on operating results and assigned tasks;
- 2) the scope of powers, duties, and responsibilities of the President; and
- 3) annual review of the executive authority or approval process handbook.

**Principle 2 The Board of Directors shall define the Company's objectives to ensure sustainability.****Principle 2.1**

The Board shall define or oversee that the Company's long-term objectives promote sustainability by creating value for the Company itself, in extension to its customers, stakeholders, and society at large.

**Guidelines**

1. The Board shall oversee that the Company has clearly defined and suitable long-term objectives that support its business model. The Board shall ensure company-wide communication of these objectives to drive everyone in the same direction by establishing the vision and mission statements, as well as organizational values, that reflect good corporate governance.

2. The Board shall develop a business model for sustainable value creation for the Company itself, its stakeholders, and society, taking into consideration the following factors:

- 1) the Company's ecosystem, including changes to business conditions and opportunities, and the Company's effective use of innovation and technology;
- 2) the needs of its customers and stakeholders; and
- 3) its available competitiveness, skillfulness and opportunity/risk of business.

3. The Board shall oversee that the Company's long-term objectives are communicated to and instilled in the mind of all levels of personnel, engraining them as part of the organizational culture.

**Principle 2.2**

The Board shall ensure that the Company's annual and/or medium-term objectives, targets, and strategies are consistent with its long-term objectives, and that the Company uses innovation and technology safely and effectively.

**Guidelines**

1. The Board shall ensure that the Company's annual objectives and plans are aligned with its long-term objectives with due regard to its business environment, opportunities, and risk appetite. The Board shall arrange the Company's objectives and strategies to be annually reviewed.

2. The Board shall make certain that the Company's strategies and plans take into account the business environment and risk factors that may affect its stakeholders throughout the supply chain, including factors that may affect the achievement of the Company's long-term objectives. To this end, the Board shall

- 1) clearly define the method, process, and channel by which stakeholders may engage or communicate with the Company, enabling the Company to identify the interests of each stakeholder group accurately or as close as possible;
- 2) identify internal and external stakeholders; and
- 3) identify stakeholders' expectations in order to analyze potential impacts on the Company and on the stakeholders themselves. These shall be ranked in order of importance and dealt with accordingly.

3. The Board shall encourage innovation and promote the use of innovation and technology to enhance competitiveness and to respond to stakeholders' expectations without compromising its social and environmental responsibilities.

4. While in the process of approving financial and non-financial targets, the Board shall take into account the Company's business environment and potential while ensuring compliance with good corporate governance.

5. The Board shall make certain that the Company's annual objectives, targets, and plans are thoroughly communicated to everyone throughout the organization.

6. The Board shall ensure the proper allocation of resources and see to the effective control of operations, as well as monitor the progress of operations according to the annual plan.

**Principle 3 The Board of Directors shall strengthen its effectiveness.**

**Principle 3.1**

The Board of Directors shall be responsible for determining and reviewing its own structure, in terms of the size, composition, and number of independent directors that is suitable and needed to bring about the achievement of the Company's long-term objectives.

**Guidelines**

1. The Board of Directors shall be diverse in terms of qualifications, such as skills, professional experiences, and specialized traits that will benefit the Company. Directors may be of any gender as long as they possess all the legally required qualifications. In addition, there shall be at least one non-executive director with experience and competence in the Company's main business or industry.

2. The appropriate number of directors shall be determined by the Board itself, provided that the Board is able to function effectively. It shall comprise at least five (5) directors, depending on the Company's size, type, and business complexity.

3. The ratio between executive and non-executive directors shall support proper checks and balances. The majority of the Board shall be non-executive directors, who shall exercise objective and independent judgement on the work of management. The number and qualifications of independent directors shall meet the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Board shall afford independent directors the ability to work efficiently with the rest of the directors and to exercise objective and independent judgement.

4. The Board shall explicitly disclose its board diversity policy and details of its members, including directors' age, gender, education, experiences, shareholding percentage, years of service as directors, and directorships at other listed companies in annual reports and on the Company's website.

**Principle 3.2**

The Board shall select a suitable member as its Chairman, as well as oversee that its composition and exercise of power allow the Board to objectively and independently exercise judgement on corporate affairs.

**Guidelines**

1. The Board shall not require that the Chairman be an independent director.
2. The Chairman's roles and responsibilities shall be distinct and separate from those of the President to establish effective checks and balances of power:
  - 1) The Chairman shall be responsible for leading the Board of Directors. The Chairman's duties shall at least include the following matters:
    - (1) Chairing any general meeting of shareholders;
    - (2) Chairing any board meeting;
    - (3) Casting the deciding vote to break a tie;
    - (4) Calling board meetings and establishing meeting agenda in tandem with the President, in which important matters shall be included;
    - (5) Overseeing, monitoring, and ensuring that the Board efficiently carries out its duties;
    - (6) Ensuring that all directors contribute to the Company's ethical culture and good corporate governance;
    - (7) Allocating sufficient time for management to propose topics and for directors to debate important matters thoroughly; Encouraging directors to exercise prudence and express their opinions freely;
    - (8) Promoting constructive relations between executive and non-executive directors, and between the Board and management.
  - 2) The President's roles and responsibilities shall be determined by the Board.
3. Should the Chairman and the President be the same person, the following measures shall apply:
  - 1) In the event of a conflict of interest, the Chairman or President shall be barred from the meeting and have no right to vote on that particular agenda item.
  - 2) The Vice Chairman shall chair the meeting in his or her stead. If the post is vacant or the Vice Chairman is unable to serve in this capacity, the Board shall elect a director to chair the meeting for the time being.

4. There shall be no term limit for independent directors; however, if an independent director has already served nine (9) consecutive years since his or her first appointment to the post, the Board shall reasonably evaluate the necessity of his or her continued directorship.

5. The Board shall appoint committees to oversee specific matters, to filter information, and to recommend action for board approval.

6. The Board shall disclose the roles and responsibilities of the Board itself and of its committees, the number of meetings, and the number of directors in attendance over the course of the year. The Board shall also report the performance of each committee.

### **Principle 3.3**

The Board of Directors shall ensure that the selection and nomination of directors be transparent, resulting in the desired board composition.

#### **Guidelines**

1. The Board shall establish a Nomination Committee.
2. The Nomination Committee shall meet to determine the nomination criteria and process to ensure that elected board members possess the appropriate qualifications, knowledge, and expertise.
3. The Board shall afford shareholders the opportunity to nominate directorial candidates.

### **Principle 3.4**

When proposing directors' remuneration to a shareholder meeting for approval, the Board shall consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, reflects their individual and company performance, and provide incentives for the Board to lead the Company to achieve its short- and long-term objectives.

#### **Guidelines**

1. The Board shall appoint a Remuneration Committee.
2. The remuneration of the Board shall reflect each member's account ability and responsibilities, in addition to being comparable to the practice of other companies in the industry.
3. The structure and rate of the Board's remuneration, as well as other benefits, shall require shareholders' approval.
4. The Board shall disclose its remuneration policy and criteria that reflect the duties and responsibilities of each individual.

**Principle 3.5**

The Board shall ensure that all directors serve responsibly and that they allocate sufficient time for their role as board members.

**Guidelines**

1. The Board shall provide a director handbook to empower its members with an understanding of their roles and responsibilities.
2. The Board shall publicly disclose its members' posts at other companies.
3. In the event that a director of the Company serves as a director or executive officer at or have a direct or indirect stake in another entity that creates a conflict of interest with the Company, or is able to use insider information or take advantage of the Company's opportunity for his or her own benefit, it shall be reported to the Chairman of the Board and the Chairman of Audit Committee for acknowledgement.
4. Each director shall attend no less than 75 percent of all board meetings in any given fiscal year, unless necessity demands otherwise.
5. Believing that each director's business expertise and capabilities are not restricted by the number of companies in which he or she currently serves, the Company shall not establish any regulation onboard members' directorships at other listed companies.

**Principle 3.6**

The Board shall ensure that the Company's governance framework and policies appropriately extend to and are accepted by subsidiaries and other businesses in which it has a significant investment.

**Guidelines**

1. The Board shall consider and establish a subsidiary's governance policies, including:
  - 1) The appointment of a director, executive officer, or another authoritative post to a subsidiary. The senior executive team of the investing Company shall consider a director or an executive officer from within the group who possess the knowledge, ability, and expertise in the subsidiary's business to represent the Company as an investor or in compliance with the joint-venture agreement.
  - 2) The scope of duties and responsibilities of the position in 1). The Board shall also have the representative to oversee that the subsidiary's operations comply with its own policies. If the subsidiary has other investors, the Board shall require the Company's appointed representative to perform his or her role in the subsidiary's in the best interest of the subsidiary while maintaining compliance with the Company's policies.



- 3) The suitability and adequacy of the subsidiary's internal control, along with the conformity with relevant laws and regulations of all transactions.
- 4) The disclosure of the subsidiary's financial information, operating results, related party transactions, acquisition and disposition of assets, other important transactions, capital increases or decreases, termination, etc.

2. For any significant investment in a business, the Board shall make certain that the shareholders' agreement or another agreement in place clearly defines the Company's ability to manage the subsidiary's affairs, partake in major decisions, and monitor the subsidiary's performance, which will enable the Company to prepare its financial statements in a timely manner and in conformity with relevant standards.

### **Principle 3.7**

The Board shall conduct a formal annual performance evaluation of itself and its committees. The evaluation results shall be used to strengthen their future performance.

### **Guidelines**

1. The performance of the Board and its committees shall be evaluated at least once a year.
2. The Board shall disclose performance evaluation results, whether as a whole or as individuals, in the corresponding annual report.
3. The Board shall use evaluation results to improve its and its committees' performance.

### **Principle 3.8**

The Board shall ensure that each of its member understand his or her roles and responsibilities, the nature of the business, the Company's operations, and relevant laws. The Board shall encourage all directors to regularly bolster any skills and knowledge necessary for their posts.

### **Guidelines**

1. A newly appointed director shall undergo orientation, which includes the following:
  - Any information that may benefit his or her directorial role;
  - Business directions (objectives, target, vision, mission, and organizational values);  
and
  - Roles and responsibilities, as well as directorial remunerations and other benefits.
2. Directors shall regularly receive the necessary training, any of which shall be disclosed in the corresponding annual report.

3. The Board shall possess the knowledge and understanding of relevant laws, regulations, standards, risks, and business-related environment. The Board shall always stay up to date on such information.

### **Principle 3.9**

The Board shall ensure the effectiveness of its performance and have access the necessary information. The Board shall appoint a person with the desired qualifications, knowledge, skills, and experience to support the Board as “Company Secretary”.

### **Guidelines**

1. Board meetings shall be scheduled in advance to afford each director sufficient time to arrange to attend.
2. The Board shall meet at least six (6) times per fiscal year.
3. The Board shall provide a mechanism that allows each board member and management to propose relevant topics to be included on the meeting agenda.
4. The Board shall oversee that relevant meeting documents be sent to each director at least seven (7) business days before the meeting.
5. The Board shall encourage the President and other executive officers to attend board meetings to present additional information and details on matters for which they are directly responsible.
6. The Board shall be able to request additional information from the President, Company Secretary, or a designated executive officer within the framework of the established policy. If necessary, the Board shall be able to seek independent professional advice, the expenses for which shall be absorbed by the Company.
7. Non- executive directors shall be able to meet, as many times as necessary, among themselves without management to debate their concerns and report the outcome of their meeting to the President.
8. The Board shall appoint a Company Secretary with duties pursuant to the Securities and Exchange Act and provide any training and education relevant to his or her ability to serve in this capacity.

**Principle 4 The Board of Directors shall nominate and develop senior executive officers and ensure good people management.**

**Principle 4.1**

The Board shall afford a proper mechanism for the nomination and development of president and senior executive officers, making certain that they possess the knowledge, skills, experience, and characteristics necessary for the Company to achieve its objectives.

**Guidelines**

1. The Board shall nominate or assign the Nomination Committee to nominate a candidate with the desired qualifications for the post of the President.
2. The Board shall task the President with overseeing the suitability of senior executive officers.
3. The Board shall ensure business continuity. To this end, succession plans shall be developed for the posts of the President and other senior executive officers. The implementation of these plans shall be reported to the Board at least once a year.
4. The Board shall encourage the President and other senior executive officers to continuously undergo any training relevant to their roles.
5. The Board shall require the President and other senior executive officers to report their directorships or executive posts at any other company to the Chairman of the Board and the Chairman of Audit Committee through the Company Secretary.

**Principle 4.2**

The Board shall ensure that an appropriate compensation structure and performance evaluation are in place.

**Guidelines**

1. The Board shall establish the President's compensation structure:
  - Short-term benefits, such as monthly salaries, bonus, and pension, based on the Company's performance and the President's performance evaluation.
  - Long-term benefits, such as contribution to the Provident Fund, retirement compensation, and ESOP.
2. The Board shall assign the Chairman or the Chairman of Executive Board to communicate the following evaluation results to the President:
  - The year's performance evaluated against the year's objectives and the previous year's performance

- The Company's financial liquidity and economic condition in comparison with other businesses in the same sector.

3. The Board shall task the President with evaluating senior executive officers and other personnel in accordance with the predetermined performance evaluation criteria.

### **Principle 4.3**

The Board shall consider the Company's shareholding structure and relationships with its shareholders, which may affect its management and operation.

#### **Guidelines**

1. The Company shall not have a shareholders' agreement that hinders the duties of the Board.

### **Principle 4.4**

The Board shall monitor the management and development of the Company's human resources to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, experienced, and motivated employees.

#### **Guidelines**

1. The Board shall task the Executive Board with the supervision of human-resource management. The following matters shall be reported to the Board at least once a year:

- Company structure and appropriate remunerations; and
- Talent development and retention plans.

2. The Board shall see to the establishment of a provident fund to make certain that the Company's employees will have sufficient savings to support their retirement.

### **Principle 5 The Board of Directors shall nurture innovations and responsible business practices.**

#### **Principle 5.1**

The Board shall prize and encourage innovations that create value for the business together with benefits for its customers, other stakeholders, society, and the environment.

#### **Guidelines**

1. The Board shall attach importance to an organizational culture of innovation that creates value or sets a standard for products, services, or work processes. Innovations of this nature shall be incorporated into the Company's strategies and guidelines.

2. The Board shall encourage further development of a business innovation, subject to the current business environment. The Board shall also endeavor to improve the production and work process,

in addition to jointly developing innovations with the Company's partners, to increase the Company's competitiveness.

### **Principle 5.2**

The Board shall ensure that management operates the Company's business with due regard to corporate social and environmental responsibility and without infringing upon the rights of any stakeholder. These efforts will allow every department to contribute to the achievement of objectives and targets in a sustainable manner, which is reflected in the operational plan.

### **Guidelines**

1. The Board shall recognize and respect the rights of its various groups of stakeholders. Pursuant to the rules of law or to any agreements made with the Company, the Board shall ensure the protection of stakeholders' rights and that all stakeholders be treated equitably. In this regard, the Board shall devise policies to serve as guidelines for the treatment towards each group of stakeholders and shall take into account the interests of communities and society, benefits to the environment, sustainable development, anti-corruption efforts, intellectual property protection, and respect for fundamental human rights.

2. The Board shall support the preparation of the corporate social responsibility report, which shall be included in the annual report.

3. The Board shall afford all groups of stakeholders a channel and process by which they may submit a report or complaint about a matter that may result in damage to the Company, the accuracy of financial reports, or unequitable treatment.

4. The Board shall devise a whistleblower protection policy or set of guidelines, its matters that may cause damage to the company or unfair, which shall appear in the Business Ethics and the Code of Conduct for Directors, Executive Officers, and Employees.

### **Principle 5.3**

To bring about sustainability, the Board shall monitor that resources are efficiently and effectively managed with due regard to the impact of such management and to resource development throughout the supply chain.

### **Guidelines**

1. The Company's operations shall conform to the rules of law, regulations, and environmental policies, taking into consideration its impact on natural resources and the environment. Operations shall have its performance reviewed and evaluated regularly.

2. Participation in environmental management, environmental accountability, and efficient and sustainable use of resources shall become part of the organizational culture. An awareness of these topics shall be instilled in the mind of all employees.

3. Environmental education and training shall be provided to all employees.

4. A comprehensive environmental management system shall be encouraged, including economical use of resources, treatment and rehabilitation of resources exploited, replenishment of resources, and sustainable environmental watch and impact prevention.

5. A mechanism shall be put in place to allow the Company to select eco-friendly trading partners in the supply chain.

6. The Company shall support the development and distribution of eco-friendly technology.

#### **Principle 5.4**

The Board shall make use of information technology to augment business opportunities and to further develop the Company's operations, which will bring about the achievement of the Company's objectives and targets.

#### **Guidelines**

1. The Board shall ensure sufficient information technology resources for operations.
2. The Board shall develop an information technology security policy and measures.

**Principle 6 The Board of Directors shall provide an adequate system of risk management and internal control.**

#### **Principle 6.1**

The Board shall ensure that the Company has effective and appropriate risk management and internal control systems that comply with applicable laws and standards.

#### **Guidelines**

1. The Board shall educate its members about major risks to the business.
2. The Board shall task the Corporate Governance and Risk Management Committee with the following:
  - Establishing the Company's risk management policy and system;
  - Promoting risk management as an integral part of the Company's organizational culture;
  - Providing the appropriate level of risk management with a particular emphasis on early warning signs; and

- Overseeing, monitoring, and evaluating risk management performance.

3. The Board shall establish Internal Audit as an internal department. Internal Audit shall report to the Audit Committee on the following matters:

- The adequacy of the Company's internal control; and
- Reviewing and devising internal control measures with a particular emphasis on any significant anomalies

### **Principle 6.2**

The Board shall establish an Audit Committee, who shall perform its task effectively and independently.

#### **Guidelines**

1. The Board shall establish an Audit Committee that comprises at least three (3) directors, all of whom shall be independent directors with required qualifications pursuant to applicable legal requirements promulgated by the Securities and Exchange Commission and the Stock Exchange of Thailand.

2. The Board shall provide a charter for the Audit Committee, in which the directors' term in office and scope of duties and responsibilities are clearly defined.

### **Principle 6.3**

The Board shall establish a policy to manage and monitor conflicts of interest that might occur among the Company, directors, management, and shareholders. The policy shall include measures to prevent the inappropriate use of corporate assets, information, and opportunities, as well as inappropriate transactions by related parties.

#### **Guidelines**

1. The Board shall provide an information security system, which includes policies and procedures on the confidentiality, integrity, and availability of such information, as well as market-sensitive information. The Board shall oversee compliance by any directors, senior executive officers, employees, and outsiders with access to such information.

2. The Board shall manage and monitor any transaction with a potential conflict of interest, as well as provide guidelines and procedures to make certain that such a transaction will be made in conformity with the legally prescribed procedure and information disclosure requirements in the best interest of the Company and the majority of the shareholders. Any party with a vested interest in a particular transaction shall be excluded from the decision.

3. The Board shall require all directors to report their personal stake in a particular agenda item that will constitute a conflict of interest before the commencing the consideration of the item. Such a report shall be recorded in the minutes. The director(s) in question shall be excused from the meeting for the time being and shall cast no vote on that agenda item.

#### **Principle 6.4**

The Board shall adhere to anti-corruption laws and devise its own anti-corruption policy and procedures. The policy shall be made known to all within the Company and to outsiders as well.

#### **Guidelines**

1. The Board shall provide in writing an anti-corruption handbook and anti-corruption regulations. All directors, executive officers, and employees shall abide by the handbook and regulations. The Board shall also support activities that promote and instill an awareness of the relevant laws, rules, and regulations in the mind of all directors, executive officers, and employees.

2. The Board shall disclose to the public its anti-corruption policy and whistleblower channel on the Company's website and annual report.

#### **Principle 6.5**

The Board shall provide a mechanism for handling complaints and whistle blowing.

#### **Guidelines**

1. Instructions on how to handle complaint submissions shall be included in the Code of Conduct for Directors, Executive Officers, and Employees.

2. In the event that a submission entails matters of corruption, it shall be subject to the procedures in the Anti-Corruption Policy.

#### **Principle 7 The Board of Directors shall ensure information disclosure and financial integrity.**

#### **Principle 7.1**

The Board shall ensure the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.

#### **Guidelines**

1. The Board shall ensure that any person involved in the preparation and disclosure of any information of the Company, including the President, the Chief Financial Officer, accountants, internal



auditors, Company Secretary, Investor Relations Officers, including related relevant staffing, has relevant knowledge, skills and experience, and that sufficient resources, are allocated.

2. Regarding information disclosures, the Board shall include a report on its financial reporting accountability.

3. The Board shall oversee that information disclosures, including financial statements, annual reports, and Form 56-1, sufficiently reflect the Company's financial status and performance. The Board shall promote the inclusion of Management Discussion and Analysis (MD&A) in quarterly or annual financial reports.

4. Any disclosure of information about the Company's directors and executive officers shall be in conformity with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as other relevant laws.

### **Principle 7.2**

The Board shall monitor the Company's financial liquidity and solvency.

### **Guidelines**

1. The Board shall ensure that management regularly monitors, evaluates, and reports on the Company's financial status. Upon the earliest signs of problems, the Board and management shall work together to find solutions as quickly as possible.

2. The Board shall ensure that it does not consciously approve any transactions or propose any transactions for shareholders' approval that could negatively affect business continuity, financial liquidity, and solvency.

### **Principle 7.3**

In the event of financial difficulties, the Board shall ensure that the Company has a mitigation plan or mechanism in place. Stakeholders' rights shall always be taken into consideration.

### **Guidelines**

1. The Company operates prudently and in conformity with information disclosure requirements. In the event of financial difficulties, the Board shall monitor the situation closely.

2. The Board shall ensure that the Company has sound financial mitigation plans that consider stakeholders' and creditors' rights. The Board shall diligently monitor the mitigation process through regular reports from management.

3. The Board shall ensure that any mitigatory action taken is reasonable.

**Principle 7.4**

The Board of Directors shall make certain of appropriate sustainability reporting.

**Guidelines**

1. The Board shall consider the appropriateness of the Company's information disclosure on its legal compliance; ethical business practices; code of conduct for directors, executive officers, and employees; anti-corruption policy; treatment of employees and other stakeholders, including equitable treatment and respect for human rights; and social and environmental responsibilities. Such disclosure shall be aligned with national or international reporting standards. For instance, the Company may disclose these types of information in the annual report.

2. The Board shall ensure that the information disclosed is important and reflects corporate practices that will bring about sustainable value creation.

**Principle 7.5**

The Board shall oversee management's establishment of a dedicated Investor Relations department or officer, who shall be responsible for suitable, equitable, and timely communication with shareholders, stakeholders, investors, analysts, and the media.

**Guidelines**

1. The Board shall assign the President or a related person, who thoroughly understands the Company's business, to disclose information to and communicate with external entities via appropriate channels.

2. The Board shall oversee that management establishes a dedicated Investor Relations department or officer.

**Principle 7.6**

The Board shall encourage the use of information technology to disseminate information.

**Guidelines**

1. The Board shall afford information disclosures in Thai and English via the Stock Exchange of Thailand and on the Company's website.

**Principle 8 The Board shall encourage engagement and communication with shareholders.****Principle 8.1**

The Board shall afford shareholders the opportunity to participate in the decision-making process involving significant corporate matters.

**Guidelines**

1. The Board shall recognize and respect the ownership rights of shareholders and shall not act in any manner to violate or deprive shareholders of these rights. The Board shall justly serve as caretakers of shareholders' interests and shall encourage shareholders, whether they be majority or minority or institutional shareholders from Thailand or overseas, to exercise their rights, including their basic rights as shareholders, their right to access sufficient information in a timely manner, and their right to attend any shareholder meeting during which corporate directions and major decisions are made.

2. The Board shall ensure that the agenda of any general meeting of shareholders comply with the Company's Articles of Association and relevant laws. Explanations and reasons shall accompany each agenda item in the meeting notice.

3. The Board shall afford minority shareholders an opportunity to propose an agenda item and/or nominate a directorial candidate to be elected at a general meeting of shareholders.

4. The Board shall allow shareholders to submit questions prior to the meeting.

5. The Board shall ensure that the notice of a general meeting of shareholders and related documents contain complete and correct information and be made available in both Thai and English on the Company's website at least 30 days before the meeting.

6. The Board shall encourage all shareholders to exercise their rights. The notice of a general meeting of shareholders and related documents in both Thai and English shall be delivered to them in advance to afford them sufficient time for consideration.

7. The Board shall treat every shareholder equitably. Every share of the same type has the same voting right, which is one share per vote.

8. The Board shall allow shareholders who are unable to attend a shareholder meeting in person to assign a proxy to attend and vote on their behalf. The Board shall facilitate the process by using a proxy statement form that allows shareholders to specify their votes in advance and by nominating at least one independent director as a proxy choice for shareholders.

**Principle 8.2**

The Board shall ensure that shareholder meetings are held properly, transparently, and efficiently, and that all shareholders are able to exercise their rights.

**Guidelines**

1. The Board shall consider shareholders' interests before setting a meeting's date, time, and place.
2. The Board shall ensure that no action is taken to limit shareholders' attendance.
3. The Board shall use information technology to facilitate shareholder meetings
4. The Board shall adhere to the following shareholder meeting regulations:
  - 1) The Chairman of the Board shall preside over a shareholder meeting.
  - 2) No agenda items shall be added without prior notice.
  - 3) Directors, committee chairpersons, the Chief Financial Officer, and other relevant executive officers are required to attend shareholder meetings.
  - 4) The number and ratio of shareholders attending in person to shareholders attending via proxies, meeting procedures, voting instructions, and vote-counting process shall be made known to the meeting before its commencement.
  - 5) Each director shall be individually elected by shareholder votes.
  - 6) The authority to approve directors' remuneration shall lie with shareholders
  - 7) Ballots shall be used for voting, and there shall be independent witnesses during the vote counting process.

**Principle 8.3**

The Board shall ensure accurate and complete disclosure of shareholder resolutions and preparation of the minutes of any shareholder meeting.

**Guidelines**

1. The Board shall disclose shareholder resolutions and voting results of each agenda through the designated channel of the Stock Exchange of Thailand and on the Company's website by the next business day.
2. The Board shall oversee that the minutes of a shareholder meeting include the following: meeting and voting instructions; names of directors, committee members, and executive officers present and absent; each agenda item's voting result; and every question and answer. The minutes shall be made available on the Company's website.
3. The Board shall ensure that the minutes of every shareholder meeting is submitted to the Stock Exchange of Thailand within 14 days from the meeting date and to the Department of Business Development, Ministry of Commerce, within the legally required period.