

# **The Corporate Governance Policy, The Business Ethic, The Charter of the Board of Director and the Charter of the Committees (Full version)**

# **Corporate Governance Policy**

**Of**

The logo for SMART, featuring the word "SMART" in a bold, blue, sans-serif font. The letter "S" is stylized with a horizontal line through it.

**Samart Corporation Public Co., Ltd.**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

## **PREFACE**

Good corporate governance has always been the foremost priority of Samart Corporation in establishing all business guidelines. The Company's Board of Directors has played a key role in initiating a set of policies as well as regulatory frameworks to ensure optimum efficiency and effectiveness for the organization.

Prime objectives of practicing good corporate governance are not only to materialize Company's goals in achieving accountability and transparency in all operations, but also to create and instill ethical mindsets among employees. Such implementation demonstrates the Company's highest standards and its commitment to pertain a robust and sustainable growth. Stability and sheer determination allow the Company's to gain acceptance in both domestic and international realms and to bring forth myriad of benefits to stakeholders, our society and country.

- Signature -

Mr. Seri Suksathaporn  
Chairman

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## 1. Rights of Shareholders

The Company emphasizes and recognizes the importance of the rights of all shareholders equitably. The rights that the Company provides for its shareholders as fundamental are as follows:

- **Rights to get share certificate, sell, purchase or transfer the Company's shares**

Thailand Securities Depository Co., Ltd. ("TSD") has been appointed as the Company's registrar to provide all services for all transactions related to registration of the Company's shares.

- **Rights to propose agenda and enquiries for the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to the shareholders under the good corporate governance and to comply with laws. It's the Company policy to allow the shareholders to propose matter(s) for consideration of the Board of Directors as agenda of the shareholders' meeting. The shareholders are allow to submit any enquiries prior to the Annual General meeting of shareholders. They must comply with criteria on proposing of meeting agenda for shareholders' meeting as per specified by the Company's Board of Directors. The Company allows the shareholders to propose the matter for consideration as agenda or submit the enquiries at least 3 months in advance prior the ending date of the fiscal year and has specified the shareholding proportion of the shareholders entitled to propose the agenda must not be less than 4 percent of total number of the voting rights. The Company will notify and disclose contact channels and period for proposing agenda and enquiries via SET and also provide details of the procedures on the company' website ([www.samartcorp.com](http://www.samartcorp.com)).

- **Participation in the Shareholders' Meeting.**

The Company is aware of the shareholders' rights and equitable treatment to participate in the shareholder's meeting, be informed conditions and procedures of meeting as well as having proxy to vote and comment in the meeting on behalf of the shareholders. With realize on convenience to shareholders and to encourage them to attend the shareholders' meeting, the date, time and place of meeting will be set by consideration of Shareholders' convenience with the following process of meeting:

### Before the Meeting Date

The shareholders will be informed on the date and agenda of the meeting via SET's communication system prior to the meeting date which been complied with SET's regulations. At the same time, the Company will also disclose the invitation letter as well as related documents in both languages, Thai and English, on the Company's website ([www.samartcorp.com](http://www.samartcorp.com)) no less than 30 days before meeting date for the shareholders to have sufficient time for consideration. Same documents will be directly delivered to the shareholders by TSD, the Company's registrar, at least 7 days or 14 days before the meeting date depends on consideration matter that required by law and regulations. The invitation letter will contain facts, rationales, opinion from the Board of Directors for each agenda, conditions and procedures of meeting as well as other related document with sufficient information for shareholders' consideration. Moreover, the invitation letter will be 3 days continually published on the newspaper at least 3 days prior to the meeting date to be in line with law.

For convenience on registration for attending the shareholders' meeting of the institutional investors, the Company shall coordinate on preparation of proxy for them prior the meeting date.

### On the Meeting Date

Meeting procedures has been set to conform to regulations and considering on shareholders' convenience. The Company is aware of the equitable of shareholders' right and their comfort to participate in the shareholders' meeting. Appropriated technology and equipments are sufficient for registration reviewed on required documents more than one hour prior to commencement of the meeting.

In every Shareholders' Meeting, the Board of Directors, Chairman of Committees, the Company's management and external auditors will also present in the meeting. Chairman of the Board of Directors who is Chairman of the meeting will introduce all the Board of Directors members and the management to the shareholders. The Chairman will also declare to the shareholders how to exercise their right and vote before commencement and conducts the meeting to be in line with the agenda without any additional topic from what have been expressed in the invitation letter. Voting cards will be provided for significant agenda. Voting result in term of approval, disapproval or abstain for each agenda will be transparently presented to the meeting. The shareholders will be encouraged to express their opinions and raise any questions, either in the agenda or any other questions related to the Company's business, at the meeting. All questions will be answered and taken in the minutes of meeting as well as the opinions from the shareholders.

#### After the Shareholders' Meeting

Resolutions of the meeting will be disclosed to SET with voting details, approved, disapproved and sustained, of each agenda on the next day after the meeting date. Full minutes of meeting of which contained the attendance record of the directors, summary of questions and answers during the meeting in both Thai & English will be sent to SET and related parties within 14 days after the meeting date as well as posted on the Company's website ([www.samartcorp.com](http://www.samartcorp.com)) for verification.

- **Appointment / Dismission of Directors of the Company and Approve their Remuneration**

According to the Company's Articles of Association, at the Annual General Meeting of Shareholders, one third (1/3) of the Directors has to be retired by rotation. Election for replacement is required. The retired directors are eligible to be re-elected for another term.

The election of the Board of Directors shall be in accordance with the rules and procedures as follows:

- Each shareholder shall have one vote on each share.
- In voting, a shareholder shall vote in accordance with the number of votes each shareholder has under (1) for one or several directors. The said shareholder may not allot any number of his votes to any person.
- The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the chairman of the meeting shall have a casting vote.

Apart from the appointment of the Directors, the shareholders also have rights to remove any director from the office before the expiration of his term of office by having votes of no less than three quarters (3/4) of the number of shareholders attending the meeting and having the rights to vote and the aggregate number of shares shall be no less than one half (1/2) of the shares held by all the shareholders attending the meeting and having the rights to vote.

In every General Meeting of Shareholders, the shareholders have the rights to consider and approve the remuneration for all directors and members of subcommittees. Adequate Information of all candidates for being considered and appointed as directors or members of subcommittees was also delivered for shareholders' consideration.

- **Appointment of Auditors and approval of their remuneration**

In every Annual General Meeting of Shareholders, one of the agenda is the appointment of Company's auditors and consideration of their remuneration. The Company will propose name of the auditors with sufficient details and remuneration for consideration of the shareholders.

- **Regularly and timely obtained adequate information, business performance and management policy**

The Company concerns on Shareholders' rights and not only disclosed Company's information via SET's communication system but also posed all significant and updated information on the Company's website ([www.samartcorp.com](http://www.samartcorp.com)).

- **Getting profit**

The Company will return profit to its shareholders by way of dividend payment. The Company has policy to pay dividend to the shareholders of no less than 50% of its net profit after deduction of all reserves as stated in the Company's Articles of Association and related laws, subject to the Company's future investment plans and business expansion, including other necessity and suitability.

In addition, payment for dividend will derive from profits from disposal of investments or fixed assets of the Company or its subsidiaries. The management and the Board of Director will decide whether or not to pay dividend or amount to be paid by taking into account the Company's future investment plans and business expansion, including other necessity and suitability.

The subsidiaries' dividend payment policy will be the same as that of the Company

## **2. Equitable Treatment of Shareholders**

The Company realizes to protect and due care for the interests of all major and minor shareholders as fairly basis. In addition, the Company sets policy for equitably treatment to all shareholders for attending and vote in the shareholders' meetings, sharing in profits, regularly and timely obtained adequate information, business performance and management policy. In the shareholders' meeting, each shareholder shall have one vote on each share. Proxy form requiring documents were delivered together with the invitation letter for shareholders who would like to appoint a proxy. Proxy form, which contains detail of voting as approve, disapprove or abstain, as well as details of 4 independent directors also are attached for shareholders consideration as alternative proxy. In addition, voting cards were provided for each agenda, especially, the agenda of appointment of directors of which been appointed by individual. In every Shareholder's meeting, the meetings were conducted to be in line with the agenda without any additional topic from what have been expressed in the invitation letter otherwise rights of the shareholders who could not participate in the meeting by themselves will be deprived.

### **Inside Information Monitoring**

The Company has established various measures to prevent directors, managements and employees from using inside information which has not been disclosed to the public for the benefit of oneself or others in the wrong way as the following below;

1. The Company will inspect to ensure no inside information of which is material, undisclosed and confidential leak to public or be used from unauthorized for personal benefit. Any trading of The Company's securities within 1 month prior to disclosure of either Company's financial performance or any other information that may affect securities' price is prohibited. The directors and management of the Company according to the definition of the SEC had been informed on their duties and punishment regarding to report on securities and derivatives holdings of themselves, spouse, cohabiting couple and any minor children as well as juristic person holding shares in an amount of exceeding 30% of the total number of voting right of such person, including the securities and derivatives held by spouse or cohabiting couple and minor children to the SEC within 3 days from the transaction date according to the Securities and Exchange Act B.E. 2535. Any change in securities and derivatives holdings, such directors and managements have to report the Company Secretary for coordination and preparing report submit to the SEC.

2. The Company has set as a policy for the directors and the managements according to the definition of the SEC to notify the Company about the purchase, sale or transfer the Company's securities and contracts at least 1 day in advance before making the transaction through the Company Secretary. Then, the Company Secretary has to report the changes on such securities holdings of directors and managements in every Board of Directors' Meeting.
3. In case of conflict of interest, it is the Company's Policy to have the directors, management, employees and related parties to disclose such interests to the Audit Committee for consideration of the transaction to be complied to SET's regulations and any governing laws and regulations prior to further submit for consideration of either the Board of Directors or the Shareholders' meeting. The directors who have conflict of interest will not participate in any agenda that they have conflict of interest. Moreover, any conflict of interest transactions with the connected persons will be disclosed in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report).
4. The Company has been implemented for a secure access for all users inside and outside the firewall in conjunction with the Company's own user authentication and security system.
5. The Company sets as policy that all employees shall acknowledge and sign the agreement of non-disclosure confidential information, non-violation of concealment of computer related and non-infringement of intellectual property. New employee shall sign this agreement together with employment contract, including directors, managements and employees of the Company to refuse using Company's inside information for personal benefits.
6. General practices for conflict of interest protection have been set in the Company's Business Ethics. Such practices have been delivered to all directors, managements and employees. The Corporate Governance Committee will monitor and ensure that Company's regulations, Corporate Governance Policy and Business Ethics have been strictly and continually complied.

### **3. Roles of Stakeholders**

The Company is aware of the support from each stakeholder should increase the competitiveness and ability to generate more benefit for long-term succession and realized the importance of all stakeholders i.e. shareholders, employees of the Company and its subsidiaries, customers, competitors, lenders, societies and environment. Thus, general rules and practices have been set for directors, management and employees in the Company's Business Ethics for directors, managements, and employees to perform and disclosed on the Company's website ([www.samartcorp.com](http://www.samartcorp.com)) as well as providing more channels for the stakeholders to contact directly to the Company in order to provide either comments or recommendations which will be benefit to the Company.

### **4. Disclosure and Transparency**

The Company has strong determination to reveal accurate complete, consistent and updated information, both financial and general information that related to Company's business. The Complete, consistent and updated information will truly reflect Company's financial performance and future business direction. Such information were disclosed to shareholders, investors and any related parties via SET's Communication system, Company's website ([www.samartcorp.com](http://www.samartcorp.com)), press release and Company's Annual Registration Statement / Annual Report (Form 56-1 One Report) as well as participated in the "Opportunity Day" which arranged by SET.

The Board of Directors has to ensure that there are concerned persons perform the information preparation and disclosure, fully with skills, suitable and enough experience with their responsibility and strictly control to be complied by laws, regulations and any related to the disclosures and transparency strictly. The Board of Directors has major concerned on transparency and disclosure in the following area:



- **Information Disclosure Policy**

The Company appreciates on management and business operations in accordance with the principles of good corporate governance. In order to ensure that the information disclosure is accurate, complete transparency and equal, complied with laws and the relevant regulations. Therefore, the Company has established information disclosure policy to be a guideline for directors and employees as follows:

1. Information disclosure in both financial and non-financial should be accurate, complete, sufficient, reliable and on time to ensure that shareholders and stakeholders of the Company receive the information equally.
2. Information disclosure of the Company must be prepared carefully, clearly, accurately and transparently.
3. Be careful to disclose important information that affects the price or value of the Company's securities and complying with the regulations and announcement of the SET.
4. Clearly appoint a responsible person to disclose the Company's information to public.

**The persons who have the right to disclose important information not yet disclosed to the public are as follows:**

1. Executive Chairman
2. Vice Executive Chairman
3. Manager of Investor Relation of the Company
4. Authorized person from Executive Chairman or Chief Executive Officer or President

Those who do not relevant or assigned duties cannot provide information or interview to the media or public about the Company's business.

- **Provide multi channels for disclosure of information apart from SET's Communication system**

Annual Registration Statement / Annual Report (Form 56-1 One Report)

The Board of Directors has to ensure that Annual Registration Statement / Annual Report (Form 56-1 One Report) contained adequate information with accuracy, clarity and could create understanding to the shareholders and related parties on the Company's operation and its performance for the previous year as well as the management structure, performance of the Board of Directors and all Committees.

Company's website

The Board of Directors is aware of the efficiency of website disclosure to the shareholders and related persons as well as equitably and easily of getting information. The Board of Directors therefore ensure the Company not only provide all significant information of the Company in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report) but also on the Company's website ([www.samartcorp.com](http://www.samartcorp.com)) in both languages, Thai and English. The disclosed information comprised of Corporate Governance Policy, Business Ethics, General News, Financial Statement as well as Annual Registration Statement / Annual Report (Form 56-1 One Report), etc.

Investors Relation

The Company has also set up an Investors Relation section to provide Company's information and activities for investors, shareholders, analysts and general public via Company's website, Road Shows, analysts meetings and conference calls etc. The Company's Investor Relations could be contacted at phone number 0-2502-6188 or via [www.samartcorp.com](http://www.samartcorp.com) or the e-mail address at [wongsakorn.v@samartcorp.com](mailto:wongsakorn.v@samartcorp.com). The investor relations ethics prescribed by the Company are as follows:

1. Conduct duties with integrity;
2. Disclose necessary information completely and fairly to all relevant groups equally;
3. Allow all relevant groups to access and enquire the information;

4. Perform duties by mainly adhering to benefits of the shareholders and the stakeholders;
5. Preserve confidential information of the Company and must not use inside information for personal gain;
6. Perform duties at his/her best and professionally;
7. Keep on studying to develop efficiency of the work;
8. Observe the principle on not accepting the appointment during the period close to financial statement announcement and the practical guidelines on securities trading specified by the Company.

In addition to above, the announcement on the Company's financial performance has been arranged for public, investors and analysts by quarterly basis with participation of the executives.

- **Disclosure of Information of the Board of Directors and the committees**

- Structure, Roles and Responsibilities of the Board of Directors as well as performance of the Board of Directors and each Committee;
- Directors Remunerations: Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry, accordance with the Company's strategies and goals, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any sub Committees will be paid appropriately more in accordance with the extra work. The Nominating & Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders.

The remuneration of the Board of Directors and the Managements has been disclosed in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report).

- **Accountability to the Financial Statement**

The Board of Directors is responsible for the Company's consolidated financial statements and any financial information which been disclosed in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report) by taking into account to accordance with the Company's strategies and policies. Such financial statements were prepared in accordance with the general acceptance-accounting standard in Thailand with appropriated financial policy. The reports were carefully considered and prepared with sufficient information in the notes to the financial statements. The financial statements have been audited and commented independently by the authorized auditors of SEC.

The Board of Directors also set out and maintained for the efficiency of the Company's internal control system to ensure that the financial information had been correctly and accurately booked and sufficient to maintain the Company's assets and be aware of weak point in order to prevent whether from any dishonesty or significant error. The Board of Directors had appointed the Audit Committee of which comprised independent directors to be responsible for the quality of the financial statements and the internal control system and disclosed such opinion in the Annual Report under the Report of the Audit Committee. The opinion of the Audit Committee has already been disclosed in the Annual Registration Statement / Annual Report (Form 56-1 One Report). Moreover, Report of the Board of Directors' responsibility on the Company's Financial Statements was also attached in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report).

## **5. Roles and Responsibilities of the Board of Directors**

### **5.1 Composition**

The Company's Board of Directors comprises of the members who are knowledgeable, skillful and have transparent work experiences, good moral, and responsibility. The Board must comprise of members of various professions and experiences which are beneficial to business operations of the

Company, i.e. accounting/finance, management, strategic planning, legal and corporate governance without having any gender discrimination. The composition of the Board of Directors are as follows:

- 1) The Board of Directors shall have the number as specified by the shareholders' meeting not more than 7 persons and not more than 15 persons. The directors not less than one half of the total number of directors shall have residence within the Kingdom.
- 2) The Board of Directors must be at least one-third of independent director out of total number of directors, and at least 3 persons.
- 3) The Board of Directors may elect one of the directors as chairman. When considering appropriate, the Board of Directors may elect one or many directors to be vice chairman(s).
- 4) The Board of Directors should consist of at least 3 persons experiencing in the Company's business and at least 1 person with experience in accounting and finance.

## 5.2 Qualifications

1. Has qualifications and shall not be under any of prohibitions which comply to Public Company Act B.E. 2535 (Including the additional revised), or any other related laws. Moreover, the directors shall not lack of confidence which comply to the regulations of Securities and Exchange Commission ("SEC"), and Company's Articles of Association;
2. Does not run any business, which is competed with the Company, and not being a shareholder of any legal entities whose business is the Company's competitors, whether doing it for one's own benefit or others, except informing to the shareholders' meeting before having a resolution to appoint;
3. Should have leadership, vision, and independent consideration for best benefit of the Company and the shareholders;
4. Has various knowledge, experience, and specific skill that suitable for the Company business;
5. Should have responsibility, due care, careful, loyalty and business integrity;
6. Having sufficient time for fully participated as a Director of the Company.

### Qualifications of Independent Director

1. Holding not **more than 0.5 percent** of the total number of voting rights of the Company, parent company, subsidiaries, affiliates, major shareholders or controlling person of the Company which include the shares held by related persons of the independent director;
2. Neither being nor having been Executive director, employee, staff or an adviser who receives a regular salary; or a controlling person of the Company, parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholder or controlling person of the Company's unless the foregoing status has ended no less than 2 years prior to the date of application filing with the office;
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its subsidiaries;
4. Neither being nor having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, in a manner that may interfere with his/her independent judgment, and neither is nor has ever been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment;  
The business relationship as mentioned shall include normal business transactions, rental or lease of real estate, transactions related to assets or services or granting or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, and any other similar actions, which result in the applicant or the counterparty being subject to indebtedness payable to the other party in an amount starting from 3 percent of the net tangible assets of the applicant or from 20 million baht or more, whichever amount is lower. In this regard,

the calculation of such indebtedness shall be in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, mutatis mutandis. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of 1 year to the date of establishing the business relationship with the related person;

5. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million Baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment;
7. Not being a director who has been appointed for being a representative of the Company's director, major shareholder or shareholder who is related to the Company's major shareholder;
8. Not undertaking any business in the same nature and in significant competition to the business of the Company or subsidiaries or not being a partner which is significant in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1 percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in significant competition to the business of the Company or subsidiaries;
9. Not having any characteristic which make him incapable of expressing independent opinions with regard to the Company's business affairs.

### **5.3 Terms of positions**

Pursuant to the Public Company Acts B.E. 2535, at the Annual General Meeting of Shareholders in every subsequent year one-third of the directors, who have been longest in office, shall retire. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Nominating & Compensation Committee. However the independent directors shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating & Compensation Committee due to his/her contribution to the Company and the Committee ensures that the extra term will not cause or impact to the independent of such director.

### **5.4 The Independent of the Board of Directors**

#### **5.4.1 Separation of Chairman of the Board of Directors and Executive Chairman**

For best benefit of the shareholders and to strike a balance of power within the Company, the positions of Chairman of the Board of Directors and Executive Chairman must not be attained by the same person. The Company's Chairman of the Board of Directors is an independent director who has the qualifications of independent director in accordance with SET's notification and has no business relation with any management of the Company.

#### **5.4.2 Balance between members**

More than half of the members of the Board of Directors are Non-Executive Directors. Within this half, one-third of the directors at least 3 members are independent and have no business relations or personal with the Company's Executive. Free from executives' influences, they oversee the Company's direction with neutrality and pay careful attention to the rights of shareholder and stakeholder. To strike a balance of power within the Company, the positions

of Chairman of Board of Directors and Executive Chairman must not be attained by the same person. The Chairman of Board of Directors should be an independent member.

#### **5.4.3 Separate Roles and Responsibilities of the Board of Directors, Chairman of the Board of Directors and Executive Chairman**

##### **Roles, authority and responsibilities of the Board of Directors**

The Board of Directors must take part in setting out the Company goals and carry out all the policies with an objective to optimize benefits to all shareholders and stakeholders without an obligation to personal benefits or any particular party. They must avoid all actions that may cause conflicts of interest between companies within the same umbrella. They have to operate the business with morality, responsibility, due care and integrity, as well as supervise the management to comply with Company's Objectives, Articles of Association, resolutions of the Board of Directors and shareholders' meeting along with rules and regulations stated by The Stock Exchange of Thailand and Office of the Securities and Exchange Commission (SEC). Their duties include:

1. Conduct business with responsibility, due care, and integrity also uphold the Company's operations to be according to the law, Company's objectives, Articles of Association, resolutions of the Board of Directors and shareholders' meeting to protect the rights and benefits of the Company and all shareholders;
2. Formulate policies and directions for the Company's operations. The Board must also supervise managerial and administrative departments to deliver all policies and strategies with effectiveness and efficiency;
3. Set out and review the Company's vision, missions, strategies by applying the appropriate and safe innovation and technology in order to enhance the business opportunities including engaging everyone in the organization to run business in the same direction;
4. Approve annual budget and investment of the Company and ensure proper resource allocation and effective systems and controls as well as monitor the implementation of the Company's strategies and plans;
5. Appoint directors to replace of those who will retire by rotation as well as consider the remuneration package for such directors and committee members, which are proposed by Nominating & Compensation Committee, prior to propose for further consideration of the shareholders and consider to approve in case a directorship becomes vacant by any reason other than the expiration of the term, the Board of Directors shall elect a person possessing the qualifications and being under no prohibitions under the relevant laws as a replacing director at the Board of Directors' Meeting, unless the remaining term of such director is less than 2 months. The replacing director shall hold office only for the remaining term of the replaced director;
6. Appoint committees to oversee administrative process and internal system to coincide with Company's policies, also approve the committees' charters;
7. Appoint the Executive Chairman and set out the scope of power, duties and responsibilities of the Executive Chairman as well as assist the President in performing the duties as being assigned;
8. Appoint the Company Secretary and set out the scope of power, duties and responsibilities of the Company Secretary as well as supervise the Company Secretary in performing duties as being assigned;
9. Consider and approve the policy, structure of remuneration, forms and criteria of the remuneration of the directors, the committees, Executive Chairman, top managements, managements and employees as well as propose the remuneration of the directors and committees for further consideration and approval of the shareholders;
10. Prepare the Company's annual financial statements and financial statements for every fiscal year's ended period in order to propose to the Annual General Meeting of Shareholders for an approval or a disclosure of information, as the case may be, and

ensure that the disclosure of the Company's information is accurate, sufficient and in time as prescribed in the relevant regulations;

11. Nominate appropriated persons with remuneration for further consideration and approval of shareholders for the appointment of the Company's auditors, accordingly;
12. Ensure the Company's to have written Corporate Governance Policy and Business Ethic as well as to ensure that there will be no conflicts of interest at the same time to establish systematic plans for internal control and risk management;
13. Ensure that good corporate governance is implemented to demonstrate Company's commitment to operate the business with ethics and to bring fair treatment to all stakeholders;
14. In case of entering into any direct or indirect transaction with the Company and subsidiaries, such director has to immediately inform his/her or related parties' personal interest to the Company;
15. Supervise to ensure that development and succession plans for Executive Chairman and top managements are in place;
16. Support and promote innovation to meet social and environmental responsibilities.
17. Approve the interim dividend payment to shareholders and report such payment to the shareholders in the next shareholders' meeting;
18. Approve the acquisition or disposal of assets pursuant to the Capital Market Supervisory Board;
19. Approve the undertaking the connected transaction of the Company pursuant to the Capital Market Supervisory Board;
20. Arrange for an annual general meeting of shareholders within 4 months from the end of the Company's accounting period;
21. Monitor the performance of the Company and the subsidiaries consecutively to ensure the compliance with the Company's business plan and budget;
22. Supervise Company's subsidiaries and associated companies to comply with the Company's policies.

#### **Roles, duties and responsibilities of the Chairman of the Board**

The Chairman of the Board has an important role in supervising and supporting the Board of Directors to be able to perform their duties in accordance with the direction and strategy for the best benefit of the Company and all shareholders. Moreover, the Chairman of the Board has to lead the Board of Directors as the Chairman of the Board of Directors' Meeting, Shareholders' Meeting and Non-executive Directors' Meeting which covers the following;

1. Oversee, monitor, and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objectives;
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance;
3. Set the board meeting agenda by discussing with the Executive Chairman, which important matters should be included;
4. Allocate sufficient time for management to propose topics and for the board of directors to debate important matters thoroughly. Encourage the board of directors to exercise independent judgment in the best interest of the Company;
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board of directors and management.

#### **Roles and Responsibilities of Executive Chairman**

Roles and responsibilities of the management have been clearly classified. The Executive Chairman will be the chairman of the management in terms of running the business of which will cover the following roles:



1. General operation management and control in business of the Company to comply with its objectives, policy and the Articles of Association;
2. Consideration in business investment plans prior to propose for the Executive Board and the Board of Directors for further approval;
3. Consider the criteria and procedures for nomination and recruiting person to be top management together with the Nomination and Compensation Committee;
4. Entering into any transaction binding the Company conforming to the Company's Delegation of Authorities;
5. Carry out any assignment from the Board of Directors and/or the shareholders of the Company.

The delegation authorities of the Executive Chairman should not be delegated or further assigned that authorize the Executive Chairman or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the Securities Exchange Commission's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company shareholders' meeting to be complied to regulations of SET/ SEC or any related laws and regulations.

## **5.5 Being Director in other Listed Companies**

- **Policy for directors on being director in other listed companies**

For efficiency of being the director, the Board of Directors of the Company has set the "Policy" for all directors to be the director in any listed companies not exceeding 5 companies.

- **Policy for the top management and senior managements on being director in other listed companies**

Moreover, the top management and senior managements of the Company will also be obtained approval from the Executive Board prior to be a director in any companies of which are not have either similar business or being the Company's competitors.

## **5.6 Transparency of Nomination Directors and Managements**

### **Nomination of Directors**

The Nominating and Compensation Committee has been appointed by the Board of Directors in order to select, and nominate appropriate candidates for positions of Chairman of the Boards, members of the Boards, other committees and Executive Chairman as well as consider the appropriate remuneration for such directors and management with the following criteria and procedures:

1. The Nominating and Compensation Committee will select and nominate the appropriate candidate with regard to qualifications, experience, knowledge, ability that will beneficial to the Company and consider the diversification in the board's structure, including gender, age, ethnicity and nationality. The Nominating and Compensation Committee will also consider the necessary skills that are still lacking to achieve the Company's business strategy and using the database of IOD. The appropriate candidates, who have qualifications as specified by the relevant laws, will propose to the Board of Directors' or the Shareholders' Meeting for approval in accordance with the Company's Articles and Association.
2. For election of independent directors, the Nominating and Compensation Committee will nominate any person who is fully complied with the qualifications of Independent Directors under the

Company's policy and requirements of the SEC and the SET to propose to the Board of Directors' and/or the Shareholders' Meeting for approval in case of rotation or others.

3. Determining whether to recommend a director for re-election, the Nomination and Compensation Committee will consider relevant factors such as past performance, directors' dedication, history of attendance and participation in meeting, number of listed companies that each director holds tenure in of not exceeding five listed companies, and other contributions to the activities undertaken by the Board of Directors. In the case of independent directors, their respective independent qualifications shall also be considered.
4. The appointment of the Board members shall comply with the Company's Articles of Association and all relevant laws. Selection of the directors shall be transparent and clear through initially consider of the Nomination and Corporate Governance Committee with the following criteria and procedures in the shareholders' meeting:
  - (1) Each shareholder shall have one vote on each share.
  - (2) In voting, a shareholder shall vote in accordance with the number of votes each shareholder has under (1) for one or several directors. The said shareholder may not allot any number of his votes to any person.
  - (3) The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the chairman of the meeting shall have a casting vote.

The Company proposed shareholders to elect the directors on an individual basis to allow shareholders to elect the desirable directors.

In case a directorship becomes vacant by any reason other than the expiration of the term, the Board of Directors shall elect a person possessing the qualifications and being under no prohibitions under the relevant laws as a replacing director at the Board of Directors' Meeting, unless the remaining term of such director is less than two months. The replacing director shall hold office only for the remaining term of the replaced director. The resolution of the Board of Directors' Meeting must be passed by votes of not less than three-fourths of the remaining directors.

5. For nomination of the committees, the Nominating and Compensation Committee will consider appropriate knowledge and ability, composition of the entire committees, criteria of directorship and independence of director prior to propose to the Board of Directors for approval.

#### **Nomination of the Managements**

The Company has criteria and procedures for nomination of Executive Chairman who is the top management of the Company. The Nominating and Compensation Committee Member will consider with the process start from recruiting internal and external persons who have leadership skills, ability to manage the organization and good understanding of company's products and services and propose to the Board of Directors to consider and appoint favor of person to be Senior Management and report to the Board of Directors for further acknowledgement.

#### **Managements Succession Plan**

The Company is aware of the importance of top management and senior management succession plan when any management position is vacant. In addition of the appointment the Nominating and Compensation Committee to nominate, select and propose the candidate as director and top



management, the Company also prepares an top management and senior management succession plan by specifying key positions in the Company's business operations and set criteria for selecting successors by considering the knowledge, ability, experience and potential of each position and management vision, in order to select the qualified managements in accordance with the specified criteria. In addition, the Company has set up a development plan to prepare to be able to support the position in the future in order to create confidence for investors, shareholders and employees on the continuity operation of the Company. The top management and senior management succession plan will be reviewed, annually.

In addition, the Company supports the Executive Chairman inviting Top Management to attend the board of director meeting and / or the Executive Directors to provide additional information and to have the opportunity to know Top Management for consideration of succession plans.

### **Ethics of the Directors and the Executives**

The Company wishes its directors and executives to express their intentions on performing the Company's business operations with transparently and morally as well as perform their duties pursuant to the ethical standards on integrity, with carefulness and cautiously for benefits of the shareholders and the stakeholders. Hence, the ethics which shall be used as operating guidelines for the directors and the executives have been specified as follows:

1. To perform duties by compliance with laws, rules and regulations concerning business operations.
2. To perform the Company's business operations with integrity, fairness, transparent and morality.
3. To perform their duties with fullest capacity to maximize benefits of the Company.
4. To have the independence in making decision and their actions must be based on the righteousness basis.
5. To perform duties by avoiding the conflicts of their own interests with the Company's benefits so that the management tasks can be effectively achieved.
6. Must not have any benefits or interests in any business made with the Company or in any business which is regarded as the competition with the Company, irrespective of directly or indirectly.
7. To keep the confidential information of the Company and the stakeholders from leaking to non-relevant people that might cause damages to the Company or the stakeholders.

## **5.7 Remuneration of Directors and Management Policy**

- **Directors' Remuneration Policy**

Policy of Directors' Remuneration have been clearly and transparently set to be comparable to the general practice in same industry which is in accordance with the Company's strategies and goals, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committees will be paid appropriately more in accordance with the extra work. The Nominating & Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders. The directors' remuneration by individual has been disclosed in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report).

- **Management's Remuneration Policy**

Remuneration of the top managements shall be in accordance with principles and policies specified by the Nominating & Compensation Committee. Such remuneration is in the appropriated level and can be comparable with the rate of the same industry by taking into consideration duties, responsibilities and performance of the Company as well as performance of each top management. In addition, it must be able to motivate and retain the qualified and capable personnel.

Annual remuneration and bonus of the top managements shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and performance of each top managements. These criteria shall be explained in advance before they can be used for the assessment at the end of the year. The Nominating and Compensation Committee shall consider prior propose to the Board of Directors for approval.

- **Executive Chairman's Remuneration Policy**

Remuneration of the Executive Chairman, who is the top management of the Company, is not only consideration in accordance with Management's Remuneration Policy, but the Board of Directors also set the performance evaluation of Executive Chairman, annually by the Directors in order to be a reference for remuneration consideration. The policy of remuneration are as follows:

**Executive Chairman's Remuneration Policy**

Category		The purpose & link to the principle of remuneration
<b>Fixed Pay</b>	Salary & other benefits, such as, Provident fund.	To motivate and retain the competent Executive Chairman.
<b>Short Term Incentive</b>	Annual bonus.	To reward for the success of achieving the goals as defined for each year.
<b>Long Term Incentive</b>	Compensation according to Stock Option* & provident fund in the part that the Company contributes and increases according to year of work experience.	<ul style="list-style-type: none"> <li>• To motivate and retain the competent Executive Chairman.</li> <li>• To ensure alignment between interests of Executive Chairman and shareholder.</li> <li>• To promote the growth and value to shareholders in long term.</li> </ul>

Remark \* The Stock Option will be depend on the Board of Directors' consideration which will be based on the appropriate time and situation.

## **5.8 Accountabilities of the Board of Directors**

### **5.8.1 Set Policy and Business Direction**

The Board of Directors have set and reviewed the Company's vision, mission, strategies, goal, direction, business plan, budget, internal control and internal audit systems, including risk management. The Board of Directors has to ensure that the management had efficiently followed the Company's business plan and budget for profitability and economic value to the Company as well as for best stability to the shareholders. In addition, the Board of Directors has not only to ensure the Company and its management to oversee the value of all stakeholders, neither derive personal benefit nor create any rivalry with the Company and its subsidiaries, but also conducted the business with great awareness in ethical, moral and compliance to the Company's Articles of Associations as well as laws and regulations of the SET and the SEC.

In addition, the Company has communicated the vision, mission, business goals to all employees in the organization to acknowledge and understand, driving business in the same direction.

## **5.8.2 Set up of Committees**

For governing the management to comply with the approved policies and having better efficiency, the Board of Directors appointed the following committees to help the Board for consideration in significant matters.

### **1) Audit Committee**

The Audit Committee's members have to be the independent directors who were elected by the Nominating & Compensation Committee and proposed for the Company's Board of Directors' and/or the shareholders' approval. The Audit Committee has at least 3 members.

#### **Qualifications of Audit Committee**

1. Has been appointed from the Board of Directors and/or the shareholders;
2. All members of the Audit Committee should be Independent Directors with the qualifications as specified in the announcement of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand;
3. Not being a person who has been empowered by the Board of Directors for any decision in the business operation of the Company, Parent Company, Subsidiaries or affiliated Companies, Same-Level of Subsidiaries as well as major shareholder or controlling person of the Company;
4. Not being a director in parent Company, Subsidiaries and any same-Level of Subsidiaries which is a listed Company;
5. Having sufficient knowledge, experience, and time to perform duties as the Audit Committee members;
6. At least 1 member of the Audit Committee should have sufficient knowledge and experience in accounting or financial to review the financial statement credibility and the Company has to put his/her name in the filing of the Annual Registration Statement / Annual Report (Form 56-1 One Report). In addition, such qualification also has to be put in the committee certified letter which will be submitted to SET.

Term of the Audit Committee member is 3 years. All members shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating & Compensation Committee and the Committee ensures that the extra term will not cause or impact to the independent of such director as well as obtain an approval from Board of Directors and/or the Company's Shareholders.

#### **Authorities, Roles and Responsibilities of the Audit Committee**

1. Review the Company's financial report to ensure its accuracy that is adequate, reliable and timely disclosure;
2. Review the Company's internal control and internal audit systems to ensure that they are suitable and efficient, and consider the independence of the internal audit unit as well as to propose the appointment, rotation or dismissal the chief of internal audit unit or any other related function who takes responsibilities to internal audit;
3. Consider and approve the manpower and necessary resources for working process of the internal audit unit, approve the annual audit plan including significant changes in the audit plan;
4. Review the Company's compliance with the Securities and Exchange Act, the regulations of the SET and the law relating to the Company's business;
5. Propose for consideration and approval of the Board of Directors and Shareholders' meeting on the selection, appointment, termination of the external auditors including propose their remuneration for further consideration;

6. Arrange the Audit Committee's meeting with auditors without the management of the Company at least once a year;
7. Review the connected transactions or the transactions that may lead to conflict of interest to comply with the Securities and Exchange Act, and the regulations of the SET/SEC including the laws relating to the Company and/or the Company's business and ensure that the transactions are reasonable and for the highest benefit of the Company;
8. Prepare the Audit Committee report for disclosure in the Annual Registration Statement / Annual Report (Form 56-1 One Report) of the Company with minimum contents as required by regulations of SET;
9. Review the scope of Roles and Responsibilities of the Audit Committee in accordance with the situation;
10. Audit and investigate concerned persons in order to gain the clearly information within the scope of authority;
11. Engage the specialist for competent advice and assistance auditing as considered by the Audit Committee with Company's expenses;
12. Perform any other activities assigned by the Board of Directors.

## **2) Executive Board**

Term of the Executive Board Member is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and the management proposes for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term. The Board of Directors will consider and appoint appropriate members as the Chairman of the Executive Board.

### **Authority, Roles and Responsibilities of the Executive Board**

1. Set and review Company's vision, mission, strategies and business plan as well as the Company's management structure and delegation of authorities for further consideration and approval of the Board of Directors;
2. Supervise Company's subsidiaries and associated companies to comply with the Company's policies, including, review and monitor the operating performance of the Company and subsidiaries to achieve the goal;
3. Monitor, audit and set the management policies for efficiency and productivities as well as to conform with the instruction of the Board of Directors;
4. Consider and approve the Company's investment and annual budget prior to further approval of the Board of Directors;
5. Specify remuneration's structure policy, forms and criteria of remuneration's payment of the employees and the managements jointly with Executive Chairman for the Nominating & Compensation Committee's consideration prior to further consideration of the Board of Directors' meeting;
6. Consider the appropriate candidates to be appointed as senior management and report to the Board of Directors for further acknowledgment;
7. Consider entering into any transactions binding the Company within its authorities under the Company's Delegation of Authorities;
8. Report the significant performance of the Executive Board to the Board of Directors, regularly;
9. Review the scope of Roles and Responsibilities of the Executive Board in accordance with the situation;
10. Perform any other activities assigned by the Board of Directors.

The delegation authorities of the Executive Board should not be delegated or further assigned that authorize the Executive Board or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the SEC's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company. The connected transaction has to be considered and approved either by the Company's Board of Directors and the shareholders' meeting to be complied to regulations of SET/SEC or any related laws and regulations.

### **3) Corporate Governance Committee**

Term of the Corporate Governance Committee Member is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

#### **Roles and Responsibilities of the Corporate Governance Committee**

1. Responsible for governing and monitoring business operation and committees' activities as well as managements and employees of the Company to strictly comply with law and related regulations;
2. Specify the corporate governance policy and social responsibilities including anti-corruption;
3. Ensure that good corporate governance policy is being conducted at all level in accordance to legal requirements, Company's policies and other related authorities;
4. Formulate and review the Company's rules concerning good corporate governance;
5. Provide suggestions relevant to ethical practices to the directors, managements and employees of the Company;
6. Yield continuity and appropriate regulations in carry out good corporate governance policy;
7. Review the scope of Roles and Responsibilities of the Corporate Governance Committee in accordance with the situation;
8. Report to the Board the recommendations for improvement on the Corporate Governance of the Company as appropriate;
9. Perform any other activities assigned by the Board of Directors.

### **4) Nominating & Compensation Committee**

In every subsequent year, one-third of the Nominating & Compensation Committee's members, who have been longest in office, shall retire. The retired members are eligible to be re-elected for another term by obtaining majority vote from the Board of Directors. In case of vacancy, the Nominating & Compensation Committee will consider an appropriate person for the replacement and propose to the Board of Directors for further consideration.

#### **Roles and Responsibilities of the Nominating & Compensation Committee**

1. Specify and review the criteria and procedures for nomination of directors, committees, Executive Chairman and senior managements to propose for consideration and approval of the Board of Directors;
2. Recruit, select, and nominate appropriate candidates for independent directors, Chairman of the Boards and Board members proposed to consideration of Board of

Directors and/or further approval of the shareholders when those positions are vacant due to termination of terms or other reasons;

3. Recruit, select, and nominate appropriate candidates for members of the committee and Executive Chairman proposed for consideration of the Board of Directors when such position is vacant as well as propose and review criteria for considering and selecting candidates for the successor of the top management and senior management, annually;
4. Specify remuneration's structure policy, forms and criteria of remuneration's payment (whether in cash or any properties) of directors, committees, Executive Chairman, senior management, management and employees of which must be complimented to the Company's strategies, objective as well as conform to the Company's operating performance and market's atmosphere to propose for consideration and approval of the Board of Directors;
5. Review the scope of Roles and Responsibilities of the Nominating & Compensation Committee in accordance with the situation;
6. Perform any other activities assigned by the Board of Directors.

#### **5) Risk Management Committee**

Term of the Risk Management Committee Member is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors for further consideration and appointment from the Board of directors in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

#### **Roles and Responsibilities of the Risk Management Committee**

1. Establish clear business objectives, identify, analyze, assess significant risks and formulate risk strategies, also risk appetite;
2. Develop risk management policy and propose for consideration and approval of the Board of Directors to be used as practices in the areas for which they are accountable. However, it must be covered risks at least 4 topics as follow:
  - 1) Financial Risk
  - 2) Operational Risk
  - 3) Strategic Risk
  - 4) Compliance Risk
3. Ensure that the above standards and practices are fully communicated to and have active support of all employees, continuously;
4. Review the scope of Roles and Responsibilities of the Risk Management Committee in accordance with the situation;
5. Ensure that the management has regularly, continually and systematically identify, analyze and review risk exposures, which may have, to cover all processes of the business;
6. Support and develop to have the managements and all employees to continually aware of risk management as well as to ensure the Company's Risk Management Policy is complied with the international standard.
7. Provide professional opinions from external consultants regarding matters to be considered with the Company's expense, if necessary;
8. Perform any other activities assigned by the Board of Directors.



## **6) Sustainable Development Committee**

Term of the Sustainable Development Committee Member is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### **Roles and Responsibilities of the Sustainable Development Committee**

1. Establish policy, strategy including operation plans for sustainable development which is consistent with the Company's business operations with regards to economic, social and environmental aspects to propose for consideration and approval of the Board of Directors;
2. Promote and support the Company's activities, such as, Labor and employee management, employee welfare, employee development and training as well as the promotion and development of communities and societies around the Company's area in order to make them achieve the targets pursuant to the sustainable development policy;
3. Supervise, review, follow-up progress of operations and evaluate efficiency on performance of the sustainable development policy;
4. Review the scope of Roles and Responsibilities of the Sustainable Development Committee in accordance with the situation;
5. Perform any other activities assigned by the Board of Directors.

### **5.8.3 Board of Directors' Meeting**

1. At a meeting of the Board of Directors, there must be directors present not less than one half of the total number of directors to form a quorum. In the event that the Chairman is absent or is unable to perform the duties, if there is a Vice-Chairman, the Vice-Chairman shall be the chairman of the meeting. In the absence of the Vice-Chairman or the Vice-Chairman is unable to perform the duties, the directors present at the meeting shall elect one among themselves to be the chairman of the meeting.

The Board of Directors meeting shall be attended by at least half of all the directors in order to constitute a quorum. In addition, the Board of Directors set its quorum of the meeting to be at least 2/3 of all directors.

2. Each director shall have one vote. Decisions of the meeting shall be by a majority of votes. For a director who has an interest in any matter who shall have no right to vote on such matter. In the case of an equality of votes, the Chairman of the meeting shall have an additional casting vote.
3. The Board of Directors' Meeting schedule have been set at least 5 times a year with certain agenda. The annual meeting schedule will be sent to each director by the Company Secretary for preparation and arrangement for meeting participation. The operating results will be regularly reviewed. The invitation letter as well as meeting materials will be delivered by the Company Secretary to all directors at least 5 working days prior to the meeting date for consideration. To comply with the Company's Articles of Association, unless any urgent matters, the invitation letter as well as meeting materials will be delivered by the Company Secretary to all directors 7 days prior to the meeting date. However, additional unscheduled Board meetings may be called upon appropriate notice at any time either to address specific needs of the Company or to fulfill requirement of any directors.

## **5.9 Internal Control System and Internal Audit**

The Company organized an internal audit department to review compliance control of all departments to investigate the errors and weaknesses and then proposes the suggestions to improve the operational efficiency. This is to ensure the consistent and appropriate compliance with existent internal control as well as strengthen the confidence of management and stakeholders. This department is independent and reports directly to the Audit Committee. The Company organized that good internal control allows the Company to notice irregularity and gives early warning for possible risks as well as manage risk to acceptable level.

The Company provides Internal control system in accordance with the system suggested by The Committee of Sponsoring Organizations of the Treadway Commission (COSO) that covers organizational and control environment, risk management, management control, information and communication and monitoring.

## **5.10 Risk Management**

The Board of Directors has been appointed the Risk Management Committee in order to assessed overall business situations and analyzed risks both internally and externally, likelihood of risks which may impact to the Company's main goals and stakeholders in order to specify risk reduction measure to keep such risk in the appropriated level. In addition, risks shall also been assessed by the Internal Audit Unit who will present the results to the Audit Committee and the management to jointly find guidelines to prevent such potential risk as well as to monitor and review the assessment results continually.

The Company set up comprehensive Risk Management Policy to mitigate any potential impact caused by economic and political changes and global financial crisis. Policy also includes the criteria for risk prevention and detection. The Risk Management Committee therefore complied with the policy and implemented the risk prevention and mitigation measures in accordance with the risk management plan with the collaboration of concerned department as follows:

1. Preparation of risk management plan by each department to follow the Company's master business plan and business risks that may occur in order that risk management plan can harmonize with Company's objectives, business plan, goals, strategies and the acceptable risks of the business operations;
2. Manage risks pursuant to the above risk management plan. Each responsible unit shall prioritize risks based on their likelihood and impacts towards the organization then specify measures to handle such risks as appropriated. The Internal Audit Unit shall coordinate and participate in risks reviewing pursuant to risk mitigation measures;
3. The above risk management measures shall be monitored and reviewed by the Risk Management Committee which comprise of the management from the relevant business units. The meeting shall be held to monitor and review results from such risk management. The Internal Audit Unit shall monitor and audit the risk management works of each company or business unit in order to make them achieve the objectives specified by the Company.

Apart from risk management mentioned above, the Company has also arranged the training, and seminar including specified that risk management measure shall be a part of employee's assessment criteria, both at operating level and management level, in order to cultivate consciousness. Such training shall emphasize on concept and practices on organizational risk management which shall lead to achievement of the organization's objectives and returns to the shareholders.

## **5.11 The assessment of the Board of Directors, Committee, Executive Chairman and Company secretary**

### **5.11.1 Board of Directors Self-assessment and Director Self-assessment**



The Corporate Governance Committee is responsible for Self-assessment of the Board of directors and Director Self-assessment to annually review and evaluate directors' performance to comply with Corporate Governance of the Company. Comments and recommendations from the assessments are further considered in the Board of Directors' meeting for improvement.

#### **5.11.2 The committee Self-assessment**

The Corporate Governance Committee conducts the self-assessment of sub-committees annually; Executive committee, Corporate Governance Committee, Nominating and Compensation Committee and Risk Management Committee and Sustainable Development Committee in subject of Structure & Qualification, Meeting, Role & Responsibility and Training & Development. For the topics of self-assessment of the Audit Committee are consisted of Board Structure & Qualification, Meeting, Role & Responsibility, Training & Development, Auditing Activities and Relationship between head of internal audit unit, external auditors and the company's executives. Results of the self-assessment of each sub-committee will use to develop their working performance for more efficiency and to be in line with the responsibilities assigned from the Board of Directors.

#### **5.11.3 Executive Chairman Assessment**

The Corporate Governance Committee is responsible for Executive Chairman annual Assessment for his Leadership, Formulation and compliance with the strategic plan, Planning and the financial performance, Board of Directors Relations, Risk Management and Internal Control, Administration and relationship with the personnel, Succession of the position, Knowledge on products and services including Good Corporate Governance and Code of Business Conduct. The Assessment result will be considered as part of the remuneration adjustment.

#### **5.11.4 Company Secretary assessment**

The Corporate Governance Committee conducts the Company Secretary assessment annually relating skill, knowledge and ability of the Company Secretary, Compliance, Communication and Coordination, Documentation, Meeting and Corporate Governance. Results of the assessment will use to develop working performance of Company Secretary to support the Board of Directors to comply with the roles and regulations of the SET and the SEC.

### **5.12 Development of Directors and Management**

#### **Development of Directors**

The Company will provide Directors' Manual and orientation program to new directors. Information on Company's business and directions as well as Corporate Governance Policy of the Company will be advised. The Directors' Manual will comprise of :

- Related Laws and Regulations
- Company's Businesses
- Roles and Responsibilities of Directors of Listed Companies
- Corporate Governance Policy and Business Ethics

In addition, to support and increase knowledgeable of the directors, the Company encourages all directors to gain skills and knowledge for performing their duties, including understanding of laws, regulations, risk standards, and the environment related to business operations as well as being informed of current information regularly.

### **Development of Management**

The managerial competency program, courses have been designed for management level in order to develop in managerial competency to strengthen leadership and management skills for executives as well as prepare promotion qualification in the future for pre-executive or talent employees. Moreover, this program would elaborately lead executives to support organization's business growth and prepare SAMART to become business leader in the industry existed. These courses provide innovated and practical knowledge to be applied to arrange managerial work.

#### **5.13 Company Secretary**

The Board of Directors considered and appointed a potential and experienced person as the management proposed and considered to appoint as the Company Secretary. Roles and responsibilities of the appointed Company Secretary are as follows:

1. Perform her duty with responsibility, due care and royalty as well as has to comply by laws and any other related regulation;
2. Support the Board of Directors for their activities including provide consultation with related to Company's Articles of Association, and any other regulations from related authorities;
3. Arrange meetings for Board of Directors, Committees and Shareholders as well as coordinate to ensure all resolutions have been implemented complying with Company's Objectives, Articles of Association, laws and related regulations;
4. Preparing and keeping important documents of the Company, i.e. a register of directors, notices calling directors' and shareholders' meetings as well as the reports of such meeting and the Annual Registration Statement / Annual Report (Form 56-1 One Report), etc;
5. Keeping the report on interest filed by directors and executives as well as submit a copy of such report to the Chairman and the Chairman of Audit Committee within 7 business days from the date on which the Company has received the report.

In case where the Company Secretary vacates her position or is incapable of performing her duty, the Board of Directors shall select a new Company Secretary as the management proposed and consider to appoint within 90 days from the date on which the Company Secretary has vacated her position or has been incapable of performing her duty; in this regards the Board of Director shall be empowered to assign any director to perform the duty as the substitutes during such period.

#### **5.14 Supervision on Operation of the Subsidiaries and Affiliated Companies**

The Company has supervised on operations of its subsidiaries and affiliated companies which have the Board of Directors as the direction leader and the overall strategic goals of the business group. The operating procedures are as follows:

1. Before establishment of any new company, the Executive Board of each line of business shall propose such matter to the meeting of the Board of Directors of each line of business for consideration and approval before the registration of the new company is arranged. The Board of Directors shall consider on appointment of the executives who shall hold positions of director and management of such subsidiaries and affiliated companies including scope of authority and responsibility of the directors and the management who shall be the Company's representatives in such company and report to the Board of Director for further acknowledgement.
2. An additional new director appointment or the director whose position is vacant because of any other reason except the retirement, the Board of Directors has assigned to the Executive Board of each business line to consider the appointment properly and report to the Board of Directors of each business line for further acknowledgment.
3. The management of the subsidiaries and affiliated companies shall report business performance of the company they are responsible to the Executive Committee every month. Any investments or substantial operations as per specified in the delegation of authorities must be performed pursuant

to the specified policies and they must be presented to the meeting of the Executive Committee as well.

4. The management of the subsidiaries and affiliated companies must present the annual business plan to the meeting of Executive Committee and the Board of Directors for consideration and approval every year. If performance of any company has not achieved as per the targeted plan, the management must clarify to the meeting of Executive Committee. In case business operation encountered a lot of problems, the management is required to clarify to the Executive Committee as the watch list so that precaution and corrective measures can be closely monitored and taken.
5. The subsidiaries and affiliated companies must have the internal control system or measure that the Company's Internal Audit Department can audit and report to the Audit Committee and the Executive Committee. If internal control system of any company is defective which may likely cause risks and damage to the Company, the Executive Committee shall order such company to make good and rectify defects in such internal control system immediately. In addition, if the subsidiary has to conduct any transaction which is required to comply with the regulations of the Company or of the relevant laws and which is required to be approved from the shareholders' meeting of such subsidiary, i.e. capital increase, capital decrease or dissolution of subsidiary etc., such transaction shall be proposed for the Executive Committee's and / or the Board of Director of each line of business, depends on cases for consideration and approval on voting guideline during the shareholders' meeting of such subsidiary.
6. When a new company is established or has significant investment in other businesses, such as, having a percentage of shares with voting rights ranging from 20% but not over 50% and the amount of investment or may require significant additional investment to the Company, The Board of Directors and / or the Board of Director of each line of business, depends on cases will consider to provide shareholders' agreement or other agreements that is obviously about the power of management and participation in making important decisions, performance tracking to be able to use as information in the preparation of the Company's financial statements in accordance with standards and schedules.
7. In the event where the subsidiary performs any transaction about acquisition or disposal of assets, the Company shall treat the same way as criteria on acquisition and disposal of assets of its own which must be pursuant to criteria on undertaking the significant transaction on asset acquisition or disposal as per specified by the Capital Market Supervisory Board. In case the subsidiary has performed any transaction with its related persons, the Company shall not involve in such matter, except the subsidiary has performed any transaction with the related person of the Company, then the Company shall comply with the criteria on related transaction announced by the Capital Market Supervisory Board.

# **BUSINESS ETHICS**

**Of**

***SAMART***

**Samart Corporation Public Co., Ltd.**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

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## **Messages from the Chairman**

Samart Corporation is conducting the business with great awareness in ethical and moral issues. The Company distributed handbooks concerning business ethics for all members of the Board of Directors, managerial team and our employees. The handbook serves as a guideline for everyone to continue his/her duty with honesty, integrity, morality, and, of course, highest quality. It also reminds the Company to bring fair treatment in accordance with legal restrictions, to maximize shareholder value, and to prevent plausible conflicts of interest. Samart Corporation strongly believes that the propensity to apply ethical practices to the organization will certainly enhance growth within the Company and acceleration of societal progress and country's economy.

- Signature -

(Mr. Seri Suksathaporn)  
Chairman

## **Conflicts of Interest**

To prevent conflicts of interest, the Company has drawn out guidelines for directors and employees to follow.

1. Avoid all actions that may cause conflicts of interest with the Company;
2. In case that directors or employees commit any action related to the Company, the particular director and employee will be treated like an outsider, and will play no part in decision-making process;
3. Refuse to use Company's information obtained in their posts for an opportunity to derive personal benefits by creating rivalry with the Company or involving in related businesses;
4. Refuse to use Company's information to buy shares for personal benefits or to leak Company's information to outsiders for their benefits;
5. Refuse to reveal Company's classified information e.g. electronic information, financial situation, work's plans, business information and Company's future plans during and after their posts.

If the conflict of interest is happened, the Audit Committee will consider and propose to inform the Board of Directors about conflict of interest and connected transaction. The Board of Directors should consider carefully and comply with the Securities and Exchange Act. Despite price and condition will be accounted like an outsider (Arm's Length Basis) and disclosed the detail, size, partner of contract, and reason in Annual Registration Statement / Annual Report (Form 56-1 One Report) as well as notes to financial statements for consideration of connected transaction. Any consideration of the connected transaction, the directors who may have conflict of interest will neither participate nor vote in such meeting both in the Board of Director's and the Shareholders' Meeting.

## **Responsibilities to shareholder**

The Company upholds a principle to treat every shareholder without any discrimination.

1. Operate all business affairs with moral conducts. All decisions are carefully made with fullest attention to accomplish fair deal and maximum benefit to every shareholder.
2. Monitor and operate to ensure that appropriate transactions from financial management to administrative strategies are properly carried out to protect and raise benefit for shareholders.
3. Determine to maintain sustainable growth and stability of the Company, thus all shareholders can enjoy long-lasting benefits due to Company's superb performance and its efficiency and effectiveness in delivering all tasks.
4. Respect shareholder's right to information for evaluation purposes. Oblige to truthfully reveal annual income, financial status with other supporting documents with accuracy. Such practice is mandated by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

## **Employee policies**

The Company highly regards all of the employees as invaluable resources and indispensable factor that propel the Company to meet all objectives and future successes. Henceforth, the Company is responsible to provide just opportunity, reasonable remuneration, promotion, transfer and development of potential by:

1. Treat every employee with respect to his/her right, honor and privacy.
2. Maintain conducive working atmosphere to promote better safety for their lives and properties.
3. Promoting, transferring, awarding and punishing, of employees are conducted with sincerity, and based on each employee's knowledge, potential, and appropriateness.
4. Pay importance on developing skills and potential of employees by constantly organizing various activities, for instance, seminars, training, and handing out scholarships for employees.
5. Avoid all unfair actions that may cause instability of employee's position.
6. Propose reasonable remuneration packages according to market situations, business competitions, job descriptions, work qualities including assessment of company's performance on short term and long term based on Company's capability to pay for that remuneration packages.
7. Provide the appropriate compensation such as medical fee, life insurance, annual checkup, reserve allowance fund, accommodation, subvention in case death of employees or employees' family, bus, fitness, and discount for the Company's products.
8. Provide opportunities for employees to express opinions and file complaints related to their jobs. Those suggestions and complaints will be seriously taken into consideration for formulating solutions. This important policy is meant to draw benefits to all parties and spawn camaraderie in the office.

### **Employee life and health safety policies**

1. The Company is committed to developing and creating safety and health of employees in accordance with the requirements of the law.
2. The Company will perform all necessary measures to ensure the safety of life and health of employees.
3. The Company seeks to control and prevent losses caused by fire, accidents and illness from working and maintain a safe working environment for employees as well as promoting and raising awareness of health care workers.
4. The Company will support adequate and appropriate resources in accordance with the requirements of the law and commit to develop human resources with knowledge and awareness of safety and health of employees.
5. The Company is aware that a safety and health of employees is very important, as duties and responsibilities of executive, supervisors at all levels and employee to comply with the rules and the requirements of the law.

### **Ethics of the Employees**

The Company trained and informed the prudent operating guidelines standards with regards to good manner and ethics of the employees via the orientation of the new employees, Employee Manual and HR website ([www.samarthre.com](http://www.samarthre.com)). Such ethics have been written in the working regulations of the Company for the employee's adherence as follows:

1. The employees must respect and comply with the rules and regulations specified by the Company.
2. The employees must respect and comply with the legally orders and recommendations of their superior as well as the persons designated by the Company.
3. The employees must devote themselves and perform their duties and the assigned works with their utmost competency.
4. The employees must protect the Company's benefits.
5. The employees must work on time and on regular basis.
6. The employees must perform the work with integrity.



7. The employees must have good disciplines as well as good morality.

### **Customer policies**

The Company strongly believes in building confidence and bringing satisfaction to all of the customers. Since their trusts are critical to our business, the Company promotes the following policies:

1. Determine to provide and produce commodities and services that are trendy to satiate customers' needs.
2. Provide high-quality products and services at reasonable price.
3. Provide accurate information without any exaggeration that may cause misunderstandings on product's quality and quantity, or special conditions for each product and service.
4. Formulate procedures that permit customers to inform about drawbacks of the products or improper services, because those complaints are valuable for the Company to come up with immediate remedy and improvement for problematic products and services.
5. Provide effective after-sale services for customer's convenience.
6. Guard all customers' information as confidential and refuse to use them for personal benefits.
7. Support all activities that will strengthen, as well as maintain, lasting and good relationship between Company and customer.

### **Trade partners policies**

The Company must instigate fair treatment and mutual benefits to all trade partners because they are essential in contributing success to the Company. The Company has duty to:

1. Systematically provide products and services with the highest standard under these principles:
  - Must clearly specify conditions and regulations about purchase, hire and other related procedures.
  - Must compete based on congruent information.
  - Must have clear-cut rules in evaluation and selection for trade partners.
  - Must formulate fair agreements with trade partners, proceed according to trading condition, contract and treat all related partner fairly.
  - Must provide systematic operating and monitoring processes to ensure that all conditions stated in the agreement are strictly followed and at the same time, to prevent corrupt practices that may occur during each process.
  - All payments for business partners must be issued with punctuality and accuracy according to all conditions stated in the agreements.
2. Develop and maintain good relationship between all partners with trust and confidence. Keep in touch with customer in order to share each other opinion.
3. Refuse to accept any personal benefit offered by partners.
4. Refuse to fabricate or falsify information that will cause misunderstandings to partners.
5. Do not deal business with partner who may be involved in illegal and immoral activities.
6. Avoid purchasing product and/or service with business partner which violates human rights or intellectual property and monitor the news to check whether any partner violates human rights or intellectual property rights. If it found that any partner has such behavior, the Company shall avoid purchasing the product and/or service from such partner who is deemed to have an illegal behavior.

7. Do not disclose any partner's information except getting consent from that partner.

### **Creditors policies**

The Company sticks to operate the business principled and orderly for reliance of creditors. The Company has duty to:

1. The Company is conforming to its Principle of Business Operation in order to the respect and admission of the Creditors and strictly, transparently and equally complied with terms and conditions agreed upon in the agreements.
2. In case of the contract cannot be fulfilled or tend to be unable to pay the debt or having financial problems, the Company will prior inform to the creditors and seeking mutual accepted solution.
3. The Company formulates a financial solution plan with regard to fairness of stakeholders, including creditors, as well as, monitoring the problem solving by requiring the management to report to the Executive Committee, regularly.
4. Consideration and resolve the financial problems of the Company carefully and reasonably.

### **Counterpart /Competitor policies**

The Company conducts all business affairs under just rules and competitions, support free trading by holding the following principles:

1. Refuse to search for rivals' confidential information by all means, dishonestly or inappropriately.
2. Refuse to ruin counterparts/ Competitors' reputations by accusing them of wrongful actions.
3. Refuse to violate intellectual property rights of business' counterparts /competitors.
4. Not intervene or have a concealed transaction that give negative impact to competitor and give benefit to the company.

### **Anti-Corruption Policy**

The Company operates business by always adherence to good corporate governance and anti-corruption policy which may occur from operation and transaction with the stakeholders. The directors, the executives and the employees of the Company, its subsidiaries and associated companies shall strictly comply with the following principles:

#### **1. Political neutrality and political assistance**

The Company has the policy to conduct business with political impartially and compliance with the laws as well as democratic form of government with the King as Head of State. The directors, the executives, and employees shall have political rights and liberty pursuant to the law, however, they shall not perform any act which can make the Company loose impartiality or damage from involvement in the political activities as well as usage of any resources of the Company for such act.

#### **2. Donation for charity and support fund**

The Company supports for community and social development for better quality of life including enhancement of economy of the community and society through business processes or donation for charity of which the proceed shall be used for public charity only as well as supports for the Company's business with clear evidences and in line with the Company's regulations.

### **3. Receiving and giving present, property or other benefits policies**

Receiving or giving any benefits as tradition and morality to express gratitude or maintaining business relation as usual should be done with appropriateness. The Company will not encourage or expect the receiving person to ignore his/her duty and/or return favor from giving inappropriate present, property or other benefits with the following practices:

1. Receiving and giving property or other benefits that could improperly influence decision making;
  - The employee of Company shall not receive or give money, property, merchandise or any benefits involving anyone whose intention is to persuade the employee to commit or omit anything contrary to duty.
  - Receiving present or property shall be compliance with morals, and shall not be illegal as well as such gift or property shall not be illegal.
  - Paying for business expenses such as meals and other forms of hospitality that are directly connected to performance of business commitments is acceptable, but such expenses must be reasonable.
  - Giving present, property or other benefits to government officer in Thailand and other countries must be sure that it shall not against the law and local tradition.
2. Receiving or giving present and the memento:
  - Before receiving or giving present or memento, should make sure that such an action does not violate the law and the Company's regulations. Gifts exchanged in the normal course of business should be inexpensive and appropriate to the occasion.
  - Avoid receiving or giving present or memento that could unfairly influence a decision in the performance of one's duties. If it is necessary to receive a gift of unusually high value from someone doing business with the Company, report the matter to the superior.
  - Keep records of expenses as evidence of the value of present or memento given, so that can be examined later.
  - If the employee has been assigned or permitted by the superior to assist an outside agency, the employee may receive money, item, or present according to the guidelines or standards that agency has set.
3. Transactions with the government sector:
  - Conduct properly and honestly when in contact with government officials or agencies.
  - Always remember that the laws, rules, and customs of each place may have diverse conditions, procedures, or methods of proceeding.
  - Comply with the laws of each country or locality in matters pertaining to hiring government employees as consultants or employees of the Company. Such hiring must be transparent and appropriate.

### **General Operating Guidelines**

#### **1. The process of risk assessment and risk management.**

Risk management, The Company has an Internal Audit Department to audit operations which may tend to have risks of all departments of each company, including the risks from corruption to ensure that all departments have appropriate internal control system in place, both on preventive control and detective control. If it is found that any department does not have adequate internal

control system or there is a corruption case, such matter shall be reported to the Audit Committee and the high level executives. Preventive guidelines must have also been reported in order to improve the internal control system.

## **2. Protection**

To ensure the remuneration provided to the employees is adequate, focused on creation of consciousness and it must not be the source for corruption. The Human Resource Department shall compile the survey results report on wage adjustment in each year from the well-known institutes, both domestically and internationally as well as exchange information with the Human Resource Department of other companies in the telecommunication and computer businesses. The information gained shall be used for consideration on provision of remuneration to the employees.

## **3. Training and Communication**

To encourage operations pursuant to anti-corruption policies by providing training to the employees to promote honesty, integrity and operating guidelines for standard on good conduct and ethics for the employees including code of conduct of the Company during the orientation of the new employees. All employees can access to such information via HR Website ([www.samarthre.com](http://www.samarthre.com)).

## **4. Reporting Channels**

To supervise on compliance with anti-corruption policies. The Company urges the employees and the stakeholders to report about any policy violations as well as unfair practices or any misconduct, i.e. against good governance principles, code of business ethics, rules & regulations of the Company or the laws by direct mail or E-mail as informed at the Company's website ([www.samartcorp.com](http://www.samartcorp.com)). The Internal Audit Department will inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant". The Company shall protect the whistle blower by not disclosing name of such whistle blower to any person.

## **5. Governance and monitoring of the policy compliance.**

The Internal Audit Department shall summarize the audit result only about the corruption issues of each department during the previous year and report to the Audit Committee every year as well as to provide recommendations for solving the problems.

### **Penalties**

For any actions that violate this policy whether directly or indirectly will be considered disciplinary in accordance with the rules set by the company including legal penalties, If it is a violation of the law as well.

### **Money Laundering policy**

The Company realizes the importance of and adherence to criteria and laws relating to anti-money laundering. The Company will strictly adhere to the laws and regulations and Anti-Money Laundering Act B.E. 2542 including its amendments.

### **Tax policy**

The Company's tax practices shall be fully and correctly pursuant to the laws as follows:

1. Tax planning and management by paying tax correctly and completely as per specified by the laws.
2. Remit tax within the period of time specified by the law.
3. Conduct risk assessment which may impact to tax payment correctively.

### **Sustainable Development Policy**

The Company realizes the importance on sustainable development that shall lead to sustainable growth of the business, so it has to be developed together with the social responsibility, environment and corporate governance as well as specified the Sustainable Development Policy as follows:

1. To commit to develop the organization based on good governance by supervising the affiliated companies to conduct business with transparency, fairness, and effective risk management. Finding the opportunities for business expansion and investing in the new businesses, and returns benefits to the stakeholders effectively and sustainably.
2. To promote business operations with responsibility to customers, partners, communities, society, as well as employees of the organization by setting policies and practices to treat all parties in the business value chain with fairness and comply with human rights principles.
3. To promote environmental conservation and the efficient use of resources, as well as encourage affiliated companies to develop and present the technologies which are friendly to the environment.

The Company's specify responsibility to society, community and environment practices as follows:

#### **• Responsibility to society as a whole**

The Company recognizes that it can survive and grow in a society. Therefore to bring about societal progress, the Company has policies to:

1. Participate in societal improvements with financial support to all activities that aim to maintain beneficial cultures, customs and rituals. Moreover, the Company will involve in religious activities regularly.
2. Support educational activities, vocational development, athletic ability as well as sanction for outreach people.
3. Support and aid society and community, and also always aid sufferer.

#### **• Responsibility to community**

The Company has defined the scopes and practices on strengthening the closed relationship with surrounding and nearby communities as follows:

1. Strengthen good relationship with the organizations, both from public and private sectors, as well as the community leaders in various levels so that the works for community development can be harmoniously coordinated on sustainable and concrete basis;
2. To provide buildings, materials including funds to oversee the livelihood condition and safety of the communities, for instance the construction of bus shelter in front of the Company's office

building, donation of rain coats and reflective coats to the traffic police in the areas of Pakkred Local Police Station and Pak Klong Rangsit Local Police Station, support the learning materials and sport equipment to schools in nearby areas, restoration of the temples and donation of money to the poor in the communities;

3. To raise funds and supply the necessities to help the disaster victims, for instance provision of boats to the government agencies to be used for facilitating people who were suffered from flood;
4. To cultivate consciousness to the Company's employees on responsibility to the society, community and environment via media and internal activities continually.

- **Responsibility to environment**

The Company recognizes the importance to operate the business by considering about environmental protection, using resources wisely and knowing their value as well as developing and introducing technology that is beneficial to the environment. The Company has supported various environmental projects and raising awareness among the employees seriously and continuously to create participation in keeping sustainable environmental. Therefore, the Company set the environmental policy for affiliated companies to adhere and comply with as follows:

1. Policy for managing the use of resources with the most value and benefit covered to the use of water supply, electricity, office equipment and vehicle fuel, etc.
2. Policy for the products development and technology services to promote sustainable conservation of natural resources and the environment.
3. Policy for cultivation of environmental sustainability awareness among the employees and the stakeholders of the Company's value chain through media and activities continuously.

### **Human rights policies**

The Company adheres and follows with human rights policy in business operations in accordance with the Universal Declaration of Human Rights ("UDHR") to ensure that the Company's operations are free from human rights violation. The Company deems it appropriate to formulate policies and guidelines to prevent human rights violation in all business activities of the Company including business partner in business value chain and business associates are aware of the policies in the same principles and practices as follows:

#### **1. Employees treatment with equality**

- The Company treats employees with equality and non-discrimination regardless of race, nationality, language, religion, sex, age and education.
- The Company do not support or affiliated ourselves with child labor-under the legal age or forced labor within the Company or our supply chain.
- The employees show respect to and acceptance of others, and acts appropriate with job as the Company's regulation and tradition without disgrace to the image of the Company.
- The Company gives employees the opportunities to demonstrate their full abilities by determining appropriate compensation in accordance with the Company's regulation. The Company also provides employees with the opportunities for self-improvement such as higher education, short- term/long-term training.

- Employee assessment will be assessed purely on merit and the process must be done in proper and unbiased method.
- When performing the work, the employees must avoid from comments in regard to difference of physical, mental, race, nationality, language, religion, sex, age, education, or any matters that could lead to cause conflict.
- The employees should monitor and reinforce the working environment free from discrimination and injustice.
- The employees show respect and tolerance for each other's opinions.

## **2. Equal treatment and indiscrimination of the Company's stakeholders**

The Company conducts business activities which will not affect both directly and indirectly on human rights of the Company's stakeholders such as employees, communities, suppliers, business partners, customers and treat them equally without discrimination.

## **3. Human Rights Risk and Impact Assessment**

The Company shall continuously develop and conduct human rights management due diligence process to identify human rights risks and impacts and potentially affected stakeholders in order to plan for corrective and preventive actions as well as provide appropriate mitigation plan towards affected groups.

## **4. Suggestions and complaints of human rights violation**

In order to encourage knowledge, understanding of human rights code of conduct, as well as allowing employees and stakeholders to have a channel of voicing their concerns and comments. Employees and stakeholders can send mail or emails toward the Company's website ([www.samartcorp.com](http://www.samartcorp.com)) under "Contact Us" in case there are incidents or misconduct or violations of human rights.

## **5. Monitor and follow up**

The Company shall monitor and follow up on the process of human rights violation management in accordance with the Company's guideline as well as supporting and mitigating the affected groups from the Company's actions.

## **6. Penalty**

Any person who violated this human rights policy are considerate violating against the Company's business ethics and shall be disciplined in accordance of the Company's regulation. In addition, violators may be penalized legal punishment if such action is illegal.

## **Operating policy on non-infringement of intellectual property or copyright**

The Company has an operating policy on non-infringement of intellectual property or copyright. The method employed by the Company regarding this matter is that all employees are required to sign their names in memorandum of understanding to not commit any computer crime and to not infringe any intellectual property. The Company has specified the policy on usage of information technology



system of Samart Group of Companies and software program of the employee shall be inspected to prevent any usage of piracy software and software which is unrelated to work.

### **Suggestions and complaints**

The Board of Directors emphasize on stakeholders' participation in reinforcement of the Company's operation and permanency by disclosure related important information to stakeholders sufficiently and transparent. The Company provides channels for all stakeholders to send suggestions and complaints that is beneficial to the Company. Those channels consist of direct mail or E-mail as informed at the Company's website ([www.samartcorp.com](http://www.samartcorp.com)) under "Contact Us" with the following details:

Mailing Address: Internal Audit Department  
Samart Corporation Public Company Limited  
99/1 Moo 4, Software Park Building, 35<sup>th</sup> floor, Chaengwattana Road,  
Klong Gluar, Pak-kred, Nonthaburi 11120  
or E-mail address: [suthep.s@samartcorp.com](mailto:suthep.s@samartcorp.com)

The Internal Audit Department will collect the suggestion and complain, then, inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant"

### **Procedures and methods on "Notifying the information on misconduct and the protection of the informant"**

The Company adheres to good corporate governance principles and encourages its stakeholders to examine and oversee any action which is against the corporate governance principles, ethics, rules and regulations of the Company, corruption or any action which might cause damages to the Company including rights violation. If such action is found, the employee can notify the clue on misconduct behavior to the Company by sending information and/or document and/or concerned evidence (as the Company's form to notify the information on misconduct) Internal Audit Department. . If the name and surname of the informant is specified, it will be more beneficial to the Company for convenience on enquiry and/or contact for more information.

#### **The process of information inspection and analysis**

The Internal Audit Department is responsible for preliminary investigation of offenses, both from documentary witness and witness. If misconduct is happened, they will propose the matter to the Executive Chairman for consideration and setting up an investigation committee.

The investigation committee consists of supervisor or representative from Internal Audit Department, Legal Department, Human Resources Department, and the original affiliation, responsible for investigating the facts, including collecting all evidences in order to know details of the damage and impact to the Company.

The investigation committee will propose the results of the investigation to the Executive Chairman to consider and proceed and then the Internal Audit Department will propose the matter to the Audit Committee for acknowledgement, respectively.



The Company shall protect the informant or whistle-blower by not disclosing the name of the informant or whistle-blower to any person.

# **Audit Committee Charter**



**Samart Corporation Public Company Limited**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

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## **Audit Committee Charter**

### **1. Objectives**

The Audit Committee is a committee of the Board of Directors organized as an important tool or mechanism required of business to ensure the Company's good corporate governance. The Audit Committee as an independent committee can mitigate burden of the Board of Directors and increase flexibility in management function. The Audit Committee can express its straight opinion on financial reports and internal control systems, and accommodate discussion and consultation between management and external auditor with a view to managing possible risks and ensuring complete and correct disclosure in financial reports according to applicable standards and regulations in order that such reports are credible. The main objectives of the establishment of an Audit Committee are to create efficiency in the business operations and add value to the Company as follows:

1. Increase reliability and creditability of financial reports.
2. Increase duty of care of the Board of Directors in discharging its responsibility regarding:
  - Corporate Governance to comply with strategy and policy of the Company
  - Compliance with applicable regulations and relevant laws
  - Monitoring and control of business risk
  - Preparation of financial reports and selection of appropriate accounting policies
  - Internal control and Internal audit
  - Connected transaction
3. Mitigation of the Board of Directors' burden by delegation of duties pertaining to financial reporting, internal control and internal audit to the Audit Committee. As a result, the Board of Directors would have more opportunity to address various matters in depth and become more efficient in the areas of management.
4. Improvement of duties and process of the internal and external audit and increase of efficiency in the communication among the Board of Directors, internal and external auditors.
5. Reinforcement of independence of internal auditors and internal audit department to enable them to present straight opinions that will give rise to more efficient operations.
6. Encouragement of the preservation of independence of external auditor and provision of framework to enable the external auditor to present straight opinions in case that the conflict with management may arise.
7. Improvement of quality of the internal audit reports.
8. Strengthening of role and authority of outside directors.
9. Assurance of the directors' understanding in auditing scope.

### **2. Composition**

1. The member of the Audit Committee must not less than 3 persons and all members shall be independent directors.
2. The Board of directors shall select one member of the Audit Committee to be Chairman of the Audit Committee.
3. In case the term of the audit committee member is terminated or there is any circumstance causing any member to be unable to hold the remained term, thus making the number of the Audit Committee members lower than 3 persons, the Board of Directors and/or the shareholders' meeting shall appoint new member to replace the vacancy immediately or not later 3 months from the date of vacancy in the Committee to ensure continuity of the Audit Committee.

### **3. Terms**

Term of the Audit Committee member is 3 years. All members shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating and Compensation Committee and the Committee ensures that the extra term will not cause or impact to the independent of such director, and shall be approved from the Board of Directors and/or the shareholders' meetings.

#### **4. Secretary to the Audit Committee**

1. Chief of internal audit department shall be assigned as secretary to the Audit Committee to assist the Audit Committee in performing work pertaining to summoning of meetings, preparation of agendas, delivery of supporting documents for the meeting and keeping of minutes.
2. The appointment of secretary to the Audit Committee shall be considered person who has knowledge, ability, and experience appropriated with above task as well as has independence for supporting the Audit Committee.

#### **5. Qualifications**

1. The Audit Committee members shall be appointed by the Board of Directors and/or shareholders' meetings.
2. All members of the Audit Committee should be Independent Directors with the qualifications as specified in the announcement of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand as follows:

##### **2.1 General qualification: Each member shall be an independent director with the following qualifications:**

- 1) Holding not **more than 0.5 percent** of the total number of voting rights of the Company, parent company, subsidiaries, affiliates, major shareholders or controlling person of the Company which include the shares held by related persons of the independent director;
- 2) Neither being nor having been Executive director, employee, staff or an adviser who receives a regular salary; or a controlling person of the Company, parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholder or controlling person of the Company's unless the foregoing status has ended no less than 2 years prior to the date of application filing with the office;
- 3) Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its subsidiaries;
- 4) Neither being nor having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, in a manner that may interfere with his/her independent judgment, and neither is nor has ever been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment;  
The business relationship as mentioned shall include normal business transactions, rental or lease of real estate, transactions related to assets or services or granting or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, and any other similar actions, which result in the applicant or the counterparty being subject to indebtedness payable to the other party in an amount starting from 3 percent of the net tangible assets of the applicant or from 20 million baht or more, whichever amount is lower. In this regard, the calculation of such indebtedness shall be in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, mutatis mutandis. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of 1 year to the date of establishing the business relationship with the related person;
- 5) Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major

- shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
- 6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million Baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment;
  - 7) Not being a director who has been appointed for being a representative of the Company's director, major shareholder or shareholder who is related to the Company's major shareholder;
  - 8) Not undertaking any business in the same nature and in significant competition to the business of the Company or subsidiaries or not being a partner which is significant in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1 percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in significant competition to the business of the Company or subsidiaries;
  - 9) Not having any characteristic which make him incapable of expressing independent opinions with regard to the Company's business affairs.

**2.2 Specific qualification: The Audit Committee members must have specific qualification as follows:**

- 1) Not being a person who has been empowered by the Board of Directors for any decision in the business operation of the Company, Parent Company, Subsidiaries or affiliated Companies, Same-Level of Subsidiaries as well as any juristic person, major shareholder, or controlling person of the Company;
- 2) Not being a director in Parent Company, Subsidiaries and any same-level of Subsidiaries which is a listed Company;
- 3) Having sufficient knowledge, experience, and time to perform duties as the Audit Committee members;
- 4) At least 1 member of the Audit Committee should have sufficient knowledge and experience in accounting or financial to review the financial statement credibility and the Company has to put his/her name in the filing of Annual Registration Statement / Annual Report 2021 (Form 56-1 One Report). In addition, such qualification also has to be put in the committee certified letter which will be submitted to SET.

**6. Authorities, Roles and Responsibilities of the Audit Committee**

**6.1 Roles and Authorities of the Audit Committee**

1. Review the Company's financial report to ensure its accuracy that is adequate, reliable and timely disclosure;
2. Review the Company's internal control and internal audit systems to ensure that they are suitable and efficient, and consider the independence of the internal audit unit as well as to propose the appointment, rotation or dismissal the chief of internal audit unit or any other related function who takes responsibilities to internal audit;
3. Consider and approve the manpower and necessary resources for working process of the internal audit unit, approve the annual audit plan including significant changes in the audit plan;
4. Review the Company's compliance with the Securities and Exchange Act, the regulations of the SET and the law relating to the Company's business;
5. Propose for consideration and approval of the Board of Directors and Shareholders' meeting on the selection, appointment, termination of the external auditors including propose their remuneration for further consideration;

6. Arrange the Audit Committee's meeting with auditors without the management of the Company at least once a year;
7. Review the connected transactions or the transactions that may lead to conflict of interest to comply with the Securities and Exchange Act, and the regulations of the SET/SEC including the laws relating to the Company and/or the Company's business and ensure that the transactions are reasonable and for the highest benefit of the Company;
8. Prepare the Audit Committee report for disclosure in the Annual Registration Statement / Annual Report (Form 56-1 One Report) of the Company with minimum contents as required by regulations of SET;
9. Review the scope of Roles and Responsibilities of the Audit Committee in accordance with the situation;
10. Audit and investigate concerned persons in order to gain the clearly information within the scope of authority;
11. Engage the specialist for competent advice and assistance auditing as considered by the Audit Committee with Company's expenses;
12. Perform any other activities assigned by the Board of Directors.

## **6.2 Responsibilities of the Audit Committee**

The audit committee is responsible to the Board of Directors according to the duties and responsibilities assigned by the Board of Directors, while the responsibilities of all activities of the Company towards third parties are still vested in the entire Board of Directors.

## **7. Meetings**

### **7.1 Agenda**

The secretary to the Audit Committee shall prepare invitation to the Audit Committee meeting. Each Meeting should be clearly determined date, time, place and agenda, and the meeting documents should be delivered to the Audit Committee and attendants at least 7 days in advance of the meeting for consideration or request of additional information.

### **7.2 Frequency of Meetings**

The Audit Committee shall convene at least 4 meetings as necessary and appropriate to ensure achievement of the works assigned.

### **7.3 Attendances**

A constitution of quorum of the Audit Committee is required attendance of members not less than 50%. The Audit Committee should invite external and internal auditors to present their works, and may invite directors or related executives to attend the meeting as necessary.

### **7.4 Voting**

The resolution of the meeting shall be supported by majority vote and each member has one vote. The member who has conflict of interest will not participate in that agenda. In the event receiving equal votes, the chairman has one vote for a casting vote.

### **7.5 Minutes**

The secretary to the Audit Committee shall prepare the minute of meetings which must be submitted to the Audit Committee and the Board of Directors in order to provide the Board of Directors with information about the activities of the Audit Committee on a timely basis. The minutes should also be



submitted to internal and external auditors in order to inform them formally that there are areas which require their special attentions.

## **8. Reporting**

The audit committee has duty and responsibility to report the operation of the committee and any duties assigned by the Board of Directors. The report is essentially an informational report for the Board of Directors, shareholders, and investors, which should convey the independent opinion of the committee. The Board of Directors must ensure that the management is fulfilling its stewardship accountability and must consider the equitable benefit of the shareholders as a whole.

### **8.1 Reporting to the Board of Directors.**

1. Report on regular activities so that the Board of Directors is kept informed of the Audit Committee's activities.
  - Minutes of the meetings which clearly specify opinion of the Audit Committee on various matters.
  - Summary report of activities during the year.
  - Report concerning comments on financial report, internal audit, and internal audit process.
  - Other reports which should be disclosed to the Board of Directors.
2. Immediate report on the findings so that the Board of Directors can seek a solution on a timely basis. For the operation of the Audit Committee, if the Audit Committee seeks or suspects that the transaction or the following actions has material impact on the Company's financial position and results of operation, the Audit Committee will report to the Board of Directors for improvement within a period of time mutually fixed by the Audit Committee:
  - Report on conflicts of interests.
  - Suspected or presumed fraud or irregularity or material defect in the internal control system.
  - Suspected infringement the Securities and Exchange Act, requirements of the Stock Exchange of Thailand, or laws related to the Company's businesses.
  - Other reports which should be disclosed to the Board of Directors.

### **8.2 Reporting to the Authorities.**

If the auditor discovers any suspicious circumstance that the Managing Director who is responsible for the operation of the Company commits an offence under the Section 89/25 in the Securities and Exchange Act, the auditor shall inform the fact relating to such circumstance to the Audit Committee. The Audit Committee shall report the result of preliminary inspection to the SEC or the SET and the auditor within 30 days.

If the Audit Committee has reported about anything which has material impact on the financial condition and results of operation to the Board of Directors and has discussed with the Board of Directors and the management that any rectification is necessary, upon completion of the period of time mutually fixed if the Audit Committee finds that such rectification has been unreasonably ignored, any or all member of the Audit Committee may report such finding to the SEC and the SET.

### **8.3 Reporting to Shareholders and General Investors.**

Report on activities carried out during the year according to the duties and responsibilities delegated by the Board of Directors; which shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report with the following details:

1. Comment on the accuracy, completeness and credibility of the preparation process and disclosure of information in the Company's financial report.
2. Comment on the adequacy of the Company's internal control system.
3. Comment on the appropriateness of the auditor.

4. Comment on the compliance with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand, or laws related to the Company's businesses.
5. Comment on the transaction that may have conflict of interest.
6. Number of the Audit Committee meeting and time attendance of each member.
7. Comment or observation on the operation as defined in the Audit Committee Charter.
8. Any other report which should be made to the shareholders and general investors within the scope of duties and responsibilities assigned by the Board of Directors.

## **9. Evaluation**

The Audit Committee shall evaluate its performance by providing Audit Committee Self-Assessment or other appropriate mechanism in order to improve its performance for higher efficiency and achieve the objectives intended for.

# **Charter of the Board of Directors**



**Samart Corporation Public Company Limited**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

## Charter of the Board of Directors

### 1. Objective

The Board of Directors represents all shareholders. They are responsible for setting the company's important policies and strategies. Hence, to ensure that the management has implemented policies and strategies. The Board of directors shall perform their duties responsibly, carefully, and honestly which will create maximize benefits for the Company and all stakeholders based on corporate responsibility.

### 2. Composition

- 1) The Board of Directors shall have the number as specified by the shareholders' meeting not more than 7 persons and not more than 15 persons. The directors not less than one half of the total number of directors shall have residence within the Kingdom.
- 2) The Board of Directors must be at least one-third of independent director out of total number of directors, and at least 3 persons.
- 3) The Board of Directors may elect one of the directors as chairman. When considering appropriate, the Board of Directors may elect one or many directors to be vice chairman(s).
- 4) The Board of Directors should consist of at least 3 persons experiencing in the Company's business and at least 1 person with experience in accounting and finance.

### 3. Qualification

#### Qualification of directors

1. Has qualifications and shall not be under any of prohibitions which comply to Public Company Act B.E. 2535 (Including the additional revised), or any other related laws. Moreover, the directors shall not lack of confidence which comply to the regulations of Securities and Exchange Commission ("SEC"), and Company's Articles of Association;
2. Does not run any business, which is competed with the Company, and not being a shareholder of any legal entities whose business is the Company's competitors, whether doing it for one's own benefit or others, except informing to the shareholders' meeting before having a resolution to appoint;
3. Should have leadership, vision, and independent consideration for best benefit of the Company and the shareholders;
4. Has various knowledge, experience, and specific skill that suitable for the Company business;
5. Should have responsibility, due care, careful, loyalty and business integrity;
6. Having sufficient time for fully participated as a Director of the Company.

#### Qualification of Independent Director

1. Holding not **more than 0.5 percent** of the total number of voting rights of the Company, parent company, subsidiaries, affiliates, major shareholders or controlling person of the Company which include the shares held by related persons of the independent director;
2. Neither being nor having been Executive director, employee, staff or an adviser who receives a regular salary; or a controlling person of the Company, parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholder or controlling person of the Company's unless the foregoing status has ended no less than 2 years prior to the date of application filing with the office;
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its subsidiaries;
4. Neither being nor having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, in a manner that may interfere with his/her independent judgment, and neither is nor has ever been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary,

associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment;

The business relationship as mentioned shall include normal business transactions, rental or lease of real estate, transactions related to assets or services or granting or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, and any other similar actions, which result in the applicant or the counterparty being subject to indebtedness payable to the other party in an amount starting from 3 percent of the net tangible assets of the applicant or from 20 million baht or more, whichever amount is lower. In this regard, the calculation of such indebtedness shall be in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, mutatis mutandis. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of 1 year to the date of establishing the business relationship with the related person;

5. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million Baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment;
7. Not being a director who has been appointed for being a representative of the Company's director, major shareholder or shareholder who is related to the Company's major shareholder;
8. Not undertaking any business in the same nature and in significant competition to the business of the Company or subsidiaries or not being a partner which is significant in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1 percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in significant competition to the business of the Company or subsidiaries;
9. Not having any characteristic which make him incapable of expressing independent opinions with regard to the Company's business affairs.

#### **4. Roles and Responsibilities of the Board of Directors**

1. Conduct business with responsibility, due care, and integrity also uphold the Company's operations to be according to the law, Company's objectives, Articles of Association, resolutions of the Board of Directors and shareholders' meeting to protect the rights and benefits of the Company and all shareholders;
2. Formulate policies and directions for the Company's operations. The Board must also supervise managerial and administrative departments to deliver all policies and strategies with effectiveness and efficiency;
3. Set out and review the Company's vision, missions, strategies by applying the appropriate and safe innovation and technology in order to enhance the business opportunities including engaging everyone in the organization to run business in the same direction;
4. Approve annual budget and investment of the Company and ensure proper resource allocation and effective systems and controls as well as monitor the implementation of the Company's strategies and plans;
5. Appoint directors to replace of those who will retire by rotation as well as consider the remuneration package for such directors and committee members, which are proposed by Nominating & Compensation Committee, prior to propose for further consideration of the shareholders and consider to approve in case a directorship becomes vacant by any reason other than the expiration of the term, the Board of Directors shall elect a person possessing the qualifications and being under no prohibitions under the relevant laws as a replacing director at the Board of Directors' Meeting, unless the remaining

- term of such director is less than 2 months. The replacing director shall hold office only for the remaining term of the replaced director;
6. Appoint committees to oversee administrative process and internal system to coincide with Company's policies, also approve the committees' charters;
  7. Appoint the Executive Chairman and set out the scope of power, duties and responsibilities of the Executive Chairman as well as assist the President in performing the duties as being assigned;
  8. Appoint the Company Secretary and set out the scope of power, duties and responsibilities of the Company Secretary as well as supervise the Company Secretary in performing duties as being assigned;
  9. Consider and approve the policy, structure of remuneration, forms and criteria of the remuneration of the directors, the committees, Executive Chairman, top managements, managements and employees as well as propose the remuneration of the directors and committees for further consideration and approval of the shareholders;
  10. Prepare the Company's annual financial statements and financial statements for every fiscal year's ended period in order to propose to the Annual General Meeting of Shareholders for an approval or a disclosure of information, as the case may be, and ensure that the disclosure of the Company's information is accurate, sufficient and in time as prescribed in the relevant regulations;
  11. Nominate appropriated persons with remuneration for further consideration and approval of shareholders for the appointment of the Company's auditors, accordingly;
  12. Ensure the Company's to have written Corporate Governance Policy and Business Ethic as well as to ensure that there will be no conflicts of interest at the same time to establish systematic plans for internal control and risk management;
  13. Ensure that good corporate governance is implemented to demonstrate Company's commitment to operate the business with ethics and to bring fair treatment to all stakeholders;
  14. In case of entering into any direct or indirect transaction with the Company and subsidiaries, such director has to immediately inform his/her or related parties' personal interest to the Company;
  15. Supervise to ensure that development and succession plans for Executive Chairman and key executives are in place;
  16. Support and promote innovation to meet social and environmental responsibilities.
  17. Approve the interim dividend payment to shareholders and report such payment to the shareholders in the next shareholders' meeting;
  18. Approve the acquisition or disposal of assets pursuant to the Capital Market Supervisory Board;
  19. Approve the undertaking the connected transaction of the Company pursuant to the Capital Market Supervisory Board;
  20. Arrange for an annual general meeting of shareholders within 4 months from the end of the Company's accounting period;
  21. Monitor the performance of the Company and the subsidiaries consecutively to ensure the compliance with the Company's business plan and budget;
  22. Supervise Company's subsidiaries and associated companies to comply with the Company's policies.

## **5. Roles and Responsibilities of the Chairman of the Board of Directors**

The Chairman of the Board has an important role in supervising and supporting the Board of Directors to be able to perform their duties in accordance with the direction and strategy for the best benefit of the Company and all shareholders. Moreover, the Chairman of the Board has to lead the Board of Directors as the Chairman of the Board of Directors' Meeting, Shareholders' Meeting and Non-executive Directors' Meeting which covers the following;

1. Oversee, monitor, and ensure that the Board of Directors of efficiently carries out its duties to achieve the Company's objectives.
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
3. Set the board meeting agenda by discussing with the Executive Chairman, which important matters should be included.

4. Allocate sufficient time for management to propose topics and for the board of directors to debate important matters thoroughly. Encourage the board of directors to exercise independent judgment in the best interest of the Company.
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board of directors and management.

## **6. Terms of positions**

- 1) At the Annual General Meeting of Shareholders in every subsequent year one-third of the directors, who have been longest in office, shall retire. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Nominating & Compensation Committee.
- 2) The independent directors shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating & Compensation Committee due to his/her contribution to the Company and the Committee ensures that the extra term will not cause or impact to the independent of such director as well as obtain an approval from Board of Directors and/or the Company's shareholders.

## **7. Meeting**

- 1) At a meeting of the Board of Directors, there must be directors present not less than one half of the total number of directors to form a quorum. In the event that the Chairman is absent or is unable to perform the duties, if there is a Vice-Chairman, the Vice-Chairman shall be the chairman of the meeting. In the absence of the Vice-Chairman or the Vice-Chairman is unable to perform the duties, the directors present at the meeting shall elect one among themselves to be the chairman of the meeting.

The Board of Directors meeting shall be attended by at least half of all the directors in order to constitute a quorum. In addition, the Board of Directors set its quorum of the meeting to be at least 2/3 of all directors.

- 2) Each director shall have one vote. Decisions of the meeting shall be by a majority of votes. For a director who has an interest in any matter who shall have no right to vote on such matter. In the case of an equality of votes, the Chairman of the meeting shall have an additional casting vote.
- 3) The Board of Directors' Meeting schedule have been set at least 5 times a year with certain agenda. The annual meeting schedule will be sent to each director by the Company Secretary for preparation and arrangement for meeting participation. The operating results will be regularly reviewed. The invitation letter as well as meeting materials will be delivered by the Company Secretary to all directors at least 5 working days prior to the meeting date for consideration. To comply with the Company's Articles of Association, unless any urgent matters, the invitation letter as well as meeting materials will be delivered by the Company Secretary to all directors 7 days prior to the meeting date. However, additional unscheduled Board meetings may be called upon appropriate notice at any time either to address specific needs of the Company or to fulfill requirement of any directors.

## **8. Remuneration for Directors**

Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry which is in accordance with the Company's strategies and goals, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committees will be paid appropriately more in accordance with the extra work. The Nominating & Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders. The Company discloses individual remuneration of director in the annual report and Annual Registration Statement / Annual Report (Form 56-1 One Report).



## **9. Board Self-Assessment and Director Self-Assessment**

The Corporate Governance Committee is responsible for Self-assessment of the Board of directors and Director Self-assessment to annually review and evaluate directors' performance to comply with Corporate Governance of the Company. Comments and recommendations from the assessments are further considered in the Board of Directors' meeting for improvement.

## **10. Reporting**

The Board of Directors shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Registration Statement / Annual Report (Form 56-1 One Report).

# **Executive Board Charter**



**Samart Corporation Public Company Limited**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

## **Executive Board Charter**

### **1. Objective**

The Executive Board was established to support the Board of Directors of in managing the Company's business in compliance with the strategy, policy, business plan, regulations and announcements including key target under the framework assigned by the Board of Directors.

### **2. Composition and qualifications**

The Executive Board has at least 3 persons by electing appropriate persons from the members of the Company's Board of Directors. The Board of Directors will consider and appoint appropriate member as the Chairman of the Executive Board.

### **3. Terms of Positions**

Term of the Executive Board members is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of directors and the management propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### **4. Authority, Roles and Responsibilities of the Executive Board**

1. Set and review Company's vision, mission, strategies and business plan as well as the Company's management structure and delegation of authorities for further consideration and approval of the Board of Directors;
2. Supervise Company's subsidiaries and associated companies to comply with the Company's policies, including, review and monitor the operating performance of the Company and subsidiaries to achieve the goal;
3. Monitor, audit and set the management policies for efficiency and productivities as well as to conform with the instruction of the Board of Directors;
4. Consider and approve the Company's investment and annual budget prior to further approval of the Board of Directors;
5. Specify remuneration's structure policy, forms and criteria of remuneration's payment of the employees and the managements jointly with Executive Chairman for the Nominating & Compensation Committee's consideration prior to further consideration of the Board of Directors' meeting;
6. Consider the appropriate candidates to be appointed as senior management and report to the Board of Directors for further acknowledgment;
7. Consider entering into any transactions binding the Company within its authorities under the Company's Delegation of Authorities;
8. Report the significant performance of the Executive Board to the Board of Directors, regularly;
9. Review the scope of Roles and Responsibilities of the Executive Board in accordance with the situation;
10. Perform any other activities assigned by the Board of Directors.

### **5. The delegation authorities**

The delegation authorities of the Executive Board should not be delegated or further assigned that authorize the Executive Board or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the SEC's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company. The connected transaction has to be considered and approved either by the Company's Board of Directors or shareholders' meeting to be complied with regulations of SET/SEC or any related laws and regulations.

## **6. Meeting**

1. The Executive Board shall convene the meeting at least 6 times a year, which will depend on situation and necessary.
2. The agenda and meeting documentation should be delivered to the members of the Executive Board prior to the meeting date.
3. A constitution of quorum of the Executive Board meeting is required attendance of members of no less than 50%. In the event the Chairman of the Executive Board is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. All resolutions of the Executive Board meeting shall be passed by the majority votes of the members presented at the meeting. The member who has conflict of interest will not participate in any agenda that they have conflict of interest. In case of equality votes, the Chairman shall have a casting vote.

## **7. Reporting**

The Executive Board shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Registration Statement / Annual Report (Form 56-1 One Report) with following details:

1. Total number of the Executive Board meetings convened.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.

# **Risk Management Committee Charter**



**Samart Corporation Public Company Limited**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

## **Risk Management Committee Charter**

### **1. Objective**

The Risk Management Committee was appointed to support the Board of Directors in determining appropriate, sufficient, and effective risk management policies and overseeing to ensure that overall risk management system or process is at an acceptable level.

### **2. Composition and qualifications**

The Board of Directors is responsible for the appointment of the Risk Management Committee by electing at least 3 appropriate persons from the members of the Board of Directors. The Board of Directors will consider and appoint appropriate persons as the Chairman of the Risk Management Committee.

The qualifications of the Risk Management Committee are as follows:

1. Have knowledge, capable, experience and expertise in the Company's business including integrity, business ethics and time to devote his knowledge and ability to perform duties for the Company;
2. Has qualifications and shall not be under any of prohibitions which comply to Public Company Act B.E. 2535 (Including the additional revised), or any other related laws. Moreover, the directors shall not lack of confidence which comply to the regulations of Securities and Exchange Commission;
3. Does not run any business, which is competed with the Company, and not being a shareholder of any legal entities whose business is the Company's competitors, whether doing it for one's own benefit or others, except informing to the Board of Director of the Company's meeting before having a resolution to appoint.

### **3. Terms of positions**

Term of members of the Risk Management Committee is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of directors and/or any qualified candidates propose for further consideration and appointment from the Board of Directors in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### **4. Roles and Responsibilities of the Risk Management Committee**

1. Establish clear business objectives, identify, analyze, assess significant risks and formulate risk strategies, also risk appetite;
2. Develop risk management policy and propose for consideration and approval of the Board of Directors to be used as practices in the areas for which they are accountable. However, it must be covered risks at least 4 topics as follow:
  - 1) Financial Risk
  - 2) Operational Risk
  - 3) Strategic Risk
  - 4) Compliance Risk
3. Ensure that the above standards and practices are fully communicated to and have active support of all employees, continuously;
4. Review the scope of Roles and Responsibilities of the Risk Management Committee in accordance with the situation;
5. Ensure that the management has regularly, continually and systematically identify, analyze and review risk exposures, which may have, to cover all processes of the business;
6. Support and develop to have the managements and all employees to continually aware of risk management as well as to ensure the Company's Risk Management Policy is complied with the international standard.

7. Provide professional opinions from external consultants regarding matters to be considered with the Company's expense, if necessary;
8. Perform any other activities assigned by the Board of Directors.

## **5. Meeting**

1. The Sustainable Development Committee shall convene the meeting as necessary and appropriate at least twice a year;
2. The agenda and meeting documentation should be delivered to the members of the Sustainable Development Committee at least 7 days in advance of the meeting for consideration except in urgent case.
3. A constitution of quorum of the Risk Management Committee's meeting is required attendance of members of no less than 50%. In the event the Chairman of the Risk Management Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. All resolutions of the Risk Management Committee meeting shall be passed by the majority votes of the members presented at the meeting. The member who has conflict of interest will not participate in any agenda that they have conflict of interest. In case of equality votes, the Chairman shall have a casting vote.

## **6. Reporting**

The Risk Management Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Registration Statement / Annual Report (Form 56-1 One Report) with following details:

1. Total number of the Risk Management Committee meetings convened.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.



# **Corporate Governance Committee Charter**



**Samart Corporation Public Company Limited**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

## **Corporate Governance Committee Charter**

### **1. Objective**

The Corporate Governance Committee was appointed to support the Board of Directors in governing the Company to have a system or management process in compliance with the Good Corporate Governance Policies.

### **2. Composition and qualifications**

The Board of Directors is responsible for the appointment of the Corporate Governance Committee by electing at least 3 appropriate persons from the members of the Board of Directors and/or any qualified candidates. The Board of Directors will appoint independent director who has appropriate qualifications to be Chairman of the Corporate Governance Committee.

The qualifications of the Corporate Governance Committee are as follows:

1. Have knowledge, capable, integrity, business ethics and time to devote his knowledge and ability to perform duties for the Company;
2. Has qualifications and shall not be under any of prohibitions which comply to Public Company Act B.E. 2535 (Including the additional revised), or any other related laws. Moreover, the directors shall not lack of confidence which comply to the regulations of Securities and Exchange Commission;
3. Does not run any business, which is competed with the Company, and not being a shareholder of any legal entities whose business is the Company's competitors, whether doing it for one's own benefit or others, except informing to the Board of Director of the Company's meeting before having a resolution to appoint.

### **3. Terms of Positions**

Term of members of the Corporate Governance Committee is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of directors and/or any qualified candidates propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### **4. Roles and Responsibilities of the Corporate Governance Committee**

1. Responsible for governing and monitoring business operation and committees' activities as well as managements and employees of the Company to strictly comply with law and related regulations;
2. Specify the corporate governance policy and social responsibilities including anti-corruption;
3. Ensure that good corporate governance policy is being conducted at all level in accordance to legal requirements, Company's policies and other related authorities;
4. Formulate and review the Company's rules concerning good corporate governance;
5. Provide suggestions relevant to ethical practices to the directors, managements and employees of the Company;
6. Yield continuity and appropriate regulations in carry out good corporate governance policy;
7. Review the scope of Roles and Responsibilities of the Corporate Governance Committee in accordance with the situation;
8. Report to the Board the recommendations for improvement on the Corporate Governance of the Company as appropriate;
9. Perform any other activities assigned by the Board of Directors.

## **5. Meeting**

1. The Corporate Governance Committee shall convene the meeting at least 2 times a year, which will depend on situation and necessary.
2. The agenda and meeting documentation should be delivered to the members of the Corporate Governance Committee at least 7 days in advance of the meeting for consideration except in urgent case.
3. A constitution of quorum of the Corporate Governance Committee meeting is required attendance of members of no less than 50%. In the event the Chairman of the Corporate Governance Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. All resolutions of the Corporate Governance Committee meeting shall be passed by the majority votes of the members presented at the meeting. The member who has conflict of interest will not participate in any agenda that they have conflict of interest. In case of equality votes, the Chairman shall have a casting vote.

## **6. Reporting**

The Corporate Governance Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Registration Statement / Annual Report (Form 56-1 One Report) with following details:

1. Total number of the Corporate Governance Committee meetings convened.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.

# **Nominating & Compensation Committee Charter**



**Samart Corporation Public Company Limited**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)

## **Nominating & Compensation Committee Charter**

### **1. Objective**

The Nominating and Compensation Committee was established to select qualified persons to hold the position of Directors, Committee, Executive Chairman, and Company Secretary as well as consider policies, compensation structure and criteria for remuneration to propose for further consideration of the Board of Directors.

### **2. Composition and qualifications**

The Board of Directors is responsible for the appointment of the Nominating and Compensation Committee by electing at least 3 appropriate persons from the members of the Board of Directors and/or any qualified candidates. Most of them should be independent directors. The Board of Directors will appoint independent director who has appropriate qualifications to be Chairman of the Nominating and Remuneration Committee.

The qualifications of the Nominating and Compensation Committee are as follows:

1. Have knowledge, capable, integrity, business ethics and time to devote his knowledge and ability to perform duties for the Company;
2. Has qualifications and shall not be under any of prohibitions which comply to Public Company Act B.E. 2535 (Including the additional revised), or any other related laws. Moreover, the directors shall not lack of confidence which comply to the regulations of Securities and Exchange Commission;
3. Does not run any business, which is competed with the Company, and not being a shareholder of any legal entities whose business is the Company's competitors, whether doing it for one's own benefit or others, except informing to the Board of Director of the Company's meeting before having a resolution to appoint.

### **3. Terms of Positions**

In every subsequent year, one-third of the Nominating & Compensation Committee's members, who have been longest in office, shall retire. The retired members are eligible to be re-elected for another term by obtaining majority vote from the Board of Directors. In case of vacancy, the Nominating & Compensation Committee will consider an appropriate person for the replacement and propose to the Board of Directors for further consideration.

### **4. Roles and Responsibilities of the Nominating & Compensation Committee**

1. Specify and review the criteria and procedures for nomination of directors, committees, Executive Chairman and senior managements to propose for consideration and approval of the Board of Directors;
2. Recruit, select, and nominate appropriate candidates for independent directors, Chairman of the Boards and Board members proposed to consideration of Board of Directors and/or further approval of the shareholders when those positions are vacant due to termination of terms or other reasons;
3. Recruit, select, and nominate appropriate candidates for members of the committee and Executive Chairman proposed for consideration of the Board of Directors when such position is vacant as well as propose and review criteria for considering and selecting candidates for the successor of the top management and senior management, annually;
4. Specify remuneration's structure policy, forms and criteria of remuneration's payment (whether in cash or any properties) of directors, committees, Executive Chairman, senior management, management and employees of which must be complimented to the Company's strategies, objective as well as conform to the Company's operating performance and market's atmosphere to propose for consideration and approval of the Board of Directors;
5. Review the scope of Roles and Responsibilities of the Nominating & Compensation Committee in accordance with the situation;
6. Perform any other activities assigned by the Board of Directors.

## **5. Meeting**

1. The Nominating & Compensation Committee shall convene the meeting as necessary and appropriate at least twice a year.
2. The agenda and meeting documentation should be delivered to the members of the Nominating & Compensation Committee at least 7 days in advance of the meeting for consideration except in urgent case.
3. A constitution of quorum of the Nominating & Compensation Committee meeting is required attendance of members of no less than 50%. In the event the Chairman of the Nominating and Compensation Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. All resolutions of the Nominating & Compensation Committee meeting shall be passed by the majority votes of the members presented at the meeting. The member who has conflict of interest will not participate in any agenda that they have conflict of interest. In case of equality votes, the Chairman shall have a casting vote.

## **6. Reporting**

The Nominating & Compensation Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Registration Statement / Annual Report (Form 56-1 One Report) with following details:

1. Total number of the Nominating & Compensation Committee meetings convened
2. Meeting attendance of each member
3. Performance of the Committee as defined in the charter

# **Sustainable Development Committee Charter**



**Samart Corporation Public Company Limited**

(The Updated Version has been approved by the Board of Directors of the Company on November 10, 2022)



## **Sustainable Development Committee Charter**

### **1. Objective**

The Sustainable Development Committee was appointed to support the Board of Directors in determining the Company's appropriate and effective economic, social and environmental policies and overseeing to ensure that the Company has a system or process for social and environmental development at an acceptable level.

### **2. Composition & Qualifications**

The Board of Directors is responsible for the appointment of the Sustainable Development Committee by electing at least 3 persons appropriate persons from the members of the Board of Directors and managements and/or any qualified candidates. The Board of Directors will consider and appoint appropriate persons as the Chairman of the Sustainable Development Committee.

The qualifications of the Sustainable Development Committee are as follows:

1. Have knowledge, capable, experience and expertise in society and environment including integrity, business ethics and time to devote his knowledge and ability to perform duties for the Company;
2. Has qualifications and shall not be under any of prohibitions which comply to Public Company Act B.E. 2535 (Including the additional revised), or any other related laws. Moreover, the directors shall not lack of confidence which comply to the regulations of Securities and Exchange Commission;
3. Does not run any business, which is competed with the Company, and not being a shareholder of any legal entities whose business is the Company's competitors, whether doing it for one's own benefit or others, except informing to the Board of Director of the Company's meeting before having a resolution to appoint.

### **3. Term**

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management and/or any qualified candidates propose for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### **4. Roles and Responsibilities of the Sustainable Development Committee**

1. Establish policy, strategy including operation plans for sustainable development which is consistent with the Company's business operations with regards to economic, social and environmental aspects to propose for consideration and approval of the Board of Directors;
2. Promote and support the Company's activities, such as, Labor and employee management, employee welfare, employee development and training as well as the promotion and development of communities and societies around the Company's area in order to make them achieve the targets pursuant to the sustainable development policy;
3. Supervise, review, follow-up progress of operations and evaluate efficiency on performance of the sustainable development policy;
4. Review the scope of Roles and Responsibilities of the Sustainable Development Committee in accordance with the situation;
5. Perform any other activities assigned by the Board of Directors.

## **5. Meeting**

1. The Sustainable Development Committee shall convene the meeting as necessary and appropriate at least twice a year;
2. The agenda and meeting documentation should be delivered to the members of the Sustainable Development Committee at least 7 days in advance of the meeting for consideration except in urgent case.
3. A constitution of quorum of the Sustainable Development Committee's meeting is required attendance of members of no less than 50%. In the event the Chairman of the Sustainable Development Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. All resolutions of the Sustainable Development Committee meeting shall be passed by the majority votes of the members presented at the meeting. The member who has conflict of interest will not participate in any agenda that they have conflict of interest. In case of equality votes, the Chairman shall have a casting vote.

## **6. Reporting**

Sustainable Development Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Registration Statement / Annual Report (Form 56-1 One Report) with the following details:

1. Number of the Sustainable Development Committee meetings,
2. Meeting attendance of each member,
3. Performance of the Committee as defined in the charter