

Corporate Governance Policy

Pro Inside Public Company Limited

The Board of Directors recognizes the importance of good corporate governance and is committed to conducting business ethically, respecting rights, and being responsible to society, the environment, and all stakeholders. An efficient, transparent, and auditable management system helps build trust and confidence among all parties concerned. The Company has therefore adopted the Corporate Governance Code for Listed Companies 2017 (Good Corporate Governance), as established by the Stock Exchange of Thailand, as a guideline for conducting the Company's business so as to achieve good management systems and build competitiveness that will lead to the Company's sustainable growth. The Board of Directors also believes that adherence to good governance, ethics, and morality in conducting business will help create long-term added value for the business, and is committed to raising the level of corporate governance in accordance with the principles, which cover 8 governance principles.

Corporate Governance Structure

The Company has a management structure that clearly divides the roles, duties, and responsibilities of the Board of Directors, the sub-committees, and management, in order to provide checks and balances, independence, and transparent, auditable management. This is intended to build the trust of stakeholders and confidence in a transparent and fair management system. In addition, the Board of Directors has established sub-committees to share the Board's workload in various matters, comprising 5 committees, namely:

- The Audit Committee
- The Executive Committee
- The Risk Management Committee
- The Nomination and Remuneration Committee
- The Corporate Governance and Sustainability Committee

Principle 1 Recognize the Roles and Responsibilities of the Board of Directors as Organizational Leaders Who Create Sustainable Value for the Business

Practice Guideline 1.1

The Board should understand its role and recognize its responsibility as a leader that must oversee the organization's good management, which covers:

- Setting objectives and goals
- Determining strategies, operating policies, and allocating key resources to achieve the objectives and goals
- Monitoring, evaluating, and overseeing the reporting of operating results

Practice Guideline 1.2

The Board should oversee the business in a manner that leads to the creation of sustainable value for the business, at a minimum as follows:

- Being competitive and having good operating results, taking into account long-term impacts
- Conducting business ethically, respecting rights, and being responsible to shareholders and stakeholders
- Being beneficial to society and developing or reducing negative impacts on the environment
- Being able to adapt under changing factors

The Board should provide a policy for directors, executives, and employees that sets out the principles and guidelines for conducting operations in writing, such as a corporate governance policy and code of business conduct, and communicate it so that all directors, executives, and employees understand it.

Practice Guideline 1.3

The Board is responsible for ensuring that all directors and executives perform their duties with responsibility, care, and honesty to the organization, and for ensuring that operations comply with the law, the Articles of Association, and shareholders' meeting resolutions, as well as established policies or guidelines, including having an approval process for significant operations in accordance with legal requirements.

Practice Guideline 1.4

The Board should understand the scope of its duties and responsibilities and clearly define the scope of authority delegated to the Chief Executive Officer and management, as well as monitor and oversee the Chief Executive Officer and management in performing their delegated duties, as follows:

- The Board should prepare a charter or corporate governance policy for the Board that specifies the duties and responsibilities of the Board, for use as a reference by all directors in performing their duties, and should review such charter regularly at least once a year, including regularly reviewing the division of roles and duties among the Board, the Chief Executive Officer, and management to ensure alignment with the organization's direction.
- The Board should understand the scope of its own duties and delegate authority for managing the business to management, which should be recorded in writing, and should monitor and oversee management in performing the delegated duties.

In this regard, the scope of duties of the Board, the Chief Executive Officer, and management may be divided as follows:

Matters the Board Will Oversee to Ensure Are Carried Out

These are matters for which the Board is primarily responsible for ensuring appropriate action is taken. In this regard, the Board may delegate to management the task of proposing matters for consideration, such as the following:

- Determining the objectives and key goals of the business

- Building an organizational culture committed to ethics, including the Board's own exemplary conduct
- Overseeing the structure and practices of the Board to ensure they are appropriate for efficiently achieving the objectives and key goals of the business
- Nominating, developing, determining remuneration for, and evaluating the performance of the Chief Executive Officer

Matters to Be Carried Out Jointly with Management

These are matters that the Board, the Executive Committee, and management consider together, with management proposing matters for the Board's approval and reporting to the Board periodically as appropriate, such as the following:

- Setting and reviewing strategies, goals, and annual work plans
- Overseeing the adequacy of the risk management and internal control systems
- Determining levels of authority appropriate to management's responsibilities
- Determining the framework for resource allocation, development, and budgeting, including personnel management and development policies and information technology development plans
- Monitoring and evaluating operating results
- Ensuring the reliability of financial and non-financial disclosures

Matters the Board Will Not Undertake

These are matters that the Board will oversee at the policy level, delegating primary responsibility for execution to the Chief Executive Officer and management, such as the following:

- Execution in accordance with the strategies, policies, and plans already approved by the Board, where the Board will allow management to be responsible for operational decisions within the approved policy framework, and the Board will monitor results without interfering in decisions, except where necessary
- Matters expressly prohibited, such as approval of transactions in which a director has an interest

Principle 2 Establish the Objectives and Key Goals of the Business for Sustainability**Practice Guideline 2.1**

The Board should determine or ensure that the objectives and key goals of the business are directed towards sustainability, being objectives and goals consistent with creating value for the business, customers, stakeholders, and society as a whole.

- The Board should be responsible for ensuring that the business has clear, appropriate objectives or goals that can serve as the core concept in determining the business model, and should communicate them so that everyone in the organization moves in the same direction, by preparing a vision and shared organizational values, or objectives and principles.

- The Board should determine a business model that can create value for the business, stakeholders, and society as a whole in tandem, by considering:
 - The environment and changes in various factors, including the appropriate application of innovation and technology
 - The needs of customers and stakeholders
 - The readiness, expertise, and competitiveness of the business
 - The objectives of establishing the Company
 - The Company's customer base
 - The ability to generate profit or compete by creating value for the Company and customers (Value Proposition)
 - The ability to sustain the business over the long term, given both opportunities and risks that affect the business and its stakeholders
- Promote organizational values that reflect the characteristics of good corporate governance, such as accountability, integrity, transparency, and due consideration of social and environmental responsibilities.
- Promote communication and reinforce the objectives and key goals of the organization so that they are reflected in the decisions and operations of personnel at every level, until they become part of the organizational culture.

Practice Guideline 2.2

The Board should oversee and ensure that the objectives and goals, as well as the medium-term and/or annual strategy of the business, are consistent with achieving the business's key objectives and goals, with the appropriate and safe application of innovation and technology.

- The Board should oversee the preparation of strategies and annual work plans consistent with the business's key objectives and goals, taking into account the business's environmental factors over the medium term (3–5 years), to ensure that the strategy and annual work plan take into account longer-term impacts, and analyze factors and risks that may affect relevant stakeholders throughout the value chain, including factors that may affect the achievement of the business's key goals, by having a mechanism to genuinely understand stakeholders' needs
- In formulating strategy, promote the creation of innovation and the use of innovation and technology to build competitiveness and respond to stakeholders' needs, while remaining grounded in social and environmental responsibility
- Set both monetary and non-monetary goals; in addition, be mindful of the risk that goal-setting may lead to unlawful or unethical conduct
- Oversee the cascading of objectives and goals through strategies and work plans throughout the organization

- Oversee the appropriate allocation of resources and control of operations, and monitor implementation of strategies and annual work plans, by arranging for a responsible person to oversee and monitor operating results

Principle 3 Strengthen Board Effectiveness

Practice Guideline 3.1

The Board should be responsible for determining and reviewing the Board's structure, in terms of size, composition, and the appropriate proportion of independent directors necessary to lead the organization towards its established key objectives and goals.

- Prepare a skills matrix of directors' knowledge and expertise to ensure that the Board has diverse, appropriate qualifications capable of understanding and responding to stakeholders' needs, including having at least one non-executive director with experience in the core business or industry in which the Company operates, in order to achieve the organization's key objectives and goals
- The Board should consider an appropriate number of directors capable of performing duties efficiently, with the number of directors being not fewer than 5 and not more than 12, depending on the size, type, and complexity of the business
- The Board should have an appropriate proportion between executive and non-executive directors that reflects appropriate checks and balances, with the number and qualifications of independent directors in accordance with the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and should ensure that independent directors can work effectively with the whole Board and can express opinions independently
- The Board should disclose its policy for determining a diverse Board composition and director information, such as age, gender, educational background, experience, shareholding proportion, number of years serving as a director, and directorships held at other listed companies, in the annual report and on the Company's website

Practice Guideline 3.2

The Board should select a suitable person to be Chairman and ensure that the Board's composition and operations foster independent judgment in decision-making.

- The Chairman should be an independent director. If the Chairman is not an independent director, the Board's composition must consist of more than half independent directors, or one independent director must be appointed to jointly determine the Board meeting agenda, in order to create checks and balances between the Board and management
- Clearly define the authority and duties of the Chairman and the Chief Executive Officer, so that no single person has unlimited power, by separating the position of Chairman from that of Chief Executive Officer

- The Chairman plays a leadership role for the Board and should, at a minimum, be responsible for the following:
 - Directing, monitoring, and ensuring that the Board performs its duties efficiently and achieves the organization's key objectives and goals
 - Ensuring that all directors participate in promoting an ethical organizational culture and good corporate governance
 - Setting the Board meeting agenda in consultation with the Chief Executive Officer, and allocating sufficient time for management to present matters and for directors to thoroughly discuss important issues together
 - Allocating sufficient time for management to present matters and for directors to thoroughly discuss important issues together, and promoting careful and independent use of judgment by directors
 - Fostering good relationships between executive and non-executive directors, and between the Board and management
- Where the positions of Chairman and Chief Executive Officer are not clearly separated, the Board should promote checks and balances between the Board and management by considering:
 - A Board composition of more than half independent directors, or
 - Appointing one independent director to jointly determine the Board meeting agenda
- The Board should establish a policy limiting an independent director's continuous tenure to not more than 9 years from the date of first appointment as an independent director. Where it is proposed that such an independent director continue in office, the Board should reasonably consider the necessity of doing so
- Consider appointing sub-committees to consider specific matters, screen information, and propose recommendations before presenting them to the Board for approval, so that important matters receive thorough and detailed consideration
- The Board should ensure disclosure of the roles and duties of the Board and sub-committees, the number of meetings held and the number of meetings each director attended during the past year, and reports on the performance of every sub-committee

Practice Guideline 3.3

The Board should oversee a transparent and clear process for nominating and selecting directors, in order to obtain directors whose qualifications are consistent with the established composition.

- The Board should establish a Nomination Committee, the majority of whose members and chairman should be independent directors
- The Nomination Committee should hold meetings to consider the criteria and methods for nominating candidates to ensure that directors obtained have qualifications giving the Board an appropriate composition of knowledge and expertise, including consideration of such candidates'

backgrounds and recommendations to the Board, before proposing to the shareholders' meeting for appointment. In addition, shareholders should receive sufficient information about nominated candidates to make an informed decision

- The Nomination Committee should review the criteria and methods for director nomination in order to make recommendations to the Board before nominating directors whose terms are due to expire, and where the Nomination Committee proposes an incumbent director for renomination, it should take into account that director's performance
- Where the Board has appointed any person as an advisor to the Nomination Committee, information about that advisor should be disclosed in the annual report, including their independence or absence of any conflict of interest

Practice Guideline 3.4

In proposing director remuneration for shareholder approval, the Board should ensure that the remuneration structure and rates are appropriate to the responsibilities and provide incentive for directors to lead the organization to achieve both short-term and long-term goals.

- The Board should establish a Remuneration Committee, the majority of whose members and chairman should be independent directors, to consider the policy and criteria for determining remuneration
- Director remuneration should be consistent with the Company's long-term strategy and goals, experience, duties, scope of role and responsibility, and the benefits expected from each director
- The Remuneration and Nomination Committee shall consider the criteria and form of appropriate director remuneration rates, in both monetary and non-monetary forms, fixed-rate remuneration, and performance-based remuneration linked to the value the Company creates for shareholders, but not at a level so high as to encourage a focus on short-term performance, and shall propose this to the Board for approval before proposing it to the shareholders' meeting for approval
- The Board should disclose the policy and criteria for determining director remuneration that reflect each director's duties and responsibilities, as well as the form and amount of remuneration
- Where the Board has appointed any person as an advisor to the Remuneration and Nomination Committee, information about that advisor should be disclosed in the annual report, including their independence or absence of any conflict of interest

Practice Guideline 3.5

The Board oversees ensuring that all directors are responsible in performing their duties and allocate sufficient time.

- The Board should ensure there are mechanisms to support directors in understanding their roles and duties
- The Board should establish criteria for directors serving on the boards of other companies, taking into account the effectiveness of directors who hold multiple directorships, and, to ensure directors

can devote sufficient time to their duties at the Company, should set the number of listed companies at which each director may concurrently serve, not exceeding 5 listed companies, and should have a system for reporting and disclosing directors' other positions

- The Board should arrange a system for reporting directors' other positions and disclose this information
- Ensure the Company has adequate preventive measures and appropriately notifies shareholders where a director holds a directorship or executive position, or has a direct or indirect interest, in another business with a conflict of interest, or where the director could use the Company's opportunities or information for personal benefit
- Each director should attend not less than 75% of the total number of Board meetings held during the year, except where there is a compelling necessity preventing attendance

Practice Guideline 3.6

The Board oversees having a framework and mechanism for overseeing the policies and operations of subsidiaries and other significant invested businesses, at a level appropriate to each business, and ensures that subsidiaries and other invested businesses have a correct, consistent understanding.

- The Board determines the policy for overseeing subsidiaries, which includes:
 - Determining the qualifications and appointment of persons to serve as directors, executives, or persons with controlling authority in a subsidiary, specified in writing, which should generally be appointed by the Board, except where such company is a small company under the corporate governance policy, in which case the Board may delegate appointment to the Chairman of the Executive Committee
 - Determining the scope of duties and responsibilities of persons acting as the Company's representatives under item (1) above, and requiring such representatives to ensure that operations comply with the subsidiary's policy; and, where the subsidiary has other co-investors, the Board must set a policy for representatives to act in the best interests of the subsidiary, consistent with the parent company's policy
 - An internal control system for subsidiaries that is appropriate and sufficiently rigorous, and ensuring that transactions are carried out correctly in accordance with the law and relevant regulations
 - Disclosure of financial position and operating results, related-party transactions, acquisition or disposal of assets, other significant transactions, capital increases, capital decreases, and dissolution of subsidiaries, among others

In the case of significant investment in other businesses, such as holding voting shares of at least 20% but not exceeding 50%, and where the investment amount, or additional investment that may be required, is significant to the Company, the Board should, where necessary, ensure there is a shareholders' agreement or other arrangement to clarify authority over management and participation in significant decisions, and

monitoring of operating results, so that the information can be used in preparing the Company's financial statements in accordance with standards and deadlines.

Practice Guideline 3.7

The Board should arrange an annual performance evaluation of the Board, sub-committees, and individual directors, and the results of such evaluation should be used to further develop the performance of duties.

- The Board and sub-committees should evaluate their performance at least once a year, so that the Board can jointly consider its performance and problems for further improvement, and should establish standards for comparison with performance based on clear criteria
- Performance evaluation should cover both the whole Board and individual directors, and should at a minimum use a self-evaluation method, or the Board may also use a cross-evaluation method; the criteria, process, and overall results of the evaluation should be disclosed in the annual report
- The Board may consider engaging an external advisor to help set the direction and recommend issues for the Board's performance evaluation at least once every 3 years, and disclose this in the annual report
- The results of the Board's evaluation should be used in considering the appropriateness of the Board's composition

Practice Guideline 3.8

The Board should ensure that the Board and each director have knowledge and understanding of their roles and duties, the nature of the business, and laws relevant to the business, and should support all directors in continuously enhancing the skills and knowledge required to perform their duties.

- The Board should ensure that a newly appointed director receives an orientation and useful information for performing their duties, including an understanding of the objectives, key goals, vision, mission, organizational values, and the nature and direction of the business
- The Board should ensure directors receive ongoing necessary training and knowledge development
- The Board should have an understanding of the laws, rules, standards, risks, and environment relevant to the business, and should receive up-to-date information on a regular basis
- The Board should disclose information on training and continuous knowledge development of the Board in the annual report

Practice Guideline 3.9

The Board should ensure that the Board's operations proceed smoothly, that it has access to necessary information, and that the Company has a company secretary with the knowledge and experience necessary and appropriate to support the Board's operations.

- The Board should set the meeting schedule and Board meeting agenda in advance, so that directors can arrange their time and attend meetings

- The number of Board meetings should be considered appropriate to the Board's duties and responsibilities and the nature of the Company's business, but should not be fewer than 6 times per year; where the Board does not meet every month, the Board should require management to report on operating results to the Board in months when no meeting is held, so that the Board can continuously and timely supervise, control, and oversee management's performance
- The Board should ensure there is a mechanism allowing each director, as well as management, the freedom to propose matters beneficial to the Company for inclusion on the meeting agenda
- Meeting documents should be sent to directors in advance, at least 3 business days before the meeting date
- The Board should support the Chief Executive Officer in inviting senior executives to attend Board meetings to provide additional detailed information directly related to matters under discussion, and to provide an opportunity to get to know senior executives for succession planning purposes
- The Board should be able to access necessary additional information from the Chief Executive Officer, the company secretary, or other authorized executives, within the scope of established policy, and, where necessary, the Board may seek independent opinions from outside advisors or professionals, at the Company's expense
- The Board should adopt a policy allowing non-executive directors the opportunity to meet among themselves as necessary, to discuss matters of interest relating to management, without management present, and should inform the Chief Executive Officer of the results of such meetings
- The Board should determine appropriate qualifications and experience for the company secretary, who is responsible for providing advice on legal and regulatory matters the Board needs to be aware of, overseeing the management of Board meeting documents, important documents, and Board activities, and coordinating implementation of Board resolutions. In addition, the Board should disclose the qualifications and experience of the company secretary in the annual report and on the Company's website
- The company secretary should receive continuous training and knowledge development beneficial to the performance of duties, and, where a certification program exists, the company secretary should attend such training

Principle 4 Nominate and Develop Senior Executives and Manage Personnel

Practice Guideline 4.1

The Board should ensure the nomination and development of the Chief Executive Officer and senior executives with the knowledge, skills, experience, and attributes necessary to drive the organization towards its goals.

- The Board should consider or delegate to the Nomination Committee the consideration of criteria and methods for nominating candidates with suitable qualifications for the position of Chief Executive Officer

- The Board should monitor and ensure that the Chief Executive Officer ensures there are appropriate senior executives, with at least the Board or the Nomination Committee jointly considering with the Chief Executive Officer the criteria and methods for nominating and appointing persons, and approving persons whom the Chief Executive Officer proposes as senior executives
- The Board should oversee having a succession plan to prepare for succession of the Chief Executive Officer and senior executive positions, and require the Chief Executive Officer to report on implementation of the succession plan to the Board periodically, at least once a year
- The Board should promote and support the Chief Executive Officer and senior executives in receiving training and development to enhance their knowledge and experience beneficial to their work
- The Board should clearly determine policies and practices regarding the Chief Executive Officer's and senior executives' holding of directorships at other companies, including the types of directorships and the number of companies at which they may serve

Practice Guideline 4.2

The Board should oversee the determination of an appropriate remuneration structure and performance evaluation to serve as an incentive for the Chief Executive Officer, senior executives, and personnel at all levels to perform their duties in a manner consistent with the organization's objectives and key goals and consistent with the long-term interests of the business.

Practice Guideline 4.3

The Board should understand the structure and relationships of shareholders that may affect the management and operations of the business, so as not to become an obstacle to the Board's performance of duties, such as having a suitable person for succession, including ensuring the disclosure of information under any arrangements that affect control of the business.

Practice Guideline 4.4

The Board should monitor and oversee the management and development of personnel to ensure an appropriate number of staff, with appropriate knowledge, skills, experience, and motivation.

- The Board should ensure human resource management is consistent with the organization's direction and strategy, that employees at all levels have appropriate knowledge, capability, and motivation, and are treated fairly, in order to retain the organization's capable personnel
- The Board should ensure the establishment of a provident fund or other mechanism to help employees save adequately for retirement, including supporting employees' knowledge and understanding of money management, choosing investment policies appropriate to their age and risk level, or ensuring a life-path investment policy is in place

Principle 5 Promote Innovation and Responsible Business Conduct**Practice Guideline 5.1**

The Board should give importance to and support the creation of innovation that generates business value alongside creating benefits for customers or other stakeholders, and is responsible to society and the environment.

- The Board should place importance on fostering an organizational culture that promotes innovation, and ensure that management incorporates this into strategy review, operational improvement planning, and performance monitoring
- The Board should promote the creation of innovation to add value to the business in line with the ever-changing environment, which may cover determination of the business model, approaches to designing and developing products and services, research, improvement of production processes and workflows, and collaboration with business partners

Practice Guideline 5.2

The Board should monitor and oversee management in conducting business responsibly towards society and the environment, reflected in the operational plan, in order to ensure that all parts of the organization operate consistently with the business's objectives, key goals, and strategies.

- The Board should ensure there is a mechanism to give confidence that the business is conducted ethically, is responsible to society and the environment, and does not violate stakeholders' rights, in order to guide the whole organization towards achieving its objectives and key goals in a sustainable manner, by preparing a policy or guideline that should, at a minimum, cover:
 - Responsibility to employees and workers, by complying with relevant laws and standards and treating employees and workers fairly and with respect for human rights, including fair determination of compensation and other benefits, provision of welfare not less than legally required or more where appropriate, care for health and safety at work, training and skills development, and promotion of career advancement, including providing employees the opportunity to develop skills in other areas
 - Responsibility to customers, by complying with relevant laws and standards, and taking into account health, safety, fairness, protection of customer data, after-sales service throughout the product/service life, tracking customer satisfaction for product and service improvement, and ensuring advertising and sales promotion are conducted responsibly, without causing misunderstanding or exploiting customers' misunderstanding
 - Responsibility to business partners, by having fair procurement processes and contract terms, helping build knowledge, capability, and standards of production/service delivery, clarifying and ensuring partners respect human rights and treat their own workforce fairly, are responsible to society and the environment, and by monitoring and evaluating partners to develop sustainable business relationships

- Responsibility to the community, by applying business knowledge and experience to develop projects that concretely benefit the community, with monitoring and measurement of progress and long-term success
- Responsibility to the environment, by preventing, reducing, managing, and ensuring the Company does not cause or contribute to negative environmental impacts, covering the use of raw materials, energy (for production, transport, or office use), water use, use of renewable resources, care for and restoration of biodiversity affected by business operations, disposal and management of waste generated by the business, and greenhouse gas emissions, among others
- Fair competition, by conducting business openly, transparently, and without creating unfair competitive advantage
- Anti-corruption, by complying with relevant laws and standards, and requiring the Company to have and publicly announce an anti-corruption policy

Practice Guideline 5.3

The Board should monitor and oversee management in allocating and managing resources efficiently and effectively, taking into account impacts and the development of resources throughout the value chain, in order to be able to achieve its objectives and key goals sustainably, while remaining grounded in ethics, responsibility, and the creation of sustainable value for the business.

- The Board recognizes the necessity of resources required for use, and recognizes that the use of each type of resource has effects on the others
- The Board recognizes that different business models create different impacts on resources; therefore, in deciding on a business model, the Board should take into account the impact and value created for resources, while remaining grounded in ethics, responsibility, and sustainable value creation for the business
- The Board should ensure that, in achieving the business's objectives and key goals, management reviews, develops, and oversees the use of resources efficiently and effectively, taking into account changing internal and external factors; the resources the business should consider include at least 6 types: Financial Capital, Manufactured Capital, Intellectual Capital, Human Capital, Social and Relationship Capital, and Natural Capital

Practice Guideline 5.4

The Board should establish an organization-wide framework for the governance and management of information technology consistent with the business's needs, and ensure that information technology is applied to increase business opportunities and improve operations and risk management, so that the business can achieve its objectives and key goals.

- The Board should establish a policy on the allocation and management of information technology resources, covering allocation of sufficient resources for business operations and setting guidelines to address situations where sufficient resources cannot be allocated as planned
- The Board should ensure that enterprise risk management covers management of information technology risk
- The Board should establish a policy and measures for the security of information systems

Principle 6 Ensure a Proper Risk Management and Internal Control System

Practice Guideline 6.1

The Board should oversee and ensure that the Company has a risk management and internal control system that enables it to achieve its objectives effectively, and complies with relevant laws and standards.

- The Board should understand the business's material risks and approve the acceptable level of risk
- The Board should consider and approve a risk management policy consistent with the business's objectives, key goals, strategy, and risk appetite, to serve as a framework for the risk management process for everyone in the organization in the same direction; in this regard, the Board should pay attention to early warning signals and ensure the risk management policy is reviewed regularly
- The Board should ensure the Company identifies risks by considering both internal and external factors that may prevent the Company from achieving its established objectives
- The Board should ensure that the Company assesses the impact and likelihood of identified risks in order to prioritize risks and manage them appropriately
- The Board may delegate items 1)–4) to the Risk Management Committee or the Audit Committee to screen before submission to the Board for consideration, as appropriate to the business
- The Board should regularly monitor and evaluate the effectiveness of risk management
- The Board is responsible for ensuring that the business is conducted in accordance with laws and standards, both domestic and international
- Where the Company has subsidiaries or other significantly invested businesses, the Board should take the results of internal control and risk management system evaluations into account as part of its consideration under items 1)–7)

Practice Guideline 6.2

The Board must establish an Audit Committee capable of performing its duties effectively and independently.

- The Board must have an Audit Committee comprising at least 3 directors, all of whom must be independent directors, with qualifications and duties in accordance with the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand
- The Board should set out the duties of the Audit Committee in writing, which should include at least the following:

- Reviewing that the business's financial reporting is accurate and complete (Accuracy and Completeness)
 - Reviewing that the business has an appropriate and effective internal control and internal audit system
 - Reviewing that the business complies with relevant laws and standards
 - Considering the independence of the internal audit function, and giving approval for the appointment, transfer, or termination of the head of internal audit or other unit responsible for internal audit
 - Considering, selecting, and nominating an independent person to serve as external auditor, and proposing that person's remuneration, including meeting with the external auditor without management present at least once a year
 - Considering related-party transactions or transactions that may involve a conflict of interest, to ensure they comply with relevant laws, are reasonable, and are in the Company's best interests
 - Reviewing the accuracy of reference documents and self-assessment forms concerning anti-corruption measures under the Thai Private Sector Collective Action Against Corruption programme
- The Board should ensure the Company has mechanisms or tools that enable the Audit Committee to access information necessary for performing its delegated duties, such as enabling the Audit Committee to summon relevant persons to provide information, consult with the external auditor, or seek independent opinions from other professional advisors for the Audit Committee's consideration
 - The Board should arrange for a person or internal audit unit that is independent in performing its duties to be responsible for developing and reviewing the effectiveness of the risk management and internal control systems, and reporting to the Audit Committee, with the review report disclosed in the annual report
 - The Audit Committee must give its opinion on the adequacy of the risk management and internal control systems and disclose this in the annual report

Practice Guideline 6.3

The Board should monitor and manage conflicts of interest that may arise between the Company and management, the Board, or shareholders, including preventing improper use of the Company's assets, information, and opportunities, and improper transactions with persons connected to the Company.

- The Board should oversee an information security system, including policies and procedures for maintaining confidentiality, integrity, and availability of information, including the handling of market-sensitive information. In addition, the Board should ensure directors, senior executives,

employees, and relevant external parties, such as legal and financial advisors, comply with the information security system

- The Board should oversee the management and monitoring of transactions that may involve conflicts of interest, and ensure guidelines and procedures are in place so that such transactions comply with the process and disclosure requirements set by law and serve the best interests of the Company and shareholders as a whole, with interested parties not participating in the decision
- The Board should require directors to report their interests at least prior to consideration of a Board meeting agenda item, with this recorded in the Board meeting minutes. The Board should ensure that a director who has a material interest in a manner that may prevent that director from giving an independent opinion refrains from participating in the meeting when that agenda item is considered

Practice Guideline 6.4

The Board should oversee the preparation of clear anti-corruption policies and practice guidelines, and communicate them at every level of the organization and to external parties to ensure genuine implementation, and provide programmes or approaches for combating fraud and corruption, including supporting activities that promote and instill compliance with laws and relevant regulations among all employees.

Practice Guideline 6.5

The Board should oversee a mechanism for receiving complaints and handling whistleblowing cases, with clear investigation procedures, and ensure convenient channels are provided for receiving complaints, including disclosure of complaint channels on the website or in the annual report, together with clear policies and guidelines for whistleblowing cases and appropriate protection measures for whistleblowers who report in good faith.

Principle 7 Maintain Financial Credibility and Disclosure

Practice Guideline 7.1

The Board is responsible for ensuring that the financial reporting and disclosure system for important information is accurate, adequate, timely, and in accordance with applicable rules, standards, and practices.

- The Board should ensure that personnel involved in preparing and disclosing information have appropriate knowledge, skills, and experience for their responsibilities, and are sufficient in number, including the most senior accounting and finance executive, the preparer of accounts, the internal auditor, the company secretary, and the investor relations officer
- In approving disclosures, the Board should consider relevant factors; for financial reports, it should at a minimum consider:
 - The results of the assessment of the adequacy of the internal control system

- The external auditor's opinion on the financial statements and the external auditor's observations on the internal control system, including observations communicated through other channels (if any)
 - The opinion of the Audit Committee
 - Consistency with the Company's objectives, key goals, strategy, and policies
- The Board should ensure that disclosures, including financial statements, the annual report, and the Form 56-1, adequately reflect the financial position and operating results, and should support the Company's preparation of a Management Discussion and Analysis (MD&A) to accompany each quarterly financial disclosure, so that investors receive and understand the changes in the Company's financial position and operating results in each quarter, beyond the figures in the financial statements alone
- Where a disclosure item relates specifically to a particular director, that director should ensure that disclosure regarding their own matter is complete

Practice Guideline 7.2

The Board should monitor and oversee the adequacy of financial liquidity and debt-servicing capability.

- The Board should ensure that management monitors and evaluates the business's financial position and reports to the Board regularly, with the Board and management jointly seeking prompt solutions if there are early signs of liquidity or debt-servicing problems
- In approving any transaction, or in proposing an opinion for shareholder approval, the Board should be satisfied that the transaction will not affect the going-concern status, liquidity, or debt-servicing capability of the business

Practice Guideline 7.3

In circumstances where the business is experiencing, or is likely to experience, financial difficulty, the Board should be satisfied that the business has a plan or other mechanism capable of resolving the financial problem, taking into account the rights of stakeholders.

- Where the business is likely to be unable to service its debts or is experiencing financial problems, the Board should closely monitor the situation and ensure the business is conducted with caution and in compliance with disclosure requirements
- The Board should ensure the business establishes a plan to resolve financial problems, taking into account fairness to stakeholders, including creditors, and should monitor the resolution of such problems by requiring management to report status regularly
- The Board should be satisfied that any decisions made to resolve the Company's financial problems, whatever the method, are reasonable

Practice Guideline 7.4

The Board should consider the appropriateness of disclosing information on compliance with laws, the code of conduct, the anti-corruption policy, and treatment of employees and stakeholders, including fair

treatment and respect for human rights, as well as social and environmental responsibility, in order to create sustainable value for the business, taking into account recognized domestic or international reporting frameworks. Such information may be disclosed in the annual report or in a separate volume as appropriate to the business.

Practice Guideline 7.5

The Board should oversee management in establishing a unit or person responsible for investor relations, to communicate with shareholders and other stakeholders, such as investors and analysts, appropriately, equitably, and in a timely manner. Such a person should be suitably qualified to perform this role, understand the Company's business, objectives, key goals, values, and be capable of effectively communicating with the capital market, such as the Chief Executive Officer, the Chief Financial Officer, and the investor relations manager.

Practice Guideline 7.6

The Board should promote the use of information technology for disseminating information — that is, in addition to disseminating information as required through the channels of the Stock Exchange of Thailand, the Board should consider disclosing information in both Thai and English through other channels as well, such as the Company's website, and should do so regularly to keep information up to date.

Principle 8 Support Shareholder Participation and Communication

Practice Guideline 8.1

The Board should ensure that shareholders participate in decisions on important matters of the Company.

- Ensure that important matters — both those required by law and those that may affect the direction of the business's operations — are considered and/or approved by shareholders, with such important matters included as agenda items for the shareholders' meeting
- Support shareholder participation, such as:
 - Establishing criteria allowing minority shareholders to propose additional agenda items in advance of the shareholders' meeting, with the Board considering including matters proposed by shareholders as meeting agenda items; where the Board declines to include a matter proposed by shareholders, the Board must inform the shareholders' meeting of its reasons
 - Criteria allowing minority shareholders to nominate persons for the position of director

In this regard, the Board should ensure such criteria are disclosed to shareholders in advance.

- Ensure the shareholders' meeting notice contains accurate, complete, and sufficient information for shareholders to exercise their rights
- Ensure the shareholders' meeting notice, together with related documents, is sent and published on the Company's website at least 28 days before the meeting date

- The Board should provide shareholders the opportunity to submit questions in advance of the meeting date, by establishing criteria for submitting advance questions and publishing such criteria on the Company's website
- The shareholders' meeting notice and related documents should be prepared in full in English and published together with the Thai version

Practice Guideline 8.2

The Board should ensure that proceedings on the day of the shareholders' meeting are conducted smoothly, transparently, efficiently, and in a manner that enables shareholders to exercise their rights.

- The Board should determine the date, time, and venue of the meeting, taking into account shareholders' convenience in attending, such as an appropriate meeting time allowing sufficient time for discussion, and a venue convenient for travel, among other factors
- The Board should ensure that no action is taken that unduly limits opportunities to attend the meeting or places undue burden on shareholders, such as not requiring shareholders or proxies to present documents or evidence of identity beyond what is required under relevant regulatory guidelines
- The Board should promote the use of technology for shareholders' meetings, including shareholder registration, vote counting, and result display, so that the meeting can proceed quickly, accurately, and precisely
- The Chairman serves as chairman of the shareholders' meeting, responsible for ensuring the meeting complies with relevant laws, rules, and the Company's Articles of Association, allocating appropriate time for each agenda item set out in the meeting notice, and providing shareholders the opportunity to express opinions and ask questions relevant to the Company
- To enable shareholders to participate in decisions on important matters, directors, in their capacity as meeting attendees and as shareholders, should not support the addition of agenda items that were not notified in advance without necessity, particularly important agenda items requiring shareholders time to study the information before making a decision
- All directors and relevant executives should attend the meeting so that shareholders can raise questions on relevant matters
- Before the meeting begins, shareholders should be informed of the number and proportion of shareholders attending in person and by proxy, the meeting procedure, and the voting and vote-counting method
- Where an agenda item contains multiple resolutions, the meeting chairman should arrange separate voting for each item, such as shareholders exercising their right to appoint directors individually under the agenda item for director appointment
- The Board should support the use of ballots for important agenda items, and promote the presence of independent persons to count or verify votes at the meeting, and disclose the results

of votes in favour, against, and abstentions for each agenda item to the meeting, and record these in the meeting minutes

Practice Guideline 8.3

The Board should ensure that disclosure of meeting resolutions and preparation of the shareholders' meeting minutes are accurate and complete.

- The Board should ensure the Company discloses shareholders' meeting resolutions, together with voting results, within the next business day, through the Stock Exchange of Thailand's news system and on the Company's website
- The Board should ensure that a copy of the shareholders' meeting minutes is submitted to the Stock Exchange of Thailand within 14 days of the meeting date
- The Board should ensure the shareholders' meeting minutes record at least the following information:
 - The names of directors and executives attending the meeting, and the proportion of directors attending and not attending the meeting
 - The voting and vote-counting methods, the meeting resolutions, and the voting results (in favour, against, abstentions) for each agenda item
 - Questions raised and answers given at the meeting, including the names and surnames of those who asked and answered

Mr. Wisudhi Srisuphan

Chairman of the Board