



PATKOL
Public Company Limited

Corporate Governance Code

PATKOL Public Company Limited

ACCOUNTABILITY
RESPONSIBILITY
TRANSPARENCY
CAREFULLY
FAIRNESS
BOARD STRUCTURE
COMMITTEE
TRANSPARENCY
ACCOUNTABILITY
INTEGRITY
CAREFULLY
FAIRNESS
RESPONSIBILITIES
COMMITTEE
BOARD STRUCTURE

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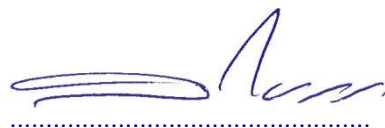
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Message from Chairman of the Board and Chief Executive Officer

The Board of Directors is committed to good corporate governance principles, which are good practices for the directors of listed companies and related practices of the Stock Exchange of Thailand. At Patkol Public Company Limited, we are committed to enhancing corporate governance with good ethics, transparency and auditability. This document, the Company's "Good Corporate Governance Policies and Guidelines Handbook," has been written to enable the Board of Directors, executives and employees to adhere to operational guidelines that cover various practices to meet the expectations of shareholders and stakeholders.

The Board of Directors will make efforts to ensure strict compliance with these policies and practices and is committed to continuously improve the company's corporate governance in order to achieve its goal of ensuring continuous and sustainable growth and stability for the Company and its shareholders.

As chairman of the Executive Committee, we would like to announce the "Good Corporate Governance Policies and Guidelines Handbook" approved by the Board of Directors' Meeting No. 1/2017 on February 23, 2017, to ensure that the Board of Directors, executives and employees of the Company are aware of their duties and responsibilities per these guidelines for the implementation of moral and ethical principles with the aim of improving competitiveness.



(Mr. Sangchai Chotchuangchutthaval)
Chief Executive Director

Corporate Governance

The Board of Directors has the intention adhere to the supervision of Patkol Public Company Limited under the principle of good corporate governance with integrity, transparency and accountability. It focuses on building maximum benefit to the shareholders and considering the practice on the overall stakeholders with equity. As a result, the company can increase the ability on competition and economic value to the shareholders in the long term as well. So, it has designated the policy on good corporate governance better for the Board of Directors, the management and the employees to adhere to as a policy and practice as follows:

Corporate Governance Policy

1. The Board of Director, the management and all the employees have determined to apply the main principle in the good corporate governance in the six aspects as the principle in the practice are:

- 1.1) It has accountability for its decision-making.
- 1.2) It takes responsibility for the duty performance with the existing capability and sufficient efficiency.
- 1.3) It has transparency that can be verified.
- 1.4) It has fairness and equity for the stakeholders.
- 1.5) It has a vision to create long-term value.
- 1.6) It has virtue, ethics and code of conduct in the business operations.

2. The Board of Director, the management and all of its employees determined to apply the important principles on the good governance of the Stock Exchange of Thailand (SET) as guidelines on the practice in five chapters are:

2.1) Rights of Shareholders

Considering the right of the shareholders and giving the right to the shareholders in the various matters as well as encouraging the shareholders to exercise their right, including not doing anything to violate or derogate the right of the shareholders.

2.2) Equitable Treatment of the shareholders

Treatment of the shareholders is for both as the shareholders who are the management and the non-management, including the foreign shareholders and the minor shareholders by being treated with equity and fairness.

2.3) Stakeholders

Stakeholders Treatment of the stakeholders is by considering their right of each group in accordance with the law or the agreement with the company, including not doing anything in violation or derogation of their right.

2.4) Transparency)

Transparency Disclosure of the important information to the shareholders, the investors, the stakeholders, the supervising agency involved with the company both the financial information and the nonfinancial information correctly, completely, sufficiently, reliably and equally and within the specified time through the easily access channel.

2.5) Responsibilities

Responsibilities of the board Performing the duty and responsibility of the board of directors for the shareholders by the board of directors has the leadership situation, vision, independence and decision-making for optimum benefit of the company and the overall shareholders. It has separated the role and responsibility between the directors and the management clearly as well as the care on the management under the framework of the law and the business ethics.

3. The Board of Director, the management and all of the employees determined to apply the practice on the principle of good corporate governance of the company, business ethics and code of conduct of the directors, the management and the employees as guidelines in the operation.

4. The Board of Director has the responsibility in taking care of reporting on finance and disclosure of the information with correctness and sufficiency according to the good guidelines and relevant criteria.

5. The Board of Director encourages participation and designation of the channel that can communication with the shareholders, the investors, the supervision agency, the stakeholders, including giving general information to the interested persons.

6. The Board of Director provided an operation for the managerial structure of the company by designating the duty and responsibility of each board of directors and the management clearly.

7. The Board of Director shall provide the system of risk management and the internal audit to be at the suitable and efficient level, including the accounting system and a report on finance with accuracy and reliability.

Guidelines for good corporate governance

The Company has established guidelines for good corporate governance for listed companies in 2012 according to the guidelines set by the Stock Exchange of Thailand in 5 categories as follows:

Chapter 1 Right of Shareholder

The Board of Director supervises the organization of the shareholders meeting in accordance with the law, bylaws and relevant regulations strictly, with support and provides convenience to the shareholders of every group, including the institution investors in attending the shareholder meeting. Moreover, the board also has set up a policy on taking care of the right of the shareholders for protection, promotion, support and no derogation of the right of all the shareholder groups as follows.

Policy on The Rights of Shareholders

- The Board of Directors has a duty to protect and respect the basic rights of the shareholders, e.g., the right to trade or transfer shares, the right to get a share of the profits of the business, the right to receive adequate business information, and the right to attend shareholders' meetings to appoint or remove directors, the appointment of auditors, dividend allocation, determination or amendment of articles of association or memorandum of association, capital reduction or capital increase, approval of special items, etc.
- The Board of Directors is responsible for promoting and encouraging all groups of shareholders, including institutional shareholders, to exercise their rights in various matters, e.g., to attend the Annual General Meeting of Shareholders, namely, the right to propose agenda items for the AGM in advance, the right to propose persons to be selected as directors in advance, the right to submit questions prior to the meeting, the right to express opinions and pose questions in the meeting, etc.
- The Board of Directors is responsible for refraining from any actions that violate or restrict or deprive the rights of shareholders to study the Company's information, such as suddenly not handing out documents containing additional important information, adding agenda items or changing important information without prior notice to shareholders.
- The Board of Directors is obliged to facilitate the shareholders' exercise of the right to attend the shareholders' meeting and vote fully and refrain from any actions that limit the chances of attending the shareholders' meeting, such as creating a cumbersome voting process. The Board must also

facilitate shareholders to exercise additional rights, such as providing important information that is current through the Company's website, arranging office visits for shareholders, etc.

1. Meeting of the shareholders

1.1 Meeting of the shareholders

The Board of Director has designated the AGM once a year by no more than four months following the date of ending the financial year of the company. However, if there is necessity/emergency to present a special agenda, which affects or involves with the interests of the shareholders or related to the condition or guidelines on the applicability, it shall require prior approval from the shareholders.

1.2 Propagation of the information to supplement the shareholder's meetings

The company shall disseminate the information to complement the agenda of the shareholder meeting in advance by about one month before the meeting date in the website of the shareholders at www.patkol.com. Moreover, it shall explain the right of the shareholders in the attendance of the meeting and the right to vote by the shareholders as well.

1.3 Extraordinary General Meeting of Shareholders

The Company will call the Extraordinary General Meeting of Shareholders on a case-by-case basis or when shareholders have a combined share count of not less than one-fifth of the total number of shares or if any time 25 shareholders who together hold a total of no less than at least one-tenth of the total number of shares combined sign a letter asking the Board of Directors to call an extraordinary general meeting of shareholders. The reason for requesting the meeting must also be clearly stated in the letter. In such cases, the Board of Directors shall hold a shareholders' meeting within one month from the date of receipt of the letter from the shareholders. All shareholders of the Company have the right to vote according to the number of shares held (ordinary shares: 1 share per vote, preferred shares: 100 voting shares per vote), and no shares have privileges that restrict the rights of other shareholders

1.4 Providing convenience on the exercise of the right to the shareholders and the institution investors

The Company shall provide convenience to the shareholders and the institution investors to exercise the right by organizing the meeting venue of the shareholders that is convenient for the travel, with opening an opportunity for the shareholders and the institution investors to send a question related to the meeting agenda to the Board of Director a minimum of 90 days before the meeting date via the website of the company or by fax number 02-328-1245. It shall notify via the news system of the SET with dissemination of the letter of invitation to the AGM of the shareholders.

1.5 Proxy

In the case the shareholders cannot attend the meeting by themselves, The Board of Director shall prepare a proxy statement in the form that is easy to fill the information that the shareholders can select the directors by themselves or use an alternative by presenting the name of the independent

director or other people in giving the proxy by using a proxy statement that the company has sent with a meeting appointment. Moreover, the shareholders can download the proxy statement via the website of the company by another way as well. As for the shareholders who are institution investors or foreign investors and have appointed a custodian in Thailand shall be the depositor and caretaker of the company shares to coordinate on the document and evidence to show before attending the meeting in advance to register on the meeting date with convenience and speedier.

2. Implementation on the shareholder's meeting date

2.1 The Board of Director encourages to apply the technology with the AGM on registering the shareholders on counting the scores and show the results, so that the meeting can be conducted expediently, correctly and accurately with voting by the show of hands for more accuracy.

2.2 The company shall encourage all the directors to attend the shareholder meeting, which the shareholders can inquire the chairman of the committees in the relevant matters.

2.3 In the shareholder meeting, it shall provide voting separately for each item. In case that item contains multiple names, e.g. the item on the appointment of individual directors, etc.

2.4 The Board of Director shall encourage on an independent counting person or inspector of the voting scores in the AGM and the extraordinary general meeting (EGM) and disclose to the meeting for acknowledgement with recording in the meeting report.

2.5 The Board of Director shall encourage using the ballots in the important items, e.g. making the related items, making an item of acquisition or disposal of assets, etc. for transparency and accountability, in the case there is an argument later on.

2.6 The chairman of the meeting shall allocate the appropriate time and encourage the shareholders to have a chance to express their opinions and ask a question(s) in the meeting on the relevant matter with the company.

2.7 The company has prepared a VDO on the meeting of the shareholders throughout the meeting time, so the shareholders who have a question can follow up on the meeting of the shareholders.

3. Preparation of the minutes of the meetings and disclosure of the resolutions of the meeting to the shareholders.

3.1 The minutes of the meeting of the shareholders shall record the explanations of the procedure on voting and the method of showing the scores to the meeting for acknowledgement before conducting the meeting, including open an opportunity for the shareholders to set an issue or inquiry. Moreover, it shall record the questions and answers as well as the results on voting in each item if the shareholders agree or disagree or abstain from voting. It includes the recording of the names of the attending directors and the directors taking leave.

3.2 As for convenience of the shareholders to provide registration by using the bar code system to show the registration number of each shareholder on the proxy statement, so the procedure on the registration shall be speedy.

3.3 Exercising the right to vote on each item by using the method of collecting the ballots of the voting shareholders who disagreed and abstained. At the end of the meeting, the shareholders can request for verification.

3.4 The company shall disclose to the public on the results of voting of each item in the AGM and the EGM in the next working day on its website.

3.5 The company has prepared the minutes of meeting within 14 days from the date of conducting the AGM, which has been submitted to the SET and the Ministry of Commerce within the specified time.

Chapter 2 Equitable Treatment of Shareholders

The Board of Directors considers the treatment of the shareholders with equity, so it has set up the following policies: -

Policy in the equitable treatment of shareholders

- *The Board of Directors has a duty to respect the right of the shareholders and the equitable treatment, regardless of being the major or minor or foreign shareholders. Meanwhile, the only types of the shares that can vote with equality consisted of 1 common share per 1 vote and 100 preferred shares per 1 vote. Moreover, the Board of Directors also has a duty to promote and encourage the shareholders to exercise the right on the various matters on the AGM and provide convenience to the shareholders on the various matters as well*

1. Giving information before the shareholders meeting

1.1 The Board of Director shall take care of the company to notify the schedule on the shareholder meeting with the agenda and its opinions to the SET and disseminate it via the website of the company about one month before the appointment date of the shareholder meeting.

1.2 The Board of Director shall take care of the company to notify the shareholders for acknowledgement of the various guidelines used in the meeting, procedure on voting, including the right to vote in accordance with each type of the share.

1.3 The Board of Director shall supervise the company to prepare a letter of invitation to the shareholders in the complete Thai languages.

2. Protection of the right of the minor shareholders

2.1 The Board of Director shall provide convenience to the minor shareholders by setting up guidelines on the method of giving the right to the shareholders to present the subject to fill the agenda of the AGM in advance before the meeting date a minimum of 90 days via its website or the fax number 02-328-1245 through the news system of the SET.

2.2 The Board of Director shall provide convenience to the minor shareholders by setting up the guidelines on the method of giving the right to present the name of the persons to be considered in the election as directors in the AGM in advance before the meeting date a minimum of 90 days in advance. It is made through the website or the email of the company secretary at poonyavee.ch@patkol.com or the fax number 02-328-1245 through the news system of the SET.

2.3 The company has no policy to increase the agenda that has not been notified in advance without necessity, especially the important item that the shareholders have to spend time to study the information before making the decision.

2.4 The Board of Directors opens an opportunity for the shareholders to exercise the right to appoint the directors on an individual basis.

3. Prevention of internal information

The board of directors has designated measures to prevent from using the inside information by the relevant persons, which means its board directors, senior management and the employees at the relevant units (including the spouse and underage offspring of such the people) as follows:

Measures on prevention from using the inside information

- 1) *It is prohibited the relevant persons from trading in the securities of Patkol (PK) within 30 days before there is disclosure of the quarterly and annual financial statements within 24 hours after the blackout period.*
- 2) *In the case of learning of any information that is not yet revealed, which may have an impact on the securities price of the company, they shall not trade on the securities of the company until passing 24 hours from the disclosure of such the information to the public entirely. It includes prohibiting the management or agencies from receiving the inside information to be revealed to the outsiders or unauthorized persons or from utilizing the inside information illegally.*
- 3) *In the case the board and the management, which means to include their spouse and underage offspring, when there is a change in the number of shareholding shall notify the change on the holding with the SEC and the SET pursuant to Section 59 of the Security Exchange Act 1990, within three days from the trading, transferring or transferred date.*

- 4) *The company has designated its directors and senior management (from the E15 level and up as well as the director of accounting and finance) to notify the trade on securities of the company to the board each quarter, including revealing it in the annual report.*

4. The Directors' Conflict of interest

The company has realized the importance on management related to a conflict of interest of the relevant person carefully, fairly and transparently, which means the board of directors, the management and the employees. The board of directors has set up a policy and guidelines on the conflict of interest as follows:

Policy and practice on conflict of interest

- 1) *It designates the directors and the senior management (from the E16 level and up and the accounting and finance director) shall report on the conflict of interest related to the management of the company or its affiliate when holding the title of directorship or the senior management for the first time and report each time when there is a change of information on the conflict of interest, including reporting annually. However, the secretary of the company shall send a copy of the report on the conflict of interest to the chairman of the board and the chairman of audit for acknowledgement within 7 days from the date of receiving the report to comply with the Securities and Exchange Act 1982, and to use such the information in the examination and the prevention of a conflict of interest.*
- 2) *There is a disclosure of the structure on shareholding of the affiliates, subsidiaries, joint venture and other companies clearly, including the authorized shareholders to make sure that the company has the shareholding structure that is clear, transparent and no cross holding with the major shareholders to cause a conflict of interest to either party.*
- 3) *In a board meeting, if a director has a conflict of interest on the matter under consideration, that director shall not participate in making such the decision. They cannot attend the meeting or have to omit voting so the decision of the board shall be fair or for the true benefit of the shareholders*

Chapter 3 Roles of Stakeholders

The Board of Director has realized of the right of stakeholders and shall take care of it to make sure that such the right both specified by the law or by a joint agreement shall be protected and implemented strictly included suitable compensation suitably, if the interest of stakeholder's interests is violated.

1. Policy and Guidelines on Taking Care of the Vested Interests

The company has newly designated the Vested Interests to become a policy and measures to take care of them, which are classified into seven groups as follows:

- 1) Employees
- 2) Customers
- 3) Shareholders
- 4) Trade partners (included the consultants and subcontractors)
- 5) Creditors
- 6) Governmental agencies
- 7) Communities around the factory.

The Board of Directors has set up a policy and guidelines on the care of the Vested Interests as follows:

1. Employee

Policies on taking care of the employees

- 1) *The company gives compensation to its employees by holding on to the principle of overtime, commissions, annual bonus, provident fund, savings cooperative, life insurance and health insurance, etc. consideration with fairness and can measure the result, e.g. monthly income, income from*
- 2) *The company intends to promote and develop its personnel to have knowledge and skills continuously, i.e. to have training and seminar of the management and the employees at all levels for the whole year, etc.*
- 3) *The company has treated all of its employees with equity, e.g. assessment of the employees, keeping the secret of the working experience and the exercise of their various rights, etc.*
- 4) *The company considers the right of the employees as priority and opens an opportunity for its employees to file a complaint in the case they are not treated fairly through the various channels, e.g. the complaint box, the Human Resources Department (HR), etc.*

- 5) *The company has a duty to take care of the working environment to have safety, hygiene and suitable for working with effectiveness, e.g. the company manages to have implementation on the 5S (1. Clearing up, 2. Organizing, 3. Clearing, 4. Standardizing and 5. Training & Discipline). It has set up the safety unit to control and take care of the occupational health and safety health, etc.*

2. Customers

Policies on taking care of the customers

- 1) *The company has a duty to build up long-term relations and cooperation with the customers by adhering to the integrity, sincerity with the customers, trust and reliability to each other.*
- 2) *The company has a duty to make maximum satisfaction for its customers by taking responsibility, attention, goods sales and service with friendliness and priority to the problems and demands of the customers. The management and all of its employees shall comply with the following measures:*
 - *Adhering to the presentation and delivery of the product that meet the standards and qualities corresponded to the demand of the customers.*
 - *Adhering to the various conditions made with the customers' utmost.*
 - *Offering the trade prices and conditions to the customers in the same group with equity.*
 - *Provide accurate and truthful information to customers about the properties and quality of manufactured products. To build confidence and fairness to the company's customers*
 - *Ready to answer customer questions Including handling complaints Giving advice and monitoring the progress on various issues As notified by the customer*

3. Shareholders

Policies on taking care of the shareholders

- 1) *The company has a duty to protect and respect the basic rights of the shareholders, e.g. the right to trade or transfer shares, share the profits of the business, receive news and information on the business sufficiently, and attend the shareholders' meeting or appoint or remove the directors, appoint the auditor, allocate the dividends, setting up or amending the bylaws or the memorandum of association, reduction or increase of the capital and approve of the special items, etc.*
- 2) *The company has a duty to promote and encourage the shareholders to exercise their rights on the various matters in the annual general meeting (AGM) i.e. the right to present an item in the AGM in advance, the right to nominate a candidate to be elected*

as the directors in advance, the right to submit a question to the meeting in advance before the meeting, the right to express an opinion and ask a question with the meeting, etc.

- 3) *The company shall not do anything to violate or limit the right of the shareholders.*

4. Trade Partners (including the consultants and subcontractors)

Policies on taking care of the trade partners (including the consultants and the subcontractors)

- 1) *The company has a duty to create good relations with all the trade partners.*
- 2) *The company has a duty to open an opportunity to all the trade partners to present the goods or service equally, while the management and its relevant employees with the trade partners shall comply with the following measures:*
 - *It has to work with the trade partners with integrity and equity.*
 - *The consideration and decision-making shall be based on the basis of comparison of quality and various conditions considering the company's interests both on the short term and long term.*
 - *It has to keep the secrets of the trade partners by prohibiting from accepting a bribe or commission from the trade partners, including being prohibited from disclosing information or a proposal from one or multiple trade partners for acknowledgement directly and indirectly.*

5. Creditors

Polies on taking care of the creditors

- 1) *The company has a duty to build up relations and practice on the creditors by adhering to the principle on integrity, reliability and mutual trust.*
- 2) *The company has a duty to take responsibility, attention and priority on the various conditions on the agreement with the creditors at the best.*

6. Governmental Agencies

Policies on taking care of the governmental agencies

- 1) *The company shall operation follow the law and any conditions that was determined. Moreover, we shall operation over than the law and/or any condition that was determined.*
- 2) *The company shall support the activities in the various occasions of the government agencies as appropriate.*
- 3) *The company has a policy of prohibiting from giving or receiving a bribe to the governmental authorities, which specified in the policy and guidelines on resist fraud and corruption of the company and its affiliates in Patkol group.*

7. Communities around the Factory

Polices on taking care of the communities around the factory

- 1) *The company and its employees have to adhere to the behavior of being good citizens and benefit the society and communities*
- 2) *The company and its employees have a duty to behave good to the communities residing nearby with friendliness, help and support the communities to have good living, including taking responsibility for addressing in case of a problem derived from the operations of the company with equity.*
- 3) *The company and its employees have a duty to take care and support of the activities with a benefit to the society and cooperation with the public sector and the various agencies with willingness and sacrifice for the benefit of the public.*

2. Measures to compensate stakeholders for damages due to violations

The Company has established measures to compensate stakeholders for damages due to violations as follows.

1. Employees

Preventive measures against damages due to violation of employee's rights

The Company has thoroughly allocated employee salary and benefits as well as strictly followed its policy to care for the employees and set up a complaint and/or suggestion box as a way to solicit feedback from employees regarding their jobs and working conditions.

2. Customers

Preventive measures against damages due to violation of customer's rights

According to the Company's customer care policy, employees will care for customers as though they are close acquaintances. The sales department from each business unit, together with marketing, is responsible for receiving complaints from customers if customers are experiencing problems and need help.

Preventive measures against damages due to violation of debtor's rights

To prevent damages from violations to debtor's rights, the accounting department will consider the qualifications of all receivables prior to the transaction to prevent problems from occurring at a later date. Such qualifications are honesty and reliably based on customer history, financial status and payment history.

3. Shareholders

Preventive measures against damages due to violation of shareholder's rights

The Company will protect and maintain basic shareholders' rights, including the right to receive information, the right to attend shareholders' meetings and will support the exercise of rights in addition to the law. The Company evaluates and monitors operations to prevent damages due to violations of shareholders' rights. Assessment is done within the organization by the management team responsible for protecting shareholders' rights along with external assessments in the form of the Annual General

Meeting (AGM Checklist). The AGM Checklist is assessed annually by the SEC, the Thai Investors Association and the Listed Companies Association.

4. Partners (including consultants and contractors)

Preventive measures against damages due to violation of suppliers' and contractors' rights

The Company has a policy to build good relationships with all partners and treat all partners equally.

5. Creditors

Preventive measures against damages due to violation of debtors' rights

The Company has preventive measures against damages due to violations of creditors' rights. The accounting department will consider the qualifications of all creditors prior to the transaction to prevent problems from occurring at a later date. The qualification used for considerations is based on their honesty and reliability.

6. Government Agencies

Preventive measures against damages due to violation of the law and regulations

The Company has preventive measures against damages due to violation of the law and regulations. The Company's legal department will regularly monitor the operations to ensure that everyone complies with the law.

7. Local communities

Preventive measures against damages due to violation of local communities' rights

The Company has preventive measures against damages to local communities near the plant by complying with social and community care policies to build good relationships with society and surrounding communities, as well as to help and support their well-being.

3. Mechanisms for Participation by the Stakeholders

The company has opened a channel for the interested person to show their opinions/ recommendations/ complaints with the audit committee and/or secretary of the company on the matter that is beneficial, including the matter involved with the good corporate governance. For instance, on the law or ethics, financial report or the defective internal audit via the channel of receiving the complaint and advice specified in this policy.

Whereas the complainant shall state details of the matter to express the opinion/advice/ complaint with evidence or sufficient information for the verification and notification of the name, address and telephone number that can be contacted to the channel of receiving the matter as follows:

- (1) Notify via the telephone 02-328-1035 ext. 1013
- (2) Via the email info@patkol.com
- (3) Send a letter in the suggestion box inside the company at the canteen area at all plants.
- (4) Send a letter to Patkol at Secretary of Audit Committee, Patkol Public Co., Ltd. No. 348,

Chaloem Plra Kiat Ratchakan Thi 9 Rd., Nong Bon Sub-district, Prawet District, Bangkok, Thailand.

4. Whistleblower Protection Procedures

- (1) The Company will keep the whistle-blower's information and identity confidential.
- (2) The Company will disclose only necessary information taking into account the safety and damage to the reporter, the source of the information, or the persons concerned.
- (3) The Company prohibits anyone from intimidating, harassing, or obstructing employees intending to comply with this policy. If employees believe they have been threatened or harassed, please report directly to their supervisor or human resources director. If no corrective actions are taken, then they are encouraged to report the behaviour via the Company's whistleblowing channels.
- (4) Steps taken after a complaint is reported are as follows; Initially, the Company Secretary will submit the matter to the Internal Audit Department to compile a summary of the matter and present it to the Audit Committee for further investigation. If it is found to be information that affects the Company, it must be presented to the Board of Directors for further consideration.

Chapter 4 Disclosure of Information and Transparency

The company has taken care on the disclosure of the important information involved both the financial information and others correctly, completely, transparently, widely and in time according to the requirement of the SEC and the SET. It can help the shareholders, investors, customers and the interested persons to access the information easily to have equity and reliability with the revelation as follows:

1. Disclosure of the Information by the Board of Directors

1. It has a system that takes care of the disclosed information to the investors to be correct without misunderstanding but sufficient for the decision-making of the investors.
2. It has to provide a report on the results of the operations in accordance with the policy on good governance, business ethics, risk management and policy on social and environmental care approved in summary. The results on the compliance with such the policy, including in the case it cannot comply with such the policy with the reason by reporting via the various channels, e.g. the annual report and its company website.
3. It has to provide a report on the liability of the board of directors on the financial report to show in parallel with the auditor's report in the annual report.
4. It has to disclose the explanations and analysis of the management discussion and analysis (MD&A) to complement the revelation of the financial statement every quarter.

5. It has to disclose the cost of the audit and other service costs provided by the auditor.
6. It has to disclose the role and duty of the board of directors and its committees, the number of the meetings and the number that the directors have attended the meeting in the past year. It included the training and development on the profession continuously by the board in the annual report.
7. It has to disclose the policy on the payment of the remuneration by the directors and the senior management that reflects the duty and responsibility for each person, including the compensation that each director has received from holding the directorship of the affiliates

2. Disclosure of Information on the Website of the Company

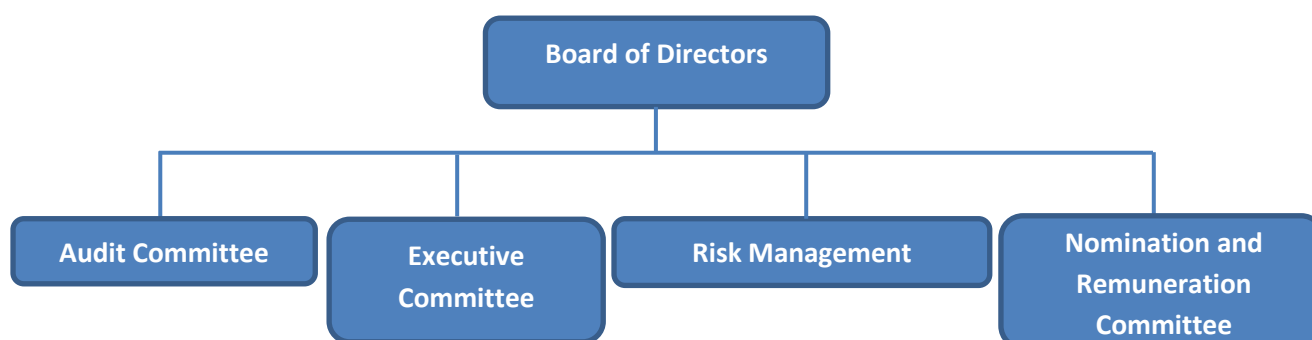
The Board of Directors has disclosed the information on its website on www.patkol.com both in Thai and English languages by updating it constantly.

- 1) vision and mission
- 2) Nature of business
- 3) List of the Board of Directors and Executives
- 4) Current financial statements and reports on financial status and operating results of previous year
- 5) Form 56-1 and the annual report that can be downloaded.
- 6) Any other information or documents presented by the company to analysts. Fund manager or various media
- 7) Direct and indirect shareholding structures
- 8) Structure of Company Group, subsidiary company, joint company, joint venture, etc
- 9) A group of major shareholders, both directly and indirectly, who hold shares of 5% of the total issued shares and have voting rights.
- 10) Direct and indirect shareholding of directors and executive
- 11) Invitation letter to the Ordinary and Extraordinary General Meeting of Shareholders
- 12) Company regulations memorandum and agreement of shareholders (if any)
- 13) Good corporate governance policy, anti-corruption policy, etc.
- 14) Risk Management Policy Including measures to manage risks in various fields
- 15) Tenure Charter of the Board of Directors And sub-committees
- 16) Code of Conduct for Employees and Directors
- 17) Information that can contact the agency or the person in charge of the investor relations

Chapter 5 Responsibility of the Board of Directors

1. The Authorities and Duties of the Board of Directors

The Company's management structure consists of the Board of Directors. And 4 sub-committees: (1) Executive Committee (2) Audit Committee (3) Nomination and Remuneration Committee and (4) Risk Management Committee.



1. Board of Directors

1) The Board of Directors must consist of directors with a wide range of qualifications, including skills, experience, and specific competencies that are beneficial to the Company.

2) The Board of Directors consists of at least 5 directors and not more than 12 members.

3) The Board of Directors must have at least one non-executive director with experience in the company's core business or industry.

4) The Board of Directors has at least 4 independent directors, or one-third of the Board of Directors, who can freely comment on the management's performance.

5) The Board of Directors has a 3-year term. The appointment of a director is presented to the Annual General Meeting of shareholders for approval.

6) The Board of Directors selects the Chairman of the Board. The Chairman should be an independent director.

7) The Board of Directors has established criteria for independent directors such that each independent director can serve as directors in no more than 3 other listed companies to ensure that directors who hold multiple positions in the company can still devote sufficient time to perform their duties.

8) Executive directors can hold director positions in no more than 2 other listed companies.

9) Directors are fully qualified and do not exhibit prohibited qualities under the Public Limited Companies Act and the Securities and Exchange Act as well as other characteristics that indicate a lack of trustworthiness for overseeing the business.

Independent Director of the Company refers to directors with the following qualifications:

1. Independent directors shall hold no more than 1% of the total voting shares in the Company, its subsidiaries, or associate companies. They must not be major shareholders or controlling entities when considering shares held by related parties (pursuant to Section 258 of the Securities and Exchange Act).
2. An independent director must not be or have been a director who is involved in management, an employee, personnel, or a consultant who receive regular salaries or who has control over the Company, its subsidiaries, or associate companies, and have no interests unless they have been out of such position or relationship for no less than 2 years.
3. An independent director must not be a person with a blood relationship or legally registered as a parent, spouse, sibling or child of an executive, spouses of children of executives, major shareholders, controlling entities, or persons nominated as executives or controlling entities of the Company or its subsidiaries.
4. An independent director must not be a person who has or has a business relationship with the Company, its subsidiaries, associate companies, major shareholders or any controlling entity in the form of professional and commercial services according to the requirements of the Stock Exchange of Thailand regarding connected transactions, unless such relationship ended no less than 2 years ago.
5. An independent director must not have been an auditor of the Company, its subsidiaries, associate companies, major shareholders, or controlling entities nor can they be a shareholder unless such relationship ended no less than 2 years ago.
6. An independent director must not be or has never been a professional service provider, including a legal consultant or financial advisor, who receives fees in excess of 2 million baht per year from the Company, its parent company, subsidiaries, or associate companies nor can they be a major shareholder, a controlling entity, a partner of such service provider unless such relationship ended no less than 2 years ago.
7. An independent director must not be an appointed person to represent the directors of the Company, a major shareholder, or a shareholder who is connected to major shareholders.
8. An independent director must not operate similar businesses which are implicitly competitive with the Company or its subsidiaries. They must not be implied partners in the partnership or are directors who are engaged in management. Employees, employees, consultants receive regular salaries or hold more than 1% of the total voting shares of other companies operating in the same business and in significant competition with the company's or its subsidiaries.
9. There are no other characteristics that prevent independent opinions from being made.
10. The independent director is able to protect the interests of all shareholders equally and prevent a conflict of interest between the Company and related parties and can attend the Board of Directors' meeting to decide on the company's important activities.

Criteria for the selection of independent directors

The Company has the following criteria for selecting independent directors by recruiting talented, experienced and knowledgeable persons in the area of the Company's main business. He or she is also a visionary, has sufficient time to perform his or her duties, and meets the qualifications required according to the official announcement. Once they are invited to become independent directors of the Company, the independent director has a term of office not exceeding 9 years from the date of his or her first appointment as an independent director. In the event that an independent director is to be re-appointed to the position, the Board of Directors will appropriately consider the reasons for such necessities.

Executive Director

Executive Directors refers to directors who are involved in regular management and have the authority to manage the business. They may or may not be members of the management committee or have the power to sign binding agreements for the Company.

Non-Executive Directors

Non-Executive Directors refers to external directors who are not executives or permanent employees of the Company. They are not members of the management committee and do not have the authority to sign a binding agreement for the Company.

Scope of Duties and Responsibilities of the Chairman of the Board

- 1) The Chairman of the Board of Directors must not be the Chief Executive Officer.
- 2) The Chairman of the Board shall call the Board of Directors' meetings and shareholders' meetings, as well as oversee the delivery of invitations and documents to ensure that the Board of Directors and shareholders receive adequate and timely information.
- 3) The Chairman of the Board shall strengthen Good Corporate Governance Standards of the Board of Directors.
- 4) The Chairman of the Board shall act as chairman of the shareholders' meeting and facilitate the meeting in accordance with the Company's articles of association and in accordance with the regulations prescribed.
- 5) The Chairman of the Board shall ensure effective communication between directors and shareholders.

The scope of authority of the Board of Directors is as follow:

- 1) Provide the business of the company to comply with the legal, objectives and the company's article of association, including resolutions of the shareholders' meeting, with honesty and be careful to maintain the interests of the company.

- 2) Responsible to shareholders on a regular basis and operate by maintaining the maximum benefit of the shareholders, and also disclosed the information's to investors accurately, fully, standard and transparent.
- 3) Determine and amend the list of authorized directors of the Company.
- 4) Appoint sub-committees to help monitor and control the management of the company in matters of essence.
- 5) The Board of Directors has assigned the Chief Executive Officer to be responsible for the Company's business and assign the management to reports on the performance of the Board of Directors at every meeting.
- 6) The Board of Directors may authorize to one or more persons to perform any act representational the Board as the Board deems appropriate, and within the time that the Board deems appropriate. The Board may revoke the revocation change or modify that power.
- 7) Prepare annual report and responsible for the preparation and disclosure of financial statements to reflect the financial position and the results of the past year to propose to the shareholders meeting.
- 8) Meet at least 3 months for decision of the Board of Directors' meeting is the majority vote. Any director who has a vested interest in any matter shall not have the right to vote on that matter and the Annual General Meeting of Shareholders within 4 months from the end of the fiscal year.
- 9) To set up a succession plan for the top management. To be prepared in case of top management cannot work.
- 10) Provide appropriate channels for communication with each group of shareholders and evaluate the disclosure to ensure accuracy, clarity, transparency and reliability.
- 11) Leadership and -role model in good performance consistent with good corporate governance and the corporate social responsibility approach.
- 12) Encourage the company operates to combat all types of corruption and corruption to maximize the Company's business and stakeholders.
- 13) Provide a Code of Conduct for Directors, Executives and Employees.

In case of any matter that any director or person may have a conflict according to the Securities and Exchange Commission (SEC) and I or the Stock Exchange of Thailand There is a part of the conflict or a conflict of interest. No authority to authorize such action for the benefit of the company and overall shareholders are important.

2. Sub-committees

- **Audit Committee**

Definition Audit Committee

Audit Committee means the person appointed by the Board of Directors or shareholders of the Company to be the Audit Committee. The Audit Committee members must be independent directors, not being a director assigned by the Board of Directors to make decisions on the operations of the Company, its parent company, subsidiaries, affiliated companies, subsidiaries, or a potentially conflicting entity, and not the director of the parent company, subsidiaries and subsidiaries of the same order. It also has the same qualifications and functions as those set forth in the Securities and Exchange Commission (SEC) and regulations of the Stock Exchange of Thailand (SET) on the qualifications and scope of work of the Audit Committee. They must have sufficient knowledge and experience to be able to review the reliability of the financial statements, including other duties as a member of the Audit Committee.

Qualifications and Requirements of Audit Committee

- Same the qualifications of the Company's independent directors.

Scope of Authority and Duties of the Audit Committee

- 1) Review the Company financial reporting in accordance with the accounting standards prescribed by law is accurate and adequate.
- 2) Review the Company an appropriate and effective internal control and internal audit system are in place, and the adequacy of the risk management process.
- 3) Review the Company to comply with the Securities and Exchange Act and the Stock Exchange of Thailand (SET) regulations, and the law related to the business of the company.
- 4) To consider connected transactions or transactions that may lead to conflicts of interests in accordance with the laws and regulations of the Stock Exchange of Thailand (SET).
- 5) Review and consider with the management regarding major defects detected and management response.
- 6) Have the power to investigate and investigate related parties within the scope of authority of the Audit Committee, and have the power to hire or bring specialized experts to help investigate and investigate by following the rules from the company.
- 7) To prepare a corporate governance report of the Audit Committee to be disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit Committee.
- 8) To consider, select and nominate an independent person to be the Company's auditor and propose the compensation of such person. Also, attend meetings with the auditors without the management at least once a year.
- 9) Consider the scope of audit and audit plan of the auditor. And the internal audit section is related and complementary and reduces redundancy in respect of financial audits.
- 10) Approve charter, budget audit plan, training plan, and the power of the internal audit.

11) Consider, appoint, transfer and evaluate the annual performance of the head of internal audit. consider the independence of the internal audit.

12) Review the effectiveness and effectiveness of information technology systems related to internal control and risk management.

13) In performing duties of the Audit Committee. If there are any inquiries or doubts, there are transactions or actions that may have a material impact on the Company's financial position and performance.

(1) Transaction that causes a conflict of interest.

(2) Fraud or irregularity or defect in the internal control system

(3) Violation of the Securities and Exchange Act, the Stock Exchange of Thailand (SET) regulations or laws relating to the business of the Company.

The Audit Committee shall report to the Board of Directors to implement the amendment within the period of time the Audit Committee deems appropriate. If the board of directors or the management fails to do so, it should rectify it within a reasonable time. A member of the Audit Committee may report any such transaction or action to the Securities and Exchange Commission SEC and/ or the Stock Exchange of Thailand (SET).

14) To perform any other act as assigned by the Board of Directors with the approval of the Audit Committee.

Tenure and Vacancy

1.The Audit Committee has a term of office of 3 years, including the appointment, removal and removal from the Audit Committee.

2.Audit Committee members who vacated office by rotation May be re-appointed as the Board deems appropriate.

3.The Audit Committee vacates office upon

(1) The expiration of the term

(2) Die

(3) Resignation

(4) The Board of Directors has resolved to vacate office.

(5) Not being qualified as an audit committee in accordance with the charter of the audit committee or the rules and regulations of the Capital Market Supervisory Board; the Stock Exchange of Thailand (SET) And various regulators set up.

4.If the Audit Committee member(s) wish to resign before the end of the term should report to the Board of Director before at less 1 month in advance with the reason(s) for the Board of Directors to consider the appointment of other qualified person(s) to replace.

5. When a member of Audit Committee retires the Audit Committee cannot stay until the term. As a result, the number of Audit Committee member is less than 3 persons. The Board

of Directors will immediately appoint the new Audit Committee of delayed within 3 months from the date the number of committees is incomplete. To ensure continuity in the work of the Audit Committee and the person who becomes a member of the Audit Committee will be in the position only for the remaining term of the member of the Audit Committee.

- **Executive Committee**

Qualifications and Requirements of Executive Committee

- 1) Members of the Executive Committee shall be appointed by the Board of Directors, with the consideration of the appropriate number of members. The Executive Committee shall possibly consist of the Board of Directors, executives of the company, and/or members of any third party.
- 2) The Executive Committee shall compulsorily consist of the minimum requirement of 3 members.
- 3) The Board of Directors shall be required to appoint members of the Executive Committee, where one of the entire members shall be a member of the Board of Directors to hold the position of Chairman of the Executive Committee.
- 4) Members of the Executive Committee shall possess desirable knowledge and experience required for the roles and responsibilities while being able to devote great effort in implementing required tasks. All members are also expected to refrain from any illegal actions required by law.

Scope of Authority of the Executive Committee

- 1) Determine the policy, target, strategy, operating plan, investment project, annual budget and other management authorization to be proposed to the Board of Directors for approval.
- 2) Supervise and monitor the company' business operations consistent to the policy, target, strategy, operating plans, investment projects and the annual budget with approved by the Board of Directors to be effective and augment the business condition with giving consultation, introduction, management and report the operating results to the board meeting for acknowledgement.
- 3) Consider and approve the spending of money for investment. Conducting financial transactions with financial institutions for account opening, loan, pledge, mortgage, guarantee and any other activities including trading. Registration of ownership of land for normal business transactions of the company under the specified credit authority.
- 4) Regulate the organizational structure and management with efficiency covering the recruitment, training, employment and termination of the employees, who are the

management or senior executive. It may assign the chairman of the board of the Chairman of the Executive Committee as the authorized person to sign the employment contract.

- 5) Supervise and approve the matter related to the operations of the company such as,
- 5.1) Consider approving the sales from 100-300 million baht.
 - 5.2) Consider approving the sales of the property, including the investment valued from 10-30 million baht.
 - 5.3) Consider deciding in the case there is a problem in delivering jobs to customers with the total project value is more than 50 million baht, and cannot deliver the job by exceed 180 days.
 - 5.4) Consider setting guidelines on taking legal actions,
 - In the case the company has become a plaintiff or defendant in the civil case with the capital exceed 10 million baht.
 - In the case the company has become a plaintiff or defendant in all the criminal cases.
 - 5.5) Consider accepting a fine and/or return of the goods with the total project value by more than 10 million baht.

And may appoint or assign to any person Or many people act on behalf of the Executive Committee as they deem appropriate And the Executive Committee can cancel, change or amend such power.

- 6) Consider screening all types of the jobs presented to the Board of Director except the job under the responsibility and/or authority of Sub-committees of the company to become the screener to present to the Board of Director directly.
- 7) Perform other duties as assigned by the Board of Directors.

Tenure and Vacancy

- 1) Members of the Executive Committee deemed as members of the company's Board of Directors shall remain effective in the position for a 3-year term. When the term is due, the Board of Directors shall be allowed to re-appoint the same members to return to the position plausibly and appropriately.
- 2) Members of the Executive Committee deemed as members of the company's Board of Directors shall remain effective in the position of executive management, except as otherwise determined by the Board of Directors.
- 3) Members of the Executive Committee deemed as members of the third party shall remain effective in the position in accordance with the resolution of the company's Board of Directors and shall be altered as appropriate. Apart from the aforementioned provisions, members of the Executive Committee shall be withdrawn from the position due to the following causes;

- 1) Death
- 2) Resignation
- 3) Disqualification of directorial properties, possession of any illegal action under the law on public company limited, or lack of proper qualifications required for the management, where shareholders are selected in accordance with the requirements cited in Article 89/3 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008).
- 4) The Board of Directors has resolved for retirement.

Any member of the Executive Committee who intends to resign from the position shall be required to submit a resignation letter to the President of the Board of Directors. In case that the position is vacant due to any reason other than the normal expiration of tenure, the Board of Directors shall appoint a new qualified person who possesses no illegal manner required by law to substitute the vacant position. In case that the remaining period of effective tenure is less than 2 months, the Board of Directors shall be allowed to determine not to appoint any person to substitute the vacant position as the substituted member shall remain effective in the position for the remaining period of effective term only.

- **Risk Management Committee**

Qualifications and Requirements of Risk Management Committee

1. The Risk Management Committee consists of at least 3 members of the Risk Management Committee and at least 1 Risk Management Committee must be an independent director.
2. Can devote sufficient time to the work of the Risk Management Committee.
3. Independent Director who chaired the Risk Management Committee. Qualifications of independent directors must be fully fulfilled in accordance with the Notification of the Capital Market Supervisory Board.

Scope of Authority and Duties of the Risk Management Committee

- 1) Determine effective policies for integrated risk management framework covering major risks on the company's core business implementation specified below.
 - ☐ Strategic Risks
 - ☐ Market Risk
 - ☐ Financial Risks
 - ☐ Operational Risks
- 2) Develop a set of efficient risk management plans and procedures for the organization as a whole.
- 3) Promote follow-up and assessment actions to keep pace with the risk management policies applied for the entire organization.

- 4) Provide productive advices on the implementation of risk management.
- 5) Report to the Board of Directors about risk and risk management.
- 6) Perform other required tasks as assigned.

Tenure and Vacancy

- 1) The Risk Management Committee shall remain effective in the tenure for 3 years and shall be re-appoint to return to the position plausibly and appropriately.
- 2) If the position of the Risk Management Committee is vacant for any reason other than the expiration of the term as specified in Clause 1, such termination shall be the termination of the Board of Directors or resignation or removal. The Board of Directors shall appoint a qualified person to be the Risk Management Committee so that the Risk Management Committee has the number as prescribed by the Board of Directors. The person who becomes a member of the Risk Management Committee shall be in the position only for the remaining term of the Risk Management Committee member.

● Nomination and Remuneration Committee

Qualifications and Requirements of Nomination and Remuneration Committee

- 1) The Nomination and Remuneration Committee consists of at least 3 members of the Board of Directors and at least 1 Nomination and Remuneration Committee must be independent directors.
- 2) Can devote sufficient time to the work of the Nominating and Remuneration Committee.
- 3) Independent directors who are the Chairman of the Nomination and Remuneration Committee. Qualifications of independent directors must be fully fulfilled in accordance with the Notification of the Capital Market Supervisory Board.

Scope of Authority and Duties of the Nomination and Remuneration Committee

1. Select a qualified candidate who deserves to be nominated as a new director or Chief Executive Officer.
2. Determine procedures and standards for nominating members of the Board of Directors or Chief Executive Officer with transparency and fairness.
3. Nominate and appoint a person deemed appropriate for the nomination of the Board of Directors and Chief Executive Officer to be proposed to the meetings of the Board of Directors and shareholders accordingly.
4. Consider guidelines for remuneration offered to the sub-committee.
5. Determine procedures and standards for offering remuneration to members of the Nomination and Remuneration Consideration Committee and the sub-committee fairly and

reasonably to be proposed to the meetings of the Board of Directors and shareholders accordingly.

6. Perform other tasks as assigned, particularly those related to the nomination and remuneration to be offered to the Board of Directors and Chief Executive Officer.

Tenure and Vacancy

1. The Nomination and Remuneration Consideration Committee shall remain effective in the tenure for 3 financial years and shall be re-appointed to return to the position plausibly and appropriately.

2. When a member of the Nomination and Remuneration Consideration Committee is dismissed from the position or shall not be able to remain effective throughout the tenure, the Board of Directors shall appoint a new member to substitute a vacant position within a period of 3 months following the date of position vacancy. The newly appointed member shall remain effective in the position for the remaining period of effective tenure only.

3. The discharge of the Nomination and Remuneration Consideration Committee shall be considered from the termination of normal tenure and

- 1) Death
- 2) Resignation
- 3) Disqualification of directorial properties, possession of any action or lack of proper qualifications required for the company's Director.

Scope of Authority and Duties of Chief Executive Officer

1) Define business plan, investment plan and annual budget plan to propose to the Executive Committee and/ or Board of directors.

2) Overall management responsibility and consider various management policies of the company to achieve the company's goals under the policy framework, business plans and budget plans approved by the Board of Directors.

3) Approve the implementation or approve spending money for various actions according to the authority of approval of the company or according to annual budget approved by the Board of Directors.

4) Recruiting, hiring, transferring, suspending and dismissing executives and employees in all positions; Including the scope of authority and reasonable return for equivalent positions from senior director upwards, report to the Board of Directors for acknowledgment, equivalent level positions are managed by the Internal Audit Department, with the opinion of the Audit Committee.

5) Appoint the authorized signer in various documents the company's accounting, finance, procurement, production, sales and general administration, including other important documents.

- 6) Modify, amend and abolish rules, orders, announcements, regulations, penalties, and internal controls for serve as a guideline for all employees and to ensure that the management within the organization is in accordance with the company policy.
- 7) Appointment of consultants, necessary to operate for the benefit of the company and includes the authority to appoint a lawyer to prosecute or enter into litigation involving the company.
- 8) Assign to other persons to perform or act on their behalf as deemed appropriate and it can be revoked, revoked, changed or modified.
- 9) Performance reports the progress of the projects and as well as financial status to the Executive Committee and Board of Directors.
- 10) Perform other actions according to the Executive Committee or the Board of Directors.

In the case of any action taken by the Chief Executive Officer or who may have conflicts Have any interest or conflict of interest. The Chief Executive Officer has no authority to authorize any such action.

Nomination of Directors, Chief Executive Officer and Executives

(1) Nomination of Directors and Chief Executive Officer

When the position of Director or Chief Executive Officer of the Company is vacant, the Nomination and Remuneration Committee has a duty to select and recruit suitable candidates to be nominated as directors or Chief Executive Officer by the Board of Directors. Nomination and remuneration will be considered for the selection of qualified persons in terms of knowledge, expertise, competency, experience, and specific qualifications in various areas that the Board of Directors needs and is necessary to conduct the Company's business. The nomination and remuneration committee selection will be based on the following criteria:

1. Each candidate should be qualified in accordance with the Public Company Act B.E. 2535 (1992), Section 68 and in accordance with the notices or regulations of the Stock Exchange of Thailand and the SEC, as well as the rules and regulations of the Company.
2. Each candidate must be knowledgeable, talented, experienced and unique in various areas beneficial to the company's operations effectively.
3. Each candidate must be a virtuous person who promotes good corporate governance such as morality and ethics, is independent, has the courage to express opinions, is creative, performs duties with care and integrity and can fully devote his or her time to the Company.

(2) Nomination of Directors (if a director leaves the position at the end of his or her term according to the law)

Election of replacement directors who leave their positions at the end of their term must be approved by the Annual General Meeting of Shareholders with a majority of votes from shareholders attending the meeting with voting rights. The rules and procedures for electing directors are as follows:

1. One shareholder has one vote per share.
2. Each shareholder must use all available votes in accordance with Article 1 to elect one or more candidates as director but will not be able to divide the votes among the candidates.
3. The candidate(s) who receives the highest number of votes, respectively, shall be elected as a director, as many as the number of directors to be named or elected at that time. In the event that the person who is elected has the same number of votes exceeding the number of directors to be elected at that time, the person who is chairman will decide on the final results.

In addition, the election of a director for a vacant position not due to the end of the term according to the law must be approved by the Board of Directors with at least two-thirds of the votes of the remaining directors. However, the person who is appointed will have the same term of office as the remaining term of the director who had left.

In case of the resignation of a director, the Company's articles of association require the Board of Directors to appoint a replacement director.

(3) Executive Recruitment

The Chief Executive Officer is authorized to consider the nomination and appointment of qualified candidates in terms of qualifications, knowledge, competency and experience in business operations. The selection will be carried out in accordance with human resource management regulations. If it is an equivalent position from the managing director or above, it will be reported to the Board of Directors for acknowledgement. An executive position of the Internal Audit Office must also be approved by the Audit committee first.

3. The Meetings of the Board of Directors

1. The Board of Directors shall hold a board meeting a minimum of four times a year and implement the meeting to comply with the regulation of the company, the Public Limited Company Act 1992 and the SET regulations. While the chairman of the Board of Directors as the chairman of the meeting shall encourage to use the discretion that is prudent and allocate the time sufficient for the management to present the matter and sufficient for the directors can discuss the important problems

with prudence. Including recording the minutes of the meeting each time for the directors and the relevant persons can verify. The directors have a duty to attend the board meeting each time except there is a special reason.

2. Before the Board of Directors meeting each year, the company secretary shall prepare a meeting schedule for the board of directors to acknowledge on the meeting in advance throughout the year, so the directors can plan in advance and allocate the time to attend the meeting.

3. In setting the number of times on the board meeting, the company shall consider the suitability with the duty and responsibility of its board. While the company secretary has shall prepare the annual schedule with stating the matter for consideration in each meeting, so the board can acknowledge on the details to consider in each meeting in advance. For instance, in the meeting in February shall have an approval on the annual financial budget and the schedule on the AGM, it is included the schedule on closing the register suspending the transfer of the company's shares. The meetings in May, August and December shall approve the verified financial budget on the quarterly basis at the 1, 2 and 3 quarters, etc.

4. In each meeting, the board secretary shall submit the meeting documents to the directors for consideration in advance a minimum of seven days before the meeting and shall prepare the documents and information to supplement the meeting.

5. Organizing the meeting shall comply with the bylaws of the company and the Public Limited Company Act 1992 strictly. It shall open an opportunity for the directors to discuss important problems prudently and widely. It shall have the company secretary to attend the meeting and record the minutes of the meeting, questions and recommendations of the directors as well. So, the directors and the relevant persons can follow up and verify them.

6. In each board meeting, the chairman of the board shall spend the time in the meeting about 1-2 hours, which is sufficient for the management to present the matter for consideration, and the directors can discuss the important problems with circumspection thoroughly. Nevertheless, the Chairman of the Board has encouraged the directors in the meeting to use the careful discretion and can inquire from the meeting if there is someone to have a question additionally or there is an alternative opinion in the meeting on any item.

4. Self-Assessment of the Board of Directors

The company secretary shall consider on suitability in preparing the "Corporate Governance (CG) Self-Assessment" to be presented to the Board of Directors for consideration on an individual basis to consider the work products and addressing the various problems, including improving the efficiency and the better working effectiveness.

5. Remuneration of Directors

The Nomination and Remuneration Committee has specified the policy for the remuneration of directors, the chief executive officer, and senior management as follows:

Remuneration Policy for the directors, Chief Executive Officer and senior executives

- 1. The remuneration of directors, Chief Executive Officer and senior executives must consider the suitability of their roles, assigned responsibilities, fairness and adequate incentives, which should be comparable to the remuneration of directors of listed companies on the Stock Exchange of Thailand in similar industries and businesses. The remuneration should also consider the results, performance, business environment, and overall economic conditions.*
- 2. The Nomination and Remuneration Committee shall consider and present the remuneration plan to the Board of Directors for approval. Once it is approved, the remuneration plan will be presented to the Annual General Meeting of Shareholders for further approval. This includes the approval of the maximum remuneration limit each year and determination of pay, including meeting allowances.*
- 3. The Nomination and Remuneration Committee shall comply with the resolutions of the AGM, which have approved the remuneration limit and remuneration details as disclosed in the annual report. In addition, the directors shall disclose the portions received from other duties to the Company, such as consulting fees, as well as the portions received from directorships and other functions, such as consulting fees from its subsidiaries, etc.*

6. Development of the Directors and the Management

1. The Board of Directors has promoted and provided convenience to have training for development and knowledge to the relevant directors, including the directors in the various committees, so the improvement is continuous.

2. The company secretary has provided the manual on the directorship and guidelines on the disclosure of the information, records on possessing the securities, a change of the securities possession, etc. It shall submit each time with a change of the new director.

3. The Board of Directors shall require the Chief Executive Officer to prepare a regular report on the plan for development and successive jobs to prepare for readiness on the successor in the case they cannot perform the duty.

4. The Board of Directors has set up the structure for the development of the management by assigning the Chief Executive Officer to report annually for the things that they have performed during the year and consideration in parallel with the plan on job succession