

## **Corporate Governance and Sustainability Policy**

### **KCG Corporation Public Company Limited**

Corporate governance and sustainability serve as essential pillars for adding value to the Company. They reinforce efficient business operations and support sustainable growth grounded in strong business ethics. Moreover, this fosters confidence among customers, investors, stakeholders, and the general public by ensuring that all operational and decision-making processes are systematic, independent, transparent, trustworthy, and fair to all involved parties.

#### **1. Principles and Rationale**

Corporate governance and sustainable development are key drivers of value creation and stakeholder confidence. Therefore, KCG Corporation Public Company Limited (the “Company”) is committed to operating its business in accordance with the principles and best practices of good corporate governance, as outlined by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). These principles are communicated and upheld throughout the organization for consistent and responsible conduct.

#### **2. Objectives**

To ensure that the Company maintains appropriate and effective governance practices for long-term value creation and stakeholder confidence, this Policy on Corporate Governance and Sustainability has been established with the following objectives:

2.1 To formally document the Company's governance policy for awareness and adherence by directors, executives, employees, and stakeholders.

2.2 To encourage a culture where all employees, executives, and directors are conscious of and committed to operating in alignment with good governance and sustainability principles.

2.3 To instill investor and stakeholder confidence in the Company's long-term commitment to good governance and sustainable growth.

#### **3. Policy on Corporate Governance and Sustainability**

3.1 The Company's Corporate Governance and Sustainability Policy comprises eight key principles as follows:

3.1.1 Principle 1: Recognize the board's leadership role and responsibilities in creating sustainable long-term value.

3.1.2 Principle 2: Define corporate objectives and core goals that align with sustainable development.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 1 / 25
--	--	-------------

- 3.1.3 Principle 3: Strengthen board effectiveness.
- 3.1.4 Principle 4: Appoint and develop senior executives and manage human resources efficiently.
- 3.1.5 Principle 5: Promote innovation and responsible business conduct.
- 3.1.6 Principle 6: Ensure an appropriate risk management and internal control system.
- 3.1.7 Principle 7: Preserve the integrity of financial information and ensure transparent disclosure.
- 3.1.8 Principle 8: Encourage stakeholder engagement and effective communication with shareholders.

To provide a clearer understanding of the intent and spirit of the eight core principles outlined in this Policy on Corporate Governance and Sustainable Development, the Board of Directors has adopted a set of sub-principles (details in Annex A) and accompanying guidelines to elaborate these sub-principles (details in Annex B). In addition, key provisions from the Securities and Exchange Act B.E. 2535 (1992) and its amendments have been included for completeness (details in Annex C), along with several additional key policies to further enhance understanding and implementation (details in Annex D).

The Company is firmly committed to conducting its business efficiently and with good corporate governance, aiming to create value for all stakeholders within a framework that is mindful of social and environmental responsibilities.

- 1.1 The Company places strong emphasis on business ethics, building competitive capacity, improving operational processes, enhancing the quality of products and services, and increasing business value through information technology. In addition, it promotes effective communication between the Company and its stakeholders.
- 1.2 The Company values proper and ethical conduct among personnel at all levels, upholds a merit-based human resource management system, and focuses on developing successors for key positions within the organization.
- 1.3 The Company recognizes the importance of, and actively promotes, transparent disclosure of both financial and non-financial information. Such disclosures must be sufficient, reliable, and timely, ensuring that all stakeholders receive equal access to relevant information.
- 1.4 The Company supports the exercise of shareholders' rights and is committed to treating all shareholders fairly and equitably. It also establishes dividend payout policies that balance shareholder returns with the Company's sustainable long-term growth.
- 1.5 The Board of Directors is dedicated to building long-term value for the Company and fostering investor confidence. To that end, five sub-committees have been established:

The Executive Committee, The Audit Committee, The Nomination and Remuneration Committee, The Corporate Governance and Sustainability Committee, The Technology and Information Committee

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 2 / 25
---	---	-------------

Each committee operates under a clearly defined charter outlining its roles and responsibilities in overseeing the Company's governance, with all charters reviewed at least annual.

- 1.6 The Company states that the Audit Committee independently reviews the Company's operations, internal control systems, risk management, and overall transparency across all functions.

This Corporate Governance and Sustainability Policy shall take effect from the date of its official announcement.

Announced on November 1, 2022

Signed -*Chaiyawat Wibulswasdi*-

Dr. Chaiyawat Wibulswasdi

Chairman of the Board

KCG Corporation Public Company Limited

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 3 / 25
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## Appendix A:

### Sub-Principles

#### **Sub-Principles under Principle 1: Recognize the Roles and Responsibilities of the Board as Organizational Leaders Creating Sustainable Value**

- 1.1 The Board of Directors shall understand and recognize its roles and responsibilities as the leadership body responsible for ensuring good corporate governance, which includes:
  - 1.1.1 Defining the objectives and goals of the company
  - 1.1.2 Setting strategies, operational policies, and allocating key resources to achieve the objectives and goals
  - 1.1.3 Monitoring, evaluating, and overseeing performance reporting
- 1.2 In creating sustainable value for the company, the Board shall oversee the organization to achieve at least the following outcomes:
  - 1.2.1 Competitiveness and long-term operational viability
  - 1.2.2 Ethical business conduct, respect for rights, and responsibility towards shareholders and stakeholders
  - 1.2.3 Contribution to society and mitigation of negative environmental impacts
  - 1.2.4 Adaptability to changing circumstances and external factors
- 1.3 The Board shall ensure that directors and executives carry out their duties responsibly, diligently, and with integrity, and that operations are conducted in accordance with the law, company regulations, board resolutions, shareholder resolutions, and established company policies and guidelines.
- 1.4 The Board shall understand the scope of its own duties and responsibilities and clearly define the delegation of responsibilities to sub-committees, the Chief Executive Officer (CEO), and management. The Board shall also monitor and ensure that such parties perform their assigned duties effectively.

#### **Sub-Principles under Principle 2: Define Objectives and Core Goals of the Organization for Sustainability**

- 2.1 The Board shall define key objectives and goals of the company that align with its vision, mission, and core values, as well as annual strategies, targets, and operational plans. These objectives shall guide all personnel in driving the company toward its desired goals within a specified timeframe. Furthermore, the company shall be encouraged to pursue sustainability by creating value for itself, its customers, stakeholders, and society at large.
- 2.2 The Board shall ensure that the objectives, goals, and strategies of the business are aligned with the company's long-term aspirations and sustainability objectives, including the appropriate and safe adoption of innovation and technology.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 4 / 25
---	---	-------------

### **Sub-Principles under Principle 3: Strengthen an Effective Board of Directors**

- 3.1 The Board of Directors is responsible for determining and reviewing the board structure in terms of size, composition, and the proportion of independent directors to ensure appropriateness and necessity for achieving the company's objectives and goals.
- 3.2 The Board shall appoint a suitable Chairman and ensure that the board's composition and operations support independent and well-informed decision-making.
- 3.3 The Board shall oversee the nomination and selection processes for directors to ensure they are transparent and clear, leading to the appointment of directors who meet the desired qualifications and board composition.
- 3.4 In proposing board remuneration for shareholder approval, the Board in conjunction with the Nomination and Remuneration Committee shall ensure the remuneration structure and levels are appropriate to responsibilities and serve as incentives to drive the organization towards both short- and long-term goals.
- 3.5 The Board shall ensure that all directors are responsible in their duties and allocate sufficient time to fulfill their responsibilities.
- 3.6 The Board shall establish appropriate governance frameworks and mechanisms to oversee the policies and operations of subsidiaries and other significant investee companies.
- 3.7 The Board shall conduct annual performance evaluations of the Board, its sub-committees, and individual directors. The evaluation results shall be used to improve performance.
- 3.8 The Board shall ensure that both the Board as a whole and individual directors understand their roles and responsibilities, the nature of the business, and the relevant laws, and shall support the ongoing development of directors' skills and knowledge.
- 3.9 The Board shall ensure its operations are efficient, with access to essential information and support from a knowledgeable and qualified company secretary.

### **Sub-Principles under Principle 4: Nominate and Develop Senior Executives and Manage Human Resources**

- 4.1 The Board shall ensure the nomination and development of the Chief Executive Officer and senior executives who possess the knowledge, skills, experience, and attributes required to drive the organization toward its goals.
- 4.2 Under the guidance of the Nomination and Remuneration Committee, the Board shall oversee the establishment of appropriate compensation structures and performance evaluation systems.
- 4.3 The Board shall understand the shareholder structure and relationships that may impact on the governance and operations of the company.
- 4.4 The Board shall oversee human resource management and development to ensure adequate staffing with the right skills, experience, motivation, and knowledge.

#### **Sub-Principles under Principle 5: Promote Innovation and Responsible Business Operations**

- 5.1 The Board places importance on innovation as a means for sustainable growth, whether through product, service, process, or new business model innovation. The company supports management in sourcing innovative and technologically advanced products that benefit society and customers while protecting the environment. It also promotes the adoption of modern information technology within the organization and establishes appropriate IT governance frameworks to drive innovation, manage risk, and help achieve corporate objectives sustainably.
- 5.2 The Board shall oversee and ensure that management integrates social and environmental responsibility into innovative initiatives, which should be reflected in the company's operational plans aligned with its objectives, goals, and strategies.
- 5.3 The Board shall monitor and ensure that management allocates and manages resources effectively and efficiently to support innovation development, considering the impact and enhancement of resources throughout the value chain to achieve sustainable objectives and goals.

#### **Sub-Principles under Principle 6: Ensure Appropriate Risk Management and Internal Control Systems**

- 6.1 The Board of Directors shall oversee and ensure that the company has risk management and internal control systems in place that effectively support the achievement of objectives and ensure compliance with applicable laws and standards.
- 6.2 The Board shall establish an Audit Committee capable of performing its duties independently and effectively.
- 6.3 The Board shall monitor and manage potential conflicts of interest between the company and management, the Board, or shareholders. This includes preventing the misuse of company assets, information, and business opportunities, as well as improper related party transactions.
- 6.4 The Board shall ensure the establishment of a clear anti-corruption policy, communicated across all organizational levels and to external parties to ensure practical implementation.
- 6.5 The Board shall ensure that the company has mechanisms to receive complaints and handle whistleblower reports appropriately.

#### **Sub-Principles under Principle 7: Maintain Financial Credibility and Disclosure**

- 7.1 The Board is responsible for ensuring that financial reporting and the disclosure of material information are accurate, adequate, timely, and in compliance with applicable rules, standards, and best practices.
- 7.2 The Board shall monitor and ensure the adequacy of financial liquidity and the company's ability to meet its obligations.
- 7.3 In the event of financial difficulty or potential issues, the Board shall ensure that the company has a clear plan or mechanisms to resolve such issues, while considering the rights of stakeholders and maintaining fairness.
- 7.4 Where appropriate, the Board may consider preparing a sustainability report.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 6 / 25
--	--	-------------

- 7.5 The Board shall ensure that management establishes an investor relations unit or assigns responsible person to communicate effectively, equally, and timely with shareholders and other stakeholders, including investors and analysts.
- 7.6 The Board shall promote the use of information technology in disseminating company information.

**Sub-Principles under Principle 8: Support Shareholder Participation and Communication**

- 8.1 The Board shall ensure that shareholders are able to participate in making decisions on important matters of the company.
- 8.2 The Board shall ensure that the conduct of shareholder meetings is transparent, efficient, and facilitates the full exercise of shareholders' rights.
- 8.3 The Board shall ensure the accurate and complete disclosure of shareholder meeting resolutions and the preparation of meeting minutes.

## Appendix B

### Guidelines for Compliance with the Principles

#### **Guidelines for Compliance with Principle 1.1**

1. The company shall establish charters for the Board of Directors and its sub-committees.
2. The company shall establish a charter for the Chief Executive Officer.

#### **Guidelines for Compliance with Principle 1.2**

1. In determining the success of business operations, the Board of Directors shall give primary consideration to ethics and the impact on society and the environment, beyond just financial performance.
2. The Board shall foster and drive an organizational culture rooted in ethical conduct, acting as a role model in governance leadership, adhering to corporate values and ethics, and committing to integrity in operations.
3. The Board shall establish written policies for directors, executives, and employees that outline the principles and guidelines for business conduct.
4. The Board shall oversee effective communication to ensure that all directors, executives, and employees understand and are enabled to act in accordance with these policies. Mechanisms shall be in place for implementation, performance monitoring, and regular review of the policies and practices.

#### **Guidelines for Compliance with Principle 1.3**

1. In evaluating whether directors and executives have performed their duties with responsibility, prudence, and integrity, the Board shall, at a minimum, consider the relevant legal provisions, such as Sections 89/7, 89/8, 89/9, and 89/10 of the Securities and Exchange Act B.E. 2535 (1992), as amended, which are detailed in Appendix C.
2. The Board shall ensure the company has adequate systems or mechanisms to ensure operations are conducted in compliance with the law, the company's regulations, board resolutions, shareholder resolutions, and established policies or guidelines. This includes ensuring that significant business decisions are approved in accordance with legal requirements. Examples of such significant actions include approval of material transactions, related party transactions, acquisition or disposal of assets, and dividend payments.

#### **Guidelines for Compliance with Principle 1.4**

1. The Board of Directors has established a Board Charter that outlines the roles and responsibilities of the Board, which serves as a reference for all directors in the performance of their duties. The Charter shall be reviewed regularly, at least once a year. Additionally, the roles and responsibilities of the Board, its sub-

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 8 / 25
---	---	-------------



committees, the Chief Executive Officer, and management shall be reviewed periodically to ensure alignment with the organization's direction.

2. The Board shall clearly understand its scope of duties and delegate the authority for business management to the management team in writing, including a Delegation of Authority framework. However, such delegation does not absolve the Board of its responsibility. The Board remains accountable for overseeing the performance of duties by management.

The roles and responsibilities of the Board, sub-committees, Chief Executive Officer, and management may be classified as follows:

(1) Matters to be Overseen to Ensure Execution

These are matters for which the Board is primarily accountable to ensure appropriate implementation, though the Board may delegate responsibility for proposal preparation to management. These include:

- a. Defining the objectives and core business goals.
- b. Cultivating an ethical organizational culture and acting as role models.
- c. Ensuring that the Board's structure and operations are suitable for achieving business objectives and overseeing through sub-committees.
- d. Recruiting, developing, setting compensation, and evaluating the performance of the CEO in coordination with the Nomination and Remuneration Committee.
- e. Establishing compensation structures that incentivize personnel to align with the organization's goals and objectives.

(2) Matters to be Jointly Addressed with Management

These are matters jointly considered by the Board, sub-committees, CEO, and management, where the Board ensures overall policy alignment with objectives and business goals. Management shall propose matters for Board approval and report regularly. These include:

- a. Establishing and reviewing strategies, goals, and annual plans.
- b. Overseeing the adequacy of risk management and internal control systems.
- c. Entering into intercompany or related party transactions.
- d. Defining operating authority appropriate to management's responsibilities.
- e. Allocating resources, developing budgets, and managing policies and plans for human capital development and information technology.
- f. Monitoring and evaluating operational performance.
- g. Ensuring the reliability of both financial and non-financial disclosures.

### (3) Matters the Board Should Not Directly Execute

These are matters where the Board provides policy-level oversight and assigns responsibility to sub-committees and/or the CEO. These include:

- a. Operational execution in accordance with strategies, policies, and plans approved by the Board. Management is responsible for decisions within the approved framework, while the Board monitors results without interfering unless necessary.
- b. Activities prohibited by regulations, such as approving transactions in which directors have a conflict of interest.

#### Guidelines for Compliance with Principle 2.1

1. The Board of Directors shall ensure that the company has clear and appropriate objectives and key goals that serve as the foundation for shaping the business model. These shall be communicated throughout the organization to align everyone toward a unified direction. Such objectives and goals may be expressed through the company's vision, mission, core values, or similar declarations.
2. In achieving these objectives and key goals, the Board shall establish a business model that creates value for the company, its stakeholders, and society as a whole. This will take into account:
  - (1) The environment and changing factors, including appropriate adoption of innovation and technology to enhance competitiveness.
  - (2) The needs of customers and stakeholders.
  - (3) The company's readiness, expertise, and competitive capabilities.

Examples of considerations in setting objectives and a business model include: What is the company's purpose? Who are the company's primary customers? How does the company generate profit or competitive advantage by creating value for itself and stakeholders? How can the company achieve long-term sustainability given opportunities and risks? Is risk management adequate to reduce or control key risks to an acceptable level?

3. The Board shall promote communication and ensure that the organization's core objectives and goals are reflected in decision-making and operations at all levels. All decisions should be guided by these goals while considering the risks and potential impacts on the company, society, communities, and the environment, thereby embedding them into the organizational culture.

#### Guidelines for Compliance with Principle 2.2

1. The Board shall oversee the development of strategies and annual plans aligned with the company's core objectives and goals, considering the current business environment, acceptable risks, and opportunities. The Board shall also support the formulation or revision of medium-term objectives, goals, and strategies (3–5 years) to ensure longer-term impacts are adequately considered and reasonably forecasted.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 10 / 25
---	---	--------------

2. In setting strategies and annual plans, the Board shall ensure that the external environment, influencing factors, and potential risks to stakeholders are analyzed. There should be mechanisms to genuinely understand stakeholder needs.
3. In strategic planning, the Board shall encourage the integration of innovation and technology to enhance competitiveness and meet stakeholder needs, while maintaining social and environmental responsibility.
4. The Board shall set goals appropriate to the business environment and company potential, including both financial and non-financial goals. The Board shall also be aware of the risks of setting goals that may lead to unethical or illegal behavior.
5. The Board shall ensure that objectives and goals are effectively translated into actionable strategies and plans across the organization.
6. The Board shall oversee proper allocation of resources and implementation controls to support execution of strategic and annual plans. This may include assigning responsible persons to monitor and report progress.

#### **Guidelines for Compliance with Principle 3.1**

1. The Board of Directors shall ensure that the board comprises individuals with diverse qualifications in terms of skills, experience, capabilities, and specific attributes necessary to achieve the company's objectives and goals. This diversity ensures the board, as a whole, is well-equipped to understand and respond to stakeholder needs.
2. The Board shall consider an appropriate number of directors to enable the board to perform its duties effectively.
3. The Board shall ensure a balanced composition between executive and non-executive directors. Independent directors shall be appointed in accordance with the criteria set by the SEC and the Stock Exchange of Thailand. The Board shall also ensure that independent directors can work effectively with the full board and express their opinions freely.
4. The Board shall disclose its policy on diversity in board composition, as well as directors' information, such as educational background, work experience, shareholding, tenure on the board, and positions held in other listed companies. This information shall be included in the annual report and published on the company's website.

#### **Guidelines for Compliance with Principle 3.2**

1. The roles and responsibilities of the Chairman of the Board and the Chief Executive Officer (CEO) shall be clearly separated. The company shall appoint different individuals to serve as the Chairman and the CEO.
2. The Chairman shall act as the leader of the Board of Directors. His/her responsibilities include:

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 11 / 25
---	---	--------------

- (1) Supervising, monitoring, and ensuring that the board performs its duties effectively and achieves the company's key objectives and goals.
  - (2) Ensuring that all directors contribute to fostering an ethical corporate culture and good corporate governance.
  - (3) Determining the board meeting agenda in consultation with the CEO, ensuring that significant matters are included in the agenda.
  - (4) Allocating adequate time for management to present issues and for directors to discuss key matters thoroughly, promoting careful judgment and independent expression of opinions by directors.
3. The Board may consider setting a policy limiting independent directors to a maximum term of nine consecutive years from their initial appointment. If reappointment beyond this term is proposed, the Board must reasonably assess the necessity of such an extension.
  4. In cases where the Chairman and CEO roles are not clearly separated — for example, if they are held by the same person, if the Chairman is not an independent director, if both are from the same family, or if the Chairman holds executive or managerial responsibilities — the Board should enhance checks and balances by considering:
    - (1) Having a majority of the board be independent directors, or
    - (2) Appointing an independent director to jointly set the board meeting agenda.
  5. To ensure detailed and thorough consideration of significant matters, the Board shall establish sub-committees to handle specific issues, screen information, and propose recommendations for board approval.
  6. The Board shall ensure disclosure of the roles and responsibilities of the Board and its sub-committees, the number of board meetings held, each director's attendance record for the past year, and the performance reports of all sub-committees.

### **Guidelines for Compliance with Principle 3.3**

1. The Nomination and Remuneration Committee should hold meetings to determine the criteria and methods for nominating candidates who possess the qualifications and expertise necessary for an effective and well-composed board. The candidate's background shall be reviewed, and recommendations made to the Board before submitting the nomination to shareholders for appointment. Shareholders shall be provided with sufficient information about the nominated individuals to make an informed decision.
2. The Nomination and Remuneration Committee shall regularly review the nomination criteria and procedures and make recommendations to the Board before nominating directors whose terms are due to expire.
3. If the Board appoints any individual as an advisor to the Nomination and Remuneration Committee, such information must be disclosed in the annual report, including the advisor's independence and any potential conflicts of interest.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 12 / 25
---	---	--------------

#### Guidelines for Compliance with Principle 3.4

1. Directors' remuneration must be aligned with the company's long-term strategies and goals, taking into account each director's experience, duties, role scope, accountability, responsibility, and the expected benefits they bring to the company.
2. Shareholders must approve the structure and levels of directors' remuneration, both monetary and non-monetary. The Board is responsible for determining appropriate types and levels of remuneration, including fixed compensation (e.g., retainer fees, meeting allowances) and performance-based compensation (e.g., bonuses, gratuities). The performance-based portion should be linked to the value created for shareholders but must not be excessively high to the point where it incentivizes short-term performance.
3. The Board shall disclose its policy and criteria for determining directors' remuneration, reflecting their responsibilities, as well as the format and amount of such compensation.
4. If the Board appoints any individual as an advisor to the Nomination and Remuneration Committee, the advisor's information must be disclosed in the annual report, including their independence or any lack of conflicts of interest.

#### Guidelines for Compliance with Principle 3.5

1. The Board of Directors shall ensure that mechanisms are in place to support directors in understanding their roles and responsibilities.
2. The Board shall consider each director's effectiveness in other companies where they serve as directors to ensure that they can devote sufficient time to the company's affairs. A reasonable limit, generally not exceeding five listed companies, should be set for directorships, depending on the nature and complexity of the company's business. This guideline shall be disclosed publicly.
3. The Board shall establish a reporting system for disclosing directors' other positions and ensure transparency.
4. If a director holds a position or has interests—direct or indirect—in another entity that creates a conflict of interest or an opportunity to use the company's resources or information for personal gain, the Board shall ensure that adequate preventive measures are in place and such matters are disclosed to shareholders as appropriate.
5. Each director must attend at least 75% of all Board meetings held during the year unless there are necessary reasons preventing attendance.

#### Guidelines for Compliance with Principle 3.6

1. The Board of Directors shall consider establishing a governance policy for subsidiaries, which includes:

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 13 / 25
---	---	--------------

- (1) Appointment of individuals as directors, executives, or persons with control authority in subsidiaries, with appointments made by the Board.
  - (2) Ensuring subsidiaries have adequate and effective internal control systems, and that transactions comply with relevant laws and regulations.
  - (3) Disclosure of financial position, operating results, related party transactions, asset acquisitions or disposals, significant transactions, capital increases or reductions, and subsidiary dissolutions.
2. In cases of significant investments in other businesses (e.g., holding 20% to 50% of voting shares, or where the investment is financially material), the Board shall ensure, where necessary and practicable, the preparation of a Shareholders' Agreement or other appropriate agreements. This is to clarify management authority, participation in key decisions, and operational oversight, enabling proper consolidation into the company's financial statements in accordance with standards and timelines.

#### **Guidelines for Compliance with Principle 3.7**

1. The Board and its committees shall conduct self-assessments at least annually to identify areas for improvement. The evaluation should use established benchmarks for performance comparison.
2. The results of the Board's performance evaluation must be used in considering the appropriateness of its composition.

#### **Guidelines for Compliance with Principle 3.8**

1. The Board shall ensure that newly appointed directors receive orientation and useful information for fulfilling their duties. This includes an understanding of the company's objectives, goals, vision, mission, values, business nature, and operational direction.
2. The Board shall ensure that directors continuously receive necessary training and knowledge development.
3. The Board shall remain informed and understand applicable laws, regulations, standards, business risks, and the operating environment, and regularly stay updated.
4. The Board shall disclose continuous training and development activities of its members in the annual report.

#### **Guidelines for Compliance with Principle 3.9**

1. The Board shall schedule meetings and set agendas in advance to allow directors to manage their schedules and attend meetings.
2. The number of Board meetings shall be appropriate to the Board's duties and responsibilities, as well as the company's business nature.
3. The Board shall ensure a mechanism exists that allows individual directors and management to freely propose agenda items beneficial to the company.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 14 / 25
---	---	--------------

4. The Board Chair or assigned person shall send out meeting invitations, agenda, and supporting documents to directors at least 3 days before the meeting. In urgent cases, notification may be made via other methods or on shorter notice to protect the company's interests.
5. The Board shall support the CEO in inviting senior executives to attend Board meetings to provide detailed information, particularly for relevant issues, and to allow directors to familiarize themselves with executives as part of succession planning considerations.
6. The Board may request additional information from the CEO, company secretary, or assigned executives as needed within the scope of policy. If necessary, the Board may also seek independent advice from external advisors or professionals, at the company's expense.
7. The Board shall allow non-executive directors to meet among themselves as needed to discuss management-related concerns, without management's presence. The CEO should be informed of the meeting outcomes.
8. The Board shall define the qualifications and experience required of the company secretary to ensure effective support, including advising on legal and regulatory matters, managing Board meeting documents and records, and coordinating implementation of Board resolutions.
9. The company secretary shall receive ongoing training and development relevant to their role. Where applicable, the secretary shall attend certified training programs (e.g., Certified Company Secretary Program).

#### **Guidelines for Compliance with Principle 4.1**

1. The Board of Directors shall consider, or assign the Nomination and Remuneration Committee to consider, the criteria and process for selecting a suitable person to hold the position of Chief Executive Officer (CEO).
2. The Board shall monitor to ensure that the CEO maintains a team of competent senior executives.
3. To ensure business continuity, the Board shall oversee the development of a Succession Plan for the CEO position and require the Nomination and Remuneration Committee to report on the progress of the succession plan to the Board at least once a year.
4. The Board shall promote and support the CEO and senior executives to undergo training and development in order to enhance knowledge and experience relevant to their duties.

#### **Guidelines for Compliance with Principle 4.2**

1. Assign the Nomination and Remuneration Committee to be responsible for:
  - (1) Considering the structure, composition, qualifications, and terms of the Board of Directors and sub-committees, including the nomination and selection of qualified individuals to serve as directors and committee members.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 15 / 25
---	---	--------------

- (2) Comparing the company's remuneration structure with listed companies in the same or similar industries and of comparable size.
- (3) Reviewing recommendations from external consultants regarding remuneration structure compared to similar listed companies, to determine the company's compensation framework.
- (4) Evaluating positions that are particularly scarce in the labor market separately.
- (5) Assessing the appropriateness of using KPIs or OKRs in determining compensation and bonuses.
- (6) Managing and evaluating compensation based on a merit-based system.

**2. The Nomination and Remuneration Committee shall evaluate the performance and determine the compensation of the CEO and senior executives.**

**Guidelines for Compliance with Principle 4.3**

1. The Board of Directors shall understand the structure and relationships of shareholders, which may be based on shareholders' agreements or the policies of the parent company group, that influence the company's management control.
2. The Board shall ensure that such agreements do not hinder the Board's ability to perform its duties, such as the appointment of a suitable successor.
3. The Board shall ensure the disclosure of any agreements that significantly affect control over the company.

**Guidelines for Compliance with Principle 4.4**

1. The Board shall ensure that human resource management aligns with the organization's direction and strategy, and that employees at all levels possess the necessary knowledge, skills, and motivation, and are treated fairly to retain key talent.
2. The Board shall ensure the establishment of a provident fund or other mechanisms to help employees save adequately for retirement.

**Guidelines for Compliance with Principle 5.1**

1. Publicize the organization's innovation values clearly so that employees understand the intent.
2. Encourage employees to seek ways to improve work performance.
3. Create processes for innovation development and communicate these for implementation across the organization.
4. Provide platforms for employees to present their innovation-related work.
5. Promote employee engagement with external entities to foster open innovation.
6. Allocate appropriate rewards for employee innovation achievements.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 16 / 25
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## Guidelines for Compliance with Principle 5.2

1. The Board shall ensure the presence of mechanisms to confirm that the company operates ethically, with responsibility to society and the environment, without violating stakeholder rights. These mechanisms may include policies or practices that at least cover the following areas:
  - (1) Responsibility to employees and workers: Comply with applicable laws and standards, treat employees fairly, and respect human rights. This includes fair compensation and benefits, welfare above or equal to legal requirements, occupational health and safety, training, skills development, career advancement, and opportunities to upskill in other fields.
  - (2) Responsibility to customers: Operate in compliance with relevant laws and standards, considering health, safety, fairness, data privacy, after-sales service, and customer satisfaction. Advertising and promotions must be conducted responsibly without misleading customers or taking advantage of misunderstandings.
  - (3) Responsibility to business partners: Procurement must follow fair trade terms and contractual obligations, adhering to legal principles.
  - (4) Fair competition: Conduct business transparently and avoid creating unfair competitive advantages.
  - (5) Anti-corruption: Operate in accordance with laws and standards and establish clear anti-corruption policies.

## Guidelines in Compliance with Principle 5.3

1. The Board of Directors shall recognize the necessity of utilizing various resources, acknowledging that each type of resource may impact others.
2. The Board of Directors shall be aware that different business models have varying impacts on resources. Therefore, when choosing a business model, the Board must consider the effects and efficiency of resource utilization, ensuring decisions are based on ethics, responsibility, and the creation of long-term sustainable value for the business.
3. The Board of Directors shall ensure that, in achieving the company's main objectives and goals, management continually reviews, develops, and supervises the use of resources efficiently and effectively, taking into account both internal and external changes.

## Guidelines in Compliance with Principle 5.4

1. Establish and communicate the company's Information and Communication Technology (ICT) policy to all employees to ensure a consistent understanding across all levels.
2. Appoint an IT Steering Committee to formulate IT policies and strategies.
3. Allocate an appropriate annual budget for investments in information technology.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 17 / 25
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### Guidelines in Compliance with Principle 6.1

1. The Board of Directors shall study and understand the company's key risks and approve the acceptable risk levels.
2. The Board of Directors shall review and approve the company's risk management policy, ensuring alignment with the company's objectives, core goals, strategy, and acceptable risk levels. This serves as a framework for consistent risk management practices throughout the organization. The policy shall be reviewed periodically.
3. The Board of Directors shall ensure that the company identifies potential risks by considering both internal and external factors that may prevent the company from achieving its objectives. Key risks include:
  - Strategic Risk
  - Operational Risk
  - Financial Risk
  - Compliance Risk
  - Other risks identified through the risk management process
4. The Board of Directors shall ensure the company assesses the potential impact and likelihood of each risk in order to prioritize risks and implement appropriate mitigation measures.
5. The Board of Directors may assign management to preliminarily assess the matters stated in items 2–4 before submitting them to the Board for consideration, as appropriate to the business context.
6. The Board of Directors shall regularly monitor and evaluate the effectiveness of the company's risk management.
7. The Board of Directors shall ensure the company operates in compliance with applicable laws and standards, both domestic and international.
8. In cases where the company has subsidiaries or significant investments (e.g., holdings of 20% to 50% of voting rights), the Board shall incorporate the results of internal control and risk management assessments into the considerations outlined in items 2–7 above.

### Guidelines to Comply with Principle 6.2

1. The Board of Directors shall establish an Audit Committee consisting of at least three members, all of whom must be independent directors and possess qualifications and duties as prescribed by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
2. The Board shall define the duties of the Audit Committee in writing, at minimum as specified in the Audit Committee Charter.
3. The Board shall ensure the company provides mechanisms or tools that enable the Audit Committee to access necessary information for performing their assigned duties. This includes facilitating the Audit

Committee's ability to summon relevant personnel for information, consult with external auditors, or seek independent professional advice to assist in their deliberations.

4. The Board shall appoint an independent internal audit function responsible for developing and reviewing the effectiveness of the risk management and internal control systems, with reports submitted to the Audit Committee and disclosed in the company's annual report.
5. The Audit Committee shall provide an opinion on the adequacy of the risk management and internal control systems, which shall be disclosed in the annual report.

#### **Guidelines to Comply with Principle 6.3**

1. The Board of Directors shall oversee the implementation of information security systems, including policies and procedures to maintain confidentiality, integrity, and availability of information. This also covers management of market-sensitive information. The Board shall ensure that directors, senior management, employees, and relevant external parties such as company consultants comply with information security requirements.
2. The Board shall oversee the management and monitoring of potential conflicts of interest transactions, ensuring that clear guidelines and procedures are in place. Such transactions must follow established processes and disclosures required by law, prioritizing the best interests of the company and shareholders. Stakeholders with conflicts of interest should not participate in related decision-making.
3. The Board shall require directors with conflicts of interest to disclose such interests prior to discussion of the relevant agenda items, have the disclosures recorded in the Board meeting minutes, and request those directors to abstain from participating in those agenda discussions.

#### **Guidelines to Comply with Principle 6.4**

The Board shall formulate an Anti-Corruption Policy and may implement programs or initiatives to prevent corruption. This includes supporting activities that promote and instill compliance with relevant laws and regulations among all employees.

#### **Guidelines to Comply with Principle 6.5**

1. The Board shall supervise mechanisms and processes to manage complaints from stakeholders, including recording, monitoring progress, resolving issues, and reporting. The company shall provide multiple accessible channels for lodging complaints and disclose these channels on the company website or annual report.
2. The Board shall oversee a clear Whistleblowing Policy, establishing channels for reporting misconduct via mail, email, or the company website, along with procedures for verifying information, handling reports, and reporting to the Board.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 19 / 25
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3. The Board shall ensure appropriate protection measures are in place for whistleblowers who report in good faith.

#### **Guidelines to Comply with Principle 7.1**

1. The Board of Directors shall ensure that personnel involved in the preparation and disclosure of information possess the necessary knowledge, skills, and experience for their responsibilities and are adequate in number. These personnel include the Chief Financial Officer, accountants, internal auditors, company secretary, and investor relations officers.
2. When approving disclosures, the Board shall consider all relevant factors. For financial reports, the Board shall at least take into account:
  - (1) The results of the internal control adequacy assessment;
  - (2) The auditor's opinion in the financial report and any remarks on internal control systems or other communications;
  - (3) The Audit Committee's opinion;
  - (4) Consistency with the company's objectives, goals, strategies, and policies.
3. The Board shall ensure that all disclosures, including financial statements and the Annual Information Form / Annual Report (Form 56-1 One Report), adequately reflect the company's financial position and performance. The Board shall also support the preparation of a Management Discussion and Analysis (MD&A) for each quarterly financial statement to enhance investor understanding of the financial position and performance beyond the numerical data alone.
4. In cases where a disclosure pertains specifically to a director, that director must ensure the completeness and accuracy of the information disclosed, such as personal shareholdings or any details related to their Shareholders' Agreement group.

#### **Guidelines to Comply with Principle 7.2**

1. The Board shall ensure that management continuously monitors and evaluates the company's financial position and reports regularly to the Board. If there are signs of liquidity or solvency issues, the Board and management must promptly take corrective actions.
2. When approving any transaction or proposing such transactions to shareholders for approval, the Board must ensure that the transaction does not jeopardize the company's going concern status, financial liquidity, or ability to meet its debt obligations.

#### **Guidelines to Comply with Principle 7.3**

1. If the company is at risk of default or facing financial difficulties, the Board shall closely monitor the situation and ensure that the business is operated with caution and in compliance with disclosure regulations.

Corporate Governance and Sustainability Policy No. 01	Rev.00 According to the resolution of the Company's Board of Directors Meeting No. 9/2022 dated 1 November 2022	Page 20 / 25
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2. The Board shall oversee the development of a financial recovery plan that considers the fairness to all stakeholders, including creditors, and shall monitor its implementation through regular reporting by management.
3. The Board must ensure that any decision regarding financial recovery measures is made with sound reasoning.

Examples of indicators the Board may consider include:

- (1) Continuous losses;
- (2) Weak cash flow;
- (3) Incomplete financial information;
- (4) Inadequate accounting systems;
- (5) Lack of cash flow forecasting and budgeting;
- (6) Absence of a business plan;
- (7) Liabilities exceeding assets;
- (8) Difficulties in inventory turnover or debt collection.

#### **Guidelines to Comply with Principle 7.4**

1. The Board of Directors shall consider the appropriateness of disclosing the company's compliance with laws, adherence to ethical standards, anti-corruption policies, fair treatment of employees and stakeholders, respect for human rights, and responsibility towards society and the environment. Such disclosures should take into account nationally or internationally recognized reporting frameworks and may be included in the annual report or published as a separate sustainability or corporate social responsibility report as appropriate.
2. The Board shall ensure that the disclosed information is relevant and reflects actual practices that contribute to sustainable value creation for the company.

#### **Guidelines to Comply with Principle 7.5**

1. The Board shall establish a Disclosure Policy to ensure that external communications and information disclosures are appropriate, equitable, timely, and disseminated through proper channels. This includes the protection of confidential and price-sensitive information and promoting a shared understanding throughout the organization regarding compliance with this policy.
2. The Board shall designate responsible spokespersons for communicating with external parties. These individuals must be qualified, possess a thorough understanding of the company's business, objectives, and core values, and be able to effectively communicate with the capital market.
3. The Board shall ensure that management sets the direction and supports investor relations activities. This includes developing disclosure practices, policies for handling price-sensitive information, and clearly defining the roles and responsibilities of investor relations personnel to ensure effective communication and disclosure.

#### Guidelines to Comply with Principle 7.6

1. In addition to mandatory disclosures through the Stock Exchange of Thailand (SET), the Board shall consider disclosing both Thai and English information via other channels, such as the company's website, on a regular basis with up-to-date content.

Key information to be disclosed on the company's website may include:

- Company vision and values
- Nature of business
- List of directors and executives
- Financial statements and reports on financial position
- Annual Information Form / Annual Report (Form 56-1 One Report) in downloadable format
- Shareholding structure
- Group company structure
- Notices of Annual and Extraordinary General Meetings of shareholders
- Key policies and charters

#### Guidelines to Comply with Principle 8.1

1. The Board of Directors shall ensure that significant matters—whether legally required or matters potentially affecting the company's strategic direction—are considered and/or approved by shareholders. Such matters must be clearly included in the agenda of shareholders' meetings.
2. The Board shall encourage shareholder participation, for example by establishing criteria that allow minority shareholders to propose agenda items in advance of the shareholders' meeting. If the Board declines to include such proposals, it shall provide reasons at the shareholders' meeting.
3. The Board shall ensure that the notice of the shareholders' meeting contains accurate, complete, and sufficient information to enable shareholders to exercise their rights effectively.
4. The Board shall ensure that the notice of the shareholders' meeting, along with relevant documents, is distributed and published on the company's website in accordance with applicable laws and regulations.
5. The Board shall provide an opportunity for shareholders to submit questions in advance of the meeting. The criteria for submitting such questions shall be clearly defined and published on the company's website.
6. The Board may consider preparing the notice of the shareholders' meeting and related documents in both Thai and English, and publishing both versions concurrently. The notice shall include the following details:
  - (1) Date, time, and venue of the shareholders' meeting.
  - (2) Agenda items, specifying whether each item is for acknowledgment or approval, and separating different issues clearly. For example, director-related items should distinguish between the election of directors and the approval of directors' remuneration as separate agenda items.
  - (3) Objectives, rationale, and Board's opinion for each agenda item, including:

- Dividend payment approval – the dividend policy, proposed dividend rate with reasons and supporting information. If no dividend is proposed, reasons and supporting information must also be provided.
- Director appointment – name, age, educational and professional background, number of directorships in listed and non-listed companies, selection criteria and methods, type of director being nominated. If reappointment is proposed, the director's meeting attendance in the previous year and original appointment date must be stated.
- Approval of directors' remuneration – policies and criteria for determining remuneration for each director position, and all forms of remuneration (monetary and non-monetary benefits).
- Appointment of the auditor – name, affiliated audit firm, professional experience, auditor independence, audit fees and other service fees.

(4) Proxy form as prescribed by the Ministry of Commerce.

(5) Additional meeting materials, such as voting procedures, vote counting and result announcement process, voting rights of each share class, information of the independent directors proposed to be proxy recipients, required documents for meeting attendance, proxy documentation, and a map of the meeting venue.

#### **Guidelines to Comply with Principle 8.2**

1. The Board of Directors shall determine the date, time, and venue of the shareholders' meeting with due consideration to shareholder convenience, such as setting an appropriate meeting time with sufficient duration for discussion and selecting a location that is easily accessible.
2. The Board shall ensure that no actions are taken that limit shareholders' opportunities to attend the meeting or impose an unreasonable burden. For example, shareholders or proxies should not be required to present documents beyond those specified by relevant regulatory guidelines.
3. The Board shall promote the use of technology in shareholders' meetings for processes such as registration, vote counting, and vote reporting to ensure efficiency, accuracy, and timeliness.
4. The Chairman of the Board shall preside over the shareholders' meeting and ensure that it is conducted in accordance with applicable laws, regulations, and the company's Articles of Association. The Chairman shall allocate appropriate time for each agenda item as outlined in the meeting notice and allow shareholders to express opinions and ask questions on relevant matters.
5. To facilitate informed decision-making by shareholders, directors—acting both as meeting participants and shareholders—shall avoid adding new agenda items without prior notice, especially significant matters requiring time for shareholders to review and consider.
6. All directors and relevant executives shall attend the meeting to allow shareholders the opportunity to raise and clarify relevant issues.

7. Before the meeting begins, shareholders shall be informed of the number and proportion of shareholders attending in person and by proxy, the meeting procedures, voting methods, and vote-counting processes.
8. For any agenda item with multiple components, the Chairman shall ensure that separate resolutions are taken for each item. For example, shareholders shall vote for the election of each director on an individual basis.
9. The Board shall encourage the use of ballots for significant agenda items and promote the appointment of independent individuals to monitor or verify the vote-counting process. The results, including votes “for,” “against,” and “abstentions,” shall be disclosed to the meeting and recorded in the minutes.

#### **Guidelines to Comply with Principle 8.3**

1. The Board of Directors shall ensure that resolutions passed by the shareholders’ meeting, along with the voting results, are disclosed through the Stock Exchange of Thailand (SET) reporting system and the company’s website by the next business day.
2. The Board shall ensure that a copy of the shareholders’ meeting minutes is submitted to the SET within 14 days from the date of the meeting.
3. The Board shall ensure that the shareholders’ meeting minutes contain at least the following information:
  - (1) Names of the directors and executives who attended the meeting, including the attendance ratio of the Board.
  - (2) Voting methods, vote counting procedures, meeting resolutions, and the voting results for each agenda item (votes in favor, against, and abstentions).
  - (3) Questions raised and responses given during the meeting, along with the full name of the questioner and respondent.



## Appendix C

### Extracts from the Securities and Exchange Act B.E. 2535 (1992) and Amendments

#### Section 89/7

In conducting the business of the company, directors and executives must perform their duties with responsibility, due care, and honesty. They must also comply with the law, the company's objectives, its Articles of Association, board resolutions, and shareholders' meeting resolutions.

#### Section 89/8

In performing duties with responsibility and due care, directors and executives must act as a reasonably prudent person conducting the same type of business would act under similar circumstances.

If a director or executive can prove that, at the time of the decision, their decision meets all the following conditions, it shall be considered that the director or executive has fulfilled their duty of responsibility and due care under the first paragraph:

1. The decision was made honestly and reasonably, with a belief that it was in the best interest of the company.
2. The decision was based on information that was believed, in good faith, to be adequate.
3. The decision was made without any direct or indirect conflict of interest in the matter.

#### Section 89/9

In determining whether a director or executive has performed their duties with responsibility and due care, the following factors shall be taken into account:

1. The individual's position in the company at the relevant time.
2. The scope of responsibility of the individual's position as stipulated by law or assigned by the board of directors.
3. The individual's qualifications, knowledge, skills, and experience, as well as the purpose of the appointment.

#### Section 89/10

In performing duties with honesty, directors and executives must:

1. Act honestly and primarily for the best interest of the company.
2. Act with lawful and appropriate intentions.
3. Not engage in any actions that significantly conflict with the interests of the company.