



Good Corporate Governance Policy
PrukSA Holding Public Company Limited
and Subsidiaries

Chairman Message

The Board of Directors of PrukSA Holding Public Company Limited is committed to promoting the Company and its subsidiaries to operate sustainable business in accordance with the principle of good corporate governance, aiming to create benefits for the shareholder and taking into account all stakeholders, maintaining business morality, transparency and accountability, with a belief that good corporate governance is a key success factor for achievement of business goals, bringing about maximum long term benefits for shareholders. A Corporate Governance Policy has therefore been developed, based on guidance given by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, as well as applying good corporate governance principles for listed companies with appropriate to the Company.

With our utmost effort, we will ensure strict compliance with the policy as outlined in this document. The policy itself will be constantly reviewed and updated to give assurance to our shareholders that their interest will be best taken care of.

Good Corporate Governance Principles comprise of 8 principles

- | | |
|-------------|-------------------------------------------------------------------|
| Principle 1 | Establish Clear Leadership Role and Responsibilities of the Board |
| Principle 2 | Define Objectives that Promote Sustainable Value Creation |
| Principle 3 | Strengthen the Board of Directors Effectiveness |
| Principle 4 | Ensure Effective CEO and People Management |
| Principle 5 | Nurture Innovation and Responsible Business |
| Principle 6 | Strengthen Effective Risk Management and Internal Control |
| Principle 7 | Ensure Disclosure and Financial Integrity |
| Principle 8 | Ensure Engagement and Communication with Shareholders |

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

1.1 The Board of Directors shall acknowledge the role and responsibilities as the leader of the organisation in putting in place the good corporate governance including:

- (1) Defining targets and objectives;
- (2) Defining strategies, policies and allocation of material resources for the achievement of targets and objectives.; and
- (3) Monitoring, evaluating and reporting the performance.

The implementation of the principle

The Board of Directors shall implement the principle by preparing an action plan to determine the responsible persons, time frame, key performance indicators, remuneration rates, skills, tool, investments as well as the risks relating to accomplishing the plan.

1.2 The Board of Directors shall ensure that the Company achieve the governance outcomes in order to create sustainable value for the organisation. These governance outcomes shall include at least the followings:

- (1) Competitiveness and performance with long-term perspective;
- (2) Ethical and responsible business
- (3) Good corporate citizenship; and
- (4) Corporate resilience.

The implementation of the principle

1.2.1 In order to define the success of the business operation, the Board of Directors will primarily consider ethics as well as social and environmental impacts in addition to financial operating results;

1.2.2 The Board of Directors will create and drive the Company with the organisational culture which adheres to ethics and will act as a role model of leading the organisation in regulating the Company, adhering to the values, ethics and working diligently with honesty;

1.2.3 The Board of Directors will put in place policies for directors, executives and employees to adhere to. These policies are the written guidelines and principles of business operations, i.e. the Business Ethics, the Business Code of Conduct;

1.2.4 The Board of Directors will put in place mechanisms to ensure that all directors, executives and employees understand and comply with the above policies. The Board of Directors will also follow up on the compliance and regularly review the policies and compliance. The Board of Directors will foster the communication and mechanism for better understanding among all directors, executives and employees and to be able to put such policy into practice including regularly follow up and revision of the policy. A corporate governance division appointed by the Board of Directors will be responsible for communicating the good governance and ethics policy to directors, executives and employees.

1.3 The Board of Directors will ensure that all directors and executives perform their duty of care and duty of loyalty; and shall ensure that the operations of the Company comply with relevant laws, the Articles of Association, and the resolutions of the shareholders' meeting.

The implementation of the principle

1.3.1 In order to ensure that all directors and executives perform their duty of care and duty of loyalty to the Company, the Board of Directors shall, at the minimum, take into consideration the relevant laws such as Sections 89/7, 89/8, 89/9 and 89/10 of the Securities and Exchange Act, B. E. 2535 (as amended) and Public Limited Companies Act, B.E. 2535 (as amended).

1.3.2 The Board of Directors shall ensure that the Company has sufficient mechanisms or systems to regulate the business operations to be in accordance with laws, the Articles of Association, and the shareholders' resolutions including stipulated practices or guidelines. In addition, the Company shall have an authorisation process for important transactions such as the approval of investments or transactions with material effect on the Company, connected transactions, acquisitions, disposals of asset, or dividend payments;

1.3.3 For the transaction with related persons, the Board of Directors shall ensure that the Company has established the proper approval process to prevent conflict of interest and align with highest benefit of the Company as well as related laws and regulations

- 1.4 The Board of Directors will develop understanding about their scope of duties and responsibilities and will define a clear scope of delegation of duties and responsibilities to the Board Committees, the President, the Chief Executive Officer and the management. The Board of Directors will monitor the performance of duties by the Board Committees, the President, the Chief Executive Officer and the management.**

The implementation of the principles

- 1.4.1 The Board of Directors will have charters or governance policies prepared for reference of the Board of Directors to specify duties and responsibilities of the Board of Directors. The Board of Directors will also have such charters reviewed regularly at least once a year and will regularly review the distribution of roles and duties among the Board of Directors, the Board Committees, the President, the Chief Executive Officer and the management to ensure alignment with the directions of the organisation;
- 1.4.2 The Board of Directors will develop understanding about its scope of duties and will delegate, in writing, its managing powers to the Board Committees, the President, the Chief Executive Officer and the management, i.e. Delegated Authority. Such delegation, however, shall not discharge the Board of Directors from its duties as the Board of Directors. It shall continue to monitor and supervise the Board Committees, the President, the Chief Executive Officer and the management to ensure that it performs the delegated duties.

Scope of duties of the Board of Directors, the President, the Chief Executive Officer, and the management are as follows:

- (1) Matters to ensure that they are carried out are matters for which the Board of Directors is mainly responsible to ensure that they are carried out properly which are as follows:
- (1.1) Determination of objectives and main goals of business operations;
 - (1.2) Creation of corporate culture which adheres to ethics and acting as a role model;
 - (1.3) Supervision of composition and performance of the Board of Directors in order to efficiently achieve the defined objectives and main goals of business operations;

- (1.4) Recruitment, development, determination of the remuneration and the performance evaluation of the President and the Chief Executive Officer;
 - (1.5) Assignment of the remuneration structure which induce the personnel to perform harmoniously with the main objectives and goals of the Company.
- (2) Matters to be carried out together with the management include matters to be carried out collectively by the Board of Directors, the President, the Chief Executive Officer and the management. The management will propose the matters to the Board of Directors for an approval and periodically report such matters to the Board of Directors as seen reasonable. The matters are as follow:
- (2.1) Determination and revision of annual strategies, goals and business plans;
 - (2.2) Oversight of suitability and sufficiency of risk management and internal control systems;
 - (2.3) Determination of powers that are suitable for the responsibilities of the management;
 - (2.4) Determination of resources allocation framework, development and budgeting including policy and plan for the people management and information technology management policy;
 - (2.5) Follow-up on and assessment of performance;
 - (2.6) Oversee reliable financial disclosure and reporting; and sufficient and appropriate non-financial disclosure.
- (3) Matters which should not be undertaken by the Board of Directors include the following matters that the Board of Directors may only supervise at the policy level and will delegate the President, the Chief Executive Officer and the management to take the main responsibility in carrying:
- (3.1) Execution of strategies, policies and plans approved by the Board of Directors. The Board of Directors shall allow the management to take the responsibilities in making decisions in accordance with the defined framework. The Board of Directors shall only exercise oversight over these matters without interfering the decisions of the management ~~except~~ in necessary case.
 - (3.2) Matters which are subjected to restrictions such as the approval for matters in which directors have an interest.

Principle 2 Define Objectives that Promote Sustainable Value Creation

2.1 The Board of Directors will define and oversee the objectives and main goals of the Company with the aim to achieve sustainability. The defined objectives shall be in line with the creation of values for the Company, its customers, stakeholders, and the society in general.

The implementation of the principle

2.1.1 The Board of Directors is responsible for ensuring that the Company has clear objectives which may be used as a key concept in determining a business model which shall be communicated to all members of the organisation to allow them to move towards the same direction. This may be defined in the vision, mission, core value and other relevant matters.

2.1.2 In achieving the objectives or main goals of the organisation, the Board of Directors will determine a business model which can create value for the Company, its stakeholders and the society in general by taking into consideration the followings:

- (1) Environment and changes to factors including the appropriate use of innovation and technology in order to enhance the competitiveness.
- (2) The demand from the customer and stakeholders.
- (3) To evaluate the preparedness, proficiency and ability of the Company competitiveness.

Matters which shall be considered by the Board of Directors for benefiting in determination of the objectives and main goals as well as the business model of the Company are for example: what the purposes of the Company are (Mission); which groups of customers the Company intends to satisfy their needs and which matters the Company would be able make profits from or compete by creating values for the Company and its stakeholders (Value proposition) ; how the Company would be able to achieve the sustainability in long term (Sustainability) under opportunity and risk factors that affect the Company and stakeholders and whether the Company has suitable and sufficient risk management that is able to decrease or control the risk to be at the acceptable level.

- 2.1.3 The Board of Directors will determine the Company's core values which reflect the value of good governance which include accountability, integrity, transparency and due consideration of social and environmental responsibilities.
- 2.1.4 The Board of Directors will promote communication and the organisation's main objectives and goals to be reflected in the decisions and operations of employees at all levels until they become corporate cultures.
- 2.2 The Board of Directors will ensure that the objectives, goals and medium-term and/or annual business strategies plan of the Company are in line with the objectives and main goals of the Company through appropriate and safe use of innovation and technology.**

The implementation of the principle

- 2.2.1 The Board of Directors will ensure that the annual strategies and work plan of the Company have been made in line with the objectives and main goals of the Company taking into consideration the current circumstances including opportunities and acceptable level of risks. The Board of Directors will encourage the Company to have a medium-term (three to five years) objectives, goals, and strategies prepared to ensure that the annual strategies and work plans have already taken into consideration a longer term of impacts and to allow reasonable time for relevant projections to be made;
- 2.2.2 In determining annual strategies and work plans, the Board of Directors will ensure that environmental considerations and relevant risk factors on the stakeholders throughout the value chain including other factors, which could affect the achievement of the main goals of the Company, are analyzed; and that there shall be a mechanism to allow the Board of Directors to truly understand the need of stakeholders;
- (1) Define clear method or process of communication, and the participation or communication channel between the stakeholders and the Company. This shall enable the Company to reach out to and receive accurate issue or demand from each group of stakeholders;
 - (2) Define the stakeholders which are internally or externally related to the Company, which shall include individuals, groups of people, and organisations such as employees, investors, customers, trade partners, society, environment, state

agencies, and regulatory agencies;

- (3) Define the issues and expectations of the stakeholders to use for analysis and categorisation of such matters in accordance with the importance and level of effect upon the Company and the stakeholders themselves. This method shall be used to identify the importance matter which shall be proceeded with to create value for both the stakeholders and the Company.

2.2.3 In determining the strategies, the Board of Directors will promote the creation and use of innovation and technology in enhancing competitiveness and responses to the need of stakeholders based on the principle of corporate social and environmental responsibilities;

2.2.4 The Board of Directors will determine goals (financial and non-financial) to be suitable with the business environment and potentials of the Company. In addition, the Company will be aware of risks which could be associated with setting goals that lead to unlawful or unethical conducts;

2.2.5 The Board of Directors will supervise and ensure that objectives and goals are communicated throughout the organisation in a form of defined strategies and work plan;

2.2.6 The Board of Directors will supervise and ensure appropriate allocation of resources and oversee the business operation and will arrange appoint responsible persons to follow up on the compliance with strategies and work plan annually.

Principle 3 Strengthen the Board of Directors Effectiveness

3.1 The Board of Directors is responsible for the determination and revision of the composition of the Board of Directors including the appropriate proportion of independent directors which is necessary for the achievement of the defined objectives and main goals.

The implementation of the principle

3.1.1 The Board of Directors is responsible for ensuring that the Board of Directors comprises of directors with various qualifications, skills, experience, capabilities and specific characteristics including sexes and ages that will contribute to the achievement of objectives and main goals of the organisation by assembling the skill matrix of the directors; to ensure that the overall composition of the Board of Directors is appropriate and capable for understanding and responding to the needs of stakeholders.;

3.1.2 The Board of Directors will consider the appropriate number of directors who can perform duties with efficiency. The minimum number of directors shall be five subjects, depending on the size, type and the complexity of the business;

3.1.3 The Board of Directors shall comprise of an appropriate combination of executive and non-executive directors to demonstrate appropriate balance of powers as follows:

- (1) The majority shall be non-executive directors which can freely give an opinion upon the performance of the management;
- (2) The number of independent directors is in accordance with the requirements of the Office of the Securities and Exchange Commission (the “**Office of the SEC**”) and the Stock Exchange of Thailand (the “**SET**”). An oversight shall be carried out to ensure that the independent directors can efficiently work with all members of the Board of Directors and can independently express their opinions.

3.1.4 The Board of Directors will disclose information on the policy of composition of the Board of Directors based on diversity, including details of members of the Board of Directors such as age, gender, educational background, experience, shareholding percentage, number of years of service and directorship in other listed companies in the annual report and on the Company’s website.

3.2 The Board of Directors will select a suitable person to be appointed the Chairman of the Board of Directors and will ensure that the composition and operations of the Board of Directors will be conducive to the independent decision-making.

The implementation of the principle

3.2.1 The Chairman of the Board of Directors and the Chief Executive Officer and President shall have different duties and responsibilities. The Board of Directors will determine a clear scope of powers and duties for the Chairman, the Chief Executive Officer, and President, to prevent cases where anyone of these positions to have unlimited power. The Company will have different persons holding the positions of the Chairman, and the Chief Executive Officer and President.

3.2.2 The Chairman of the Board of Directors shall have the role of leading the Board of Directors. Duties of the Chairman shall include as follows:

- (1) Oversee, follow-up on, and ensure that the Board of Directors performs its duties efficiently and in accordance with the objectives and main goals of the organisation;
- (2) Ensure that all directors participate in the promotion of corporate culture of ethics and good corporate governance;
- (3) Set out agenda items for the Board of Directors' meetings in consultation with the President and the Chief Executive Officer, and put in place a mechanism to include material issues in the agenda items for the meetings;
- (4) Allocate sufficient time for the management to propose and have a careful debate of the material issues. This includes encouraging directors to exercise careful discretion and express their independent opinions;
- (5) Promote good relationships among executive and non-executive directors and between the Board of Directors and the management.

3.2.3 If there is no clear separation between the Chairman of the Board of Directors, and the Chief Executive Officer and President, the Board of Directors will encourage a balance of power between the Board of Directors and the management by ensuring that:

- (1) More than half the total numbers of the Board of Directors are independent directors; or
- (2) One independent director is appointed to jointly determine agenda items for the Board of Directors' meetings.

- (3) The Board of Directors will determine a policy to require independent directors to remain in office for no more than nine (9) consecutive years to be determined from the date of first appointment. If such independent director is to be appointed for continued term of office, the Board of Directors will consider the reasonableness of such appointment.
- 3.2.4 To ensure that material issues are carefully considered, the Board of Directors will appoint 2 sub-committees, which are Executive Committee and Audit Committee, and may appoint additional sub-committees to consider specific issues and to scrutinize information and guidelines before the same can be proposed to the Board of Directors for consideration and approval.
- 3.2.5 The Board of Directors will ensure that there is a disclosure of information relating to roles and duties of the Board of Directors and sub-committees, number of meetings, number of attendances of each director in the previous year and performance report of all subcommittees.
- 3.3 The Board of Directors shall have the duty to ensure that the recruitment and selection of directors is transparent and clear in order to have the Board of Directors with the defined qualifications and composition.**

The implementation of the principle

- 3.3.1 The Board of Directors shall hold meetings to consider criteria and methods of recruiting in order to obtain qualified directors to provide the Board of Directors with the proper component of knowledge and expertise.. This includes background checks before proposing to the shareholders' meeting. In addition, the Company will provide its shareholders with sufficient information on the candidates to assist with shareholders' decision;
- 3.3.2 The Board of Directors will review the criteria and methods of recruiting candidates for directorship and make recommendations to the Board of Directors before nomination can commence in order to identify relevant candidates to replace directors who are retiring by rotation. In cases where the Nomination and Remuneration Committee proposes the same director for appointment, performance of duties of such nominated persons shall also be taken into consideration;



PRUKSA
HOLDING

3.3.3 If the Board of Directors appoints any person to be the consultant, the consultant's information shall be disclosed in the annual report, including information regarding the independence and any conflict of interest of that person.

3.4 In respect of proposing remuneration for the Board of Directors to the shareholders' meeting for approval, the Board of Directors shall consider the appropriate structure and rate of remuneration commensurate with the responsibilities and the necessary incentives for the Board of Directors to drive the organisation toward the long- and short-term achievement.

The implementation of the principle

3.4.1 Remuneration for directors shall be in line with the long-term strategies and goals of the Company, taking into consideration the work experience and scope of duties, accountability and responsibility. This includes the expected benefits from each director who have been assigned additional duties and responsibilities, for example, being a member of the Sub-Committees shall be compensated appropriately and a comparable to the practice level in the industry. However the Board of Directors may appoint the remuneration committee to carry out this matter.

3.4.2 Shareholders approve the structure and rates of remuneration for directors, both monetary and non-monetary. The Board of Directors will consider each type of remuneration including the fixed rates of remuneration (such as fixed salary or meeting allowances) and incentives based on operating results of the Company (such as bonus and commission) which are linked to the value that the Company has created for shareholders. Such rates of remuneration shall not be exceedingly high that it would lead to the focus on short-term results;

3.4.3 The Board of Directors will disclose information concerning policy and criteria for the determination of remuneration for directors to reflect responsibilities and accountabilities of each director including types and amount of remuneration

3.4.4 If the Board of Directors appoints any person to be the consultant for the Remuneration Committee, the consultant's information shall be disclosed in the annual report, including information regarding independence and any conflicts of interest.

3.5 The Board of Directors shall have the duty to ensure that all directors perform their duties and allocate sufficient time for the performance of duties.

The implementation of the principle

- 3.5.1 The Board of Directors will ensure that there is a mechanism to support directors to understand their roles and duties;
- 3.5.2 The Board of Directors stipulates criteria for the director's tenure in other companies by considering the performance of the directors who hold positions in other companies of directors to ensure that the directors are able to devote sufficient time to their duties in the Company. The total number of listed companies in which each director can hold directorship is no more than five, but the executive directors and chief executive officer can only hold directorships in no more than the total of two listed companies. However, the listed companies in which the directors and chief executive officer assume the position must not cause any conflict of interests.
- 3.5.3 The Board of Directors shall arrange a system to report and disclose the directorship of each director held in other companies.
- 3.5.4 If a director holds the position of director or executive or have either direct or indirect interest in other companies which have a conflict of interest or is able to use opportunities or information of the Company for their personal benefit, the Board of Directors shall ensure that a sufficient preventive measure is put in place and shareholders are informed of the matter.
- 3.5.5 Each director shall attend at least seventy-five (75) percent of the total number of the Board of Directors' meetings held during the year unless there is a case of necessity that make the attendance of such attendance impossible.
- 3.6 The Board of Directors shall have the duty to ensure that there is a framework and a mechanism to supervise the policies and operations of subsidiaries and other businesses in which the Company has material investments. The level of supervision shall be appropriate for the nature of business of each subsidiary. There shall be a common understanding about such supervision with subsidiaries and other businesses in which the Company has investments.**

The implementation of the principle

3.6.1 The Board of Directors shall determine a policy to govern the subsidiaries, which includes:

- (1) Determining the qualifications of nominated directors, executives or controlling persons in subsidiaries. The Executive Committee shall have the authority to ensure that such appointment is in compliance with the law.
- (2) Determining scope of duties and responsibilities of persons appointed under(1) and require that the Company's representative(s) monitor compliance with the policies of the subsidiaries. If such subsidiaries also have other partner investors, the Board of Directors will determine a policy to require the Company's representative(s) to act for the best interests of the subsidiary and to be in line with the policies of the parent company of such subsidiary.
- (3) The internal control system of subsidiaries shall be appropriate and strict. All transactions shall be in accordance with relevant laws and requirements.
- (4) Information on financial positions and operating results including connected transactions, acquisition or disposal of assets and such other material transactions, capital increase and decrease and dissolution of subsidiaries shall be disclosed.

3.6.2 For a material investment in other business, i. e. with at least 20 percent of voting rights but not more than 50 percent of voting rights and such capital investment or additional investment are significant for the Company, the Board of Directors may, if it is necessary, require preparation and execution of a Shareholders' Agreement or such other agreements to stipulate clear provisions relating to the management power, participation in material decisions and oversight of operations. This is for the Company to provide clarity on management power and participation in important decision-making, and performance tracking to be used as information in the preparation of the Company's financial statements in accordance with the standards and deadlines

3.7 The Board of Directors shall ensure that there will be an annual assessment of collective performance of the Board of Directors, sub-committee and individual assessment of each director. Recommendations from the assessment will be used for further improvement and development.



The implementation of the principle

- 3.7.1 The Board of Directors and the sub-committee shall assess work performance at least once a year in order to examine the performance and solve any problem together for further improvement. The standard for comparison with the work performance shall be determined logically.
- 3.7.2 The assessment of work performance shall be both for the committee as a whole and individual assessment and shall at least be done through the method of self-evaluation or with the cross-evaluation method conducted by the Board of Directors. The criteria, procedures and the overall results of such assessment shall be incorporated in the annual report of the Company.
- 3.7.3 The Board of Directors shall assign an external consultant to help determine a guideline for and suggest any issue in the assessment of the work performance of the Board of Directors once every three years. Such process shall be incorporated with the annual report of the Company.
- 3.7.4 The results of the assessment of the work performance of the Board of Directors shall be taken into consideration for the appropriate composition of the Board of Directors.
- 3.8 The Board of Directors will ensure that the Board of Directors and each director understands roles and duties, nature of business operation, and laws relating to the business operation and shall encourage all directors to have their skills and knowledge developed regularly for the purpose of performing duties of directors.**

The implementation of the principle

- 3.8.1 The Board of Directors will ensure that newly appointed directors will have access to recommendations and information that are useful for the discharge of their duties. This includes understanding of objectives, main goals, visions, missions and core values including nature of business and business directions of the Company.
- 3.8.2 The Board of Directors will ensure that directors receive regular trainings in order to learn and possess necessary knowledge development.
- 3.8.3 The Board of Directors will learn and develop understanding of the law, rules, regulations, standards, risks and environments relating to the business operation of the Company and regularly stay updated on new developments.

3.8.4 The Board of Directors will disclose in the annual report information about continuous trainings and knowledge development of the Board of Directors.

3.9 The Board of Directors will ensure that the functions of the Board of Directors are orderly and have access to necessary information, with a Company Secretary that has the knowledge and experience necessary for providing support to the functions of the Board of Directors.

The implementation of the principle

3.9.1 The Board of Directors shall determine meeting schedules and agenda items of the Board of Directors' meeting in advance to allow directors time to prepare themselves for the meeting attendance.

3.9.2 The number of the Board of Directors' meetings shall be determined to be appropriate, taking into consideration duties and responsibilities of the Board of Directors and the nature of business of the Company. In case that there is no monthly Board of Directors' meeting in a certain month, the management appointed by the Board of Directors, shall be responsible for reporting the performance of such month in which the Board of Directors does not hold a meeting to the Board of Directors, so that it can monitor and look after the functions of the management continuously and promptly.

3.9.3 The Board of Directors shall ensure that a mechanism is put in place to allow each director and the management has the discretion to propose matters that are beneficial for the Company as an agenda item for the meetings.

3.9.4 To convene the Board of Directors' meeting, the Chairman or an authorised person shall deliver an invitation to a meeting together with a meeting agenda and supporting documents for at least seven (7) days in advance of the meeting date to allow the directors time prior the meeting. Only in case of emergency for the interest or the benefit of the Company where meeting invitation may be served otherwise, and the date of the meeting may be determined to be shorter than initially convened.

3.9.5 The Board of Directors shall encourage the President and the Chief Executive Officer to invite senior executives to attend the Board of Directors' meetings to give additional information considering their direct involvement in the matter and to allow the Board of Directors to familiarize itself with senior executives for the purpose of the succession plan.



PRUKSA
HOLDING

- 3.9.6 The Board of Directors shall seek additional necessary information from the President, the Chief Executive Officer, the Company Secretary or such other executives that have been assigned. If it is necessary, the Board of Directors may require independent opinions from consultant or external professionals at the expense of the Company.
- 3.9.7 The Board of Directors may have a policy of requiring non-executive directors to have meetings among themselves as may be necessary to allow discussion of problems relating to the management without the participation of the management. Results of such meetings shall be notified to the President and the Chief Executive Officer for acknowledgement.
- 3.9.8 The Board of Directors will determine the required qualifications and experiences of the Company Secretary that will be suitable for the performance of duties of giving advice and recommendations to the Board of Directors on compliance with laws and requirements, management of documents for the meetings of the Board of Directors, important documents and activities of the Board of Directors, and coordination and follow-up on implementation of resolutions of the Board of Directors' meeting.
- 3.9.9 The Company Secretary shall receive knowledge development trainings as well as continuously enhancing his or her knowledge which are beneficial for the performance of their duties. In the case that there is a certified program, the Company Secretary shall attend such program as well.

Principle 4 Ensure Effective CEO and People Management

4.1 The Board of Directors will ensure that the President, Chief Executive Officer, and the senior executives are nominated and receive necessary development trainings to have knowledge, skills, experience and qualifications that are necessary to derive the organisation to achieve its objectives.

The implementation of the principle

- 4.1.1 The Board of Directors will consider or delegate the Nomination and Remuneration Committee to consider criteria and methods of nominating qualified candidate to hold the position of the President and the Chief Executive Officer.
- 4.1.2 The Board of Directors will follow up and ensure that the Chief Executive Officer and President assign senior executives with appropriate qualifications, in which at least the Board of Directors or the Nomination and Remuneration Committee shall work together with the Chief Executive Officer and President to consider criteria for and methods of nomination and appointment, as well as approving the persons nominated by that the Chief Executive Officer and President to be in senior executive positions.
- 4.1.3 For a continuous business operation, the Board of Directors shall put in place a succession plan for the continuity of business operations of the Company, and for the succession of the Chief Executive Officer and President and the senior executives, in important positions. The Chief Executive Officer and President shall have the responsibility to report the performance results under the succession plan to the Board of Directors at least once a year.
- 4.1.4 The Board of Directors will encourage and support the President, the Chief Executive Officer, and the senior executives to receive trainings to develop their knowledge and experience which are beneficial for the performance of their duties.
- 4.1.5 The Board of Directors shall determine the policy and practice concerning directorship in other companies of the President, the Chief Executive Officer, and the senior executives, including type of directorship and number of companies which each director may be allowed to hold directorship.

4.2 The Board of Directors will ensure that the structure of remuneration and performance evaluation are appropriate.

The implementation of the principle

4.2.1 The Board of Directors shall determine the structure of remuneration which shall be an incentive for the President, Chief Executive Officer, the senior executives and other employees at all levels; to be in line with to the long-term benefit of the Company which includes the following:

- (1) The examination of the appropriateness of the remuneration ratio, which is monthly salary, short term performance rewards such as bonus payments, and long-term performance rewards such as Employee Stock Ownership Plans.
- (2) The determination of the remuneration payment policy, which shall take into account factors such as whether the remuneration is higher or equal to the remuneration standard for that industry or in line with the performance of the business.
- (3) The determination of the policy for the assessment criteria and the communication of such policy to the public.

4.2.2 The Board of Directors excluding the executive directors shall take a role in the remuneration and performance assessment of the President and the Chief Executive Officer, at least in the following matters:

- (1) Approval of the criteria for work performance assessment of the President and the Chief Executive Officer. The criteria shall be an incentive for the President and the Chief Executive Officer to manage the business to align with to the objectives, main goals, strategies, and the long-term benefits of the Company. The criteria for such assessment shall be communicated to the President and the Chief Executive Officer prior to the assessment.
- (2) There shall be an annual performance assessment of the work performance of the President and the Chief Executive Officer. The conduct of such assessment may be delegated by the Nomination and Remuneration Committee. The Chairman of the Board of Directors or the senior directors shall be responsible for reporting the result of such assessment including any issue for improvement, to the President and the Chief Executive Officer.

- (3) Approval of annual remuneration of the President and the Chief Executive Officer shall be done by take into account the result of the work performance of the President and the Chief Executive Officer together with other relevant factors.

4.2.3 The Board of Directors shall examine the criteria and factors for the assessment of the work performance as well as approve the remuneration structure of senior executives, and oversee the work performance assessment of the senior executives by the President and the Chief Executive Officer, so that it is in line with such criteria.

4.2.4 The Board of Directors shall ensure that the Company has a criteria and factors which will be used in the assessment of work performance throughout the Company.

4.3 The Board of Directors will develop its understanding about the structure and relationship of shareholders which may have an impact on the management and operations of the Company.

The implementation of the principle

4.3.1 The Board of Directors will develop its understanding of the structure and relationship of shareholders which may be presented in the forms of family-owned business internal agreement, whether in writing or not, shareholders' agreement or, policy of the parent companies' group, which may have an impact on the control over and management of the Company.

4.3.2 The Board of Directors will ensure that agreements specified under clause 4.3.1 above will not restrict the performance of duties of the Board of Directors, such as having appropriate persons for the succession plan.

4.3.3 The Board of Directors will ensure that information on agreements that have an impact on the control over the Company will be disclosed.

- 4.4 The Board of Directors will follow up on the management and development of human resources to ensure that they have the appropriate number of staff, knowledge, skills, experience and incentives.**

The implementation of the principle

- 4.4.1 The Board of Directors will ensure that the human resources management is in line with the directions and strategies of the organisation and that all levels of employees have the appropriate knowledge, capabilities and incentives; and are treated with fairness for the purpose of talent retention.
- 4.4.2 The Board of Directors will ensure that there will be a provident fund or such other mechanisms in place to assist employees with savings for their retirement including encouraging the employees with better understanding in financial management and selecting an appropriate investment policy in accordance with their age, and level of risk or providing a Life Path Investment Policy.

Principle 5 Nurture Innovation and Responsible Business

5.1 The Board of Directors recognises the importance of and promotes the creation of innovation which creates value for the business together with benefits for the Company' s customers or related persons and have social and environmental responsibilities.

The implementation of the principle

5.1.1 The Board of Directors will recognise the importance of creating corporate culture which supports the creation of innovation and ensures that the management incorporate such culture in the review of strategies, development of improvement plans for operations and monitoring of operating results.

5.1.2 The Board of Directors will support a creation of innovation to add value for the Company in the ever-changing environment. This may include devising a business model, concepts of design and development of products and services, researches and improvements to the manufacturing procedure and work process as well as cooperation with customers.

5.2 The Board of Directors will supervise and ensure that the management conduct businesses with social and environmental responsibilities and in accordance with the operation plan to ensure that all parties within the organisation comply with the objectives, main goals and strategies of the Company.

The implementation of the principle

5.2.1 The Board of Directors will ensure that a mechanism is put in place to require the Company to conduct its business based on ethics, and social and environmental responsibilities, without violation of stakeholders' rights. All parties within the organisation may use this as a guideline to achieve the objectives, main goals and the sustainability. In light of this, a policy or practice may be prepared to cover the following matters:

5.2.1.1 Responsibilities towards employees and hired workers: Relevant laws and standards are complied with. Employees and hired workers are treated with fairness and respect for human rights. Remunerations and other benefits are determined with fairness at the level that is not lower than the legal requirements or higher than the legal requirements as may be appropriate. Employees and hired workers are provided with occupational health and worksafety, trainings and development of

potentials and career growth. Employees are also provided with an opportunity to develop other aspects of professional skills.

- 5.2.1.2 Responsibilities towards customers: Relevant laws and standards are complied with taking into consideration health, safety, fairness, confidentiality information of customers, and after-sale services throughout the life of products and services. There shall also be surveys on customers' satisfaction in order to improve quality of products and services. All advertisements and promotional activities shall be conducted responsibly without causing misunderstanding or abuse based on misunderstanding of customers.
- 5.2.1.3 Responsibilities towards business partners: Procurement process and terms and conditions of relevant agreements shall be fair. There shall be educational supports, enhancement of potentials and manufacturing capabilities and services to meet relevant standards. Business partners should be made aware of the respect for human rights and of fair treatment of their employees including social and environmental responsibilities. There shall be monitoring and assessment of business partners for the purpose of sustainable development of business relationships.
- 5.2.1.4 Responsibilities towards communities: Business knowledge and experience are used in developing projects to contribute concrete benefits to the communities. Progress and long-term success are followed up and assessed.
- 5.2.1.5 Responsibilities towards environment: The Company shall take environmental responsibilities by preventing, minimizing, and managing negative impacts on the environment. This includes the use of raw materials, energy (for production, transportation or for Company internal use), water and recycled resources, control and management of emission and waste, emission of greenhouse gas.
- 5.2.1.6 Fair competition: The Company conducts its business based on the principle of transparency and will not be involved in unfair competition.
- 5.2.1.7 Anti-fraud and corruption: The Company shall comply with all relevant laws and standards. The Company is required to put in place and make a public announcement of its anti-fraud and corruption policy including encouraging other companies and its trading partner to put in place and announce such policy. The Company may consider participating in the anti-fraud and corruption network.

5.3 The Board of Directors will ensure that the management has efficient and effective allocation of resources by taken into account the effect and the development of resourcesthroughout the value chain in order to sustainably achieve objectives and main goals.

The implementation of the principle

5.3.1 The Board of Directors will consider the need for the required resources and that each type of resources has impact among themselves.

5.3.2 The Board of Directors will consider that different business models result in different impacts on resources. Therefore, it will select business models based on the possible impacts on and worthiness of resources, based on the principle of ethics, responsibilities and creation of sustainable value for the Company.

5.3.3 The Board of Directors will ensure that in acting to achieve objectives and main goals of the Company, the management will review, develop and use resource efficiently and effectively while always taking into consideration the change of both internal and external factors. There are at least six types of resources that the Company shall take into account: financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

5.4 The Board of Directors will prepare a framework for the management of information technology system at organisational level to be in line with the need of the Company, and will use information technology in the creation of business opportunities and in the development of work process and risk management so that the Company will achieve its objectives and main goals.

The implementation of the principle

5.4.1 The Board of Directors will put in place a policy on allocation and management of information technology to cover such issue as allocation of sufficient resources for the business operations and determination of guidelines of practice in case where resources cannot be allocated to meet the requirement;

5.4.2 The Board of Directors will ensure that the risk management of the Company covers the information technology risk management;



PRUKSA
HOLDING

5.4.3 The Board of Directors will put in place a policy and measure for the protection of information technology security. The issue for the monitoring and management of information technology at organisational level includes:

5.4.3.1 The Company has complied with relevant laws, rules and regulations including standards applicable to the use of information technology.

5.4.3.2 The Company has put in place a system to safeguard the security of information, confidentiality and integrity including of availability of information. There shall also be a measure to prevent unlawful use of information or unauthorised change or edits of information.

5.4.3.3 The Company has considered information technology risks and adopted a measure to manage such risks to cover various aspects, such as the business continuity management, the incident management and the asset management.

5.4.3.4 The Company has considered allocation and management of information technology resources as well as considering criteria and factor for determining priority of information technology plan such as accordance to strategy, effect to business operation, urgency on usage, budget and human resource for information technology and accordance to business model.

Principle 6 Strengthen Effective Risk Management and Internal Control

6.1 The Board of Directors will ensure that the Company has adopted a risk management system and an internal control system to enable it to effectively achieve its objectives and to comply with the relevant laws and standards.

The implementation of the principle

- 6.1.1 The Board of Directors will develop understanding about material risks of the Company and will approve the acceptable level of risks of the Company.
- 6.1.2 The Board of Directors will consider and approve the Risk Management Policy that is in line with objectives, main goals, strategies and the acceptable level of risks of the Company to be used as a risk management framework for all parties within the organisation to ensure that they strive towards the same direction of risk management. The Board of Directors will place priority on early alarming signs and will ensure there is a regular review of the Risk Management Policy for instance once a year.
- 6.1.3 The Board of Directors will ensure that the Company identifies risks, taking into consideration both internal and external factors which may cause the Company to fail to achieve the defined objectives. Key risks of the Company that the Board of Directors will focus on can be divided into strategic risk, operational risk, financial risk and compliance risk, etc.
- 6.1.4 The Board of Directors will ensure that the Company has assessed impact and possibility of risks materializing for the purpose of prioritising risks and identifying appropriate measures to address.
- 6.1.5 The Board of Directors may assign the Risk Management Committee or the Audit Committee to scrutinize tasks under 6.1.1 – 6.1.4 before proposing them to the Board of Directors for consideration;
- 6.1.6 The Board of Directors will regularly follow up and assess effectiveness of the risk management;
- 6.1.7 The Board of Directors has the duty to ensure that the Company operates its business in accordance with relevant laws and standards both domestically and internationally;

6.1.8 If the Company has a subsidiary or has material investments in other businesses (i.e. having at least 20 percent of shareholding with voting rights but not exceeding 50 percent), the Board of Directors shall use results of assessment of internal control and risk management as another aspect of consideration in accordance with Clause 6.1.1 –6.1.7.

6.2 The Board of Directors will set up the Audit Committee to perform duties with efficiency and independence.

The implementation of the principle

6.2.1 The Board of Directors will set up the Audit Committee to comprise at least three directors all of which shall be independent directors having qualifications and duties in accordance with the requirements of the Office of the SEC and the SET.

6.2.2 The Board of Directors will determine scope of duties of the Audit Committee in writing to contain at least duties provided as follows:

- (1) Verifying that the financial report is accurate and complete.
- (2) Verifying that the business operation has appropriate and efficient internal control system and internal auditing system
- (3) Verifying that the business operation is in compliance with the relevant laws and standards.
- (4) Examining the independence of the internal auditing department including giving an approval for any appointment, relocation, and dismissal of the head of internal audit department or any other departments which is responsible for internal auditing of the Company.
- (5) Considering, selecting and nominating an independence person to act as an auditor and determine the remuneration for such person. There shall also be a meeting with the auditor without a presence of the management for at least once a year.
- (6) Examining the connected transaction or any transaction with a chance of a conflict of interest in order to guarantee that such transactions are in compliance with any relevant laws, reasonable and provide utmost benefit to the Company.

- (7) Verifying the accuracy of the reference documents and self-evaluation form regarding the anti-corruption measure of Thailand's Private Sector Collective Action Coalition Against Corruption Project (CAC).

6.2.3 The Board of Directors will ensure that the Company puts in place a mechanism or tool to allow the Audit Committee to access information that is necessary for the performance of its duties such as inviting relevant persons to give information, consultations with the external auditors or seeking independent professional opinions to assist with its consideration;

6.2.4 The Board of Directors will provide internal personnel or an internal audit function to independently perform the duties of developing and reviewing efficiency of risk management system and internal control system, as well as to report to the Audit Committee and make relevant disclosures in the annual report;

6.2.5 The Audit Committee shall opine on the sufficiency of risk management system and internal control system. Such opinion shall be disclosed in the annual report.

6.3 The Board of Directors will follow up on and manage conflict of interests which may arise between the Company, the management, the Board of Directors or shareholders, and will prevent abuse of assets, information and opportunities of the Company including inappropriate connected transactions.

The implementation of the principle

6.3.1 The Board of Directors will put in place an information security system and will determine policy and practices about confidentiality, integrity and availability of information. This includes management of market sensitive information. In addition, the Board of Directors will require that directors, senior executives and employees including relevant third parties such as legal advisers and financial advisers comply with the information security system;

6.3.2 The Board of Directors will ensure that conflict of interests is managed and monitored and will put in place guidelines on practices for such transactions to be in compliance with procedures and disclosure requirements under the law and will be for the best interests of the Company and overall shareholders, while interested parties do not participate in the decision-making;

6.3.3 The Board of Directors will determine that any directors having interests in such matter and have no right to vote as stipulated by the law in any meeting agendas, shall need to report their own interest in that matter before the consideration of such agenda, and such report shall be recorded in the minutes of the Board of Directors' meeting. In addition, such director shall not participate in the consideration of such agenda.

6.3.4 Directors and executives must submit a report on his/her interest or related persons' interest in relation to management of the Company or its subsidiaries at least once a year and upon changing. This is in accordance with section 89/14 under the Securities and Exchange Act B.E. 2535.

6.4 The Board of Directors will ensure that a clear policy and practice of anti-corruption is prepared and communicated with all level of the organisation and with third parties to ensure that it can be implemented.

The implementation of the principle

6.4.1 The Board of Directors will prepare a fraud prevention policy and organise a project or create a practice of anti-corruption including support activities that promote compliance awareness for all employees to the laws and relevant regulations.

6.5 The Board of Directors will ensure that the Company puts in place a compliant handling mechanism and actions to be taken in relation to whistleblowing.

The implementation of the principle

6.5.1 The Board of Directors will ensure that there is a mechanism and procedure (recording, following-up the progress, solving the problem and reporting mechanism) to manage complaints from stakeholders and more than one convenient whistleblowing channels. Details of such channels shall be disclosed on the Company's website or in the annual report.

6.5.2 The Board of Directors will put in place a clear policy and guideline on whistleblowing where whistleblowers can report the matter via the Company's website or designated independent directors or the Audit Committee. This includes verification of information, actions and reports to be made to the Board of Directors.



PRUKSA
HOLDING

6.5.3 The Board of Directors will ensure that a protection measure is put in place for whistleblowers who act in good faith.

Principle 7 Ensure Disclosure and Financial Integrity

7.1 The Board of Directors is responsible for ensuring that the financial report and disclosure of material information are accurate, sufficient, timely and are in compliance with relevant rules, regulations, standards and practices.

The implementation of the principle

- 7.1.1 The Board of Directors will ensure that any persons involved in the preparation and disclosure of information, have the knowledge, skills and experience suitable for the responsibilities and in sufficient number. Such personnel shall include Chief Financial Officer, accountant, internal auditor, the Company Secretary and investor relations officer;
- 7.1.2 In approving the disclosure of information, the Board of Directors shall consider all relevant factors. The followings shall be the minimum considerations for the financial reporting:
- 7.1.2.1 Results of assessment of internal control system.
 - 7.1.2.2 Opinion of auditors on financial reports and observations of auditors relating to internal control system and observations of auditors made in other communication channels (if any).
 - 7.1.2.3 Opinion of the Audit Committee.
 - 7.1.2.4 Consistency with objectives, main goals, strategies and policies of the Company.
- 7.1.3 The Board of Directors will ensure that sufficient disclosure of information including financial statements, annual report and Form 56-1 which reflects financial positions and operating results, and shall encourage the Company to prepare a Management Discussion and Analysis (MD&A) to support financial report in every quarter to allow investors to have and better understand the information on the change of financial positions and operating results of the Company in each quarter, in addition to figures disclosed in the financial statements;
- 7.1.4 Any particular disclosure of information relating to any one individual director, such director shall ensure the accuracy and completeness of the information, such as information on shareholders within the group of shareholders of such director, or disclosure of information relating to shareholders' agreement within the group of shareholders of such director.



PRUKSA
HOLDING

7.2 The Board of Directors will monitor sufficiency of financial liquidity and affordability ratio

The implementation of the principle

- 7.2.1 The Board of Directors will ensure that the management monitors and assesses the financial position of the Company, including the obligation to regularly report to the Board of Directors. The Board of Directors and the management shall work together to identify solutions without delay if there is an indicator of problem of financial liquidity and affordability ratio;
- 7.2.2 In approving any transactions or in expressing its opinion to the meetings of shareholders for approval, the Board of Directors shall ensure that the transactions will not affect the continuity of business, financial liquidity or affordability ratio of the Company.

7.3 In the financial difficulty or the threat thereof, the Board of Directors will ensure that the Company has a solution plan or there will be other mechanisms to solve the financial difficulty, subject to the consideration of stakeholders' rights.

The implementation of the principle

- 7.3.1 If the Company has a tendency of not being able to repay its debts or having financial difficulty, the Board of Directors will closely monitor the problem and ensure that the Company operates its business with caution and comply with the disclosure requirements;
- 7.3.2 The Board of Directors will ensure that the Company adopts a financial solution plan and take into consideration fairness for all its stakeholders, including its creditors. The Board of Directors will also monitor and require that the management report on the status of the problem regularly.
- 7.3.3 The Board of Directors will ensure that any decisions in relation to financial solutions of the Company are reasonable.

The example of indication sign of financial difficulty or the threat are as follow:

7.3.3.1 Continuous loss

7.3.3.2 Low cash flow

7.3.3.3 Insufficient of financial information

- 7.3.3.4 Lacking of appropriate accounting system
- 7.3.3.5 Lacking of estimation of cash flow and budget
- 7.3.3.6 Lacking of business plan
- 7.3.3.7 Debt ratio is greater than amount of asset
- 7.3.3.8 Problem in clearing an inventory and collecting debt

7.4 The Board of Directors will prepare a report on sustainability as may be appropriate.

The implementation of the principle

- 7.4.1 The Board of Directors will consider the appropriateness of mandatory disclosures, compliance with the laws, code of conduct, the Anti-Corruption Policy, treatment for employees and stakeholders including fair treatment and respect for human rights and social and environmental responsibilities. It will consider the reporting framework which is both domestically and internationally acceptable. Such information may be disclosed in the annual report or prepared separately as a guidebook as deem appropriate.
- 7.4.2 The Board of Directors will disclose material information which reflects its practice of sustainable value creation.

7.5 The Board of Directors will ensure that the management provides a specific function or responsible persons to perform the duties of investor relations by appropriately, equally and timely communicating with shareholders and other stakeholders such as investors and analysts.

The implementation of the principle

- 7.5.1 The Board of Directors will put in place a communication policy and a disclosure policy to ensure that communication with third parties is appropriate, equal and timely through appropriate channels to prevent abuse of confidential information and market sensitive information. There will also be communication within the organisation regarding the compliance with these policies.



PRUKSA
HOLDING

- 7.5.2 The Board of Directors will provide persons responsible for communication with third parties that have the qualifications required for the performance of such duties, including the understanding about the Company' s business, objectives, main goals and values and the capability of effectively communicating with the capital markets for example the Chief Executive Officer and President, Chief Financial Officer, Investor Relations Manager and etc.
- 7.5.3 The Board of Directors will ensure that the management sets out directions of and provide support for investors relation function, i.e. by putting in place a practice of giving information, the Security Trading Policy and a clear scope of duties and responsibilities of investors relation function to ensure that the communication and disclosure of information is efficient.

7.6 The Board of Directors will encourage the use of information technology in disseminating information.

The implementation of the principle

- 7.6.1 In addition to the mandatory disclosure via channels provided by the SET, the Board of Directors will disclose information both in Thai and in English via other channels such as the Company's website to regularly disseminate information that is up to date.

At the minimum, the Company will disclose the following information:

- 7.6.1.1 Vision and values of the Company
- 7.6.1.2 Nature of business operations of the Company
- 7.6.1.3 Name of members of the Board of Directors and executives
- 7.6.1.4 Financial statements and reports on financial positions and operating results of the present year and the previous year
- 7.6.1.5 Downloadable form 56-1 and annual report
- 7.6.1.6 Other information or documents presented to the analysts, fund managers or other medias
- 7.6.1.7 Both direct and indirect shareholding structure
- 7.6.1.8 The Company' s group structure including its subsidiaries, associate companies, joint ventures and special purpose enterprises/ vehicles (SPEs/SPVs)

- 7.6.1.9 Both direct and indirect major shareholders holding at least five percent of total issued shares with voting rights
- 7.6.1.10 Both direct and indirect shareholding of directors, major shareholders and senior executives
- 7.6.1.11 Notices of invitation to both annual general meetings of shareholders and extraordinary general meetings of shareholders
- 7.6.1.12 Articles of Association of the Company and its Memorandum of Association
- 7.6.1.13 The Good Corporate Governance Policy, the Anti-Corruption Policy, the Information Security Policy and the Risk Management Policy including other risk management procedure
- 7.6.1.14 Charters or scope of duties and responsibilities, qualifications, term of office of the Board of Directors including matters which require approval from the Board of Directors, charters or scope of duties and responsibilities, qualifications, term of office of the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Corporate Governance Committee
- 7.6.1.15 The Code of Conduct for employees and the Board of Directors including the Code of Conduct for the investor relation
- 7.6.1.16 Information on contact details, for complaints, or persons responsible for investors relation functions, the Company Secretary, i. e. contact persons, telephone number and email

Principle 8 Ensure Engagement and Communication with Shareholders

8.1 The Board of Directors will ensure that shareholders participate in decision-making on important matters of the Company

The implementation of the principle

8.1.1 The Board of Directors will ensure that all important matters including legal matters and issues which could have an impact on business directions of the Company are considered and/ or approved by shareholders. Such important matters will be incorporated as agenda items for the meetings of shareholders.

8.1.2 The Board of Directors will support participation of shareholders, for example

(1) Establishing criteria that allows the minority shareholders to be able to propose additional agenda items prior to the date of the shareholders' meeting, which shall be considered and approved by the Board of Directors. In case that the Board of Directors refuses to add such additional agenda item to the meeting, the Board of Directors shall inform the rationale of such refusal to the shareholders' meeting.

(2) Establishing criteria for minority shareholders to nominate person to serve as a director. The Board of Directors shall be responsible for disclosing such criteria to the shareholders in advance, prior to the meeting.

8.1.3 The Board of Directors will ensure that notices of shareholders' meeting contain accurate, complete and sufficient information for the exercise of rights of shareholders.

8.1.4 The Board of Directors will ensure that notices of shareholders' meeting are distributed to shareholders including relevant supporting documents and are published on the Company's website in advance of the meetings.

8.1.5 The Board of Directors shall allow the shareholders to submit any question prior the meeting date. The criteria for the submission of question shall be determined and published on the Company's website in advance of the meetings.

8.1.6 Notices of shareholders' meeting including relevant supporting documents will be prepared in English and published along with the Thai version. Notices of shareholders' meeting will contain the followings:

- (1) Date, time and venue of the meeting
- (2) Agenda items which will be marked as requiring acknowledgement or approval and will be clearly divided into categories, i. e. for agenda item relating to directors, the matter on director appointment will be presented in a separate agenda item from the agenda on remuneration
- (3) Objectives and rationales including opinion of the Board of Directors for each agenda item including:
 - (3.1) Approval of dividend payment: dividend policy, proposed rate of dividend payment including rationale and supporting information shall be specified. In case where the Board of Directors proposes no payment of dividends, justifications and supporting information shall be specified.
 - (3.2) Appointment of directors: name, age, educational background and work experience, number of listed and general companies in which the candidates hold directorship, criteria and methods of recruitment and nomination, types of directors proposed for appointment shall be specified. In case of reappointment of former directors to hold directorship for another term, number of meeting attendance in the previous years and date of appointment shall be specified.
 - (3.3) Approval of directors' remuneration: policy and criteria for determination of remuneration for each position of the directors and all types of proposed remuneration, monetary or non-monetary.
 - (3.4) Appointment of auditors: name of auditors, auditors' audit firms, work experience, independence, audit fees and other non-audit fees.
- (4) Proxy Forms prescribed by the Ministry of Commerce
- (5) Other supporting information such as voting procedures, vote counts and announcement of voting results, rights accorded to each class of shares, information of independent directors proposed by the Company to act as proxies for shareholders, documents required from shareholders for the purpose of registration of attendance and proxy including map of meeting venue.

8.2 The Board of Directors will ensure that meetings of shareholders are conducted in good order and with transparency and efficiency to allow shareholders to exercise their rights.

The implementation of the principle

- 8.2.1 The Board of Directors will determine date, time and venue of meetings of shareholders by taking into consideration the convenience of shareholders, such as appropriate and sufficient time of the meeting to allow debate and discussion and a venue that is convenient for shareholders to commute.
- 8.2.2 The Board of Directors will ensure that there will be no restrictions on the opportunity of shareholders to attend the meeting or to create undue burdens on shareholders, such as by not requiring shareholders or their proxies to bring identification documents to the extent that they exceed the prescribed practices or guidelines of relevant regulatory authorities.
- 8.2.3 The Board of Directors will encourage the use of technology in handling meetings of shareholders to cover both registration of attendance, vote counting and announcement to ensure that the meetings are fast, correct and accurate.
- 8.2.4 The Chairman of the Board of Directors will preside over the meetings of shareholders to discharge the duties of ensuring that the meetings are conducted in accordance with relevant laws and regulations and the Articles of Association of the Company. Time will be appropriately allocated for each agenda item prescribed in the notice of shareholders' meeting and shareholders will be provided with the opportunity to express their opinion and ask questions in relation to the Company.
- 8.2.5 To allow shareholders to participate in important matters, directors in the capacity of attendants of the meeting and as shareholders will not add an agenda item that are unnecessary to the meeting without an advance notice, particularly with respect to important agenda which would require shareholders to spend time in studying relevant information before making any decision.
- 8.2.6 All responsible directors and executives shall attend the meeting to allow shareholders to ask relevant questions.



PRUKSA
HOLDING

- 8.2.7 Before the meeting starts, the shareholders shall be informed of the number and shareholding percentage of shareholders in attendance either in persons or by proxy, meeting procedures, voting procedure and vote counts.
- 8.2.8 For agenda items which contain different matter for consideration, the Chairman of the meeting may require separate voting for each of the matter such as in the case of director appointment where shareholders may exercise their vote on each individual candidate separately.
- 8.2.9 The Board of Directors encourage the use of vote ballots for important agenda items and encourage that vote count or vote validation is carried out by an independent person. Information of the approval, disapproval and abstention of the votes is disclosed for each agenda item and recorded in the minutes of meeting.
- 8.3 The Board of Directors will ensure that resolutions of the shareholders' meeting are disclosed and that accurate and complete minutes of shareholders' meeting are prepared.**

The implementation of the principle

- 8.3.1 The Board of Directors will require the Company to disclose resolutions of the meetings of shareholders including the voting results on the following business day via disclosure channel of the SET and the Company's website.
- 8.3.2 The Board of Directors will ensure that copy of minutes of meeting of shareholders are disclosed to the SET within 14 days from the date of the meeting.
- 8.3.3 The Board of Directors will ensure that minutes of the meetings of shareholders shall at least include the following information:
- (1) Name of directors and executives in attendance and proportion of directors in attendance as compared to those who are absent from the meeting.
 - (2) Voting method and vote count, resolutions of the meeting and voting results (approval, disapproval and abstention) of each agenda item.
 - (3) Questions and answers given in the meeting including first and last name of persons asking the questions and giving the answers.

Approved by the Corporate Governance and
Sustainable Development Committee

(Dr. Anusorn Sangnimnuan)

Chairman of the Corporate Governance Committee

November 10, 2023

Approved by the Board of Directors

(Dr. Prasarn Trairatvorakul)

Chairman of the Board of Directors

November 10, 2023

Note: The English translation of the Good Corporate Governance Policy is for the purpose of understanding by foreigners; only the Thai version of the texts is legally binding.