

CORPORATE GOVERNANCE POLICY

THANTAWAN INDUSTRY PLC.

The Nomination, Remuneration and Corporate Governance Committee has considered that the Corporate Governance Policy is accurate at the meeting 5/2017 held on November 15, 2017 and approved by Board of directors at the Board meeting 2/2018 held on February 13, 2018

CORPORATE GOVERNANCE POLICY

The company is committed to build reliability for investors and stakeholders in the business and increase value to the organization and promote sustainable growth of the company. Manage its business as adhere to the Good Corporate Governance to achieve business' goals which is the basic value of Leading Corporations. Consequently, the company has set the Corporate Governance Policy and designed to frame its various aspect of business as the following:

1. The Board of Directors ("The Board"), the Management and all employees shall implement the Corporate Governance manual with confidence and understanding to the principles.
2. The Board, the Management and all employees shall apply the Company's corporate governance principles to all level of business management.
3. The Board, the Management and all employees shall commit to fair treatment of all stakeholders and serve the company with dedication, integrity and transparency.
4. The Board, the Management and all employees may recommend improving the policy of CG so that it may align with and suitable current business management standards as well as evolving social needs and international practices.

Monitoring Compliance

The Company recognizes the significance of good corporate governance, and the Board is strongly determined to set the process of good corporate governance as a standard, leading to the practice across the organization. As a result, to ensure the company business compliance with good corporate governance practices under its policy which every director, executive and each staff member must acknowledge, master and strictly observe. The Board constantly updates the principles and operational guidelines as they believe that an effective system of good corporate governance will support the company competitive potential. The Company's business, leading to value appreciation for shareholders and balanced mutual benefits among all relevant parties.

The Company will not run its business in an act that could violate the law or conflict the principle of good corporate governance, what if the board of directors, executives, or employees violates against the principle of good corporate governance, the wrongdoers will be disciplined strongly. And if there are reasons to believe an act that violate the law, rules, regulations and rules of government, the Company will submit and report the wrongdoers to government officer for prosecution.

In case, the all level of the Company staff has problems to decide or compliance with the code of conduct which does not specify in the code of conduct of the company, set a question in your mind about your act by yourselves as the following steps:

- 1) Does the act violate the law?
- 2) Does the act conflict with the policy or morality or effect to the Company image?
- 3) Does the act effect to any stakeholders or not?

Anyhow, if the Company staff found the act that violate the law and/or the principle of Corporate Good Governance, please report any complains or indictment to the Chairman of the Company. The Company shall not disclose the reporter (as the detail in Whistle-Blowing Measures and Whistle-Blower Protection Mechanisms)

Whistle-Blowing Measures and Whistle-Blower Protection Mechanisms

To ensure fair treatment of all stakeholders under the CG principals, the company has set up channels for complaints, suggestions, or recommendations indicating impacts or risks of impacts on stakeholders arising from its business or from wrongful action or violation of the Code of the conduct, as well as from behavior implying corruption, unfair treatment, or careless action by providing such leads directly or in a letter to:

Chairman of the Board

Thantawan Industry Public Company Limited

123 Suntowers Building Tower A' 32nd Floor

Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok, 10900

Email: board-thip@thantawan.com

Tel: (662) 273-8333 ext. 3238

The company will proceed with its investigations as specified in its procedures and record the outcomes in written without naming whistle-blowers and also keep their information confidential. To protect any impact that may occur to them.

Corporate Governance Principle

“Corporate Governance Principle” means a systematization in management structure and Management Mechanisms in organization for connecting with all stuff: board of Directors, stuffs and shareholders by considering to all stakeholders. However, management structure and Management Mechanisms shall reflect on the principle of Corporate Good Governance as follows:

- Taking a responsibility in their own duty with maximum performance and efficiency.
- Treating with all stakeholders in equality, fair, and morality.
- Taking a responsibility in every decision or acts and also proof or explain those decision.

- Having a vision to building the organization value.
- Running a business with transparency and can be audited, disclose transparency information to whom it may concern.

Operation And Internal Control System of the Company in compliance with Corporate Governance Policy

Article 1: Right of Shareholders

The company recognizes the importance of Good Corporate Governance in line with shareholders right by accepted and reliable standards which include the right to freely trade or transfer their own shares, the right to attend Shareholders' Meetings, the right to propose in advance the Meeting agenda , the right to nominate a person to be a director, the right to attend and vote in the General shareholders' meeting, the election of directors, the appointment of auditors and fixing of the audit fee, the remuneration of directors, the right to consider dividend payment, amendment of Memorandum of Association and Articles of Association of the Company, approval of significant transactions influencing the Company's direction as well as the right to receive adequate information.

The company arranges the Annual General Meeting of Shareholders (AGM) every year within four months after the end of each fiscal year. In case of urgent need to consider any special agenda that may affect or in connection with the interests of shareholders, need to get an approval from the Board of Directors. Then, they can call an extraordinary meeting of shareholders case by case.

The Treatment to Shareholders prior to the AGM

1) To provide an opportunity to shareholders to propose agenda (s) and nominate director candidates to be elected, by which the details and procedures are placed in the company's website at least 3 months, prior to the year ended. Then send to the Stock Exchange of Thailand. The company has defined to the shareholders who wish to propose agenda (s) must be one single shareholder or several shareholders together hold the company' shares at least 5 percent of total voting rights of the company.

2) To publicize an invitation notice, meeting agenda with the opinion of the Board of Directors along with proxy forms comprising of form A, B and C (for foreign shareholders that have appointed custodians in Thailand only) according to Ministry of Commerce both Thai and English. Also the other supporting information of the agenda (s) on the company's website, prior to the meeting at least 30 days in advance of the AGM.

3) To prepare AGM meeting with clearly specifies to meeting venue, date, time, details of agendas, important & essential information for consideration, the opinion of the Board of Directors, minutes of the previous meeting, annual report, proxy forms with clearly specify and other relevant documents. Distribute to shareholders not less than 21 days, prior to the meeting. To ensure that the information relates to voting decision receive by the

shareholders are sufficient, accurate, complete, transparent. And study the agendas in advance. To announce in the newspaper 3 days consecutive, prior to the AGM for the shareholders to arrange themselves for joining the meeting.

The Treatment to Shareholders on the date of the AGM

- 1) To facilitate all shareholders at the meeting date with equally. Assign staff to welcome, provide some information to check documents and registration and the Company will make a registration process for two hours in advance. Though the registration pass that period, the shareholders who wish to attend the meeting can register to attend the meeting without losing their rights.
- 2) Arrange meeting venue for all shareholders and convenient to come for the meeting with adequate size to support them. Under good security and set up an emergency plan to increase confidence and security during the meeting.
- 3) Bar code system has used for shareholder's registration and counted the vote with accuracy and more convenience.
- 4) The company shall not deprive the rights of shareholders to attend the meeting. All shareholder can exercise their rights to attend the entire meeting.
- 5) Prior to the meeting, the Chairman of the Board will clarify criteria in relation to the meeting such as the opening of the meeting, voting procedures including counting of shareholders' vote for each session, according to the company's Article of Association.
- 6) The company will specify director's interest in the invitation letter and the AGM. If any director has a particular interest or involve to any agenda, the Chairman of the meeting will notify participants prior to the agenda's consideration. The directors, who involve to the interest, will not participate to the meeting of each agenda.
- 7) The company shall support the participants to take their rights in protecting their own interests by asking questions, expressing opinion and making recommendation at the AGM.

The Treatment to Shareholders after the AGM

- 1) The Company prepared the minutes of the Shareholder's meeting and notify to the Stock Exchange of Thailand (SET) within 14 days after the meeting in accordance to the SET regulations. To disseminate full details of the meeting with completely. This includes names of Directors and the Management who attending the meeting, voting procedure, resolutions of the meeting, voting result for each agenda item, voting and questioning process of the shareholders in each agenda and clarification and shareholders'

comments thoroughly together with publicize of video recording of the AGM on the company's website (www.thantawan.com)

- 2) Consider the recommendations and opinions that received from the shareholders for the quality assessment of the AGM and development plan for the next AGM consistently.

Article 2 Equitable Treatment of Shareholders

Shareholders are entitled to assign proxies to the meeting and cast ballots for them as well as receive documents and advice how to assign the proxy with legalization. Once proxy forms have been handed to directors at the meeting, proxies are entitled to participate in the meeting and cast their ballots like all other shareholders. Shareholders may also delegate the proxies to independent directors and have the right to receive profiles, work experiences and reports on conflicts of interest for the consideration of agenda items from the independent directors appropriately.

- 1) The AGM shall be conducted according to the agendas and notified to the notice. As a policy, will not add any items to the agenda without notice to the shareholders in advance.
- 2) Adequate time shall be allocated for the meeting and equal opportunities provided for shareholders to express their opinions, ask questions and exercise the rights to elect individual directors. The shareholders can vote every agenda through a polling card that distributed to the meeting.
- 3) Directors and related Executives shall attend the AGM to answer the questions that raise by the shareholder. The main questions, answer and opinions shall be recorded in the minutes of the meeting for future review by the shareholders.
- 4) Disclose current information through the company's website. Provide to shareholders with important information that have been changed including information sheets and disclose in accordance with various regulations.
- 5) After disclosure to The Stock Exchange of Thailand (SET), the information shall be published to the company's website both Thai and English.

Preventing Conflicts of Interests

The Company realizes the importance of managing the conflicts of interests of related persons, namely, the Board of Directors, Subcommittee, and employees in a prudent, fair, and transparent manner. As a consequence, the Board of Directors has established policies and measures regarding conflicts of interests as follows:

- 1) Directors and top executives must file a report with the Company stating their interests in the management of the Company when they first take the office. They must also file a report should there be any changes in their interests and at every year end and at Annual Report.
- 2) At a Board of Directors' meeting, any director or executive who may have a vested interest in any agenda item under consideration must not attend the meeting or must abstain from voting on such agenda item. This is to ensure that the Board and executives make decisions in a fair manner.

Preventing Misuse of the Internal Information

The Company attaches significance to preventing the misuse of information that has not yet been disclosed to the public or confidential information that could have any impact on the Company's share price for one's own benefit or others. To that effect, the Company has established measures to prevent misuse of internal information and incorporated them the Corporate Governance Principle and Code of Conduct and Regulations for Employees in writing obviously to provide guidelines for the concerned persons, namely, the Board of Directors, Subcommittee, Executive and employees responsible for related functions as well as their spouses and children who are minors by having the established practices in compliance with the Securities and Exchange Act B.E. 2535 as follows:

- 1) The Board of Directors, executives, and employees responsible for related functions as well as their spouses and children who are minors are prohibited from trading Company shares for one month period prior to the release of the Company's quarterly and annual financial statements and for 24 hours after the release (Blackout Period). In order that, Corporate Secretary will inform via all concerned persons of the blackout period via the email 30 days prior to blackout period and to prevent employees involved with the preparation of the financial statements from disclosing the information to outsiders from the closing date of the financial statements to the public disclosure of the aforementioned information.
- 2) The concerned persons who have knowledge of confidential information that could impact the Company's share price are prohibited from trading the Company's shares until 24 hours after the public disclosure.
- 3) Directors and executives (Top Executives) as defined by SEC are required to make an initial reporting of their securities holding in the Company when they were appoint to be Directors or Top Executives of the Company for the first time and submit the initial reporting of their securities holding in the Company to the SEC. within 30 days of the date on which they are appointed (Form 59-1) and also required to report on any changes in securities holding as a result of the purchase, sale, transfer or acceptance of transfer of securities (Form 59-2) within 3 business days of the date of any changes.
- 4) The Board of Directors will monitor to ensure compliance with such measures. It is stipulated that any changes in their shareholding will be reported in the Board of Directors' meeting and disclose the number

of shares both directly and indirectly as of the beginning and end of the year as well as those traded during the year shall be reported in the Annual Report.

Article 3 Roles toward to Stakeholders

The company recognizes the importance to the interests among groups of stakeholders. The company operates business with responsibility and treats all stakeholders fairly. Commitment to develop business to the sustainable growth and can generate remuneration to shareholders appropriately, protect their interests and assets of the company as preserve their properties. The company has the rights of stakeholders among groups with good practice equally as follow:

Shareholder: The Company is committed to perform business with transparency, integrity and fairness to major and minor shareholders for utmost benefit. Disclose the fact information completely and regularly.

Customer: The Company is committed to produce the quality products with standards. Manage Marketing practices with fairness, responsible for the quality and standardize products to meet customer's satisfaction as well as to treat them as confidential. Additionally, our Customer service team is ready to handle with care for problem-solving promptly from any customer's complaint.

Business Competitor : The company operates business within the frame work on trade competition and fairness under the Allianz business competitors Encouraging with each other in a frame work that does not cause any damage to the business and relationship with each other.

Trading Partner/Creditor: The Company shall not proceed any corruptions with trading partner and creditor. Set procedure to select the trading partner in a systematic way as well as strictly any conditionals practices towards the Creditor. Proposal to use money, repays debt, oversee collaterals quality, and any other agreements to the creditor for mutual benefit achievement.

Employee: The Company recognizes the social protection of workers, occupational health and safety workplace in accordance with law, together with employee engagement between employees and organization, manage by Human Resources. Fairness remuneration, welfare, and career advancement according to law and related regulations including support the employees to the community participation.

Environment & Society: The Company encourages public activities to the communities, social and employees. To emphasize them to participate in the communities' activities in order to contribute the benefit of social development.

Article 4: Disclosure and Transparency

Disclosure Information of Board of Directors and Executive Management Remuneration Fee

Information of the Board of Directors and executive management remuneration fee and shareholding must be reported in the annual registration statement (Form 56-1), annual report (Form 56 - 2) and also published at the Company's website.

The company shall disclose significant information of the company with accurate, clear, complete for decision-making process of stakeholders. The Information Disclosure is main issues of a transparency index in operation that is the main factor in building trust to investors in reliable operation and audit mechanism. The Company, therefore, conduct the disclosure and transparency regulation as follows:

- 1) The Board of Directors or other persons delegated by the Board of Directors shall disclose sufficiently an information: both financial and non-financial in reliable and timely for stakeholders and shareholders as equal following to laws and the Company's regulation. The Company usually prepared and updated the information on its website which are complete and up-to-dated to ensure that stakeholders are able to use aforementioned information in decision-making further and contract with an institute responsible for related functions with accuracy, convenience and efficacy.
- 2) The Company's information system was prepared carefully which was accuracy, clearness, transparency and easy to understand and there is the disclosure of the significant information both advantage and disadvantage for the Company.
- 3) Provide the public relations agency, acting public relations news, information, and operations of the company's portfolio, which is beneficial to shareholders, investors, employees, stakeholders and the general public, consistently and efficiently. Eliminate the wrong understanding, including investor relations, acting as the coordinating agency, with the institutional creditors. Analysts and shareholders of the company to provide the data and operations of the company the contact channels with fast and easy access.
- 4) The Board of directors making the statements of financial position and the profit and loss account audit report of the external auditor, along with the annual report of the Board of Directors at the meeting of shareholders at the annual general meeting for approval.
- 5) The Board of Directors report to assess the status and trends of the company by an easy-to-understand summary. The report describes their responsibility in the preparation of financial reports show, coupled with the auditor's report. The necessary management reports to analyze, in various forms, in addition to financial reports and audit reports. Report on the attendance of Directors and / or of sub-committees, each year in the annual report.
- 6) The Board of Directors, report changes in securities holdings and executives of the company. According to the regulations of the Board, the Securities and Exchange Commission of Thailand.

Article 5: The Board Responsibilities

1. Structure, Compositions & Qualifications of the Board of Directors

- 1) Meeting the qualifications and is not possessing the prohibited characteristics prescribed in the Public Limited Companies Act B.E. 2535.
- 2) To be composed of at least 5 members, not over 9 members. It is not less than one-half of the directors and reside in Thailand whether shareholders of the company or non-shareholder. Age is not over 75 years of age with 3 years of term whereas the retiring Directors may be re-elected.
- 3) Independent directors are at least 1/3, but no fewer than three persons with qualifying in compliance with guidelines of SEC.
- 4) To be composed of variety skills; Industrial, Accounting & Finance, Business, Management, International Marketing, Strategies, Crisis Management, Legal and Corporate Governance. This consists of expert with knowledge at least 3 persons; Legal and Accounting & Finance 1 person per each.
- 5) The appointment of the Board of Directors is adhere to the specific agenda with transparency. Also the directors' profile with detail sufficiency for making decision at the AGM. Additionally, to disclose all member of the Board of Directors' profiles in the annual report for acknowledgement.
- 6) The work of the Board; roles & duties is divided clearly between the Board of Directors, Executives Sub-committees and management of the Board.

2. Directorship in Other Companies

The policy of Directorship serving terms in the listed companies of the Directors is as follow:

- 1) The company has determined that each director is allowed to be in the directorship in other companies. Not over than 5 listed companies including subsidiaries that are not listed companies (if any). In order to achieve efficiency and can devote more time to conduct the duties of the Board of Directors.
- 2) The Board of Directors should not be the Directorship in the listed companies that may cause the conflicts of interest with the company and the performance of the Directors.
- 3) Policy of the Directorship serving terms in other companies of the Managing Directors and top Executive, the company has defined the Directorship serving term in other companies of the Managing Directors and top Executive of the company in accordance with the Public Limited. Company ACT 1992. This must be approved by the Board of Directors, prior the serving term.

3. Independent Director

Independent Director shall not be the member of the group of majority shareholders and be free from the majority shareholders as well as the Company's executive. Moreover, Independent Director must have a financial knowledge or any other business knowledge, reach and can understand the company's business appropriately for

expressing their opinion freely to protect the minority shareholders' profit. Attend the meeting regularly and report to certify their free when being appointed and disclose the significant data Independence in the company's annual report. Additionally, independent director must have a full qualification in accordance with the specification of the Stock Exchange of Thailand (SET) and The Securities and Exchange Commission (SEC).

- 1) Holding shares is not exceeding 0.5 percent of the total number of shares with voting rights of the company, its parents companies, subsidiary, affiliate, major shareholder or controlling person including shares held by related persons of such Independent director.
- 2) Neither being nor used to manage the office, employee, advisor who receives salary, or controlling person of the company, its parent company, subsidiary, affiliate, same level of subsidiary company, major shareholder or controlling person. Unless the foregoing manner has ended not less than two years.
- 3) Not being a person related to blood relationship or legal families registration as father, mother, spouse, sibling and child including spouse of a child to the other directors, management, major shareholder, controlling person or person to be nominated as director, executive or controlling person of the company or its subsidiary company.
- 4) Neither having nor used to have a business relationship with the company, its parent company, subsidiary, affiliate, major shareholder or controlling person, in the manner that may interfere to his/her Independent discretion. Also neither being nor used to be a significant shareholder or controlling person of any person to business relationship with the company, its parent company, subsidiary, affiliate, same level of subsidiary company, major shareholder or controlling person. Unless the foregoing manner has ended not less than two years.
- 5) Neither being nor used to be an auditor of the company, its parent company, subsidiary, affiliate, major shareholder or controlling person and not being a significant shareholder, controlling person or partner of an audit firm which employs auditors of the company its parent company, subsidiary, affiliate, major shareholder or controlling person. Unless the foregoing manner has ended not less than two years.
- 6) Neither being nor used to be a provider of any professional services including legal advisor or financial advisor who receives service fees exceeding two million Baht per year from the company. Its parent company subsidiary, affiliate, major shareholder or controlling person and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing manner has ended not less than two years.
- 7) Not being a director appointed as representative of directors of the company, major shareholder or shareholder who is related to major shareholder.
- 8) Not undertaking any business in the same nature and in competition with the business of the company or subsidiary company or not being a significant partner in a partnership or director with management

authority, employee, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of the other companies which undertakes business in the same nature and in competition with the business of the company or its subsidiary company.

4. Scope and Authorities of the Company Directors

- 1) Perform duties and manage the company's business under the company's relevant laws, objectives and regulations as well as the resolutions of the shareholders meetings.
- 2) Consider and approve of significant matters that related to the operational of the company such as vision, mission, directions, strategies, financial objectives, risk, plan and budget as well as manage and monitor the implementation by Executives as adhere to the policy and plan with effectively and efficiently by stipulating to have the report of operation constantly as well as giving policies of the development and improvement of business operations by realizing a safety and sanitation , social and environment responsibilities and Human Resource Development.
- 3) Provide Corporate Governance policy in written with approval. In addition, to review regularly at least once a year.
- 4) Encourage Business code of conduct to ensure that Directors, Executives and employees are well-understanding to the ethical standards. In addition, monitor them to conduct with strictly compliance to the code of conduct.
- 5) Monitor and solve potential conflicts of interest that may occur to stakeholders of the company Establish guidelines to transactions which may have the conflict of interest for the benefit of the company and shareholders. The Stakeholders should not be involved in making a decision. Set procedure to perform and disclose the transactions that may conflict of interests with correctly.
- 6) Set up a control system of operations, financial statement and in compliance with rules, regulations and policies. To set a person or employees of the company or employ an outside company to provide an independent for the performance of duties as well as to audit the control system and review the important system at least once a year. Also to disclose in the annual report.
- 7) Institute a Corporate Risk Management policy by seeking quarterly Risk Management reports from the Management via the audit committee. Encourage the company to conduct Risk Management system assessment at least once a year and pay attention to warning signs and irregularly.
- 8) Directors may appoint Managing Director or authorize to Executives and/or Audit Committee to operate according to the company's objective achievement including cancellation, retract, implementation the authorization and appoint a Company secretary.

- 9) Directors are authorized to approve purchase and sale assets, business expansion investment as well as joint venture with other entrepreneurs under the Articles of Association and Memorandum of Association including relevant Laws.

5. Separation of the Roles of the Board of Directors and the Management

The Company defines clear roles and responsibilities regarding the Board of Directors and the Management. The Board shall be responsible for establishing the policies and overseeing the Management's implementation of those policies. On the other hand, The Management shall be responsible for implementing the policies formulated by the Board, and ensuring that these are carried out as planned. Therefore, the Chairman the Board of Directors the Company shall not be the same person with the managing director, and each must be nominated and elected by the Board in order to ensure their appropriateness.

The Chairman shall not be a member of the Management and shall not participate in the Management of the Company; nor shall the Chairman be authorized to sign binding agreements on behalf of the Company. This is to clearly define separate roles between supervision of the Company's overall policy, and business management.

The management is authorized to manage the Company's operations in accordance with the policies; take responsibility for the Company's operating results; control expenses and capital expenditures within the limits approved by the Board in the annual operating plan; manage human resources in line with the prescribed policy; resolve problems or conflicts that affect the Company; and maintain effective communication with the stakeholders.

5.1 Scope of Roles and responsibilities of Chairman of the Board of Directors

- 1) Sets Board meeting agenda in consultation with the President & CEO and oversees to ensure Board members receive accurate, complete, timely, and clear information prior to the meeting to assist in their decision making process.
- 2) To convene the Board meetings or assign other persons to act on his behalf and specify to have the Board meetings without directors form the Management.
- 3) To chair the Board meetings. In the case of a tie, the chairman will cast a decisive vote.
- 4) To allocate sufficient time for directors to carefully and effectively discuss issues and topics related to the management and corporate governance or propose meeting agenda items, as well as to encourage directors to independently use their discretion at the Board meeting. Top executives of the Company may be invited to provide significant information to support the Board's decision on particular issues.
- 5) To chair the shareholders' meeting and conduct the meeting in accordance with the Articles of Association and the sequence of agenda items as stated in the meeting invitation letter unless the meeting resolves to change the sequence of agenda items with more than two-thirds of votes of the attended shareholders as

well as giving shareholders an opportunity to express opinions equally and also have a response for shareholders' questions properly and transparently.

- 6) Supports and be a role model in compliance with the principles of good corporate governance and Code of Conduct of the Company.
- 7) Fosters a positive working relationship between the Board of Directors and the Management and supports the performance of the duties of Managing director and the Management in accordance with the Company's policy
- 8) Oversees the operation of the Board of directors as a whole, subcommittee and each individual director perform their duties effectively and efficiently.

5.2 Scope of Duties and Responsibilities of the Managing Director

Managing Director of the company has been assigned by the Board of Directors to conduct the company's business, under the approved work programs and budgets with stringency and integrity as well as protecting the best interests of the company and shareholders. Managing Director must not be engaged in any conflicts of interest with the company and subsidiaries of the company. Roles and responsibilities are as follow:

- 1) Prepare and propose to the board 5-year and 10-year business plans, including the company's strategic imperatives.
- 2) Prepare and provide to the Board of Director's information relevant to the company's business and activities, as well as other information needed by the board.
- 3) Manage the company's business and business strategy as approved by the Board of Directors.
- 4) Structure and manage the organization under the guidelines that are given by the Board of Directors.
- 5) Fine-tune the company's POSITIVE culture in support of its vision, mission, and strategic imperatives.
- 6) Execute all other tasks assigned by the Board of Directors.
- 7) Delegate authority or assign others to act on his or her behalf under the company's rules, terms, principles or orders that are given by the Board of Directors or the company as defined.
- 8) Prepare and present significant company's business performance to the Board of Directors as regular basis as well as the other reports are required by the Board of Directors.
- 9) Represent the company in dealings with third parties.

6. The Board of Directors' Authorization

The Board of Directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company's Articles of Association, the Board of Directors charter, and the shareholders' meeting resolutions. Such matters include defining and reviewing corporate vision, mission, operating strategies, operating plans, risk management policy, annual budget and business plans, and medium-range business plan.

Added to this is the defining of the target operating results, following up and assessing the operating results to ensure they are consistent with the plan, and overseeing capital expenditure, material connected transactions, merger and acquisition, corporate spin-off, and joint venture deals.

7. Board meetings

The company has scheduled Board meetings in advance for each year so that directors can schedule themselves to attend the meeting. The Chairman of the Board approves to endorse the meeting and its agenda by consultation with Managing Director. Each Director is also allowed to propose urgent matters for the agenda's consideration in each meeting. The company will deliver the meeting agenda and relevant documents to all directors for consideration in advance. In order to have enough time and consider the agendas under the following guidelines:

- 1) The company regulations define the Board of Directors to have a meeting at least once a quarter with at least half of the total board in attendance to make a quorum.
- 2) The company should deliver the meeting invitation to directors at least seven days ahead of each meeting date. To give them enough time to study, deliberate and make decision on all agenda items as well as schedule themselves properly to attend each meeting.
- 3) Chairman of the Board approves to endorse the meeting and agenda of the meeting by consultation with the Managing Director and consider the proposed agendas of directors. To include other significant matters in the agenda for the next meeting.
- 4) The Chairman ensures that the Board of Directors has adequate time for the management's information presentation including questions and debate of significant issues.
- 5) The Board of Directors must duly devote their time and attention to the company's business and be prepared to attend meetings regularly. Board of Directors' have the duty to attend at least 75 percent of such meeting.
- 6) The Board of Directors can gain reasonable access to information, to request documents and data, consultation and related services concerning company operations from top executive as well as seeking independent views from external consultants if necessary.
- 7) Supports top executive should attend the board meetings, to provide additional information and details.
- 8) Resolution will be passed by no less than 2/3 of entire directors while casting vote.
- 9) Directors, who are potential involvement or vested interest in any agenda item, must refrain from voting or express views on that item.
- 10) Minutes of the Board meetings including its meeting agenda and the board' views must be clear for future reference.

8. Board of Directors and Sub-Committee's Performance Assessment

1) The performance appraisal of the board and subcommittee is done annually by evaluation in group and self-assessment. To co-consider the performances and problems for further development.

2) The company used the appraisal format of Stock Exchange of Thailand to cover significant issues such as structure and qualification of the Board, roles and responsibilities, board meeting, duties of the board, relationship with the management and Self-development of directors and executive.

3) Appraisal of the Board's performance as a whole, will be defined clearly a criteria and procedure by Nomination, Remuneration and Corporate Governance Committees who also considered the appraisal format and questionnaire about an information of knowledge development, performance of directors and then reported to the Board of Directors for considering.

4) The company might consider employing external consultants to set guidelines and propose issues of the Board's performance appraisal as well as to disclose the performance in the annual report.

9. Development of Directors and Executives

1) The company has promoted and provided support on training and education on Corporate Governance of the company to Directors, Committee members, Executives, the corporate secretary and others, as part of continuous operational development.

2) The company has provided new Directors with orientation documents to comply with useful materials. An orientation program is provided to new directors with nature of business and the company's business practices. Directors have also undergone training organized by Thai Institute of Directors (IOD).

3) The company has continued to executive development program forges preparedness for its Internal rotation of executives and this also applies to Managing Director succession through the top Executives appraisal program.

4) The company has established a mentoring program, to develop operational readiness level of Senior Executives or Managing Director position. Upon the Managing Director position is available, the company will consider the qualification and capabilities person as well as external qualified executives or Executive Assistant to Managing Director or Senior Executive with the availability to the recruitment process.

Readiness Preparation for Directorship

For new directors, The Company established a Director Induction Program to facilitate their prompt performance of duties. To provide important information essential for the directors' performance of duty such as the

Company's Articles of Association, the Company's director handbook, the handbook for directors of listed companies, and summary of operating results, for use as quick reference. Moreover, to arrange for a meeting with the Chairman and directors and Managing Directors or the executives or head of each function to stay informed and make queries about the Company's business in depth.

10. Sub-Committee

The Board of Directors appointed 3 Sub-committee such as Audit Committee, the Nomination, Remuneration and Corporate Governance Committee and Risk Management Committee for Sustainable Development to be responsible for their specific areas and report directly to the Board for its consideration or reference by putting in place its Charter of the Sub-committees specifying rights and duties, which is published on the Company's website

10.1) Audit Committee

Scope of Duties and Responsibility of the Audit Committee

1) Financial Reports and Audit

- Review financial statements of the Company in order to ensure that they are correctly and credibly as well as disclose information sufficiently. The company co-ordinates with the external auditors and the executive's responsible for financial reporting both quarterly and annual.
- Consider, select and nominate an independent person as Auditor for the company as well as suggest remuneration for the auditor with regard to reliability, resource adequacy and quantity of auditing including attending the meetings with the Auditors without any management at least 1 time per year.
- Promote the independence of the Auditors and opine to the suitability of the Auditors including the enhancement of financial reporting system development with equal to the International Financial Reporting standards.

2) Internal Control

- Review to ensure that the internal control systems, Internal Audit systems of the company and Risk Management systems are efficiently. May suggest to review or examine any necessary and important items as well as to provide suggestions, improve the internal control systems, Risk Management systems and report the review of the Board of directors.
- Review an evidence, should there is any questions with the operations that may have a significant affect to the financial status and the Operating results of the company or the conflict of interest or any violation of laws and regulations relevant. This may affect to the operations of the company.
- Review an internal processes of Whistle-Blowing and complaints.

- Review to verify Information technology with accuracy and effectiveness, relate to financial reporting and internal control.
- 3) Internal Audit
- Review to ensure that the internal Audit systems are suitable and efficient including the Internal Audit Department complies with the standards for internal audit.
 - Consider the independence of Internal Audit Department including an instruction to budget, Manpower of the Internal Auditor as well as to consider an appointment and termination of the Internal Auditor. In addition, to evaluate annual performance of employees and the Head of Internal Auditors.
 - Consider the Internal Audit Department Charter.
 - Evaluate the annual Internal Audit plan in order to ensure the compliance of audit plan and the level of company's risk.
 - Review and approve the findings together with the Internal Auditors.
- 4) Compliance with Relevant Laws and Regulations
- Review the company to compliance with securities laws and regulations of the Stock Exchange of Thailand and policies, rules, requirements and the other laws, relating to the business of the company.
 - Consider Related Transactions or transactions which may Conflict of Interests to compliance with the laws and the requirements of the Stock of Exchange of Thailand. To ensure that such transactions are reasonable and the utmost benefit of the company.
- 5) Other Duties
- Seek the advice of an independence opinion from the counsel or professional advisors where necessary to the expense of the company, with the approval of the Board of Directors. The employment is in accordance with the regulations of the company.
 - Arrange a report of the Audit Committee, signed by the Chairman of the Audit Committee and disclose in the annual report of the company, in accordance with the SET.
 - The Chairman or Audit Committee attends the AGM with clarification work of Audit Committee or the appointment of the Auditor.
 - Review and revise the Audit Company had 3 directors and propose to the Board of Directors for approval.
 - Perform in any other task as assigned by the Board of Directors with approval of the Audit Committee.

The terms of office

The term of office of the members of the Audit Committee is 3 years each, Not over than 9 years, Nevertheless, a retiring member is eligible for re-appointment. Ending at the annual general meeting of

shareholders, in case of a vacancy in the Audit Committee for reason other than expiration of the term of office, resigns or the Board of Directors passes a resolution removing him/her from office.

10.2) Scope of Duties and Responsibilities of Risk Management Committee

- 1) To define the risk management policy and framework covers all areas including Financial risk, Safety and environmental risk, Production and distribution risk, Risk from Raw material cost as well as Labor risk and any risks affecting to the company's reputation.
- 2) To review and revise the policy as well as risk management processes and charter to ensure the effectiveness and adequacy were in line with changing circumstances.
- 3) To define strategy in compliance with the company's risk management policy. Monitor and control in order to reduce risk to an acceptable level.
- 4) To support and develop the implementation at all levels including promote a culture of risk management throughout the company.
- 5) To oversee and review reports on key risks. Giving an advice to ensure that the efficient implementation is in place and appropriate to the business. In addition to be able manage various risks to a level acceptable in accordance with the policy Risk Management organization.
- 6) To report the performance to the Board of directors regularly. To implement and comply with the policies and strategies as defined.
- 7) To perform any other tasks as assigned by the Board of Directors.

The term of office

The committee members who are from the Board of Directors shall serve a term as a period equal to the tenure of office of directors. The full term of office for Risk committee members shall be the same as a full term of office of directors which will be completed on the date of the annual general meeting of shareholders. The risk committee members who are selected from management shall serve a term of office of three years. The committee members who retired by their rotation are eligible for reelection.

The committee member who retired by rotation is acting in a position to perform their duties until the appointment of a replacement position except in case of full term of office for director without the option to return to the director position.

10.3) Nomination, Remuneration and Corporate Governance Committee

Scope of Duties and Responsibility of Nomination, Remuneration and Corporate Governance Committee.

1. Nomination term

- 1.1) Define the procedure and criteria for the nomination of directors
- 1.2) Consider structures, sizes and composition of the Board of Directors and Sub-committee properly in line with the Company's Structure and the changing circumstances.
- 1.3) Consider and set the qualification of candidate who becomes a director by taking into consideration of knowledge, skilled talent as well as having experience related to the Company's operation and dedication.
- 1.4) Nominate the qualified candidates to be directors, sub-committee and top executive and propose to the Board of Directors to consider appointing those as seen suitability and the position that become vacant.
- 1.5) Devise a development and training plan of performance of duty or business knowledge of the company for directors and directors in sub-committee.
- 1.6) Review the succession plan for top executive as well as the list of a qualified candidate for succession and propose to the Board for consideration as seen suitability and the position that become vacant.
- 1.7) Perform other duties as assigned by the directors

2. Remuneration Term

- 2.1) Consideration of the remuneration for the Board of Directors and sub-committee.
 - 1) Report its opinion about structures and composition of the remuneration for the Board and Sub-Committee to the Board of Directors for an annual review.
 - 2) Approve and review the criteria of the performance appraisal of the Board of Directors and propose to the Board of Directors for consideration and assessment. Then the Nomination, Remuneration and Corporate Governance Committee would consider the result of the assessment for appointing the regeneration of the Board of Directors and Sub-Committee.
 - 3) Propose the criteria of the remuneration of the Board of Directors and Sub-Committee by taking into consideration their duties and responsibilities. The remuneration will be appointed in line with assessment, business plan and overall operating result as a whole for convincing and keeping the directors who had knowledge, skilled and latency. The Board of Directors would consider for approval before proposing to Annual General Meeting of Shareholders for approval onward.
- 2.2) Consideration of remuneration for Top executive
 - 1) Approve and review the structures and composition of the remuneration of Top executive on the annual basis and propose the Board of Directors for approval.
 - 2) Define the top executive remuneration properly by using assessment results as supporting information and propose the Board of Directors for approval.

- 3) Review the criteria of the performance assessment of Top executive on an annual basis and propose the Board of Directors for approval.
- 4) Organize the performance assessment of Top executive on an annual basis and propose the Board of Directors Board for approval

3. Corporate Governance term

- 3.1) Define the Good Corporate Governance Policy proper to the Company under laws, criteria, rules and regulations of Institute which had duties for governance such as the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC) and relevant Institute as well as international standard methods of the Good Corporate Governance to propose the Board for approval.
- 3.2) Control, administer and give its opinions to directors and executive for performing their duty and responsibility as the Good Corporate Governance Policies due to the practically result and continuity.
- 3.3) Review and improve the Good Corporate Governance Policy constantly to be in line with international standard methods, Including laws, criteria, rules, regulations and the Company business.
- 3.4) Create the annual report of the Good Corporate Governance assessment and report to the Board of Committee as well as giving opinions and recommendations for improvement as seen appropriate.
- 3.5) Suggest rules and methods of morality and ethics in practice for business procedures and a list of principles of the board of Directors, executives and employees.
- 3.6) Appoint working groups to support the Good Corporate Governance Policy as necessity.
- 3.7) Perform other duties as assigned by the directors

The term of office

The full term of office for Nomination, Remuneration and Corporate Governance Committee members shall be the same as a full term of office of directors which will be completed on the date of the annual general meeting of shareholders. The committee members who are selected from management shall serve a term of office of 3 years. The committee members who retired by their rotation are eligible for reelection. In case of a vacancy in the committee members for reason other than expiration of the term of office, the Board of Directors shall elect a person who is fully qualified as a substitute member of the Committee so that the number of members of the Committee remains in full as the Board of Directors had stipulated. The substitute member shall hold office only for the remaining term of office of the member whom he/she replaces.

11. Remuneration of Directors and Managing Director

The company's policy is to compensate Directors and Managing Director at reasonable levels to motivate and retain quality Directors or at levels comparable to Industrial nearby. Remuneration will link to the Directors and Managing Director's performance and responsibility as well as the company's performance and benefits to the shareholders. The Directors, who are assigned to the greater job responsibilities, will be received more compensation for such the extra tasks. The Chairman may likewise receive the higher compensation than the Directors. The Board of Directors will report the Remuneration to the AGM for approval.

12. Selection and Appointment of Directors and Top Executives

Selection Independent Director

Criteria for the selection of Independent Directors comprises of 1 Independent Directors/ knowledge, competence and famous expert in Plastic Industry and another 1 Independent Directors/knowledge of Accounting or CPA and experience in review the financial statements. To nominate the qualified candidates in accordance with the consideration of Directors, then present to the shareholder's meeting for approval.

Directors and Independent Directors appointment

The Directors shall be elected at the shareholder's meeting in accordance with the following criteria and procedures:

- 1) Each shareholder shall have one (1) vote per one (1) share.
- 2) Each shareholder shall exercise all the votes as 1) to elect one or several candidates as a Director or Directors. However, the votes cannot be split.
- 3) Candidates who receive the highest number of votes in descending order, shall be elected as Directors, equal to a number of Directors or election such that period. In case the candidates who are elected by descending order of votes with the equal number of votes, but exceed the number of the directors. The Chairman of the meeting shall cast one extra vote to the final decision.

Termination and Retirement of Directors

- 1) At every Annual General Meeting (AGM), one-third of the Directors should retire. If this number cannot be divided into three parts, the number of the nearest to the one-third shall vacate the office However, a retiring Director may be eligible for re-election.
- 2) Apart from retirement at the end of the office term, a director shall vacate the office with a reason of death, resignation, lack of qualifications or disqualification under the law pertaining to Public Company Limited and/or Securities and Exchange Law. Removal pursuant to a resolution at the Shareholders meeting or a court's order.

- 3) Any Directors, who would like to resign from the Directors, can submit a resignation letter to the company. The resignation will be effective from the receiving date by the company. The Director may also inform the register about the resignation.
- 4) At shareholders meeting, shareholders may vote the removal of any Directors from the office, prior to the term's expiration. At least, three-quarter votes of eligible shareholders present at the meeting are required. Providing that the number of shares is at least half of the total number of shares represented by the eligible shareholders and present at the meeting.
- 5) In case of Directors are vacancy as the other reasons and other than for term expiration, the Board must select a qualified person and no prohibited manner in accordance with law of the Public Limited Company and laws of the Securities and Exchange. To be a Director at the next Board's meeting. If the remaining term is less than two months, the substituting Directors can remain in the office for the remaining period.

13. Scope of Duties and Responsibility of Company Secretary

Board of Directors have appointed a Company Secretary to comply with rule and regulations of BOD's and shareholders' meeting resolution. Duties prescribed by law are as follow:

1. Arranging meetings for the Board of Directors and the Shareholders in accordance with the principles of Good corporate governance and adhere to the company's regulation with the relevant laws for instance; The Securities and Exchange Act.
2. Oversee the company's disclosure of information compliance with the regulations of the SET and SEC including other relevant agencies.
3. Preliminary consultation to the Board of Directors and Executives of the company for the part that comply with the rules and regulations of the SET and SEC. In addition, to follow the new announcement rules.
4. Prepare and filing of various related documents such as register of directors, notice of board meeting, minutes of board's meeting, notice of General meeting of shareholders, minutes of shareholders meeting, report of securities holding and report of interest and so on.
5. Oversee activities of the Board of Directors so that they can perform efficiently and effectively.
6. To conduct with compliance the resolutions of the Board of Directors and shareholder's meeting.
7. Perform any other duties as assigned by the Board of Directors.