

CORPORATE GOVERNANCE POLICY
THANTAWAN INDUSTRY PLC.

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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 stuff 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 for protecting those who report any complains or indictment as the detail in Whistle-Blowing Measures and Whistle-Blower Protection Mechanisms.

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 shareholders have the right of the ownership by the right to nominate a person to be a director.
- The shareholders have the right to participate effectively in decision-making involving significant corporate matters.
- Shareholders should receive documents and details of the shareholders' meeting in time.
- Shareholders should receive sufficient information as required and related laws.
- Shareholders should have the opportunity to propose agenda and has the right to appoint a proxy to attend the meeting on their behalf.
- The Company should promote the exercise of the rights of shareholders and do not abuse the rights of shareholders.

The Company recognizes and give priority to the shareholders. Therefore, the Company has set the guidelines to supervise the rights of shareholders as follows:

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 passes 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 discloses the results of voting on proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and the Company's website by the next business day. Moreover, 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

Principles

- All shareholders, both major shareholders and minor shareholders should be treated equally and fairly.
 - The Company should supervise shareholders to be treated and protected with the basic rights as equally.
- The Company attaches great importance to all shareholders. The Company has a policy to protect the

basic rights of shareholders equitably and fairly. Ensure the investment with the company as follows.

- 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

- 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. 2535as 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 there is a change to the securities holding of the Company in the case of buying, selling, or accepting the transfer of the Company's securities. They have to submit the report via SEC website within 3 days after changing their securities holding in the Company. Moreover, they have to report to the Board of Directors of the Company about the trading of the Company shares at least 1 day before the trading has begun.
- 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

Principles

- Stakeholders should be supervised by the Company in accordance with relevant laws.
- The company should consider the process encourages cooperation between the Company and stakeholders to create wealth, financial security and the sustainability of the business.

The Company considers the stakeholders especially the rights of Stakeholders by related laws, agreement with the Company, and the policy as follows.

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. And support the anti-corruption in all its forms to achieve equality in business competition and be beneficial to society and the nation in overall.

Article 4: Disclosure and Transparency

Principles

- the board of director shall control the Company to disclose correctly the completely significant information both financial information and non-financial information on time and transparency though the easily reachable way with equality and reliability.
- the board of director shall establish the institute or person in charge of the communication with investors such as Institutional Investors or shareholders and other organization as equal

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 ensure that information disclosures (including financial statements, annual reports, and Form 56-1) are able to reflect the Company's financial status and performance accurately and fairly. The board promotes the inclusion of the Management Discussion and Analysis (MD&A) in quarterly financial reports in order to provide to investors more complete and accurate information about the Company's actual financial status, performance and circumstances.
- 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

Principles

- The Board of Directors plays an important role in the governance of the company.
- The Board of Directors is accountable to the shareholders.
- The Board of Directors must be independent from the management of the company.

The Company has principles for overseeing the Board of Directors responsibilities. The Board comprises who are knowledgeable and competent, responsible, dedicated and give full time to fulfill the responsibilities. The Board of Directors is appointed by the shareholders to direct the Company's operation guidelines. Shareholders appoint the Auditor of the Company. The Board of Directors appoints the management to be responsible for the Company operations, sub-committees to handle specific assignments and the Company Secretary for conducting the meeting and compliance.

Moreover, The Board is responsible for determining and reviewing the board structure, in term of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieve the company's objectives. The essentials are as follows;

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 adheres 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 Subcommittees 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. Directors' Term of service.

Duration of Each Term

The Company's Articles of Association stipulates the director's term of office in accordance with the Public Limited Companies Act B.E.2535 and at the Annual General Meeting of Shareholders in each year, one-third of the total number of directors evenly by three (3), the number directors who retire, length of service on the board should be considered, so that those who have served longest are most eligible to retire. Currently, the Board comprises 9 directors, each of whom has director is eligible for re-election.

Consecutive Terms of an Independent Director

The Board of Directors resolved to limit the number of terms for which an individual may serve as an independent director to a maximum of 9 years, with the first term starting from the Board's approval and the end of each term on the date of the Annual General Meeting of Shareholder in which they are due to retire by rotation. The Board of Directors may nominate their names to be re-elected at the Annual General Meeting of Shareholders as deemed fit, in which case they will no longer be deemed independent.

4. 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 parent 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 family's 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

5. 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) Directing vision, missions, business strategies, values or purpose and principle, with an annual revision and approval.
- 3) The Board ensure that the Company can achieve sustainability considering opportunities and risk which impact to stakeholders.
- 4) Reviewing the major operating plan, budgets, business goals, and business policies and enhancing the capabilities of the company to reach a globally competitive level.

- 5) Overseeing and monitoring the implementation of the Company's strategies and overall performance by requiring their performance reports periodically; and setting policies to develop and improve the business operations with concern for safety, hygiene, social and environmental responsibility and development employees.
- 6) Overseeing and developing The Corporate Governance Policy to keep it consistent with international standards to provide guidelines for business operations while monitoring to ensure compliance and being a role model in complying with the principles of good corporate governance and code of conduct, with annual revision and approval.
- 7) Encouraging staff all levels to be conscious of ethics and morality and comply with company's principles of corporate governance, code of conduct and the Anti-corruption policy while promoting awareness of the importance of internal control system and internal audit to reduce the risk of fraud and abuse of authority and prevent any illegal act.
- 8) Overseeing and supporting the creation of innovation and technology that create value for company as well as all stakeholders.
- 9) Overseeing and monitoring Information Technology management and the implementation of the Information Technology security system.
- 10) 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 decision. Set procedure to perform and disclose the transactions that may conflict of interests with correctly.
- 11) The Board maintaining the interests of both major and minor shareholders in fairness. Also encourages shareholders to exercise their right to maintain their own interests. The board ensure that the Company discloses important information accurately, completely, transparently, verifiably and timely.
- 12) Aware of the roles and responsibilities of the Board of Directors, respects the rights and treats all shareholders and stakeholders as fairly and transparently. The Board establishing a clear process and channels for receiving and handing complaints from informants or stakeholders effectively and ensuring an opportunity for every stakeholder to contact of lodge complaints about potential issues directly to the Board of Directors.
- 13) Set up a control system of operations, financial statement and in compliance with rules, regulations and polices. To set a person or employees of the company or employ and 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.

- 14) Institute a Corporate Risk Management policy by seeing quarterly Risk Management report 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.
- 15) The board appoints the Subcommittees that nominees from the NRCG. The Company Secretary is appointed by the board to concern the various task about the board, manage the important issues of the Company in accordance with the law and regulations relating to the responsibilities of the Company Secretary.
- 16) The Board may authorize to Subcommittee, Managing Director, and/or Executives to operate for specific duty according to the company's objective achievement. Nevertheless, The Board has still authority to cancel, retract, and revise the authorization.
- 17) The Board has authorized to approve, purchase, sell assets, and investment to expand business as well as participate for joint ventured with other entrepreneurs under the Articles of Association, the objectives of the Company, and relevant Laws.

6. 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 or as planned. Therefore, the Chairman of The Board of Director 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 management 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.

6.1 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 ensure Boards 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 the 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 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 as 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) Supervise disclosure and transparent management in case of conflict of interest.
- 8) Fosters a positive working relationship between the Board of Directors and Management and supports the performance of the duties of managing director and the Management in accordance with the Company's policy.
- 9) Oversees the operation of the Board of Directors as a whole, subcommittee and each individual director perform their duties effectively and efficiently.

6.2 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) Performing its duties in compliance with objectives, Articles of Association, Company's Policy, the resolutions of the Board of Directors and/or resolutions of Shareholders' Meeting.
- 5) Structure and manage the organization under the guidelines that are given by the Board of Directors.
- 6) Fine-tune the company's POSITIVE culture in support of its vision, mission, and strategic imperatives.
- 7) Apply Anti-Corruption Policy and Anti-Corruption practices to the Company. Promulgating and enforcing those policies in its organization thoroughly as well as reviewing its compliance process consecutively.
- 8) Execute all other tasks assigned by the Board of Directors.
- 9) 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.
- 10) 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.
- 11) Represent the company in dealings with third parties.

7. 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, medium-range business plan and long-term 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. The Board should ensure that it does not consciously approve any transactions or propose any transaction for shareholder approval which could negatively affect business continuity, financial liquidity, and solvency.

8. 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 Board of Directors to have a meeting at least 6 times per year 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) Supports non-executive directors able to meet as necessary, among themselves without the management team to debate their concerns and report the outcome of their meeting to the Managing Director.
- 9) Resolution will be passed by no less than 2/3 of entire directors while casting vote.
- 10) Directors, who are potential involvement or vested interest in any agenda item, must refrain from voting or express views on that item.
- 11) Minutes of the Board meetings including its meeting agenda and the board' views must be clear for future reference.

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

- 1) The performance appraisal of the board and subcommittee is done annually by Self-Evaluation in group and self-assessment. The results used for consider the performances, problems for further development and ensuring that the directors collectively possess the right combination of knowledge, skill, and experience.
- 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.

10. 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 board should supervise the personnel, who related to the preparation and disclosure information, must have knowledge, skills and experience with appropriate to their responsibilities and there are enough people for the Company. These personnel including to Top Executive of Accounting and Finance, Accountant, Internal Auditor, Company Secretary, and Investor Relations.
- 3) 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).
- 4) 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.
- 5) 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.

11. 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

11.1) 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 process of Whistle-Blowing and complaints.
- Review to verify Information technology with accuracy and effectiveness, relate to financial reporting and internal control.
- Consider the evaluation form for the adequacy of the internal control system, which the internal audit department has examined and assessed, in order to ensure that the company has sufficient internal control systems and present to the Board of Directors for consideration.
- Prepare the report of the Audit Committee by disclosing in the Company's annual report. The Annual Report must be signed by the chairman of the Audit Committee and have opinions on various matters according to the regulations of the SET.
- Review the Company's Anti-corruption procedures to ensure the effective compliance with the guidelines of the governance bodies including Collective Action Coalition Against Corruption (CAC), Thai Institute of Directors (IOD), and The National Anti-Corruption Commission. The efforts start from promoting and raising awareness, assessing the risks, internal controls, incorporating the proactive preventive system, reporting frauds, auditing as well as reviewing the self-assessment form regarding anti-corruption measures as audited and assessed by the Internal Audit Office.

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 on accessing to the significant information related to its duties and making suggestion freely in addition to giving advice in the matter of instructional budget, Manpower of the Internal Auditor as well as to consider an appointment, shift and termination of the Head of Internal Auditors Department or any unit responsible for the internal audit as the management presented.
- Consider the procurement of external consultants or professional experts to provide advice, consultation or comment as the Audit Committee deems appropriate.
- Consider and approve the Internal Audit Charter and regularly review this charter on an annual basis by proposing to the Board of Directors for considering and approving an amendment (if any).
- Approve and evaluate annual internal audit plans in order to ensure that those plans are conforming to types or levels of the risk of the Company.
- Review reports and consider, together with internal audit unit about audit results, as well as estimating the efficiency of the internal control system.

4) Supervision of Anti-Corruption Measures

- Supervises internal control, financial Reporting and other processes related to anti-corruption measures. To ensure that processes are appropriated, implemented, and effective.
- Ensure that there is a process to notify and receive complaints. In the case of employees and stakeholders have concerns or see suspect that there has been a breach or non-compliance with the law. Code of conduct regulations or corporate governance policies to ensure your guests to notify that, the company has an independent investigation, and the process is conducted in a proper, including reviewing and summarizing the results of the audit to determine measures to prevent corruption within the organization.

5) 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.

6) 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.

11.2) 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 the directors, the managing director, together with managing director establish the criteria and procedures for nomination and appointment of key executives.
- 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 that 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 at least once a year.
- 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 including level and pay component both cash-based and non-cash compensation for the Board and Sub Committee to the Board of Directors for an annual review. Therefore, the board consider composition of the remuneration before proposing to the shareholder approval.
 - 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) Review the criteria of the performance assessment of Top executive and predetermine performance evaluation criteria are in place for the Company.
 - 3) Review the criteria of the performance assessment of Top executive on an annual basis, communicate the result (including development areas) of the performance assessment to the Top executive and propose the Board of Directors for approval.

- 4) Offering compensation Executives by considering from the appropriateness of the payroll ratio, short-term and long-term performance, and the performance evaluation. Then present to the Board for approval.

3. Corporate Governance term

- 3.1) Define the Good Corporate Governance Policy and the Anti-Corruption 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) To set preparation of practice manual for good corporate governance. According to the Corporate Governance Policy and the Anti-Corruption policy, in order to guide the correct practice and standards.
- 3.3) Control, administer and give its opinions to directors and executive for performing their duty and responsibility as the Corporate Governance Policy and the Anti-Corruption Policy due to the practically result and continuity. As well as the best practices in business ethics of directors, executive officers and employees of the Company.
- 3.4) Review and improve normally the Corporate Governance Policy and the Anti-Corruption Policy at least once a year to be in line with international standard methods, Including laws, criteria, rules, general regulations and the company's regulation.
- 3.5) 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.
- 3.6) 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.
- 3.7) Appoint working groups to support the Good Corporate Governance Policy as necessity
- 3.8) Perform other duties as assigned by the directors

11.3) Risk Management Committee

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, Labor risk and any risks affecting to the company's reputation as well as investment risk, investment consideration and corruption risk etc.
- 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.

12. 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 Directors '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.

13. 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.

14. 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.

The Policy considered by Nomination Remuneration and Corporate Governance Committee No. 6/2019

On December 12, 2019

Approved by the Board No. 7/2019

On December 12, 2019