



# ***Good Corporate Governance Guidelines***



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## Announcement

### TCM Corporation Public Company Limited

TCM Corporation Public Company Limited (the "Company") aims to be a leading organization by consolidating corporate operations with efficient, transparent, fair, and auditable management systems. Additionally, the Company emphasizes corporate social and environmental responsibility to serve the best interests of itself, its shareholders, and all stakeholders.

The Board of Directors, comprising the organization's leaders, emphasizes the significance of strong corporate governance as a key strategy for preventing and managing conflicts of interest. This approach has instilled confidence and earned recognition from all stakeholders, resulting in ongoing and sustainable success for the company.

The Board of Directors has established policies, regulations, and guidelines to ensure optimal business practices are aligned with good corporate governance principles. It is essential for everyone to adhere to the regulatory standards outlined in this guideline. Additionally, the guidelines will be reviewed and updated at least once a year.

In 2019, the company reviewed and enhanced its internal corporate governance principles to align with those established by the Securities and Exchange Commission (SEC) in 2017. These principles serve as a general guideline for the Board of Directors, who are responsible for fostering good corporate governance practices that enable the company to adapt its strategies to evolving economic conditions. Furthermore, the company aims to maintain positive relationships with all stakeholders while ensuring competitive capability, strong profitability, and corporate confidence to support sustainable growth.

To achieve effective corporate governance, the Board of Directors, executives, and employees at every level must understand and adhere to the principles of good corporate governance for the company and its subsidiaries.

On behalf of TCM Corporation PLC.

28 February 2019

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(Mr. Pimol Srivikorn)  
Chairman





## Good Corporate Governance Guidelines

The company acknowledges the significance of good corporate governance by adhering to the best practices set forth by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). Consequently, the company will maintain effective, fair, and ethical business management and corporate social and environmental responsibility, enhancing its competitive potential, ensuring long-term profitability, and boosting corporate confidence among all shareholders and stakeholders. Therefore, comprehensive corporate governance guidelines have been established for the Board of Directors, executives, and employees at all levels to foster corporate sustainability.

Good corporate governance refers to the governance of an organization to create sustainable value for the business, in addition to building confidence for investors. The Board of directors, as the leader of corporate governance, must lead the organization towards the following successes:

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

### The Objectives of Good Corporate Governance Guidelines

1. To create a management system with transparency and standards that will enable the company to maintain long-term competitive potential and achieve high profits.
2. To bolster the business's credibility through ethics, respect for human rights, and corporate accountability to all shareholders and stakeholders, both domestically and internationally, thereby enhancing competitive potential.
3. To develop performance measurement tools that can identify and enhance operations to be more efficient and adaptable to changing circumstances.
4. To establish a framework outlining the responsibilities of the Board of Directors and executives to all stakeholders and relevant parties, enabling the administrative section to exercise its authority appropriately and avoid potential conflicts of interest.
5. To establish an operational framework that complies with the Securities and Exchange laws, regulations, company policies, and best practices as outlined by the SEC.
6. To establish a concrete system for efficiently, effectively, and economically utilizing resources while considering public interests and minimizing negative environmental impacts.

### Communication and Dissemination

The Board of Directors has communicated and published this guideline on the corporate website so that directors, executives, and employees at all levels can comply with the principles of good corporate governance. Furthermore, the guidelines have been published to all stakeholders to acknowledge the company's operational practices.

Website: [www.tcm-corporation.com](http://www.tcm-corporation.com) under the heading of "Corporate Governance"

### Complaint Reporting Guidelines

In the event of any doubts or the observation of any suspicious actions that may violate the principles of good corporate governance or any code of conduct outlined in this manual, Company





employees are encouraged to exercise their own judgment initially by asking themselves the following questions:

1. Is it the right thing to do?
2. Is it acceptable and can it be disclosed to the public?
3. Does it cause damage to the Company's reputation?

Employees may inquire directly with their supervisors and the relevant departments responsible for the matter or report through the Company's reporting channels on the website at [www.tcm-corporation.com/th/whistleblower](http://www.tcm-corporation.com/th/whistleblower) and other channels as specified in the Complaint Management and Whistleblower Protection Policy (Whistle Blower Policy)

### **Penalty**

Violation or non-compliance with the principles and regulations in this Good Corporate Governance Manual, resulting in damage to the Company, shall be deemed an offense. The determination of penalties will be considered fairly, taking into account the severity and nature of the offense. The authority to impose penalties shall be in accordance with the Company's regulations



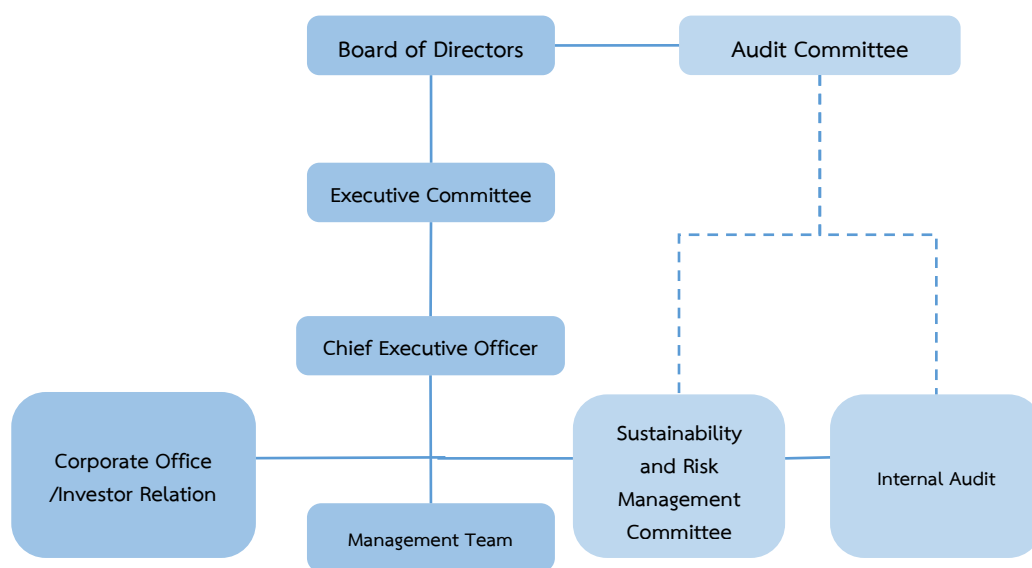
## Good Corporate Governance Policy

The Board of Directors is committed to ensuring that the organization's business operates efficiently, competitively, and profitably, with responsibility, prudence, integrity, transparency, and ethical business conduct. The Board is dedicated to treating shareholders and all stakeholders equitably and fairly, benefiting society, mitigating negative impacts on the surrounding environment, respecting human rights, maintaining political neutrality, and combating corruption to create sustainable value for the enterprise. To provide guidance for the performance of duties by directors, executives, and employees at all levels, the following Corporate Governance Policy has been established:

### Corporate Governance Policy

Corporate governance is a responsibility of directors, executives, and employees at all levels to perform their duties with accountability, prudence, integrity, transparency, and business ethics for efficient business management with competitive potential and high profits. The company shall treat all shareholders and stakeholders with fairness and equality and prevent the use of internal information for personal interests. In addition, business information shall be transparently exposed. The company shall provide respect for human beings, political neutrality, and anti-corruption for sustainable values.



#### 1. Corporate governance Structure



#### 2. The Roles of Leaders in Corporate Governance and Sustainable Business Drive

The Board of Directors is responsible for corporate governance at the policy level and the determination of organizational direction by imposing the goals and objectives of the company together with corporate vision, missions, and organizational culture. The review of the guideline shall be conducted at least once a year for directors, executives, and employees at all levels to effectively revise and implement plans to achieve the goals and objectives for a sustainable business drive.



Executive Level	Roles / Important Issues
<p>The Board of Directors</p> 	<ul style="list-style-type: none"> <li>• Impose major goals and objectives by devising policies and strategies to drive the business with good corporate governance</li> <li>• Develop sustainable values to enhance competitive potential and maximize profits.</li> <li>• Foster a strong organizational culture by following ethical business practices and acknowledging social and environmental impacts.</li> </ul>
<p>Chief Executive Officer</p> 	<ul style="list-style-type: none"> <li>• Impose strategies, goals, plans, and annual budget in accordance with the major goals and objectives as assigned</li> <li>• Follow up the efficiency and effectiveness according to key performance indicators</li> </ul>
<p>Sales Director, Sales Manager</p>	<ul style="list-style-type: none"> <li>• Implement the strategies along with monitoring and evaluation</li> </ul>

### 3. Monitoring and Reporting on Sustainable Performance

Adherence to the principles of good corporate governance, including the code of business conduct and various best practices of the Company, is the responsibility of directors, executives, and employees at all levels of the Company. Compliance with the principles outlined in this manual must not be neglected.

The Board of Directors is responsible for monitoring the Company's operations to ensure compliance with the principles of good corporate governance and the code of business conduct and for reviewing the Company's various practices to achieve sustainable performance.

The Audit Committee has assigned the Internal Audit Unit to be the body responsible for auditing and monitoring compliance with the principles of good corporate governance and the Company's code of business conduct. The audit results are reported to the Audit Committee for presentation to the Board of Directors for further consideration.

Directors, executives, and employees at all levels of the Company can report in good faith any operations that violate or are suspected of violating the established principles to their supervisors. It is the duty of supervisors to oversee and provide guidance to their subordinates to ensure correct adherence to the principles of good corporate governance and the code of conduct.





## Good Corporate Governance Principles

The Company's good corporate governance consists of the following 8 principles:

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

### Principle 1

#### Establish Clear Leadership Role and Responsibilities of the Board

The board of directors constitutes an integral component of sound corporate governance, and is comprised of qualified individuals from diverse fields who demonstrate expertise, experience, leadership acumen, vision, independence in decision-making, commitment of time, and diligent and ethical discharge of responsibilities, all in furtherance of the company's best interests.

#### Roles, Duties, and Responsibilities of the Board of Directors:

The Board of Directors has established a Board Charter that defines the roles, duties, and responsibilities in management in writing, to align with the company's objectives, main goals, articles of association, and resolutions of the shareholders' meeting, as well as to comply with the laws pertaining to securities and the stock exchange, the regulations and best practices of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), and other laws related to the company's operations, as follows:

#### 1.1 Ensure good corporate management

The Board of directors must understand its roles, duties, and be aware of its responsibilities as a leader in ensuring good corporate management. The roles, duties, and responsibilities are defined as follows:

- (1) Determine clear and appropriate objectives and goals including determining vision, mission and corporate values which conform to the creation of value to the Company, all stakeholders and the overall society with annually review of vision and mission at least one time per years.
- (2) Determine operational policies, strategies, plans, and annual budgets, appropriately allocate resources with the management and ensure effectiveness of the executive assigned operations.
- (3) Determine financial management policies and ensure the Company's financial liquidity, ability to repay debts, and operational mechanisms in case of financial crisis.
- (4) Determine monitoring, assessment and report of operational results on regular basis to ensure work efficiency and the utmost benefit.

#### 1.2 Role in Creating Sustainable Value for Business

The Board of directors, as a leader in creating sustainable value for the organization, oversees corporate governance to achieve success, ensure competitiveness, and achieve good operating results, while



considering long-term benefits, conducting business ethically, respecting the rights and being responsible to shareholders and all stakeholders, and benefiting society and the environment, to be able to adapt under changing factors. The roles, duties, and responsibilities are defined as follows:

- (1) To establish a written code of conduct and ethics for business operations to foster a corporate culture rooted in ethical principles. The board of directors is to serve as a role model, acting as a leader in corporate governance, to encourage an ethical mindset among employees at all levels and ensure comprehension of the ethical standards employed by the company in its business operations. This is intended to enhance confidence and engender acceptance among all stakeholders. Compliance with the code of conduct in business operations is to be monitored and reported at a minimum of once annually.
- (2) To formulate a written policy on good corporate governance that adheres to the laws pertaining to securities and the stock exchange, the regulations and best practices of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), and other laws relevant to the company's business activities. The implementation of the policy is to be supervised, monitored, and reported, and the policy implementation guidelines are to be reviewed at least annually.
- (3) To establish an appropriate and adequate internal control system that encompasses the entire organization. The internal audit unit is assigned to monitor and report on performance to the audit committee at least quarterly, and the effectiveness of the company's internal control system is to be evaluated at a minimum of once annually.
- (4) To formulate an appropriate and adequate risk management policy that encompasses the entire organization. Management is assigned to appoint a risk management committee to implement the policy, and the internal audit unit is assigned to monitor and report on performance to the audit committee at least biannually. The effectiveness of the risk management system is to be evaluated at a minimum of once annually.
- (5) To establish guidelines for transactions that may present conflicts of interest among the company's stakeholders. Stakeholders are not to participate in the decision-making process. Procedures for accurate disclosure of information that may involve conflicts of interest are to be specified in the Form 56-1 One Report.
- (6) To formulate a written policy on sustainable development to promote and instill in employees at all levels a sense of responsibility to generate benefits for society and mitigate environmental impacts, thereby fostering the company's sustainable growth and acceptance among all stakeholders.
- (7) To formulate a written policy against corruption to promote and instill in directors, executives, and employees at all levels an awareness of the detrimental effects of corruption. Performance is to be reported to the audit committee at a minimum of once annually.
- (8) To oversee communication to ensure that directors, executives, and employees at all levels comprehend and can effectively implement the various policies established by the company.
- (9) To promote and support company directors in participating in training to develop necessary knowledge and enhance skills in the performance of their duties as company directors regularly, and to disclose information on the training and knowledge development of company directors in the Form 56-1 One Report.





### 1.3 Perform duties with responsibilities and honesty to the Company and ensure compliance with the law and regulations

- (1) Supervise the company's operations to comply with the law, especially the laws pertaining to securities and the stock exchange, various rules and regulations, and regulatory agencies, including the resolutions of the shareholders' meeting.
- (2) Supervise the Internal Audit Division to audit or review the company's operations to comply with the law, various rules and regulations, and the resolutions of the shareholders' meeting, as well as the policies or guidelines established, including the approval processes for important operations such as investments in fixed assets, related party transactions, acquisitions or disposals of assets, dividend payments, or transactions that significantly affect the business, etc. The internal audit unit will report the results of the audit or review to the audit committee at least quarterly to provide opinions to the board of directors for further consideration.

### 1.4 Determine the scope, assign duties and monitor the committee and the management to perform their assigned duties

- (1) Appoint sub-committees as necessary to perform any significant tasks to ensure careful consideration and screening. The sub-committees include
  - (a) Executive Committee
  - (b) Audit Committee
  - (c) Sustainability and Risk Management Committee
- (2) The Board of Directors and sub-committees shall make board charter for each committee which clearly identifies the roles, duties and responsibilities of each committee to be implemented as the guidelines for performance of all directors. Also, the charter shall be reviewed at least once a year to ensure conformity to the direction of the Company's operation.
- (3) Appoint the top executives who shall be nominated on the basis of principles and procedures specified in the articles of association of the Company. Clearly stipulate roles, duties and responsibilities in writing to select the qualified persons to hold executive office of the Company.
- (4) Appoint a suitable person as the company secretary, and if the board of directors deems it appropriate, may appoint an assistant company secretary. Define the qualifications, scope of authority, duties, and responsibilities of the company secretary to comply with the laws pertaining to securities and the stock exchange, the regulations and best practices of the Securities and Exchange Commission (SEC), and related laws. Disclose the qualifications and experience of the company secretary in the Form 56-1 One Report.
- (5) The Board of Directors has clearly assigned the authority to manage the business to the management in writing and monitors the performance of the management as assigned. The roles and duties between the Board of Directors and the management are divided into 3 groups as follows;
  - (A) The Board of Directors is primarily responsible.
    1. Determining the objectives and main goals of the business.
    2. Creating a corporate culture that adheres to ethics, including behaving as a good role model.
    3. Overseeing the organizational structure and the performance of the Board of Directors to ensure efficient achievement of the objectives and main goals of the business.



4. Recruiting, developing, determining remuneration, and evaluating the performance of the Chief Executive Officer.
5. Determining a compensation structure that incentivizes directors, executives, and employees at all levels, in line with the organization's objectives and main goals.

(B) The Board of Directors works in collaboration with the management.

The management presents matters for the Board of Directors to consider for approval. The Board of Directors has a duty to supervise and monitor the overall policies to be consistent with the objectives and main goals of the company, and assigns the management to implement and report the results of the operation to the Board of Directors periodically as appropriate, including:

1. Determining and reviewing strategies, goals, and annual work plans to align with the organization's objectives and main goals.
2. Overseeing and reviewing the risk management system and internal control system appropriately and adequately.
3. Defining approval authority in operations appropriate to the responsibilities of the management.
4. Defining the framework for resource allocation, personnel development, and annual budgets, such as financial management policies, human resource management, and information technology policies, etc.
5. Monitoring and evaluating the performance to be in accordance with the objectives and main goals of the company, as well as ensuring the disclosure of financial and non-financial information that is reliable.

- (6) Determine that the Chairman of the Board and the Chief Executive Officer shall be different persons and have clearly separate roles, duties and responsibilities of each position are clearly defined and regularly reviewed to align with the company's operational direction, as follows:

(A) Roles, duties and responsibilities of the Chairman of the Board.

1. Preside over the Board of Directors' meeting and shareholders' meeting, promote and foster the participants to vote and strictly and effectively comply with the good corporate governance principles. The President shall monitor the management's operation and provide suggestions and assistance without participation or interference in the normal daily management of Chief Executive Officer within the authority granted by the Board of Directors.
2. Ensure that the Board of Directors' performance is effective and the Company's objectives, policies and goals are achieved.
3. Ensure that all directors take part in corporate culture promotion, comply with ethics and good corporate governance principles, and be the role models for employees.
4. Indicate the Board of Directors' meeting agenda upon discussion with Chief Executive Officer and ensure significant matters are added to the meeting agenda.
5. Encourage directors to use their discretion and independently express their opinions
6. Promote good relationship between executive directors and non-executive directors and between the Board of Directors and the management and ensure that directors shall not be influenced by the management.





(B) Roles, duties and responsibilities of Chief Executive Officer

Chief Executive Officer shall manage daily tasks to ensure conformity with the strategies, policies, operational plans, and budgets approved by the Board of Directors. Chief Executive Officer shall perform his duties with responsibilities, carefulness and honesty under the scope of power assigned by the Board of Directors and ensure that the top executives and the management shall effectively perform their assigned tasks.





## Principle 2

### Define Objectives that Promote Sustainable Value Creation

The Board of Director shall clearly and appropriately determine the corporate objectives and goals to be implemented by all employees to move forward to the same direction. Determine vision, mission and corporate culture to create value to the Company, customers, all stakeholders, and the overall society to endure sustainable value creation.

#### 2.1 Vision, Mission, and Corporate Culture

##### Vision

"Determine to be the leader in the international market, ready to prosper and develop corporate sustainably."

##### Mission

1. To maximize shareholder value by building solid and sustainable businesses that yield optimal returns.
2. To operate businesses that are committed to good governance through transparency, accountability and integrity at all levels.
3. To continuously innovate designs and technologies to maintain our social responsibilities.
4. To provide equal opportunities for employees and support them throughout their careers.
5. To instil a shared vision among employees, stakeholders, customers and partners that will drive our businesses towards long-term success.

##### TCMC Business purpose

To empower people's living with inspiration and innovation through trust and excellent services with a sustainability mindset.

##### Corporate Culture

TCM Corporation Plc. aims to establish the core values of the brand's culture among its employees based on a united vision and common goals. These shared values will help harmonize the diversity of the people within the organization as they are universally applicable to any field of business and culture within TCM Corporation.

<b>T</b>	<b>Trustworthiness</b> Established in 1967, The company has operated for over five decades and is listed on the SET.
<b>C</b>	<b>Competence</b> The company believes in its diverse business operations' ability to meet global demands.
<b>M</b>	<b>Modernity</b> Progress is sustained by continuously adapting products and services to changes in the technology-driven interconnected world and maintaining a competitive edge in the expanding global economy.
<b>C</b>	<b>Creativity</b> TCM Corporation PLC is always open to new opportunities, creative ideas, and innovative designs.





## 2.2 Company's objectives

The Board of Directors shall determine the Company's objectives by taking account of the business model which can create value to the Company, all stakeholders and the overall society. Environment and evolving factors shall be considered, and innovations, as well as expertise and competitiveness of the Company, shall be efficiently employed to meet the needs of customers and stakeholders as follows:

### 1. Objectives

- 1.1 The Company shall become the leading manufacturer of high-standard and quality carpet, furniture and textile materials used in automobiles and strive for development of new products by applying appropriate innovations to provide good options which can meet the changing needs and behaviors of customers.
- 1.2 The Company shall operate the business by considering competitiveness and satisfactory operating results for sustainable growth.
- 1.3 The Company shall operate the business with ethics, transparency, respect to rights, and responsibilities to shareholders and stakeholders, provide benefit to the society, and reduce environmental effects for adjustability to the changing environment and factors, which contributes to sustainable corporate existence.
- 1.4 The Company shall communicate and promote the Company's objectives and goals to become the good practices for decision making and performance of all employees until they are regarded as the corporate culture.

### 2. Business Mission

#### 2.1 Sales and Marketing Mission

Committed to continuous growth by studying the general economic conditions, changes in customer consumption preferences, and the advantages and disadvantages of competitors, to enhance customer care both domestically and internationally, maintain the existing customer base and expand the new customer base steadily, increase competitiveness, and focus on sustainable business growth

#### 2.2 Manufacturing Mission

The Company emphasizes efficient production, plans to follow with sales and marketing strategy using Key Performance Indicator (KPI) for divisions to follow as operating mission in order to control expenses and maintain appropriate costs. Innovation has been used to enhance existing products, as well as expand product variety in terms of pattern and color to serve customer's demand better.

#### 2.3 Human Resources Development Mission

Promote the development of personnel at all levels, in all departments, to have knowledge and ability, develop potential for creativity to develop new innovations, strengthen personnel in the organization to adhere to honesty and transparency, take care of personnel to have a good quality of life and well-being, have safety in work, to be ready to drive the organization towards success and excellence, supporting sustainable growth both domestically and internationally.

#### 2.4 Accounting and Finance

Focus on managing to ensure sufficient financial liquidity, the ability to repay debts, and having operational plans in case of financial problems, to support the management of the business in accordance with the objectives, goals, main strategies,



work plans, and annual budgets, as well as preparing financial reports and financial analysis to be accurate, auditable, and in accordance with generally accepted accounting standards, to be used as a guideline for management's decision-making quickly, and to ensure the disclosure of reliable financial and non-financial information.

### 2.3 Annual strategies and operational plans

The Board of Directors shall ensure that the medium-term or annual objectives, goals and strategies are in conformity to the Company's objectives and goals by encouraging the management to take part in the operation as follows:

- (1) Create annual strategies and planning in conformity to the corporate objectives and goals by taking account of the current environment and relevant factors as well as analyzing opportunities and acceptable threats and support creation or review of the objectives, goals and strategies to ensure that the annual strategies and operational plans can respond to the effects in the longer term for projection and decision making of the Board of Directors.
- (2) Define the analysis of environmental factors and various risks that may affect relevant stakeholders throughout the value chain, including factors that may affect the achievement of the company's main goals, with a process to understand the needs of stakeholders as follows:
  - (2.1) Defining methods, processes, channels for participation, or channels of communication between stakeholders, through various channels such as email, comment boxes, the company's website, etc., so that the company can access and obtain information, issues, or needs of each stakeholder accurately and as closely as possible.
  - (2.2) Defining the preparation of documents measuring the satisfaction and expectations of each stakeholder, both internal and external to the company, whether individuals, groups, agencies, organizations, such as employees, customers, partners, investors, shareholders, etc., by assigning the responsible executives of each department to prepare documents measuring the satisfaction and expectations of each stakeholder.
  - (2.3) Defining that each executive bring the issues and expectations of each stakeholder to analyze and prioritize the issues and potential impacts on the company and stakeholders, and then present opinions to the board of directors for consideration in selecting important matters that will create shared value with stakeholders to be implemented effectively.
- (3) Determine strategies to promote innovation creation and implementation thereof for enhancement of competitiveness and to meet stakeholders' needs on the basis of social and environmental responsibilities.
- (4) Determine the goals which are suitable for business environment and the Company's potentials which should be both financial and non-financial goals. Also, all risks of excessive goal setting which may lead to illegal or unethical behaviors shall be taken into consideration.
- (5) Indicate that the objectives and goals shall be communicated to all employees through strategies and operational plans.
- (6) Define the allocation of appropriate resources and operational control and monitor operations according to strategies and annual work plans, by requiring each department to report operating results to management and hold meetings between each business group's management and the Board of Directors on a quarterly and annual basis to consider operating results compared to targets and past operating results.



## Principle 3

### Strengthen Board Effectiveness

#### 3.1 Board of Directors Structure

The Board of Directors are the leader of good corporate governance consisting of qualified persons in various fields who have expertise, experience, leadership, vision, and independence in decision making. The Board of Directors shall dedicate their time and make every effort to perform their tasks responsibly, carefully and honestly. The Company has indicated the Board of Directors' structure to accomplish success under the stipulated corporate objectives and goals as follows:

##### 3.1.1 Board of Directors

###### (A) Composition of the Board of Directors

The Board of Directors consists of the Chairman of the Board, executive directors, non-executive directors, and independent directors, with the following key components:

- (1) The Board of Directors shall consist of no fewer than 5 and no more than 12 directors, appointed by the shareholders' meeting. At least half of the total number of directors must be domiciled in the Kingdom, comprising:
  - (1.1) Non-executive directors shall form the majority, enabling appropriate checks and balances and providing independent opinions to the management.
  - (1.2) Independent directors shall comprise no less than one-third (1/3) of the total number of directors and no fewer than 3 directors, in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, and shall ensure that independent directors can work effectively with the entire Board and express their opinions independently.
- (2) The Board of Directors shall select one director to be the Chairman of the Board. If the Board of Directors deems it appropriate, it may select one or more directors to be the Vice Chairman of the Board. The Vice Chairman shall have the duties as assigned by the Chairman of the Board according to the Company's Articles of Association.
- (3) The Chief Executive Officer shall be appointed as a director on the Board of Directors by virtue of their position, but must not be the same person as the Chairman of the Board.
- (4) The appointment of directors must be in accordance with the Company's Articles of Association and relevant legal requirements, from the shareholders' meeting, with clearly defined and transparent selection criteria.
- (5) The Board of Directors shall appoint a suitable person as the Company Secretary. If the Board of Directors deems it appropriate, it may appoint an Assistant Company Secretary to be responsible for preparing meetings of the Board of Directors, overseeing the activities of the Board of Directors, and coordinating reports to shareholders, the Stock Exchange of Thailand, and other relevant agencies (if any). The Company Secretary and the Assistant Company Secretary shall attend meetings of the Board of Directors but shall not have the right to vote in any circumstances.

###### (B) Qualifications of Directors

The Board of Directors consists of qualified individuals from various fields with expertise, experience, leadership, and vision, with the following key qualifications:

- (1) Directors must possess the qualifications and must not have any prohibited characteristics as stipulated by the Public Limited Company Act, the Securities and Exchange Act, and other relevant laws, and must not have any characteristics that indicate a lack of suitability to be entrusted with the management of the Company's affairs.



- (2) Directors must be knowledgeable, capable, honest, and ethical in conducting business, and must dedicate time and make their best efforts to perform their duties responsibly for the maximum benefit of the Company and its shareholders.
- (3) Directors must have diverse expertise and experience in various professional fields such as industry, engineering, management, sales and marketing, accounting and finance, law, and corporate governance, etc., to align with the Company's business strategy. At least one non-executive director must have knowledge and understanding of the Company's business to supervise and manage for maximum benefit.
- (4) Directors cannot engage in activities, be partners, or be directors in a legal entity that is of the same nature and competes with the Company's business, unless they notify the shareholders' meeting before a resolution to appoint them.
- (5) Directors are responsible for performing their duties and allocating sufficient time to hold the position of director of the Company, and should attend no less than 75 percent of all Board of Directors meetings held in a year.
- (6) Each director may hold positions in other listed companies up to a maximum of 5 listed companies. In the case of executive directors, they may hold positions in other listed companies up to a maximum of 3 listed companies, to ensure that directors can dedicate sufficient time to perform their duties in the Company. If any director holds a position as a director or executive in another company, they must notify the Board of Directors each time.
- (7) Independent directors must have the qualifications regarding independence as specified by the Company and the laws on securities and stock exchanges, which can equally protect the interests of all shareholders and prevent conflicts of interest. In addition, they can participate in meetings with the Board of Directors and provide opinions independently.
- (8) Directors may or may not be shareholders of the Company.
- (9) The Board of Directors requires the disclosure of director information in Form 56-1 One Report and publication on the Company's website as follows:
  - (9.1) Director information, such as age, gender, education history, experience, shareholding proportion, number of years in the position, directorships in other companies listed on the Stock Exchange of Thailand, number of meetings, and the number of times each director attended meetings in the past year, in Form 56-1 One Report and published on the Company's website.
  - (9.2) Roles, duties, and responsibilities of the Board of Directors and sub-committees, and reports on the performance of each committee.

(C) Roles, Duties, and Responsibilities of the Board of Directors

The Board of Directors has the scope and authority to manage the Company in accordance with the objectives, policies, Articles of Association of the Company, resolutions of the shareholders' meeting, and to comply with the laws on securities and stock exchanges, regulations and best practices of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as laws related to the Company's business. Directors must perform their duties with responsibility, caution, and integrity for the maximum benefit of the Company. Therefore, the roles, duties, and responsibilities of the Board of Directors are defined as follows:

- (1) Set the main objectives and goals by providing policies and strategies to create sustainable value for the organization, enable it to compete, and achieve good performance.
- (2) Create a corporate culture that adheres to ethics, considering benefits to society and reducing environmental impact.





(D) Term of Office of the Board of Directors

The Board of Directors specifies the term of office in accordance with the Company's Articles of Association as follows:

- (1) At every annual general meeting, one-third (1/3) of the directors shall retire from office. If the number of directors cannot be divided into three parts, then the number closest to one-third (1/3) shall retire. In the first and second years after the Company's registration, the directors to retire shall be determined by drawing lots. In subsequent years, the director who has been in office the longest shall retire. Retiring directors may be re-elected.
- (2) In addition to retirement by rotation, directors shall vacate their position upon:
  - (2.1) Death
  - (2.2) Resignation
  - (2.3) Lack of qualifications or having prohibited characteristics according to the law
  - (2.4) A resolution of the shareholders' meeting to remove them
  - (2.5) A court order to remove them
- (3) Any director wishing to resign shall submit a letter of resignation to the Company. The resignation shall take effect from the date the letter of resignation reaches the Company.
- (4) In the event of a director's position becoming vacant for any reason other than retirement by rotation, the Board of Directors shall elect a person who possesses the qualifications and does not have any prohibited characteristics according to the law to fill the vacancy at the next meeting of the Board of Directors. The director appointed to fill the vacancy shall hold office for the remaining term of the director whom they replace. The resolution of the Board of Directors under the preceding paragraph must be passed by a vote of not less than three-fourths (3/4) of the remaining directors.
- (5) The shareholders' meeting may pass a resolution to remove any director from office before the time due for retirement with a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote, and with shares counted together not less than one-half of the number of shares held by the shareholders attending the meeting and having the right to vote at that meeting.

### 3.2 Sub-committees

The Board of Directors have appointed sub-committees to perform specific tasks with separate roles and responsibilities to ensure that significant matters are carefully considered prior to proposal to the Board of Directors for further consideration. The sub-committees include

#### 3.2.1 Audit Committee

(A) Component of Audit Committee

The Audit Committee shall be comprised of at least 3 independent directors holding office of one-year term. Upon completion of their term or for any reason causing the Audit Committee unable to complete their term, resulting less than 3 active members, the Board of Directors or the shareholders' meeting shall appoint the new member of Audit Committee immediately or within 3 months from the date of vacancy to ensure continuity of work.

(B) The qualifications of the Audit Committee

- (1) Appointed by the Board of Directors or the shareholders' meeting of the company to be an audit committee member. In the case of nominating an audit committee member for approval of appointment, the company must disclose the names, history, and year of appointment, and specify that the appointee has the qualifications and independence, which must be specified



in the notice of the shareholders' meeting proposing the appointment of such audit committee member.

- (2) Be an independent director and not be a director as follows:
  - (2.1) Not a director assigned by the Board of Directors to decide on the operations of the company, its parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholders, or the company's controller.
  - (2.2) Not a director of the parent company, subsidiaries, or same-level subsidiaries, specifically those that are listed companies.
- (3) Have duties similar to those specified in the Stock Exchange of Thailand's announcement regarding the qualifications and scope of operations of the audit committee.
- (4) Have sufficient knowledge and experience to perform the duties of an audit committee member. In this regard, there must be at least one audit committee member who has sufficient knowledge and experience to review the reliability of financial statements.
- (5) Audit committee members must be able to dedicate sufficient time to the operations of the audit committee and should receive continuous and consistent training and knowledge enhancement in matters related to the operations of the audit committee to keep up with potential changes and to continuously enhance the effectiveness and efficiency of the audit committee.
- (6) The shareholders' meeting, the Board of Directors, or the audit committee shall consider, select, and appoint one audit committee member to serve as the chairman of the audit committee. The selection of the chairman of the audit committee should be carefully considered for leadership qualities, as the chairman of the audit committee is the person who will ensure the overall effectiveness of the audit committee, which will result in effective planning and lead the meeting in the right direction.
- (7) The audit committee shall appoint suitable individuals to be the secretary and assistant secretary of the audit committee, as deemed appropriate, to be responsible for preparing the audit committee meetings and coordinating the reporting to the Board of Directors, investors, shareholders, the Stock Exchange of Thailand, and other relevant agencies (if any).

(C) Roles, duties and responsibilities of Audit Committee

The company has established an Audit Committee Charter that defines the significant roles, duties, and responsibilities assigned by the shareholders' meeting or the Board of Directors. The Audit Committee must perform its duties with responsibility, caution, and integrity for the maximum benefit of the company, as follows

- (1) Review the company's financial reporting for accuracy and adequacy.
- (2) Review the company's Internal Control and Internal Audit systems for appropriateness and effectiveness, and consider the independence of the Internal Audit unit. Approve the appointment, transfer, or termination of the head of the Internal Audit unit or any other unit responsible for internal audit.
- (3) Review the company's compliance with the Securities and Exchange Act, regulations of the Securities and Exchange Commission (SEC) and/or the Stock Exchange of Thailand (SET), and laws related to the company's business.
- (4) Review the company's compliance with its anti-corruption policies and guidelines.
- (5) Consider, select, and propose the appointment of the company's auditor, and propose the auditor's remuneration, including the re-appointment or termination of the existing auditor, taking into account the reliability, adequacy of resources, and audit workload of the audit firm,



as well as the experience of the personnel assigned to audit the company. Also, participate in meetings with the auditor without management present at least once a year.

- (6) Consider related party transactions or transactions that may have conflicts of interest and acquisitions to ensure compliance with the law and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and for the maximum benefit of the company.
- (7) Review that the company has an appropriate and effective risk management system.
- (8) Review and approve the internal audit plan and the performance of the internal audit unit to ensure efficiency, effectiveness, and coverage throughout the organization of the company and its subsidiaries or affiliates.
- (9) Review and take action to ensure that the executive or management provides a system or process for receiving complaints, including improvements, amendments, and supervision of the handling of complaints to be appropriate for each case.
- (10) Evaluate the performance of the Audit Committee annually, and report the evaluation results to the Board of Directors for acknowledgment and consideration at least once a year.
- (11) Prepare the Audit Committee's report to be disclosed in the company's Form 56-1 One Report, which is signed by the Chairman of the Audit Committee and must include at least the following information:
  - (11.1) Opinions on the accuracy, completeness, and reliability of the company's financial reports.
  - (11.2) Opinions on the adequacy of the company's internal control system.
  - (11.3) Opinions on compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the company's business.
  - (11.4) Opinions on the suitability of the auditor.
  - (11.5) Opinions on transactions that may have conflicts of interest.
  - (11.6) The number of Audit Committee meetings and the attendance of each Audit Committee member.
  - (11.7) Overall opinions or observations of the Audit Committee from performing its duties according to the charter.
  - (11.8) Other reports that shareholders and general investors should know, within the scope of duties and responsibilities assigned by the Board of Directors.
- (12) Perform any other actions as assigned by the Board of Directors with the approval of the Audit Committee.
- (13) Report the operating results of the Audit Committee to the Board of Directors periodically, at least once per quarter. The Audit Committee is directly responsible to the Board of Directors, and the Board of Directors remains responsible for the company's operations to external parties. In case of any changes in the duties of the Audit Committee, the company shall notify the resolution of the change and prepare a list and scope of operations of the changed Audit Committee according to the form prescribed by the Stock Exchange of Thailand and submit it to the Stock Exchange of Thailand within 3 days from the date of such change, in accordance with the regulations of the Stock Exchange of Thailand regarding electronic reporting.
- (14) In performing the duties of the Audit Committee, if any items or actions are found or suspected that may have a material impact on the financial position and operating results of the company, the Audit Committee shall report to the Board of Directors to take corrective action within the time deemed appropriate by the Audit Committee:
  - (14.1) Transactions that have conflicts of interest.
  - (14.2) Fraud or irregularities or significant deficiencies in the internal control system.



(14.3) Violations of the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the company's business.

If the Board of Directors or management fails to take corrective action within the time specified in the first paragraph, any member of the Audit Committee may report such items or actions as stated in the first paragraph to the Securities and Exchange Commission or the Stock Exchange of Thailand.

(15) To achieve the objectives of the Audit Committee's duties, the Audit Committee shall have the following powers:

(15.1) Authority related to management: The Audit Committee has the authority to invite management, managers/heads of departments, or relevant employees of the company to attend meetings, provide explanations, give opinions, or submit documents as deemed relevant and necessary.

(15.2) Authority related to internal auditors:

- (a) Define the coordination to be in the same direction between the external auditor, the Board of Directors, and the internal audit unit.
- (b) Approve the appointment, removal, transfer, termination, and consideration of the merits of the head of the internal audit unit.
- (c) Provide assurance of the independence of internal auditors.
- (d) Ensure that the work of the internal audit unit is under the direct supervision and control of the Audit Committee, with an audit plan prepared in advance every year and submitted to the Audit Committee for approval or acknowledgment. The issuance of orders for the internal audit unit to perform its duties according to the plan shall be under the supervision of management or the chief executive officer, because the reporting of audit results that need to be corrected immediately, so that management or the chief executive officer can issue corrective orders in a timely manner.

(15.3) Authority related to external auditors:

- (a) Review and evaluate the performance of external auditors, including approving the appointment, removal, and termination of external auditors.
- (b) Propose the name of the auditor to the Board of Directors, along with the annual audit fee, for appointment by the general meeting of shareholders and review and evaluate the performance of the auditor.
- (c) Determine the fee for services and other advisory work provided by the auditor.
- (d) When notified of facts by the auditor about suspicious conduct that the chief executive officer or person responsible for operations has committed wrongdoing, the Audit Committee shall report the preliminary investigation results to the Securities and Exchange Commission and the auditor within 30 days from the date of receiving notification from the external auditor. If the Audit Committee fails to act as notified by the auditor in the preceding paragraph, the auditor shall notify the Securities and Exchange Commission.

(15.4) Other authorities:

The Audit Committee has the authority to investigate related persons and matters within the scope of its duties and responsibilities, and has the authority to hire specialized experts to provide consultation and opinions as deemed appropriate by the Audit Committee. All departments shall perform their roles and duties related to the Audit Committee.



(D) Term of Office of the Audit Committee

The term of office of the Audit Committee shall be as prescribed in the Company's Articles of Association as follows:

- (1) The Audit Committee, including the Chairman of the Audit Committee, shall have a term of office of one year at a time. Audit Committee members who retire upon the expiration of their term may be re-appointed. In addition to retirement upon term expiration, Audit Committee members shall be relieved of their position upon:
  - (1.1) Death.
  - (1.2) Resignation.
- (2) In the event that an Audit Committee member resigns before the expiration of their term, the Audit Committee member shall notify the company in advance at least one month, together with reasons, so that the Board of Directors or the shareholders' meeting can consider appointing a qualified replacement.
  - (2.1) Resignation from the position of a director or independent director of the company.
  - (2.2) Resolution of the shareholders' meeting or the Board of Directors to dismiss or remove.
  - (2.3) Disqualification or prohibited characteristics as stipulated by law.
- (3) In the event that an Audit Committee position becomes vacant for any reason other than retirement upon term expiration, the shareholders' meeting or the Board of Directors may appoint a qualified person to fill the vacancy. The person appointed as a replacement shall serve for the remaining term of the replaced Audit Committee member.
- (4) In the event that an Audit Committee member retires before the expiration of their term, the company shall immediately notify the Stock Exchange of Thailand with the reasons for such retirement, and/or submit the notification by methods prescribed by the Stock Exchange of Thailand regarding electronic reporting.
- (5) The term of office of the Audit Committee as specified by the SEC's regulations, which stipulates that the term of office should not exceed 9 years, shall be at the discretion of the Board of Directors, taking into reasonable consideration the necessity that such person has sufficient knowledge and experience to perform duties as an Audit Committee member of the company and can provide opinions independently, in accordance with relevant criteria.

### 3.2.2 Executive Committee

(A) Components of Executive Committee

The Executive Committee shall be comprised of at least 3 executive directors appointed by the Board of Directors, and the Chairman of Executive Committee shall appoint members of Executive Committee as appropriate.

(B) Qualifications of the Executive Committee

- (1) Possess knowledge, ability, experience, as well as knowledge and understanding of the qualifications, duties, and responsibilities as an Executive Committee member. Must also have integrity, make decisions based on information and reason, have maturity, and express differing opinions appropriately. Adhere to working with principles.
- (2) Be able to dedicate sufficient time to the operations of the Executive Committee and should receive continuous and regular training to enhance knowledge in matters related to the operations of the Executive Committee, in order to keep up with potential changes. Should also continuously enhance knowledge about the company's operations to increase the effectiveness of the Executive Committee.



The Chairman of the Executive Committee appoints a secretary of the Executive Committee to be responsible for preparing Executive Committee meetings, as well as coordinating reports to the Board of Directors and other relevant units (if any).

(C) Roles, duties and responsibilities of Executive Committee

The company has established the Executive Committee Charter, which defines the key roles, duties, and responsibilities assigned by the Board of Directors in the management of the company, which must be performed with responsibility, prudence, and integrity for the best interests of the company, as follows:

- (1) Supervise the company's operations and oversee management to ensure that they are in line with the goals, policies, strategies, business plans, and budgets approved by the Board of Directors, effectively and efficiently.
- (2) Perform duties in compliance with the laws, objectives, and articles of association of the company, as well as the resolutions of the shareholders' 1 meeting, with integrity and prudence, safeguarding the interests of the company.
- (3) Establish a system, promote, and support anti-corruption policies and communicate them to all employees and stakeholders, to encourage all employees to implement the guidelines throughout the organization effectively. Also, review the suitability of systems and measures to keep them aligned with changes in the business, regulations, rules, and relevant legal requirements.
- (4) Create a corporate culture that adheres to ethics and business conduct, and behave as a good role model.
- (5) Consider investment expansion plans, capital increases, debenture issuance, mergers, and acquisitions at the initial stage before proposing them to the Board of Directors for further approval.
- (6) Consider and review the organizational structure, management authority, including appointments, recruitments, transfers, salary determination, compensation, bonuses, terminations, from the employee level to the department manager level, and propose them to the Board of Directors for further approval.
- (7) Consider setting profit and loss targets and propose the payment of interim or annual dividends for submission to the Board of Directors for consideration.
- (8) Have the authority to appoint working committees to perform or manage the company's operations, and define the powers, duties, and responsibilities of the working committees, as well as supervise the operations of the appointed working committees to achieve policies and targets. Also, have the authority to delegate authority to one or more executives or any other person to perform certain actions within a specified period, under the control of the Executive Committee, including the revocation, cancellation, change, or amendment of the delegated person or authority, as deemed appropriate.
- (9) Have the authority under the work regulations and the authority to approve financial matters as approved by the Board of Directors.
- (10) Report the company's quarterly operating results at the Board of Directors meetings.
- (11) Prepare a self-assessment form for both the committee as a whole and individual committee members, at least once a year, and submit it to the Board of Directors for consideration.
- (12) Perform any other actions as assigned by the Board of Directors on a case-by-case basis.

(D) Term of Office of the Executive Committee

- (1) Executive Committee members, including the Chairman of the Executive Committee, shall have a term of office corresponding to their term of office as an executive director or executive of the company.



- (2) In addition to retirement upon term expiration, Executive Committee members shall be relieved of their position upon:
  - (2.1) Death.
  - (2.2) Resignation.
  - (2.3) Resolution of the Board of Directors to dismiss or remove.
  - (2.4) Disqualification or prohibited characteristics as stipulated by law.
- (3) In the event that an Executive Committee position becomes vacant for any reason other than retirement upon term expiration, the shareholders' meeting or the Board of Directors may appoint a qualified person to fill the vacancy. The person appointed as a replacement shall serve for the remaining term of the replaced Executive Committee member.

### 3.2.3 Sustainability and Risk Management Committee

#### (A) Composition and Qualifications of the Sustainability and Risk Management Committee

The Board of Directors appoints the Sustainability and Risk Management Committee, consisting of no fewer than 5 executives, and selects one senior executive to serve as the Chairman of the Sustainability and Risk Management Committee.

#### (B) Qualifications of the Sustainability and Risk Management Committee

- (1) Possess knowledge, ability, experience, as well as knowledge and understanding of the qualifications, duties, and responsibilities as a member of the Sustainability and Risk Management Committee.
- (2) Members of the Sustainability and Risk Management Committee must be able to dedicate sufficient time to the operations of the committee and should receive continuous and regular training to enhance knowledge in matters related to the operations of the committee, in order to keep up with potential changes. They should also continuously enhance knowledge about the company's operations to increase the effectiveness of the committee.
- (3) The Sustainability and Risk Management Committee appoints one member of the Sustainability and Risk Management Committee as the secretary to support the work of the committee in preparing meetings, taking meeting minutes, and coordinating reports to the Audit Committee, the Executive Committee, and the Board of Directors.

#### (C) Roles, Duties, and Responsibilities of the Sustainability and Risk Management Committee

- (1) Establish policies related to sustainability, supervise relevant departments to ensure that they operate according to targets, and monitor performance against various indicators.
- (2) Supervise operations, including providing advice and recommendations on operations to the Sustainability and Risk Management Committees of each subsidiary business group in the economic, social, and environmental dimensions for long-term sustainable business operations.
- (3) Establish risk management policies and plans to cover all potential risks and emerging risks that impact the company's business.
- (4) Conduct risk assessments, prioritize risks, and develop risk management approaches and strategies to ensure that the organization's risk levels are acceptable. Monitor and follow up on the implementation of risk management plans, including providing advice and recommendations on risk management operations to management to align with the company's business strategies and objectives, as well as changing circumstances.
- (5) Supervise various departments to ensure that they operate in accordance with established risk management policies and guidelines, and review the disclosure of risk information to regulatory agencies.



- (6) Prepare reports on the performance of the Sustainability and Risk Management Committee to the Audit Committee, the Executive Committee, and the Board of Directors, and disclose them in the company's Annual Information Disclosure Form (Form 56-1 One Report), which is signed by the Chairman of the Sustainability and Risk Management Committee. These reports must include the number of meetings and the attendance of each committee member.
- (7) Perform other tasks related to the company's sustainability and risk management as assigned by the Audit Committee, the Executive Committee, or the Board of Directors.
- (8) Evaluate their own performance by conducting a performance evaluation and reporting the results to the Board of Directors annually.

(D) Term of Office of the Sustainability and Risk Management Committee

The Sustainability and Risk Management Committee has a term of office of 3 years. Members who have completed their term are eligible for reappointment. In the event of an incomplete term, Sustainability and Risk Management Committee members will be relieved of their position upon:

- (1) Death.
- (2) Resignation.
- (3) Resignation from an executive position.
- (4) Resolution of the Board of Directors to dismiss or remove.
- (5) Disqualification or prohibited characteristics as stipulated by law

### 3.3 Company Secretary

The Board of Directors shall appoint a suitable person to serve as the Company Secretary. If deemed appropriate, the Board may also appoint Assistant Company Secretaries. The qualifications and scope of duties of the Company Secretary are as follows:

(A) Qualifications of the Company Secretary

- (1) Possess knowledge, ability, and experience in matters related to the company's operations, as well as knowledge and understanding of the qualifications, duties, and responsibilities of a Company Secretary, as required by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- (2) Be able to dedicate sufficient time to carry out the duties of the Company Secretary.
- (3) Have good interpersonal skills and the ability to coordinate with various departments, both within and outside the company, as well as coordinate the implementation of Board resolutions and serve as a liaison for appropriate reporting to the Executive Committee, the Board of Directors, and shareholders.
- (4) Others, as prescribed by the Securities and Exchange Act, regulations and best practices of the SEC, the SET, and other relevant laws.

(B) Roles, duties and responsibilities of the Company Secretary

- (1) Arrange the shareholders' meeting and the Board of Directors' meeting in conformity to the law and the Company's articles of association as well as regulations of the competent authorities.
- (2) Record the minutes of shareholders' and the Board of Directors' meeting and ensure compliance with the shareholders' and the Board of Directors' meeting resolutions.
- (3) Ensure that disclosure of information and information report is in accordance with the rules and regulations of the Stock Exchange of Thailand and Securities and Exchange Commission.
- (4) Make and retain the following documents:
  - (4.1) Register of Directors
  - (4.2) Invitation to the Board of Directors' meeting and minutes of the Board of Directors' meeting



- (4.3) Invitation to the shareholders' meeting and minutes of the shareholders' meeting
- (4.4) Annual Report (Form 56-1 One Report)
- (5) Retain the report on interests held by directors and executives reported to the Company
- (6) Submit initial report on requirements and the Company's articles of association as well as the law and regulations that the Board of Directors should know and ensure compliance therewith on regular basis including any significant change for the Board of Directors' acknowledgement and consideration.
- (7) Take care of the Board of Directors' activities and perform other tasks as required by the law or as assigned by the Board of Directors or Securities and Exchange Commission.
- (8) Disclosure of Company Secretary's Qualifications and Experience in Form 56-1 One Report and Company Website

(C) Term of Office of the Company Secretary

The Company Secretary's term of office shall be in accordance with the resolution approving the appointment by the Board of Directors.

(D) Development of the Company Secretary

The Board of Directors encourages and supports the Company Secretary to continuously receive training and knowledge development to benefit the performance of duties. This includes courses organized by the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), or various independent organizations, to enhance knowledge and improve work performance efficiency. It also includes regular training and development to enhance knowledge related to the Company Secretary's role, as well as preparing for the succession of the Company Secretary position.

### **3.4 Nomination of the Board of Directors and Sub-committees**

#### **3.4.1. Criteria and procedures of nomination of the Board of Directors**

The Board of Directors is responsible for considering, searching for, and selecting the company's directors according to clearly defined and transparent criteria and processes, in accordance with the company's Articles of Association, the regulations of the Securities and Exchange Commission (SEC), and the Stock Exchange of Thailand (SET), in order to obtain company directors who possess the appropriate qualifications as specified by the company, without limitation to gender, race, or religion. This can be summarized as follows:

- (1) The Board of Directors have the policy to grant equitable rights to each shareholder, especially minority shareholders, to nominate new Board of Directors in advance. The criteria and procedures of nomination are as shown on the Company's website ([www.tcm-corporation.com](http://www.tcm-corporation.com)).
- (2) Appointment of the Board of Directors shall be in accordance with the Company's articles of association and relevant legal provisions. The shareholders' meeting shall elect the Board of Directors based on the following criteria and procedures:
  - (2.1) One shareholder have one vote per one share held.
  - (2.2) Each shareholder shall use all votes at their disposal under Clause (2.1) to elect one or many directors but shall not allocate their votes to any candidates.
  - (2.3) The persons who receive the majority vote shall be appointed as directors. In case of equal votes exceeding the number of directors entitled to vote in such meeting, the Chairman shall cast a vote for final decision.
- (3) The Board of Directors shall determine and review the recruitment criteria and procedures to engage qualified, knowledgeable and expert directors and have appropriate information for consideration, including age, gender, educational background, and work experience of the



persons nominated to the Board of Directors for the benefit of decision making and proposal of opinions to the Board of Directors prior to proposal to the shareholders' meeting for approval of appointment.

- (3.1) Consider the list of directors who are due to retire by rotation and the list of individuals nominated for selection to serve as directors of the company, both from nominations by the Board of Directors and the company's shareholders, especially minority shareholders. In the event that the Board of Directors nominates an existing director, the performance of that director in the past year must also be considered.
- (3.2) Consider individuals nominated to serve as directors of the company according to the qualifications specified in Principle No. 3.
- (4) The Board of Directors considers the suitability of individuals nominated to serve as Company Secretary and Assistant Company Secretary, or in the event that such positions become vacant, and submits its opinion to the Board of Directors for further consideration and approval.
- (5) The Board of Directors considers and establishes a succession plan for directors, the Chief Executive Officer, and executives who are critical to the company's operations, including setting criteria for considering successors.

#### 3.4.2 Criteria and procedures for nomination of sub-committees

The Company determines the criteria for nomination of the personnel on the basis of principles and procedures stipulated in the Company's articles of association. The selected persons shall have knowledge, ability and qualifications as specified in the notification of Securities and Exchange Commission and the Stock Exchange of Thailand regarding nomination and selection of sub-committees in case of the end of term or vacancy for proposal of the qualified persons to the Board of Directors for further appointment. The sub-committees shall consist of

- (1) Audit Committee shall be comprised of at least three independent directors and one of them shall have accounting and financial knowledge.
- (2) Executive Committee shall consist of at least three executive directors.
- (3) Other sub-committees such as Sustainability and Risk Management Committee shall be appointed by Chief Executive Office as assigned by the Board of Directors.

#### 3.5 Determination of remuneration of the Board of Directors and sub-committees

Remuneration shall be determined based upon the remuneration structure and rate and shall be appropriate for responsibilities to encourage directors to lead the Company to achievement of its objectives and short-term and long-term goals. The remuneration payment policy shall be as follows:

##### Remuneration payment policy

The Company aims at fair and appropriate remuneration payment in short term and long term by taking account of the scope of duties and responsibilities as well as the benefit expected to receive from directors. The Company's operation and the Board of Directors' performance shall be assessed in comparison with the other companies in the same industry and other listed companies in the same industry.

##### 3.5.1 Consideration of Determining Directors' Remuneration

- (1) The consideration of determining directors' remuneration must be consistent with the company's short-term and long-term objectives and key goals. It should take into account experience, scope of authority, and responsibilities, as well as the expected benefits from each director. Directors assigned additional duties and responsibilities, such as serving on sub-committees, should receive appropriate



additional compensation, which can be compared with other companies in the same industry and companies listed on the Stock Exchange of Thailand within the same industry group.

- (2) Consider determining remuneration based on the structure and criteria for paying directors, both in monetary and non-monetary forms. Consider each form of remuneration to be appropriate, such as remuneration paid at a fixed rate, such as monthly meeting allowances, and remuneration paid based on annual operating results, such as bonuses or gratuities, with a link to the value that the company creates for shareholders. This remuneration should not be so high as to cause an excessive focus on short-term performance. Present opinions to the Board of Directors before proposing them to the shareholders' meeting for further consideration and approval.
- (3) Consider determining remuneration based on the company's operating results each year.
- (4) Consider determining remuneration based on the self-assessment of performance by the Board of Directors and sub-committees each year, to use the information to consider improving the performance efficiency of the Board of Directors.
- (5) The company shall disclose the policy and criteria for determining directors' remuneration, reflecting the scope of authority and responsibilities, as well as the form and rate of remuneration paid to each director on the Board of Directors and on sub-committees, including remuneration that each director receives from being a director of subsidiaries, in the Form 56-1 One Report.

### 3.6 Policy on Investment in Subsidiaries / Associated Companies

The Board of Directors establishes policies and operations for subsidiaries and other entities in which the company has significant investments, at a level appropriate to each entity. Subsidiaries and other entities in which the company invests must also have a correct and consistent understanding, as follows:

- (1) The Board of Directors has established the following policy for overseeing subsidiaries:
  - (1.1) The Board of Directors appoints individuals to serve as directors, executives, or those with controlling authority in subsidiaries, in writing, to ensure operations are consistent with the parent company.
  - (1.2) Define the scope, duties, and responsibilities of individuals representing the company as per (1.1) to adhere to the policies of the subsidiaries. In cases where subsidiaries have other co-investors, the representatives should also act in the best interests of the subsidiaries and in accordance with the policies of the parent company.
  - (1.3) Establish appropriate and sufficiently robust internal control systems and risk management systems for subsidiaries, and ensure that transactions are carried out correctly in accordance with relevant laws and regulations.
  - (1.4) Require the disclosure of financial position and operating results, related party transactions, acquisitions or disposals of assets, and other significant transactions such as capital increases, capital reductions, and the dissolution of subsidiaries, etc.
- (2) Establish criteria for participating in significant investments in other businesses. Comprehensive and thorough information about the business must be studied before investing in any business. The Board of Directors requires the preparation of a Shareholders' Agreement or other agreements to provide clarity regarding management authority and participation in important decision-making.
- (3) Monitor the operating results of subsidiaries to ensure they align with goals and corporate strategy, and to use the information in preparing the company's consolidated financial statements in accordance with standards and deadlines.



### 3.7 Self-evaluation of the Board of Directors and Sub-committees in group and individually

The Board of Directors has established criteria and arranged for the self-assessment of the performance of the Board of Directors and sub-committees, both as a group and individually, at least once a year. The assessment forms are based on the guidelines of the Thai Institute of Directors Association (IOD) and the Stock Exchange of Thailand (SET), and are adapted to suit the company's specific needs. The objectives are as follows:

- (1) To identify problems and obstacles that have hindered the achievement of objectives during the past year.
- (2) To enhance the effectiveness of the work of the Board of Directors and sub-committees by providing a clearer understanding of their responsibilities.
- (3) To understand the approach to using knowledge, abilities, and independence in expressing opinions by the Board of Directors.
- (4) To assist in improving the relationship between the Board of Directors and management.

#### 3.7.1 Self-evaluation of the Board of Directors in group and individually

It is made for assessment of performance of the Board of Directors and each director and to review opinions on various matters related to the Company's operations and performance of the Board of Directors for improvement of corporate governance.

##### (A) Assessment Method

The assessment will use a self-assessment form for the performance of the Board of Directors, both as a group and individually. The method involves each director indicating their opinion by marking (✓) in only one score box from 0 to 4 on the assessment form. The meanings are as follows:

0 = Strongly Disagree, 1 = Disagree, 2 = Uncertain, 3 = Agree, 4 = Strongly Agree

##### (B) Assessment Topics

Consideration will be given to the appropriateness of the assessment for each board. The maximum number of assessment topics is divided into 5 topics, and the assessment topics may not be the same, which may be adjusted as appropriate.

##### (1) Self-Assessment of the Performance of the Board of Directors as a Group

- (1.1) Structure and qualifications of the Board of Directors
- (1.2) Roles, duties, and responsibilities of the Board of Directors
- (1.3) Meetings of the Board of Directors
- (1.4) Dynamics in the performance of duties of the Board
- (1.5) Relationship with management
- (1.6) Self-development of directors and executives

##### (2) Self-Assessment of the Performance of the Board of Directors Individually

- (2.1) Structure and qualifications of the Board of Directors
- (2.2) Readiness to perform duties
- (2.3) Participation in meetings
- (2.4) Roles, duties, and responsibilities of directors
- (2.5) Relationship with the Board of Directors and management

#### 3.7.2 Self-evaluation of the Sub-committees in group and individually

##### (A) Assessment Method

The assessment will utilize a self-assessment form for the performance of the sub-committees, both collectively and individually. The method involves each company director indicating their



opinion by marking (✓) in one score box only, ranging from 0 to 4, on the assessment form.

The scores are interpreted as follows:

0 = Strongly Disagree, 1 = Disagree, 2 = Uncertain, 3 = Agree, 4 = Strongly Agree

(B) Assessment Topics

The appropriateness of the assessment will be considered for each committee. The maximum number of assessment topics is divided into 5 topics, and the assessment topics may vary, being subject to adjustments as needed.

(1) Self-Assessment of the Sub-committees in group

(1.1) Structure and qualifications of the sub-committee

(1.2) Meetings of the sub-committee

(1.3) Roles, duties, and responsibilities of the sub-committee

(1.4) Reporting by the sub-committee

(2) Self-Assessment of the Performance of Sub-committees in individually

(2.1) Structure and qualifications of the sub-committee

(2.2) Participation in meetings

(2.3) Roles, duties, and responsibilities of the sub-committee

(2.4) Relationship with the Board of Directors and management

### 3.7.3 Summary of Assessment Results and Reporting of the Self-Assessment Results of the Board of Directors

The company presents a summary of the assessment results and a report on the self-assessment of the performance of the Board of Directors and sub-committees, both collectively and individually. Opinions are presented to the Board of Directors to use the assessment results in considering and reviewing the assessment methods, improving the performance efficiency of the Board of Directors, and adjusting the appropriateness of the composition of the Board of Directors.

## 3.8 Training and Development of Company Directors

The Board of Directors oversees ensuring that the sub-committees and each director possess knowledge and understanding regarding their roles, duties, and responsibilities as directors of the company, the nature of the company's business operations, and the laws related to the company's operations. The Board also encourages all directors to continuously enhance their skills and knowledge for performing their duties.

### 3.8.1 Orientation for New Directors

The Board of Directors mandates orientation for new directors to build knowledge and understanding about the nature of the business, to prepare for and support the efficient performance of the new directors' duties, and to enable them to assume their positions as quickly as possible. The Company Secretary coordinates various matters, as follows:

- (1) Matters to be known include business structure, board structure, organizational structure, shareholder structure and relationships, scope of authority, and responsibilities, as well as laws related to the company's operations.
- (2) General business knowledge, understanding the objectives, core goals, vision, mission, and organizational culture, as well as the nature of the business and operational guidelines. Additionally, arrange for visits to the production process to provide an understanding of the overall operations of the organization.
- (3) Promote knowledge and new perspectives in areas of corporate governance, business ethics and conduct, industry conditions, and new innovations.



- (4) Arrange meetings with the Chairman of the Board of Directors and the Chief Executive Officer to inquire about in-depth information regarding the company's business operations.
- (5) All directors must complete the Director Accreditation Program (DAP) or the Director Certification Program (DCP), and all audit committee members must complete the Advanced Audit Committee Program (AAP) from the Thai Institute of Directors Association (IOD) to understand the roles, duties, and responsibilities related to serving as a director of a company listed on the Stock Exchange of Thailand.

### 3.8.2 Knowledge enhancement of the Board of Directors

The Company supports and encourages the Board of Directors to attend the seminars and training held by Thai Institute of Directors, the Stock Exchange of Thailand, Securities and Exchange Commission (SEC), or other independent organizations on regular basis to enhance their knowledge and improve their performance for the benefit of the Company as follow;

- (1) Support company directors to attend training and develop necessary knowledge and enhance knowledge skills in performing the duties of company directors regularly.
- (2) Support company directors to have an understanding of laws, rules, standards, risks, information technology, and the environment related to the company's operations, as well as to receive up-to-date information regularly.
- (3) Disclose information on the continuous training and knowledge development of company directors in the Form 56-1 One Report.

## 3.9 Board of Directors' Meeting

The Board of Directors oversees to ensure that the operations of the committees are conducted smoothly, that they have access to necessary information, and that there is a Company Secretary with the necessary knowledge and experience appropriate to support the operations of the Board of Directors.

### 3.9.1 Board of Directors' Meeting

The Board of Directors assigns the Company Secretary to prepare sufficient and appropriate meeting documents as follows:

- (1) Meeting Schedule and Agenda: Establish an annual advance schedule and agenda for the Board of Directors' meetings, enabling directors to allocate time and ensure consistent attendance.
- (2) Meeting Frequency: Set the number of Board of Directors meetings to at least 5 times per year, with additional special meetings as needed. Management is to report monthly, quarterly, and annual performance results to the Board of Directors, facilitating ongoing and timely oversight of management's operations.
- (3) Agenda Proposals: Encourage each director, including management, to freely propose items beneficial to the company for inclusion in the agenda at least 10 working days prior to the meeting. Agenda items are to be submitted to the Company Secretary for inclusion in the meeting agenda.
- (4) Meeting Notice and Materials: For Board of Directors meetings, the Company Secretary shall send meeting notices and supporting documents to the directors at least 5 working days before the meeting date, unless there is an urgent necessity to protect the rights or interests of the company, in which case a meeting notice may be given by other means and a shorter notice





period may be set. Meetings may be held at the company's head office or other locations as the Board deems appropriate.

- (5) Management Participation: Support the Chief Executive Officer in inviting executives and senior management of the company to attend meetings to provide additional detailed information relevant to the agenda items, offering the Board opportunities to become acquainted with management for succession planning purposes.
- (6) Information Access: Directors may request additional necessary information from the Chief Executive Officer, the Company Secretary, or other designated executives within the scope of established policies. When necessary, the Board may obtain independent opinions from external advisors or professionals, with such expenses borne by the company.
- (7) Non-Executive Director Meetings: Mandate at least one annual meeting, or more as needed, specifically for non-executive directors to discuss management-related issues of interest without management participation. The Chief Executive Officer should be informed of the meeting outcomes.
- (8) Meeting Quorum: A quorum for Board of Directors meetings requires the presence of at least two-thirds of the total number of directors. In the absence or inability of the Chairman of the Board to perform duties, the Vice Chairman, if any, shall preside. If there is no Vice Chairman, or if the Vice Chairman is unable to perform duties, the attending directors shall elect a director to preside over the meeting.
- (9) Voting Procedures: Voting at Board of Directors meetings requires a quorum of at least two-thirds of the total number of directors. Decisions are made by majority vote. In case of a tie, the Chairman of the meeting shall cast an additional deciding vote. The opinions of both concurring and dissenting directors on the voted matters shall be recorded in the meeting minutes.
- (10) Decision Making: Decisions shall be made by majority vote. Each director has one vote, except for directors with a conflict of interest in a particular matter, who shall not have the right to vote on that matter. In case of a tie, the Chairman of the meeting shall cast an additional deciding vote. The Board of Directors may hold meetings at the company's head office or other locations as the Board deems appropriate.
- (11) Electronic Meetings: Board of Directors meetings may be conducted through electronic media, adhering to legal requirements and the company's Articles of Association.

### 3.9.2 Meetings of Sub-Committees

Each sub-committee will schedule meetings as necessary and appropriate. Communication must be provided to each sub-committee member and relevant parties as follows:

- (1) Schedule and Agenda: Establish an annual advance schedule and agenda for each sub-committee meeting, enabling committee members to allocate time and ensure consistent attendance.
  - (1.1) Audit Committee: The Audit Committee shall hold meetings to review financial statements and other matters regularly every quarter, at least four times a year. In addition, the Chairman of the Audit Committee may convene meetings to consider other matters as deemed appropriate.
  - (1.2) Executive Committee: The Executive Committee shall hold regular quarterly meetings, at least four times a year, as appropriate. In addition, the Chairman of the Executive Committee may convene meetings to consider other matters as deemed appropriate.





- (1.3) Sustainability and Risk Management Committee: The Sustainability and Risk Management Committee shall hold meetings at least twice a year. In addition, the Chairman of the Sustainability and Risk Management Committee may convene meetings to consider other matters as deemed appropriate.
- (2) Document Distribution: The secretary of each sub-committee shall distribute meeting documents to committee members and attendees at least 5 working days in advance of the meeting, to allow time for reviewing matters or requesting additional supporting documents.
- (3) Meeting Quorum: For each sub-committee meeting, at least two-thirds of the committee members must attend in person to constitute a quorum for considering matters. In the absence or inability of the chairman to perform duties, the attending members shall elect one member to preside over the meeting.
- (4) Voting Procedures: Voting at sub-committee meetings shall be by majority vote. In case of a tie, the chairman of the meeting shall cast an additional deciding vote. The opinions of both concurring and dissenting members on the voted matters shall be recorded in the meeting minutes.
- (5) Conflict of Interest: Committee members with a conflict of interest in any matter under consideration shall not express opinions or vote on that matter. The names of such members and the related matters shall be clearly stated in the meeting documents, except for the vote in the audit committee meeting, the majority vote is the resolution of the meeting, and the audit committee chairman can not use the casting vote.
- (6) Electronic Meetings: Sub-committee meetings may be conducted through electronic media, adhering to legal requirements and the company's Articles of Association.





## Principle 4

### Ensure Effective CEO and Top Management

The Board of Directors will ensure that the recruitment and development of senior management result in the company obtaining executives with the knowledge, ability, skills, experience, and characteristics necessary to drive the organization towards its objectives and key goals.

#### 4.1 Management Structure

The management structure consists of the Board of Directors, sub-committees, senior management, and company executives. Senior management has the following composition, qualifications, roles, duties, and responsibilities:

##### 4.1.1 Composition of Senior Management

Senior management consists of the Chief Executive Officer, officers, and department managers, who have roles, duties, and responsibilities in the daily management of the company. They give importance to various environments to ensure that the company's operations are in accordance with short-term and long-term plans, objectives, and key goals.

##### 4.1.2 Qualifications of Senior Management

Senior management of the company must be recruited and approved by the company's Board of Directors. The qualifications are as follows:

- (1) Must be a person with knowledge, ability, and work experience that is beneficial to the company's operations, and have a work history with good ethics, etc.
- (2) Must have the qualifications and not have the prohibited characteristics according to the Public Limited Company Act and related laws, and must not have characteristics that indicate a lack of suitability to be trusted to manage the company's affairs.

##### 4.1.3 Roles, Duties, and Responsibilities of Senior Management

- (1) The Chief Executive Officer and senior management have roles, duties, and responsibilities in the daily management of the company in accordance with the objectives, policies, business plans, and budgets approved by the Board of Directors, which must be performed responsibly, carefully, and honestly. Their important scope of authority and responsibilities are as follows:
  - (1.1) Implement the vision, organizational culture, objectives, policies, business plans, and business strategies of the company, financial plans, investment management, human resource management, annual budgets, KPI targets, and the company's performance evaluations that have been approved by the Board of Directors.
  - (1.2) Monitor and evaluate the company's performance regularly to prevent risks from various factors, both internal and external, that may cause the company's performance to not achieve the set goals.
  - (1.3) The Chief Executive Officer has the authority to consider and determine salary rates, compensation, bonuses, and employee benefits from the department manager level down.
  - (1.4) The Chief Executive Officer has the authority to issue rules, orders, regulations, and announcements to ensure that operations are in accordance with the company's objectives and key goals, to maintain discipline, and to ensure efficient internal operations for the maximum benefit of the company.



- (1.5) The Chief Executive Officer and senior management have the authority to approve procurement and financial approvals according to the work regulations and approval authority in each level, which have been approved by the Board of Directors, to allow management to efficiently manage daily operations by setting approval limits according to the levels. Including matters that must be submitted to the Board of Directors for approval, the approval authority for various matters can be summarized as follows:
  - (a) Accounting and taxation: determine the signatories for each matter.
  - (b) Approval of procurement and repairs: set approval limits by position.
  - (c) Financial approval, money orders, or check orders: set approval limits by position.
  - (d) Service contract approvals, short-term, not exceeding one year: set approval limits by position.
  - (e) Short-term loan approvals, not exceeding one year: set approval limits by position.
- (1.6) The Chief Executive Officer has the authority to appoint working groups to carry out or manage the company's affairs, to determine the authority and responsibilities of the working groups, and to oversee that the operations of the appointed working groups achieve the policies and goals. They also have the authority to delegate authority to one or more executives or any other person to carry out any action within a specified period, including the revocation, withdrawal, change, or amendment of the delegated persons or authorities as deemed appropriate.
- (1.7) Matters to be submitted to the Board of Directors for consideration and approval include:
  - (a) Financial approvals that exceed authority, such as:
    - Long-term loans or promissory notes with a contract term exceeding one year.
    - Service contracts with a contract term exceeding one year.
    - Write-offs of decommissioned, damaged, deteriorated, or unusable assets for disposal or sale as scrap, which have been reviewed by the Audit Committee.
    - Write-offs of inventory stock or adjustments from inventory counts, which have been reviewed by the Audit Committee.
    - Write-offs of bad debts from normal trade and evidence of follow-up and debt collection as appropriate, but have not been paid; if litigation is pursued, the costs will outweigh the debt to be recovered (according to Ministerial Regulation No. 186, B.E. 2534), which have been reviewed by the Audit Committee.
    - Opening or closing of fixed deposit accounts, savings accounts, current accounts, and obtaining or canceling credit lines with financial institutions, including the delegation of authority to company executives to conduct financial transactions through financial institution counters or online banking systems for operational flexibility.
  - (b) Other approvals in accordance with the company's regulations.
- (1.8) Supervise the company's operations to comply with the company's regulations and the Securities and Exchange Act, regulations, and best practices of the SEC and the Stock Exchange of Thailand, as well as laws related to the company's operations.
- (1.9) Carry out other matters as required by law or as assigned by the Board of Directors.
- (2) Management has roles, duties, and responsibilities in the daily management of the company in related areas and carries out other matters as assigned by the Chief Executive Officer or the



Board of Directors, in accordance with the objectives, policies, work plans, and annual budget. Qualifications, scope of authority, and responsibilities are defined in accordance with the company's regulations and relevant laws.

- (3) The Accounting and Finance Department Manager has roles, duties, and is assigned to be directly responsible for the daily management of the company in overseeing and conducting accounting and finance, and is required to have knowledge and ability in accounting and finance and to prepare reliable financial statements in accordance with generally accepted accounting standards that have accurate, sufficient, and auditable information to be used by directors and executives in decision-making in a timely manner. Qualifications, scope of authority, and responsibilities are defined in accordance with the Securities and Exchange Act, regulations, and best practices of the SEC, the Stock Exchange of Thailand, and relevant laws.

## 4.2 Top Management Nomination

The Company determines that the Board of Directors shall nominate the personnel based upon the procedures indicated in the Company's articles of association. The knowledgeable, skilled, experienced, and qualified persons shall be recruited to hold office of the top management for the utmost benefit of the Company as follows:

### 4.2.1 Criteria and nomination procedures for top management

- (1) The Board of Directors shall monitor and maintain appropriate number of the top management and collaborate with Chief Executive Office to consider the criteria and nomination procedures for appointment of the persons approved by Chief Executive Officer to hold office of the top management.
- (2) The Board of Directors shall ensure continuity of the Company's operations by indicating succession plan to prepare for succession of the top management and potential executives. Chief Executive Officer shall report the results of implementation of the succession plan for acknowledgement at least once a year.
- (3) The Board of Directors, in collaboration with Chief Executive, shall determine and review the Company's administrative structure to ensure effectiveness and conformity to the Company's business operations both at present and in the future to be proposed to the Board of Directors for approval.
- (4) The Board of Directors and Chief Executive Officer shall determine the criteria and procedures for nomination of the qualified persons to hold office of the top management or in case of vacancy to be proposed to the Board of Directors for approval.
- (5) The Board of Directors, in collaboration with Chief Executive, shall nominate and select knowledgeable, skilled and experienced persons to lead the Company to achievement of the its objectives and goals to hold office of the top management by considering the Company's executives who have potentials under the succession plan. If there is no qualified person, external candidates shall be considered.

### 4.2.2 Responsibility in Performing Duties and Sufficient Time Allocation of Senior Management

- (1) The Board of Directors oversees and supports ensuring that senior management understands the roles, duties, and responsibilities assigned to them to be in accordance with the company's objectives and key goals.



- (2) The Board of Directors establishes criteria for the Chief Executive Officer and senior management of the company to hold positions in other companies, considering the work efficiency of holding positions in multiple companies, to ensure that the senior management of the company can dedicate sufficient time to perform their duties in the company. The number of companies listed on the Stock Exchange of Thailand that each person will hold positions in should be appropriate to the nature or condition of the company's business and should not exceed 3 companies listed on the Stock Exchange of Thailand. This is because the efficiency of performing duties as senior management of the company may decrease if the number of companies in which they hold positions is too large. These criteria should be disclosed in the Form 56-1 One Report, and a system for reporting other positions held by directors should be established and disclosed in the Form 56-1 One Report as well.

#### **4.3 Determination of remuneration for the top management and employees**

The Board of Directors assign the Executive Committee to consider the remuneration structure and rate to ensure appropriateness for responsibilities and to motivate the top management and employees to lead the Company to achieve its objectives and goals in accordance with the short-term and long-term remuneration payment.

##### **4.3.1 Short-term remuneration includes salary and annual reward (bonus)**

The company has a policy for short-term compensation that reflects the company's performance according to the annual budget targets and has fair, transparent, and verifiable criteria for measuring the performance of executives and employees, which are appropriate to the knowledge and abilities of executives and employees. The guidelines are as follows:

- (1) The Board of Directors considers and determines the salary structure, annual bonus, and annual salary increase rates for senior management and employees of the company.
- (2) The Executive Committee considers and determines the criteria for measuring the success of the company's operations as KPI (Key Performance Indicators) scores to be used in considering adjusting salary rates and paying annual bonuses to senior management and employees of the company, based on the annual budget and achievement of the company's key goals, as well as market and economic conditions compared to the same industry level. Opinions are presented to the Board of Directors for further consideration and approval.
- (3) The Chief Executive Officer considers and determines the performance evaluation criteria for senior management and employees of the company. The Chief Executive Officer of each business group evaluates department managers, department managers evaluate section managers and unit heads including employees, or unit heads evaluate employees, in that order of supervision, and determines the salary adjustment structure and annual bonus. Opinions are presented to the Board of Directors for further consideration and approval.
- (4) The Board of Directors considers the benefits and other welfare of all company employees, both monetary and non-monetary, by using performance evaluation methods, which can be summarized as follows:

The Board of Directors assigns the Executive Committee to create performance evaluation forms for senior management and assigns the Chief Executive Officer and Human Resources



Department Manager to create evaluation forms for management level managers to operational level employees.

- (a) Department managers evaluate the performance of managers in their line of supervision, from section managers and supervisors. Each manager creates annual KPIs that are consistent with the KPIs of each department manager. Annual salary adjustments depend on the achievement of work according to the set KPIs.
- (b) Section managers and supervisors evaluate the performance of operational level employees in their line of supervision and submit them to the department manager for further consideration. Annual salary adjustments depend on the achievement of work according to the individual's set KPIs.
- (c) The Human Resources Department Manager summarizes the performance evaluation results from operational level employees to section managers and supervisors and submits them to the Chief Executive Officer for consideration and proposed salary adjustments before submitting them to the Board of Directors for further approval.

#### 4.3.2 Long-term remuneration includes payment upon retirement or resignation

The company has a policy for long-term compensation that promotes employee savings and retirement planning and creates incentives for employees to be dedicated, loyal, and honest to the organization. The guidelines are as follows:

- (1) The company has established a provident fund for employees to support employee savings. The company will contribute to the fund at a rate of 3%, 5% of the salary base according to the member's age and the employee's voluntary participation, which will be paid back to the employee upon retirement or termination.
- (2) In addition to the accumulated funds that the company will pay when employees retire or resign, the company also has rewards for employees with more than 10 years of service to incentivize employees to be dedicated and sacrifice for the organization.

### 4.4 Development of the top management

#### 4.4.1 Orientations of new top management

The Board of Directors determines that all new members of the top management shall attend the orientation to build knowledge and understanding of the business nature and prepare for appointment without delay. The orientation shall be arranged and coordinated by Human Resources Department and contain the following matters:

- (1) Matters to be acknowledged e.g. business structure, board structure, corporate structure, scope of power and responsibilities, as well as the law and regulations applicable to the Company's business operation.
- (2) General knowledge of the business to ensure understanding of the objectives, goals, vision, mission, and corporate culture, as well as business nature and operational plans. Production line visit shall also be arranged.
- (3) Promote innovative ideas and perspectives on corporate governance, business conduct, industrial situation, and innovations.
- (4) Meet and discuss with Chief Executive Officer to enquire insightful information related to the Company's business operation.



#### 4.4.2 Knowledge enhancement of the top management

The Board of Directors encourages and supports the Chief Executive Officer and senior management to attend training, development, and seminars organized by the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), or various independent organizations to enhance knowledge, skills, experience, and the characteristics necessary to drive the organization towards its set goals, to increase work efficiency, and to prepare for internal job rotation and the succession of senior management positions when such positions become vacant. This includes regularly assessing the potential of senior management.

#### 4.5 Human Resources Management

The company places importance on human resource management to be able to respond to business changes, economic conditions, and the environment. The company believes that its personnel have the potential to drive the business towards sustainable success. The human resource strategies are defined as follows:

Human Resource Policy: “The company aims to enhance the readiness of personnel in the organization to adhere to honesty, integrity, and transparency, to ensure a good quality of life, and to live safely, by developing knowledge and abilities in both skills necessary for work and skills for potential development, to be ready to drive the organization towards success and excellence, supporting sustainable growth both domestically and internationally”

**Human Resources Management** in response to the corporate sustainable growth is one of the Company’s key strategies. Operations are as follows:

- (1) Recruitment: The Company determines the policy and procedures of personnel recruitment and selection on the basis of equity, qualifications, education, experience, physical condition, and other requirements needed for each position.
- (2) Personnel development: The Company emphasizes personnel development to equip them with necessary knowledge, skills and potentials by making annual training programs in advance. The Company plans to arrange training by focusing on 3 aspects, including basic knowledge of work, supervising skills for supervising staff and supplementary knowledge of work and professions. Also, employees shall be encouraged to join social and environmental activities.
- (3) Employee retention: The Company realizes the importance of employee retention by creating happiness at work in the form of fair compensation suitable for the work nature and employee abilities. All welfare and benefits, as well as safe and sanitary work condition, shall be assured. Entertainment activities shall be arranged to create happiness and employees shall be given opportunities to voice their mind regarding their performance and the Company’s operation improvement.
  - (3.1) **Welfare:** The company provides various welfare benefits to its employees to improve their quality of life, such as cost of living allowances, provident fund contributions, diligent attendance bonuses, life insurance, and health insurance, etc.
  - (3.2) **Creating a Happy Workplace:** The company organizes continuous activities to promote happiness within the organization, allowing employees to participate in enjoyable activities together.
  - (3.3) **Complaints:** In cases where employees feel they have been treated unfairly or suffer from work-related distress, whether due to working conditions, employment conditions,



supervision, work orders or assignments, or any inappropriate behavior between supervisors and employees or between employees, employees can report their dissatisfaction or distress to the company for resolution or to stop the incident. This is to foster good relations between the company and its employees and to ensure employees work happily.

- (3.4) Encouraging Employee Input: The company provides opportunities and encourages employees to express their opinions, allowing them to participate in improving their own work efficiency and that of the company.
- (3.5) Equal Opportunity: The company treats employees with equality, fairness, and non-discrimination. It respects individual rights and freedoms, both directly and indirectly, by adhering to principles of fairness and equality in accordance with human rights principles.
- (3.6) Communication: The company establishes an Intranet system for internal communication, keeping employees informed about important company changes, and maintains the company website [www.tcm-corporation.com](http://www.tcm-corporation.com) to disseminate information and news to external stakeholders.
- (4) Safety: The Committee on Safety, Occupational Health and Work Environment, in collaboration with Occupational Health and Safety Division, shall make accident prevention manual, provide training on safety, arrange danger prevention activities, and minimize risk of work accidents, as well as increasing security system and hold safety activities to employees.
- (5) Operation monitoring: To ensure appropriate implementation and compliance of the policy, the Company determines that work shall be monitored and work goals shall be set up for inspection. The results shall be reported to the superior in the relevant chain of command.
- (6) Performance assessment: Performance during probationary period shall be assessed and the annual performance evaluation shall be conducted once a year for consideration of adjustment of wage, compensation and reward. Moreover, the results shall be used in consideration of promotion for employees.
- (7) Succession plan: The Board of Directors shall ensure that the Company has appropriate recruitment process to engage qualified persons to hold office of key executive positions and the nomination process of the top management is in accordance with the Executive Committee's procedures.



## Principle 5

### Nurture Innovation and Responsibly Conduct Business

The Board of Directors places importance on and supports the creation of innovation that generates value for the company, along with creating benefits for customers, partners, or stakeholders, while maintaining responsibility to society and the environment. The innovation must not support inappropriate behavior or illegal or unethical activities.

#### 5.1 Creating Innovation

Creating innovation involves creating new products or making existing products more beneficial and better than competitors. This includes developing product manufacturing with modern technology, using low energy, and reducing environmental impact. An important aspect is developing personnel to have creative thinking to create innovation for sustainable development. The principles of practice are as follows:"

##### Create corporate culture and promote innovative creation

Personnel development training shall be provided to foster innovative ideas which the management can implement in strategies review improvement planning and operation monitoring so that the said innovative process can be properly managed as follows:

- (1) **Searching** is the survey of internal and external environment to find opportunities and threats for initiation of the future change.
- (2) **Selection** is the decision to select the discovered matters for adaptation by taking account of the utmost benefit of the Company. Selection shall be based upon necessity and conformity to the Company's strategies.
- (3) **Implementation** is the use of the discovered matters to create innovations and disclose them to domestic and international markets upon the following 4 stages:
  - (3.1) Reception: This involves applying various bodies of knowledge to create innovation, such as creating new things from research and development (R&D) processes, conducting market research, and acquiring knowledge from other sources through technology transfer or collaborative research within alliances, etc.
  - (3.2) Implementation: This is the stage of putting the project into practice under conditions of various uncertainties, which requires problem-solving skills at all times.
  - (3.3) Presentation: This involves bringing the resulting innovation to the market through systematic management so that the innovation can be accepted by the market, especially during the initial launch phase.
  - (3.4) Maintenance: This involves maintaining the status of market acceptance continuously and for as long as possible, which may require revisiting the innovation to revise the concept or starting over from the beginning to obtain an innovation that is developed to be more in line with market needs.
- (4) **Learning** is essential for the company to study and learn at various stages of the innovation process in order to build a strong foundation of knowledge that can be used to develop methods for managing those innovation processes more efficiently

#### 5.2 Responsible Business Conduct

The Board of Directors is committed to developing Good Corporate Governance and has therefore established a framework of a Code of Conduct and guidelines on responsibility towards stakeholders to serve as effective and transparent guidelines for directors, executives, and employees at all levels of the





company. This is to build trust and acceptance from all stakeholders for the benefit of creating sustainable value for the business, as follows:

#### Responsibility to Shareholders

The company has a policy to conduct business ethically and will make every effort to develop the business to be competitive, have good performance, and generate good returns for shareholder investments continuously and sustainably. The company adheres to the principle of treating all shareholders equally, establishes measures to ensure that shareholders are treated and protected in their fundamental rights, legal rights, and company regulations equally and fairly, and prevents conflicts of interest or the use of internal information for personal or others' undue benefit. The guidelines are as follows:

- (1) Act with integrity and make decisions with a pure heart, with caution, prudence, and fairness to both major and minority shareholders, for the maximum benefit of all shareholders.
- (2) Ensure that company assets are not improperly impaired or lost.
- (3) Report the company's status regularly and completely as it is in reality.
- (4) Report equally to all shareholders about the company's future prospects, both positive and negative, which are based on feasibility, have sufficient supporting data, and are well-reasoned.
- (5) Ensure that directors, executives, and employees at all levels of the company do not seek personal or related benefits by disclosing any company information that has not been made public, disclosing confidential company information to outsiders, or engaging in any activity that may create a conflict of interest with the company.

#### Responsibility to Customers

The company recognizes the importance of customer satisfaction to the success of the business. The company is therefore determined to seek ways to meet customer needs more efficiently and effectively. The guidelines are as follows:

- (1) Deliver quality goods and services that meet or exceed customer expectations and at fair prices.
- (2) Provide accurate, sufficient, and timely information to customers so that they are aware of information about goods and services without any misrepresentation that may cause customers to misunderstand the quality, quantity, or any conditions of those goods or services.
- (3) Communicate with customers politely, efficiently, and in a manner that customers can trust, and establish a complaint system regarding the quality, quantity, and safety of goods, as well as the speed of delivery of goods and services.
- (4) Maintain customer confidentiality and not use it for personal or related parties' undue benefit.
- (5) Provide advice on how to use the company's goods and services to maximize efficiency and benefit for customers.

#### Responsibility to Business Partners

The company has a policy to treat business partners equally and fairly, considering the company's best interests, based on fair returns for both parties, avoiding situations that create conflicts of interest, and complying with commitments, providing factual information, accurate reports, and negotiating solutions based on business relationships. The guidelines are as follows:

- (1) Not to solicit, accept, or pay any improper benefits in trade with business partners.





- (2) In the event of information indicating solicitation, acceptance, or payment of any improper benefits, disclose the details to the business partner and jointly resolve the issue fairly and quickly.
- (3) Strictly adhere to the agreed-upon conditions.
- (4) If unable to comply with any conditions, notify in advance to jointly consider solutions.

#### Responsibility to Trade Competitors

The company has a policy to treat trade competitors in accordance with international standards, within the framework of laws on fair competition, and not to violate or fraudulently obtain trade secrets of competitors. The guidelines are as follows:

- (1) Conduct business within the framework of fair competition rules.
- (2) Not to seek confidential information of trade competitors through dishonest or inappropriate methods.
- (3) Not to damage the reputation of trade competitors through defamation.
- (4) Conduct business openly, transparently, and not to create unfair competitive advantages.

#### Responsibility to Creditors

The company has a policy to treat all trade creditors in accordance with international standards, within the framework of laws on creditor practices. The guidelines are as follows:

- (1) Treat all trade creditors equally and fairly, based on fair returns for both parties.
- (2) Strictly adhere to contracts, financial obligations, and agreed-upon conditions, and not to use dishonest methods, conceal information, or facts that could harm creditors. If unable to comply with conditions, notify creditors in advance to jointly consider solutions.

#### Responsibility to Employees

The company recognizes that employees are a valuable factor in the company's success in achieving its goals. It is a core policy of the company to treat all employees at all levels, whether colleagues, supervisors, or subordinates, fairly and humanely in terms of compensation, appointment and transfer, and development of potential. The company aims to foster a positive working culture and environment, treating each other according to human rights policies. The guidelines are as follows:

- (1) Treatment: Treat all employees equally, without discrimination or distinction based on origin, race, gender, age, skin color, religion, disability, family status, education, or any other status not directly related to job performance.
- (2) Compensation and Rewards: Provide fair compensation and rewards based on job performance, giving all employees equal opportunities.
- (3) Working Environment: Maintain a safe working environment for the life and property of employees, and strictly adhere to labor laws.
- (4) Appointment, Transfer, and Discipline: Act with integrity and base decisions on the knowledge, ability, and suitability of the employee.
- (5) Potential Development: Emphasize the development of knowledge and skills, providing opportunities broadly and consistently.
- (6) Feedback and Suggestions: Open channels for expressing opinions, protect complainants, provide justice to the accused, and consider actions to benefit the company.
- (7) Compliance with Laws and Regulations: Strictly adhere to all relevant laws and regulations.





- (8) Avoid Unfair Practices: Avoid any unfair actions that may affect job security, harass, or create mental stress for employees.
- (9) Privacy: Protect employee personal data, keep it confidential, and not send, distribute, or disclose personal data to unrelated parties without the data owner's consent.

#### Responsibility to Society and the Environment

The company has a policy to conduct business with consideration for social and environmental care. It emphasizes local customs and traditions where the company is located and acts as a good corporate citizen by strictly complying with relevant laws and regulations. The company is committed to improving the quality of society, communities, and the surrounding environment, both through its own efforts and in cooperation with the government or communities. The company will consistently carry out activities that contribute to society and the environment and will instill a sense of social and environmental responsibility in employees at all levels for sustainable growth. The corporate social and environmental responsibility policy is as follows:

- (1) Conduct business ethically and with responsibility to society and the environment.
- (2) Develop surrounding communities and society in terms of economy, society, and the environment for better quality of life.
- (3) Respect laws and human rights without discrimination, regardless of race, nationality, religion, gender, and culture, managing fairly and promoting sustainable development.
- (4) Encourage employees at all levels to volunteer and instill a sense of social and environmental responsibility for the common good, without expecting compensation.
- (5) Promote activities that create sustainable benefits for communities, society, and the environment.

### 5.3 Effective Resources Management

The company manages resources efficiently and effectively, considering the impact and development of resources throughout the value chain appropriately, with the best interests of all stakeholders in mind. This includes procurement, the production process, transportation business partners, various groups of business partners, and responsibility to consumers, who are the end customers of the supply chain, to achieve objectives and key goals sustainably, as follows:

#### 5.3.1 Value Chain Management

- (1) Procurement: For primary raw materials, adherence to standard systems and process controls according to ISO9001 is mandatory. Quality inspections are conducted at every stage according to established quality standards before raw materials enter the production process to ensure high quality. Subsequently, products are delivered to domestic and international customers via transportation business partners with delivery standards that ensure timely delivery to customers.
- (2) Production Process: The company is committed to improving the production process to reduce environmental impact, increase productivity, and reduce production costs at all stages through the cooperation of all departments. This includes increasing the overall efficiency of machinery and implementing measures to reduce environmental impact, such as water management, air pollution reduction, energy reduction, waste reduction in the production process, and resource reduction, etc.



- (3) Transportation and Storage: The company develops an efficient transportation system to deliver products to customers safely and with high quality, including protecting drivers and property in the event of accidents. Transportation management systems are also implemented to reduce energy consumption and environmental impact.
- (4) Domestic and International Business Partners: The company has a policy for managing mutually beneficial relationships appropriately and fairly, providing advice when faced with business problems, and offering training and development plans in various areas to enhance knowledge and competitiveness.
- (5) Consumers: The company is responsible to consumers, who are the final stakeholders in the business chain. Customer satisfaction surveys are conducted, and consumers are guaranteed to receive quality products, fair prices, and prompt after-sales service, including guidance on the correct use of products.

### 5.3.2 Energy Management

The Company realizes the importance of effective energy management in accordance with Energy Conservation Act and other related laws. Therefore, energy saving policy is determined and employee awareness of using energy effectively is raised to encourage all employees to be part of effective consumption of energy and reduce energy costs as follows:

- (1) Develop appropriate energy management system by determining energy conservation as part of the Company's operation under Energy Conservation Act and other related laws.
- (2) Improve effectiveness of the Company's energy consumption in accordance with the business and technology in use as well as good practices.
- (3) Indicate annual operational plan and energy conservation and communicate the plans to all employees to ensure understanding and practice.
- (4) Determine energy conservation as executive responsibilities in which all employees shall provide collaboration as required.
- (5) The Company shall support human resources, technology, budget, training, and participation in opinion expression as necessary to encourage employees to realize the importance of energy conservation.

### 5.4 Information Technology Management

The Board of Directors provides a framework for corporate-level information technology governance and management that aligns with the company's needs. It also ensures that information technology is used to increase business opportunities and develop risk management operations, enabling the business to achieve its objectives and key goals, as follows:

5.4.1 Establish an information technology security policy that covers the allocation of resources sufficient for business operations, including compliance with laws, regulations, and standards related to the use of information technology systems.

5.4.2 The company has data security regulations according to the ISO9001 standard. The company is required to prepare a standard data security manual to maintain confidentiality, integrity, and availability of data, as well as to prevent data misuse or unauthorized changes. Everyone must comply with this standard manual.



5.4.3 The company conducts information technology risk assessments, which cover various risk management aspects, including analyzing internal and external risks for risk mitigation according to the ISO9001 standard. Risk assessments are performed at least once a year.

5.4.4 The company emphasizes that the company's information systems released to the public must adhere to the company's ethical principles and codes of conduct and comply with the Computer Crime Act and related laws. This is to ensure smooth, efficient, and beneficial operations and to prevent potential problems for the company and related parties. Therefore, the company has issued regulations on the use of information systems, which are the joint responsibility of all levels of employees and serve as guidelines, as follows:

#### **Information System Usage Regulations**

Information system usage refers to communication or channels for communication through the company's internal and public internet network using the company's computer equipment, such as the use of the computer network, the use of electronic mail (E-mail), and the use of software with the computer. To ensure smooth operation, efficiency, and standardization, information system usage regulations have been issued, outlining clear guidelines. A summary is as follows:

##### **(1) Use of Computer Network**

The use of the company's computer network as a tool for business communication should be appropriate and efficient. This includes preventing problems that may occur to the company and related parties. Guidelines for practice can be summarized as follows:

(1.1) In these regulations, "computer network" includes both the internal network (Intranet) and external internet (Internet) communication.

(1.2) The IT department is responsible for maintaining the company's computer network according to this order.

(1.3) Users of the computer network should use network resources efficiently, as follows:

(1.3.1) Internet users must use the internet with caution, and its use must not cause damage to the reputation of the company or related parties or involve illegal activities. Misuse of the internet is a disciplinary offense and may result in legal action.

(1.3.2) Internet users are prohibited from using the internet for personal commercial gain and are prohibited from accessing, downloading, or reproducing pornographic or other inappropriate or illegal media, such as websites with content that may affect or be a threat to national security, religion, and the monarchy, or websites that are a threat to society or infringe on the rights of others, or information that may cause damage to the company, etc.

(1.3.3) Users are prohibited from disclosing important confidential information about the company's work that has not been officially announced through the internet.

(1.3.4) Users are prohibited from unnecessarily downloading any type of file, including downloading program updates, which must be done without infringing on copyright or intellectual property.

(1.3.5) The use of Download Manager and Bit Torrent programs is prohibited.

(1.3.6) Listening to music, radio, or watching online videos through the internet, including sharing music, videos, or movies through the internal network, which reduces the data transmission efficiency of others, is prohibited.



- (1.3.7) If it is necessary to share images or videos for work or publicity through the internal website, approval must be requested from their department manager, and the IT department must be notified for further action, which must not disrupt the overall network system.
- (1.3.8) The use of free emails, such as Hotmail, Yahoo, Gmail, through the internet in the company's network must also comply with the guidelines in this order regarding the use of the company's email.
- (1.3.9) Internet access must be through the gateway provided by the IT department. Users are prohibited from connecting computers through other channels. The company reserves the right to monitor the internet usage of users to check for inappropriate usage.
- (1.3.10) In cases where it is necessary to use websites that the IT department has blocked, such as Facebook, YouTube, approval must be requested from their department head, and the IT department must be notified for further action.
- (1.4) Users of the computer network must not use the computer network for the following purposes:
  - (1.4.1) To commit illegal activities or cause damage to others.
  - (1.4.2) To engage in activities that are contrary to public order or good morals.
  - (1.4.3) For personal commercial purposes.
  - (1.4.4) To disclose confidential information obtained from working for the company, whether it is organizational information or information of external parties.
  - (1.4.5) To engage in activities that infringe on the intellectual property of the company or others.
  - (1.4.6) To obstruct the use of the company's computer network or other employees in the organization, making it impossible to use it normally.
  - (1.4.7) To express personal opinions on matters related to the company's operations on other websites in a way that creates or may create a misunderstanding of the truth.
  - (1.4.8) To express personal opinions on other websites in a way that causes damage to others.

(2) Use of Electronic Mail (E-Mail)

The company's electronic mail (E-mail) is used as a tool for business communication to ensure appropriateness and efficiency and to prevent problems that may occur to the company and related parties. The guidelines are as follows:

- (2.1) Establish standard guidelines for the use of electronic mail, which define electronic mail user assignment, electronic mail user creation, and electronic mail user approval.
- (2.2) All E-mail user accounts and all electronic mail created are stored on the company's computer system or network and are considered the company's property. The company has the right to monitor messages in the electronic mail system as appropriate. Special data access requests must be approved by the Chief Executive Officer.
- (2.3) Users of the electronic mail system must draft the content of electronic mail with caution, always considering themselves as representatives of the company. They must be responsible and exercise judgment to avoid damage to the company and help maintain the company's electronic mail security to prevent data leakage that could harm the company's business and affect the safety of others.





(2.4) The company's electronic mail system must not be used to send or forward information or messages that seriously harm national security, religion, or the monarchy, or to forward electronic mail containing defamatory content, causing confusion, threats, harassment, reputation damage, harassment, racial slurs, obscene images, or vulgar language, or to engage in any illegal activities, such as advertising intoxicants, smuggled goods, or distributing pirated software.

(2.5) Using the company's electronic mail system to send or forward messages using someone else's user account (E-mail) is prohibited.

(2.6) The company's electronic mail system must not be used to send or forward unsolicited electronic mail, such as junk mail or spam mail.

(2.7) The company's electronic mail system must not be used to publish information in electronic communities, such as web boards, blogs, or message boards, that may cause misunderstanding or damage to the company's reputation, unless the publication is related to or part of the work for the company.

(2.8) Forging messages in electronic mail to cause damage to the company is prohibited.

(2.9) The company's electronic mail system must not be used to distribute news or information about the company to journalists or external parties without official permission from the Chief Executive Officer, except for those with public relations responsibilities who have already been authorized.

(2.10) The IT department must maintain a registry of the company's electronic mail users and strictly monitor compliance with this order.

### (3) Use of Software with Computer Equipment

The use of software with the company's computer equipment as a work tool must be carried out in accordance with relevant laws effectively and uniformly, and to prevent problems that may occur to the company and related parties. The guidelines are as follows:

(3.1) Software provided for use in the company must be legal software with a Software License Agreement belonging solely to the company (except for freeware).

(3.2) The IT department is the only provider of standard software for use on the company's computers.

(3.3) Installation, updates, changes, or removal of any software, including all types of freeware, on the company's computers can only be done by or with permission from the IT department. If you need to use software other than the standard software, notify the IT department before taking any action.

(3.4) If unauthorized software is found to be installed, the employee who installed the software and the employee using the computer with the software installed will be held responsible according to this order and/or legal regulations.

(3.5) It is prohibited to use company software on personal devices without permission.

(3.6) It is prohibited to allow others who are not company employees to use company software or to use it for commercial gain without permission, such as lending, renting, or selling.

(3.7) It is prohibited to copy, distribute, modify, or alter company software without permission.

(3.8) All software developed for the company's purposes is considered the company's property. The company has full rights to the software. Employees are prohibited from distributing or using it for commercial purposes.

(3.9) Antivirus software will be kept up-to-date by the IT department. Users must scan for viruses when using data from external sources.

(3.10) Employees must be responsible and exercise judgment in using the company's software to avoid damage to the company's property (software and data), which may cause business damage.



#### (4) Communication Through Social Media

Social media refers to two-way communication media or channels through the internet network. It is a new form of media that allows the general public to present and disseminate information on their own publicly using computer equipment and various types of communication devices. Examples of social media include Facebook, Instagram, Twitter, and LINE@. Adherence to the company's social media communication policy is mandatory. The guidelines and responsibilities are as follows:

(4.1) Request to Create a Page: To create a page as an official channel for disseminating the company's information to the public, approval must be obtained from the Chief Executive Officer. A formal order specifying the responsible party must be issued, and the IT department must be notified before the page's official launch. The official launch of the company's page is the sole right of the company.

(4.2) Official Coordination and Presentation on Behalf of the Company Using Social Media: The organization's identity must be referenced, and information such as first and last name, department affiliation, company name, abbreviation, and company logo must be disclosed.

(4.3) Employees at All Levels are Representatives of the Company's Image: When mentioning the company, brands, or business operations through social media, it must be recognized that the publisher is responsible for their actions on publicly accessible social media.

(4.4) Extreme Caution Must be Used When Communicating Facts that May Lead to Heated Disputes, Especially Regarding Politics, Ethnicity, and Religion: Publishing images, information, and opinions through social media that violate laws, ethics, and business codes of conduct may lead to disciplinary action under the company's work regulations, such as providing false information or disclosing confidential information that affects any individual or organization or causes serious damage to the company's property or reputation.

(4.5) References to Sources Supporting Social Media Content Must be Provided to Prevent Infringement of Others' Intellectual Property: Permission must be obtained from the copyright holder before using copyrighted material, such as copyrighted content, trademarks, and publishing rights.

(4.6) Privacy Must be Protected: As a social media user, it is essential to understand privacy settings and adjust them appropriately.

(4.7) Company Intellectual Property or Confidential Internal Information Must Not be Disclosed Without Authorization from Authorized Personnel.

(4.8) When Communicating Through Social Media, Separate User Accounts for Personal and Professional Matters Clearly: When using a personal account, judgment must be exercised, and it must be clearly stated that it is a personal opinion, not the company's view.

(4.9) If a Social Media Comment Requires Input from a Relevant Expert, the Page Administrator Must Notify Their Supervisor or the Responsible Department.

#### (5) Penalties

If a company employee or external person involved in using the company's social media or information systems makes an error that causes damage to the company or other organizations, they will be held responsible for the damage. The problematic message must be corrected immediately, and an apology must be issued to the injured party or organization. Disciplinary action will be taken according to the company's regulations on discipline and penalties, and/or legal action may be taken.

### **5.5 Social, community and environmental management**

The company recognizes the importance of 'society' as a crucial mechanism to promote and drive the company's business to remain and grow sustainably, and to be accepted by all stakeholders. Starting





from the small society within the organization, including directors, executives, and employees, who are the heart of enhancing potential and competitiveness to the community level society, and to encourage the directors, executives, and employees of the company to operate in the same direction, the company has established the following social responsibility policies:

- (1) Ethical and Socially Responsible Business Conduct
- (2) Participation in the Development of Business Communities and Overall Society: Economic, Social, Community, and Environmental
- (3) Respect for Laws and Human Rights Principles Without Discrimination, Regardless of Race, Nationality, Religion, and Culture; the company will manage with fairness and promote sustainable joint development.
- (4) Encouraging Employee Volunteerism and Instilling Social Responsibility for the common good without expecting compensation.
- (5) Promoting Sustainable Community and Social Benefit Activities Under the Following Frameworks:
  - (5.1) Organizational Level Activities
    - (a) Activities that Develop Skills of Directors, Executives, and Employees at All Levels and Build Internal Organizational Knowledge
    - (b) Activities that Encourage Employee Participation and Feedback to the Organization
    - (c) Activities that Promote a Positive Internal Environment
  - (5.2) Community Level Activities
    - (a) Activities Aligned with the Company's Business Operations
    - (b) Sustainable and Measurable Activities
    - (c) Activities with Genuine Long-Term Benefits for Society, Communities, and the Environment
    - (d) Activities that Promote Education and Continuous Learning
    - (e) Activities that Enhance the Quality of Life for People in the Business Communities and Overall Society
    - (f) Disaster Relief Activities

## 5.6 Whistleblowing and Complaint Channels for Stakeholders

The company has established guidelines for reporting whistleblowing and complaints in line with good corporate governance policies to ensure that operations are conducted smoothly, fairly, and transparently, as follows:

### 5.6.1 Scope of Whistleblowing or Complaints

When there are doubts or observations of suspected violations of good practices regarding the following:

- (a) Violations of Good Corporate Governance Principles, Business Ethics, and Codes of Conduct
- (b) Violations of Company Rules and Regulations
- (c) Unfair Treatment or Violation of Rights
- (d) Corruption
- (e) Illegal Activities
- (f) Suspicious Activities and Detrimental Actions





#### 5.6.2 Whistleblowing or Complaint Channels

Complainants can report complaints, provide information about illegal activities, or inquire through the following appropriate channels:

(1) Direct Supervisor of the Company Personnel Whom the Stakeholder Wishes to Complain About

(2) Human Resources Manager

(3) Report Through the Company Website [www.tcm-corporation.com](http://www.tcm-corporation.com) Under the "Complaint Channels" Section

(4) Report to the Chief Executive Officer Through the Company Secretary at [comsec@tcm-corporation.com](mailto:comsec@tcm-corporation.com)

(5) For Whistleblowing or Complaints Regarding the Board of Directors, Report Through the Audit Committee as Follows:

Address: Chairman of the Audit Committee,

TCM Corporation Public Company Limited,

2054 New Petchburi Road, Bangkok, Huai Khwang, Bangkok 10310

E-mail: [auditcom@tcm-corporation.com](mailto:auditcom@tcm-corporation.com)





## Principle 6

### Strengthen Effective Risk Management and Internal Control

The Board of Directors oversees to ensure that the Company has a risk management system and internal control system that effectively achieves its objectives and complies with relevant laws and standards.

#### 6.1 Risk Management and Internal Control

##### 6.1.1 Risk Management

The Company authorizes the Executive Committee to appoint Risk Management Committee to take care of the Company's risk management and issue a written risk management policy which is communicated to the executives and all employees for acknowledgement and compliance as follows:

Risk Management Policy "The Company aims to prevent and minimize possible risks in the future by solving, analyzing, assessing, and reviewing risk factors which may affect the Company's business operations, monitoring the unacceptable results of risk management to ensure that the Company has sufficient and effective risk management".

Risk Management Committee shall perform the assigned tasks to manage and minimize risks. Risks shall be assessed regularly and controlled at acceptable level. Monitoring is performed to ensure sufficient and appropriate risk management system to prevent possible risks under good corporate governance principles. In addition, the Risk Management Team consisting of executives for each divisions are established to manage risks in each division with regular monitoring process.

##### 6.1.2 Internal Control

The Board of Directors requires the Company to have an appropriate and adequate internal control system, including regular assessment and monitoring of various matters, with the Internal Audit Department, which is independent, reporting the results of operations to the Audit Committee, adhering to international auditing standards to maximize benefits for the Company and be accepted by all stakeholders. The Company has the following operational guidelines:

- (1) Establishing an Adequate Control Environment: Defining it as the duty and responsibility of executives at all levels to define, oversee, and inspect the work system within their departments to be efficient and correct according to work regulations, with a sufficiently robust and auditable internal control system, and every department must create a manual defining work regulations as a standard for operations in the work under their supervision, based on the Company's quality, safety, and environmental policies.
- (2) Establishing an Adequate Risk Assessment Process: Risk assessment and management is an approach that helps each department to assess risks in their responsibilities in order to prioritize risks and find ways to control them by reducing impacts or reducing the likelihood of such risks. The Company wants employees at all levels to participate in the assessment and control of risks, in order to jointly prevent potential damage.
- (3) Establishing Adequate Control Activities: In all functions and at all levels, according to the acceptable level of risk, the department owner must establish a standardized work system and have adequate internal control to control risks to an appropriate level that does not affect the achievement of the Company's objectives.
- (4) Establishing an Adequate Information and Communication System: Sufficient, reliable, and timely information and communication, both within and outside the organization, by improving and developing the information technology system to be efficient and maintaining sufficient data security to increase work efficiency, management, and data reliability from



operations and financial reports, and using such data to communicate thoroughly both within and outside the organization, including communicating and developing employees in the department to have a sense of participation in performing work according to appropriate work methods, including relevant regulations and laws.

- (5) Establishing an Adequate Monitoring and Evaluation System: Defined as follows:
  - (5.1) Defining it as the duty and responsibility of executives at all levels to define, oversee, and inspect the work system within their departments to be efficient and correct according to work regulations.
  - (5.2) Defining the Internal Audit Department as a supporter of executives in all departments in establishing internal control and conducting audits or inquiries periodically as appropriate to ensure that every department has an effective internal control system and consistently complies with established procedures, which will lead to improving work systems to be more efficient, by defining audit or review guidelines for performance evaluation, focusing on creating and improving work systems for the better.
  - (5.3) The Internal Audit Department prepares a summary report of the evaluation of each department, with the department that owns the work system having consistent opinions, to be presented to the Audit Committee for consideration and approval before further action.

## 6.2 Insider trading

The Company indicates the measures and procedures to take care of the use of the Company's internal data as follows:

- (1) The Company informs the director and executives of their obligations to report the Company's securities holding of theirs, their spouses and their minor children as well as any change in securities holding to Securities and Exchange Commission pursuant to section 59 and punishment under Section 275 of Securities and Stock Exchange Act, B.E. 2535.
- (2) All directors, executives, department managers, and employees of the Company shall not use the internal data which is not disclosed to the public which may affect the change in the Company's stock prices for their own interest, which include for securities trading. Any persons receiving the internal data which is not disclosed to the public shall be refrain from the Company's securities trading for the period of one month prior to disclosure of such data to the public. if it is found that any shareholders, directors, executives, managers, and employees violate this prohibition, legal actions and punishment shall be taken against them.
- (3) In the case that any directors, executives, department managers, or employees commit any criminal offences under Securities and Stock Exchange Act, the Company shall impose disciplinary actions as specified in the Company's regulations and related law as follows:
  - (3.1) Cutting salary or compensation.
  - (3.2) Dismissal, expulsion, or removal from being an executive, department manager, or employee, considering it as intentionally causing damage to the Company. If a director, to be proposed to the Company's shareholders' meeting.



- (3.3) Notifying the Stock Exchange of Thailand and/or the Securities and Exchange Commission of the offense.
- (3.4) Filing a complaint with the police or investigating officer.
- (3.5) Taking any other action as resolved by the Board of Directors or the Company's shareholders' meeting.
- (4) The Company expects directors, executives, and employees at all levels of the Company to report in good faith any actions that conflict or are suspected of conflicting with the principles of using internal information to their supervisors, considering it the duty of the supervisors to monitor and advise their subordinates in preventing the use of the Company's internal information for personal gain, in order to comply with the specified principles correctly.

### 6.3 Confidentiality

The Company has established measures and guidelines regarding the maintenance of trade secrets that are essential to the Company's business operations and cannot be disclosed to the public, by establishing a data security system, including defining policies and practices for maintaining confidentiality, integrity, and availability of data, as well as managing data that may affect securities prices, as follows:

- (1) Confidentiality
  - (1.1) The Board of Directors, executives or employees shall keep confidentiality of information and documents which cannot be disclosed and/or trade secret, invented formulae and other which belong to the Company.
  - (1.2) The Board of Directors, executives or employees shall not disclose confidential information and documents and/or trade secret during the period of 2 years after dismissal from the positions.
  - (1.3) The executives and employees shall know the process and procedure of data security and comply with such procedures to prevent unintentional disclosure of confidential information.
- (2) Confidentiality classification
  - (2.1) The Company's trade secret shall be concealed and prevented from leakage by identifying priorities of data including disclosable data, concealed data, confidential data, and highly confidential data.
  - (2.2) Common use of the data shall be within the scope of assigned duties and responsibilities.
- (3) Provision of information to the third party
  - (3.1) Chief Executive Officer shall approve disclosure of information to the public.
  - (3.2) Disclosure of any information related to co-investors shall be approved by the relevant co-investors.
  - (3.3) The divisions determined to disclose information to the public include Investor Relations Division and Accounting and Finance Division to which the persons in charge of division owning the information shall prepare the information to be disclosed.
  - (3.4) To ensure compliance with the requirements of the Stock Exchange of Thailand and/or other relevant laws on disclosure of information of the listed companies, the Company determines that the Company's information may be received from the Investor Relation Division in email: [ir@tcm-corporation.com](mailto:ir@tcm-corporation.com)



- (4) Expression of opinions to the third party
  - (4.1) Personal opinions shall not be expressed to any their party.
  - (4.2) Please ask yourself whether it is your duty to answer the question. If not, you should refuse to express any opinion in polite manner and suggest that the person direct his/her question to the above division.

#### **6.4 Company's securities trading**

The Company determines rules and procedures to report the trading of Company's securities held by the directors and executives in accordance with the requirements of Securities and Exchange Commission and the Stock Exchange of Thailand as follows:

- (1) The Company's Board of Directors, senior executives, Chief Executive Officer, and accounting and finance department managers have a duty to report their securities holdings in accordance with the regulations of the SEC and the Stock Exchange of Thailand.
- (2) The Company, subsidiaries, and/or associates of the Company that are listed companies in the Stock Exchange of Thailand must comply with the laws regarding the use of internal information, operating fairly and equitably to all shareholders equally, in order to prevent violations of the law by employees at all levels of the Company and all family members who are aware or may be aware of undisclosed internal information. The Company prohibits such individuals from buying or selling shares or soliciting others to buy, sell, offer to buy, or offer to sell shares of the Company, subsidiaries, and/or associates listed on the Stock Exchange, whether by themselves or through a broker, while still in possession of undisclosed information. The Company and the Stock Exchange of Thailand consider this as securities trading for speculation or creating an advantage for any particular group.
- (3) The Company has established a security system in the workplace to protect confidential files and documents and has limited access to non-public information, allowing access only to key personnel as necessary. Therefore, it is the duty of the data owner or the possessor of non-public information to strictly instruct those involved to comply with the security procedures. Any violators of the use of internal information will be subject to disciplinary and/or legal action, as the case may be.
- (4) The Company prohibits the Company's directors, executives, managers, and employees from trading the Company's securities within 30 days before the submission and disclosure of the Company's quarterly and annual financial statements to the Stock Exchange of Thailand and the SEC, as well as disclosure to the public, and for no less than 24 hours after the information is disclosed to the public.
- (5) The Company Secretary has a duty to inform the Board of Directors meeting of the securities holding information of the Board of Directors each time.

#### **6.5 Connected transactions and transactions related to acquisition and disposition of assets**

The Company's Board of Directors has established measures and procedures for approving related party transactions and transactions involving the acquisition or disposal of the Company's assets, in order to comply with the regulations of the SEC and the Stock Exchange of Thailand, as well as relevant laws, as follows:



- (1) Individuals with vested interests or potential conflicts of interest cannot approve transactions involving themselves.
- (2) The determination of prices or compensation must be in accordance with normal business practices and general commercial conditions, taking into account the Company's interests as a priority.
- (3) The Audit Committee considers and provides opinions before such transactions. If the Audit Committee does not have expertise in providing opinions on any matter or transaction, the Company must arrange for an independent expert to provide opinions to the Audit Committee for consideration before presenting to the Board of Directors and/or the shareholders' meeting for consideration and approval.

In the case that such transactions are commercial agreements of the same nature as those that a prudent person would enter into with a general counterparty in the same situation, with bargaining power free from influence, in their capacity as a director, executive, or related person, as the case may be, or normal business transactions or normal business support transactions with general trading conditions, the Company must request approval for such proposals or agreements from the Board of Directors or request approval in principle from the Board of Directors before entering into such transactions. This is in accordance with Section 89/12 (1) of the Securities and Exchange Act (No. 4) B.E. 2551.

- (4) The Company must disclose such transactions in accordance with the rules and methods prescribed by the SEC.
- (5) All directors must comply with Section 88 of the Public Limited Companies Act B.E. 2535, which requires directors to notify the Company without delay in the following cases:
  - (5.1) Having a direct or indirect interest in any contract that the Company enters into during the accounting year, specifying the facts about the nature of the contract, the name of the counterparty, and the director's vested interest in the contract (if any).
  - (5.2) Holding ordinary shares or debentures of the Company and its affiliates, specifying the total number that has increased or decreased during the accounting year (if any). In this regard, Section 114 of the Public Limited Companies Act requires the Company to disclose the details that directors notify the Company under Section 88 above in the Company's 56-1 One Report as well.
- (6) The Chief Executive Officer, including the accounting and finance department manager, must act in the same manner as directors by notifying the Company Secretary as well.

## **6.6 Report of interests of the top management**

The Company determines rules, conditions and procedures of report of interests of the directors, executives and related persons under Section 89/14 of Securities and Stock Exchange Act, B.E. 2535, amended by Securities and Stock Exchange Act (No. 4), B.E. 2551, indicating that directors and executives shall report their interests other related persons' interests as follows:

- (1) The directors and executives shall report their interests or related persons' interests in connection to the Company's business management by completing the directors' and executives' interest report form as follows:
  - (1.1) First report shall be submitted within 30 working days from the date of acceptance of directorship.



- (1.2) Report on a change in interests shall be submitted within 3 working days from the date of such change. The number of change shall also be indicated.
- (2) The directors and executives shall submit the interest report form of theirs or related persons' to the Company Secretary immediately or within the specified period.
- (3) The Company Secretary shall perform as follows:
  - (3.1) Submit the interest report form under Section 89/14 to the President and Chairman of the Audit Committee within 7 days from the date of receipt of the report.
  - (3.2) Retain the interest report made by the directors and executives to the Company.
  - (3.3) Disclose information on the vested interests of directors and executives in the 56-1 One Report.

## 6.7 Anti-corruption

The Company conducts business with honesty, integrity, and fairness, adhering to the principles of good corporate governance and the code of business conduct, as well as good policies and practices towards all stakeholders, and strictly complies with relevant laws, with a commitment to combating corruption in all forms. Therefore, it has established a written "Anti-Corruption Policy" to instill in directors, executives, and employees at all levels an awareness of the negative consequences of corruption, which affects the organization, society, and the nation, by creating correct values in combating corruption to be used as a standard for working honestly, with integrity, and transparently, increasing confidence among all stakeholders of the Company.

The Company has joined the "Thai Private Sector Collective Action Coalition Against Corruption" (CAC) by signing a declaration of intent to oppose corruption since September 3, 2014, and in order to be certified as a member of CAC, the Company has complied with the requirements of CAC and was certified in 2016. The Company has been certified for renewal of membership by the Thai Private Sector Collective Action Coalition Against Corruption (Recertification) every 3 years.

### Anti-corruption policy

"All directors, executives and employees of all level shall not do or accept any form of corruption whether directly or indirectly which cover all business in the country and all related agencies. Performance of anti-corruption policy shall be audited at least once a year, and the procedures and requirements thereof shall be reviewed regularly to ensure conformity to the changing business as well as the applicable rules, regulations and laws."

#### 6.7.1 Roles, duties and responsibilities

The responsibilities of each committee are defined as follows:

- (1) The Board of Directors is responsible for setting policies and overseeing the establishment of an effective anti-corruption system to ensure that management prioritizes anti-corruption and instills it as an organizational culture.
- (2) The Audit Committee is responsible for reviewing the financial and accounting reporting system, internal control system, internal audit system, and risk management system to ensure that the system is consistent with the anti-corruption policy and guidelines and complies with effective international standards.
- (3) The Executive Committee and Management are responsible for supporting the anti-corruption policy and ensuring that the policy is communicated to employees and all relevant parties to encourage all employees to effectively implement the practices throughout the organization. This includes reviewing the appropriateness of systems and measures to align with changes in



business, company regulations, operating procedures, approval authority, and relevant legal requirements.

- (4) The Internal Audit Department is responsible for auditing and reviewing operations to ensure they are correct and in accordance with policies, best practices, operating procedures, approval authority, the Securities and Exchange Act, and related laws. This is to ensure that the company has an appropriate and adequate control system for potential corruption risks and to report to the Audit Committee.
- (5) The Risk Management Committee is responsible for assessing corruption risks to summarize potential corruption risks in each process regularly, including proposing clear and appropriate preventive and corrective measures, and submitting reports to the Executive Committee and the Board of Directors.

## 6.7.2 Guidelines

- (1) Directors, executives, and employees at all levels of the company must comply with the anti-corruption policy and code of business conduct. They must not be involved in any form of corruption, nor demand, engage in, or accept corruption for the benefit of themselves, their families, friends, and acquaintances, whether directly or indirectly.
- (2) Directors, executives, and employees at all levels of the company must not neglect or ignore any suspected corruption related to the company. They must notify their supervisors or the responsible individuals and cooperate in the investigation of facts. If there are any doubts or questions, they should consult with their supervisors or the individuals designated to handle reports or complaints through the specified channels.
- (3) The company will provide fairness and protection to employees who report corruption related to the company by using measures to protect whistleblowers or those who cooperate in reporting corruption, as specified in the company's regulations and guidelines for reporting concerns or complaints.
- (4) Directors, executives, and employees at all levels of the company who commit corruption are in violation of the code of business conduct and will be subject to disciplinary action according to the company's regulations. In addition, they may be subject to legal penalties if the act violates the law.
- (5) The company recognizes the importance of disseminating knowledge and understanding of the anti-corruption policy to other individuals who perform duties related to the company or may have an impact on the company.
- (6) The company provides channels for reporting concerns or complaints about corruption, as follows:

Address: Audit Committee,  
TCM Corporation Public Company Limited,  
2054 Petchburi Road, Bangkok, Huai Khwang, Bangkok 10310

E-mail: [auditcom@tcm-corporation.com](mailto:auditcom@tcm-corporation.com)

## 6.7.3 Implementation Measures

- (1) Any actions taken under the Anti-Corruption Policy shall adhere to the practices outlined in the Good Corporate Governance Manual, the Code of Conduct and Business Ethics, as well as any other guidelines that the Company may establish. These anti-corruption measures shall be strictly enforced.
- (2) This Anti-Corruption Policy extends to human resources management processes, from recruitment and selection, promotion, training, employee performance evaluation, to compensation. The Company will protect employees who reject corruption and will not demote, penalize, or negatively impact employees who cooperate in providing tips, facts, and reporting corruption, even if such actions result in the Company losing business opportunities.



Supervisors at all levels are required to study and understand this policy with the employees under their responsibility and to oversee operations to ensure efficiency.

- (3) The Company shall establish disbursement regulations that specify spending limits, approval authority, objectives, and recipients, accompanied by clear supporting documentation to prevent corruption. There shall also be an auditing process by the Internal Audit Department.
- (4) The Company shall implement a process to regularly audit sales, marketing, procurement, and contracting activities that are at risk of corruption to ensure compliance with disbursement and procurement regulations.
- (5) The Company shall conduct internal audits to ensure that the established internal control systems enable the Company to achieve its goals. This includes auditing the operations of all departments to ensure compliance with requirements and regulations, identifying deficiencies and weaknesses, and providing recommendations for developing efficient and effective work systems in accordance with good corporate governance principles.
- (6) To ensure clarity in dealing with matters that carry a high risk of corruption, directors, executives, and employees at all levels must exercise caution and operate transparently and lawfully. Therefore, the Company has established policies and guidelines on the following matters:

(6.1) Political Neutrality and Support

The Company has a policy of political neutrality and will not provide financial or other support, or engage in any actions that directly or indirectly benefit any politicians or political parties. It will not participate in campaigning or advertising for any political party or politician within the Company's premises.

(6.2) Accepting and Giving Gifts, Hospitality, Services, or Other Benefits

The Company stipulates that "The acceptance or giving of gifts or other benefits must be appropriate to customs and traditions and must not involve dereliction of duty, which could lead to corruption problems, and must not exceed 3,000 baht in value.

In cases where refusing a gift valued at over 3,000 baht is not possible, the gift shall be given to the Human Resources Department along with a gift report form. The gift will then be used for employee welfare, employee rewards, or donated to charity in the name of the Company, as appropriate."

(6.3) Hospitality

The Company stipulates that "Hospitality can be provided if it is in accordance with prevailing customs or traditions, or during festivals. However, it must not be done to induce any action or inaction, or be a guise to obtain assistance or benefits, and the hospitality must be of an appropriate value."

(6.4) Charitable Donations

The Company stipulates that "Charitable donations by the Company must be verifiable as providing assistance and support to communities and society. Charitable donations must be used for public benefit, and there must be clear supporting documentation. It must not be a channel for corruption."

(6.5) Sponsorship

The Company stipulates that "Sponsorship must be verifiable as supporting the successful completion of project activities for the purpose of publicizing the business or in accordance with the objectives of the operation, with transparency and legality. It must not be used as a pretext for bribery."



- (6.6) Business Relationships and Procurement/Contracting with the Public Sector  
The Company stipulates that "Bribes are prohibited in all types of business operations. The Company's operations and dealings with the public sector must comply with the Company's procurement/contracting regulations, with transparency and integrity, and must be carried out in accordance with relevant laws."
- (6.7) Hiring Government Employees/Officials  
The Company stipulates that "The hiring of individuals from the public sector to work for the Company or the Company's personnel working on policy in the public sector must not create a risk of corruption or conflicts of interest. The hiring process must strictly comply with the criteria set by the Company."
- (7) The measures in item (6) require the management to create clear and public guidelines to accompany the Anti-Corruption Policy so that directors, executives, and employees at all levels can use them as guidelines for correct operations.

## 6.8 Whistleblowing or Complaints

The company has established policies and guidelines regarding whistleblowing or complaints, consistent with the anti-corruption policy approved by the Board of Directors, to ensure that operations are carried out smoothly and in accordance with the objectives. The guidelines are as follows:

### 6.8.1 Objectives

To encourage directors, executives, and employees of the company to operate correctly, transparently, and verifiably. The company expects directors, executives, and all employees to report in good faith any operations that conflict or are suspected to conflict with the principles of good corporate governance, code of business conduct, or related laws, in order to make improvements, corrections, or take appropriate action.

### 6.8.2 Scope of Whistleblowing or Complaints

Concerns or observations of actions suspected to violate the principles of good practice in the following matters:

- a) Violation of the principles of good corporate governance and code of business conduct and ethics.
- b) Violation of the company's rules and regulations.
- c) Unfair treatment in operations.
- d) Acts of corruption.
- e) Illegal acts.
- f) Actions that cause suspicion and harm to the company.

### 6.8.3 Channels for Reporting Concerns or Complaints

Complainants can submit complaints, report wrongdoing, or inquire through various channels as deemed appropriate:

1. Suggestion box
2. Direct supervisor (at the manager level or above)
3. Human Resources Manager
4. Company website [www.tcm-corporation.com](http://www.tcm-corporation.com) under the "whistleblower" section
5. In the case of reporting concerns or complaints about corruption by senior executives, report through the Audit Committee as follows:

Address: Chairman of the Audit Committee,  
TCM Corporation Public Company Limited,  
2054 Petchburi Road, Bangkok, Huai Khwang, Bangkok 10310



E-mail: [auditcom@tcm-corporation.com](mailto:auditcom@tcm-corporation.com)

#### 6.8.4 Operating Procedures

1. Related Parties
  - a) Informant: Refers to the person who reports concerns or complaints.
  - b) Recipient of the complaint: Refers to the Audit Committee, Managing Director, Company Secretary, Human Resources Department, or supervisor.
  - c) Assigned Investigator: Refers to the group of investigators appointed by the Chief Executive Officer or the Audit Committee.
  - d) Complaint Coordinator: Refers to the person responsible for collecting initial information, coordinating, and compiling the results of the operation, such as the Company Secretary and the Human Resources Department.
2. Receiving Complaints
  - 2.1 The Complaint Coordinator records information from the complainant as follows:
    - a) Name of the complainant (except in cases where anonymity is requested)
    - b) Date of the complaint
    - c) Name of the person or event being complained about
    - d) Other relevant information
  - 2.2 Once the complaint is registered, it is submitted to the Chief Executive Officer for acknowledgment and consideration to investigate the facts. A special fact-finding committee may be appointed, and the committee members must have no conflict of interest or benefit with the accused.
  - 2.3 In the case of complaints against a member of the Board of Directors or the Chief Executive Officer, the matter shall be submitted directly to the Audit Committee for consideration, information gathering, and fact-finding as reported, to report to the Board of Directors, and to jointly consider and determine appropriate disciplinary action.
  - 2.4 In the case of urgent matters, the company requires the Chief Executive Officer to report immediately to the Board of Directors and the Audit Committee in the event of corruption, suspected corruption, illegal activities, or other unusual actions that significantly affect the company's reputation and financial standing, including:
    - 2.4.1 Transactions that involve conflicts of interest
    - 2.4.2 Corruption or significant irregularities or deficiencies in the internal control system
    - 2.4.3 Violations of the Securities and Exchange Act, regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand, or other laws related to the company's business
  - 2.5 The Chief Executive Officer, through the Company Secretary, shall notify the Board of Directors and the Audit Committee of the complaint within 1 day.
3. Fact-Finding and Investigation
  - 3.1 The details of the clue or complaint must be true, clear, and sufficient to conduct a fact-finding investigation for further action.
  - 3.2 The person assigned to investigate the complaint has the authority to find facts and provide recommendations to relevant parties for appropriate conduct or operations. If disciplinary action is required, it must be in accordance with the company's regulations.
  - 3.3 The person assigned to investigate and the Human Resources Department shall submit the matter to the Chief Executive Officer (CEO). Once the CEO has issued instructions, the person assigned to investigate and the Human Resources Department shall be notified to proceed with the next steps.
  - 3.4 If the person assigned to investigate the complaint does not have the authority to summon employees for questioning or to impose penalties, the matter shall be



submitted to the CEO, along with the facts, for consideration and instructions on imposing penalties or modifying work practices, as the case may be.

- 3.5 In the case of a complaint from an anonymous source and insufficient additional information, the person assigned to investigate the complaint shall submit a report on the results of the information verification and opinions regarding the complaint to the CEO for guidance on appropriate action. If the CEO deems that the complaint cannot be acted upon, the matter shall be closed and reported to the Audit Committee.
  - 3.6 If, after fact-finding, it is found that the accused is not guilty, denies wrongdoing, or the matter arose from a misunderstanding, or the accused or relevant parties have been advised on appropriate conduct or operations, and it is deemed that the matter should be closed without any penalties, the complainant shall be notified, and the matter shall be reported to the CEO for approval to close the case. The Internal Audit Department shall also be notified to report to the Audit Committee.
  - 3.7 If the person assigned to investigate and the Human Resources Department deem that disciplinary action is required, the Human Resources Department shall submit the matter to the CEO to present the facts for consideration and approval of disciplinary action. Improvements shall also be made to any work regulations where deficiencies in practice are found, to provide greater clarity.
4. Protection of Whistleblowers or Complainants  
Complainants or those who cooperate in the investigation shall receive protection according to the following principles:
    - 4.1 Complainants or those who cooperate in the fact-finding investigation may choose not to disclose their identity if they believe that disclosure will cause insecurity or any damage. However, if they choose to disclose their identity, it will enable the organization to report progress, clarify facts, or mitigate damages more conveniently and quickly.
    - 4.2 Recipients of complaints must keep related information confidential and disclose it only to the extent necessary, considering the safety and potential harm to the complainant or those who cooperate in the fact-finding investigation, the source of the information, or related individuals.
    - 4.3 If complainants or those who cooperate in the fact-finding investigation believe they may face insecurity or hardship, they may request the organization to establish appropriate protection measures. Alternatively, the organization may establish protection measures for complainants or those who cooperate in the fact-finding investigation without a request if it is deemed that there is a tendency for hardship, damage, or insecurity to occur.
    - 4.4 Those who have suffered damage will receive redress through an appropriate and fair process.
  5. Dishonest Complaints  
If the reporting of clues, complaints, statements, or any information by the informant is done dishonestly, or is done to benefit or harm the accused, if the informant is a company employee, they will receive appropriate disciplinary and legal penalties. If the informant is an external party and causes damage to the company, the company will take legal action as deemed appropriate.
  6. Remedial Measures and Compensation for Damages  
In the event that employees or stakeholders suffer damage from a violation of legal rights, the company is willing to listen to comments or complaints and will promptly correct any deficiencies or impacts that occur. It will also seek measures to prevent such incidents from recurring and will consider providing appropriate compensation to those who have been wronged, based on the circumstances and merits of the case.





## Principle 7

### Ensure Disclosure and Financial Integrity

The Board of Directors shall be responsible for ensuring appropriate preparation and disclosure of financial statements and other important information in sufficient, fair and timely manner under the related standards and guidelines.

#### 7.1 Maintenance of financial integrity

- (1) The Company designates the Accounting and Finance Department as the preparer and discloser of financial information, specifying qualifications to ensure they possess the knowledge, skills, and experience appropriate to their duties and responsibilities, and that there is a sufficient number of personnel. The Company designates those responsible for disclosing financial information as the Chief Executive Officer, the highest-ranking executive in accounting and finance, the Company Secretary, and Investor Relations.
- (2) The Company puts importance on financial integrity. In financial statements disclosure, the following factors shall be considered:
  - (a) Assessment results of internal control system
  - (b) The auditor's opinions in the financial statements, remarks of the auditors related to the internal control system and remarks of the auditors through other communication channels (if any)
  - (c) Audit Committee's opinions
  - (d) Conformity to the Company's objectives, goals, strategies, and policies
- (3) The Company shall determine accurate, complete and accountable transaction records in accordance with generally accepted accounting standards and other related laws. Related persons shall adhere to integrity and ethics of their duties as follows:

##### Accuracy of transaction records

- (a) All transaction records of the Company shall be accurate, complete and accountable without any restrictions or exemptions.
- (b) Records of accounting or business transactions shall be true and not be falsified for whatever reasons.
- (c) All employees shall operate the business in compliance with the Company's rules and regulations, have complete evidential documents indicating useful and sufficient details for related employees to record and make accounting and financial reports or record in the Company's accounting system with accurate and complete details.

##### Accounting and financial reports

- (a) All employees shall not deviate or falsify information both accounting transactions or operational transactions.
- (b) All employees shall realize that accuracy of accounting and financial transactions are common liabilities of directors, executives and employees in charge of accounting and financial tasks.
- (c) All employees shall be responsible for operation, preparation and/or provision of accurate note to financial statements to accounting and financial officers.

##### Compliance with the law



- (a) All employees shall comply with the rules and regulations stipulated in the applicable laws of Thailand and/or other countries to ensure correctness and completeness of accounting and financial preparation and records.
- (b) All employees shall adhere to integrity, be non-biased, and be honest in recording information. Integrity shall include non-involvement in illegal or unethical activities.

## **7.2 Monitoring and Assessing the Company's Financial Position**

The Company's Board of Directors monitors and assesses the Company's financial position, overseeing the adequacy of financial liquidity and the Company's ability to repay debts, with the following guidelines:

- (1) Establish financial management policies, oversee the Company's adequate financial liquidity, ability to repay debts, and mechanisms for operating in the event of financial problems. Authorize the management to manage finances and establish the Company's provident fund to support employees in saving money for future use.
- (2) Require the management to monitor and assess the Company's financial position and report regularly to the Board of Directors. The Board of Directors and the management shall jointly seek solutions promptly if there are early warning signs of financial liquidity problems and the ability to repay debts.
- (3) In approving any transaction or proposing an opinion for the shareholders' meeting to approve, the Board of Directors must ensure that the transaction will not affect the continuity of operations, financial liquidity, or the ability to repay debts.

## **7.3 Financial Problem Solving Guidelines**

The Board of Directors oversees the business operations to be conducted with caution and closely monitors the Company's performance to meet the set targets, ensuring that the Company has good operating results, is profitable, and has sufficient liquidity to pay debts and dividends to shareholders continuously. However, business operations involve risks. If the Company experiences financial problems or is likely to experience financial problems, the Board of Directors must ensure that the Company has plans or mechanisms to solve the problems, taking into account the rights of stakeholders, with the following guidelines:

- (1) In preparing the business plan, strategies, and annual budget, risk assessment must be conducted to ensure that the plan meets the set targets.
- (2) In the event that the Company experiences financial problems or is likely to experience financial problems, the management must define a plan to solve the financial problems or have other reasonable ways to solve the financial problems, taking into account fairness and the rights of all stakeholders, including financial creditors.
- (3) The management must assess and monitor the financial problem-solving according to the plan and report the status to the Board of Directors regularly until the problem-solving is successful.

## **7.4 Information disclosure**

The Board of Directors shall ensure the disclosure of information about the Company either financial or non-financial reports in accordance with the requirements of Securities and Exchange Commission and the Stock Exchange of Thailand and other information in accurate, complete, timely, and transparent through the Company's website which is easily accessible, fair and reliable.



### Information Disclosure policy

Disclosure of information to the third party shall be appropriate, timely, not misleading, and sufficient for information users to make decisions. The information shall be equitably assessable and updated regularly through the determined channels to protect key information and the information which affect the Company's securities prices.

### Communication Policy

Communication of information that can be disclosed according to the disclosure policy is defined, which is necessary information that is accurate, clear, timely, and fair to all parties, while refraining from using inappropriate words or formats that may cause misunderstanding of the Company's securities, including communication to ensure understanding throughout the organization in complying with the policy.

#### 7.4.1 Information Disclosure Guidelines

- (1) The Company has a policy to disclose important information accurately, not misleading, and sufficient for investors' decision-making, through the Company's website **www.tcm-corporation.com**, in both Thai and English, so that information users can access information equally, and information is kept up-to-date.
- (2) The Company requires the disclosure of the Company's goals or strategies in Form 56-1 One Report.
- (3) The Company requires the disclosure of information in Form 56-1 One Report in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- (4) The Company requires the Board of Directors to prepare a report on the Board of Directors' responsibility for the financial reports, displayed alongside the auditor's report in Form 56-1 One Report.
- (5) The Company requires the preparation of Management Discussion and Analysis (MD&A) to accompany the disclosure of financial statements for each quarter and annually, in order for investors to receive information and better understand the changes that occur in the financial position and operating results, in addition to the numerical data in the financial statements alone.
- (6) The Company requires the disclosure of audit fees and other expenses that the auditor provides services for in Form 56-1 One Report.
- (7) The Company requires the disclosure of the role and duties of the Board of Directors and sub-committees, the number of meetings, and the number of times each director attended meetings in the past year, and opinions from performing duties, including professional training and knowledge development in Form 56-1 One Report.
- (8) The Company requires the disclosure of the policy for paying remuneration to directors and senior management that reflects the duties and responsibilities of each person, including the form or nature of remuneration, including remuneration each director receives from being a director of a subsidiary (if any).

#### 7.4.2 Use of Technology in Information Dissemination

The Board of Directors encourages the use of information technology in disseminating information, in addition to disseminating information according to the criteria set and through the channels of the Stock



Exchange of Thailand. The Board of Directors considers disclosing information in both Thai and English through other channels regularly to present current information, such as on the Company's website.

## 7.5 Sustainable Development Report

The Company conducts business under the code of conduct and ethics in business operations, adheres to responsibility and respects the rights of all stakeholders, both inside and outside the Company, as well as responsibility towards the community and environment, to ensure that the rights under the relevant laws of the stakeholders are protected, cared for fairly, equally, and beneficially to all stakeholders, to create sustainable value for the business.

- (1) The Company has defined a sustainable development policy to be used in managing the business in the same direction according to the organizational culture as follows:
  - (1.1) Environmental Responsibility: The company is committed to reducing its carbon footprint, conserving natural resources, and minimizing waste in all operations. The company will continuously research and apply innovative technologies and best practices to drive the business towards the Bio Economy, Circular Economy, and Green Economy to achieve the Net Zero target by 2050.
  - (1.2) Social Responsibility: The company believes in treating all stakeholders with fairness, respect, and dignity. We are committed to promoting gender equality, diversity, and inclusion in the workplace and will operate to support our surrounding communities.
  - (1.3) Economic Responsibility: The company recognizes that sustainable business practices are not only the right thing to do, but also good for business. The company will strive to balance economic and environmental goals, recognizing that both are interdependent.
  - (1.4) Transparency and Good Governance: The company believes in conducting business with transparency and accountability. The company will ensure that our business operations are open, honest, and responsible to all stakeholders.
- (2) The Board of Directors requires the disclosure of the sustainable development report in Form 56-1 One Report and on the Company's website [www.tcm-corporation.com](http://www.tcm-corporation.com).

## 7.6 Investor Relations Work

The Board of Directors requires the management to appoint investor relations to act as a communicator with shareholders and other stakeholders such as investors, analysts, appropriately, equally, and timely, as follows:

- (1) Define a communication policy and a disclosure policy to ensure that communication and disclosure of information to external parties is appropriate, equal, timely, through designated channels to protect confidential information and information that affects securities prices, including communication to ensure understanding throughout the organization in complying with the policy.
- (2) Appoint the Chief Executive Officer to oversee the investor relations department, which is responsible for providing information to external parties, with qualifications to be suitable for performing duties, understanding the Company's business, including the main objectives, core goals, organizational values, and being able to communicate with the capital market well.
- (3) Define the direction and support investor relations activities, such as providing guidelines for providing information, policies for managing information that affects securities prices,



including defining the duties and responsibilities of investor relations clearly, to ensure that communication and disclosure of information is efficient.

- (4) Promote the use of information technology in disseminating information, in addition to disseminating information through the channels of the Stock Exchange of Thailand, the Company requires the disclosure of information in both Thai and English regularly through the Company's website **www.tcm-corporation.com**.
- (5) Define that the investor relations department must perform duties by adhering to the ethics of investor relations as follows:
  - (5.1) Perform duties with honesty, integrity, fairness, and responsibility.
  - (5.2) Disclose necessary information and news accurately, clearly, timely, and fairly to all parties, while refraining from using inappropriate words or formats that may cause misunderstanding of the Company's securities.
  - (5.3) Provide opportunities for all relevant parties to access and inquire about information.
  - (5.4) Prohibit the presentation of information that affects the Company's securities prices or may affect investment decisions or affect the benefits of shareholders before official dissemination to the Stock Exchange of Thailand.
  - (5.5) Prohibit the disclosure of information that is not yet finalized or is under negotiation, which is uncertain or an exaggeration.
  - (5.6) Perform duties by prioritizing the interests of shareholders and stakeholders.
  - (5.7) Build confidence, enhance the Company's image and positive attitude, as well as build good relations with all stakeholders.
  - (5.8) Maintain the Company's confidentiality and avoid any actions or seeking benefits that would benefit oneself by using the Company's internal information.
  - (5.9) Perform duties with full knowledge and ability, be professional, and diligently seek knowledge to develop work efficiency regularly.
  - (5.10) Comply with the guidelines for not meeting with investors or analysts during the period close to the announcement of financial statements and the guidelines for trading shares that the Company has set.
  - (5.11) Do not buy or sell the Company's shares during the 30-day period before and after the announcement of operating results.
  - (5.12) Operate in accordance with the rules, regulations, and related laws, including regulatory agencies.
- (6) Contact with investor relations can be made at Email: [ir@tcm-corporation.com](mailto:ir@tcm-corporation.com).





## Principle 8

### Ensure Engagement and Communication with Shareholders

The Board of Directors shall ensure that all shareholders can take part in making decision on the Company's important matters.

#### 8.1 Shareholders' meeting

Including:

- (a) **Annual General Meeting of Shareholders:** Held annually within 4 months from the end of the Company's accounting period.
- (b) **Extraordinary General Meeting of Shareholders:** Held to consider urgent important matters, such as matters that the law requires to be approved by a resolution of the shareholders' meeting before proceeding, such as capital increase, investment, debenture issuance, sale or transfer of all or significant parts of the Company's business to other persons, or purchase or acquisition of a business from another company, and amendment of the Company's memorandum of association or articles of association, etc.

In organizing shareholders' meetings, the Company emphasizes the importance of shareholders, who have ownership rights in the business, by overseeing the business through the appointment of directors to act on their behalf, and have the right to make decisions regarding significant changes. The Company will not take any action that violates or diminishes the rights of shareholders and encourages all shareholders to exercise their basic rights as stipulated by law, with the following procedures for managing shareholders' meetings:

##### 8.1.1 Important matters to be added into the meeting agendas

The Board of Directors emphasizes the importance of proposing matters to be included in the agenda of the shareholders' meeting, both in matters prescribed by law and issues that may affect the direction of the Company's operations, which must be considered and/or approved by the shareholders' meeting.

##### 8.1.2 Supporting minority shareholders' participation

The Company has a policy to ensure equal rights for all shareholders, especially minority shareholders. One measure is to grant shareholders the right to propose agenda items for the shareholders' meeting and to propose the appointment of new directors in advance. The regulations established for this purpose grant rights to shareholders in addition to the rights that shareholders have under the Company's articles of association and related legal provisions, by disclosing the criteria and methods of proposal on the Company's website and providing the opportunity to propose within three months before the end of the annual financial statements, from October to December of each year. If the Board of Directors rejects the matters proposed by the shareholders to be included in the agenda, the Board of Directors will notify the reasons to the shareholders' meeting.

##### 8.1.3 Shareholders' meeting invitation

The Company shall ensure that the shareholders' meeting invitation is sent out along with related documents and disclosed on the Company's website at least 30 days prior to the meeting date in both Thai and English version for shareholders to take sufficient time to study. The invitation shall contain

- (1) Date, time and venue of the shareholders' meeting.



- (2) Agenda items, specifying whether they are for acknowledgment or approval, and clearly dividing them into separate issues. For example, in the agenda related to directors, separate the appointment of directors on an individual basis and the approval of directors' remuneration, separating the Board of Directors and sub-committees, and separating the types into monthly remuneration and annual bonus for each agenda item, etc.
- (3) Specify the objectives, reasons, and opinions of the Board of Directors in each proposed agenda item, including:
  - (a) Agenda of dividend payment approval shall indicate the dividend payment policy, payable dividend rate, and rationales and supporting information. In case of suspension of dividend payment, appropriate rationale and information shall also be provided.
  - (b) Agenda for appointment of directors shall indicate name, educational background, and work experience, rules and procedures of nomination. In case of re-appointment, information about meeting attendance in the previous year and the date of re-appointment shall be given.
  - (c) Agenda for director remuneration approval shall indicate policy and rules for determination of remuneration for each position and all forms of remuneration both financial and non-financial.
  - (d) Agenda for auditor appointment shall indicate name of the auditor, affiliated company, work experience, independence of the auditor, audit fee, and other expenses.
- (4) A proxy form as prescribed by the Ministry of Commerce.
- (5) Other information for the meeting, such as voting procedures, counting and notification of votes, rights of each type of share in voting, information of independent directors that the Company proposes as proxies for shareholders, documents that shareholders must present before entering the meeting, documents for proxy, and a map of the meeting venue, etc.

#### 8.1.4 Shareholders' meeting arrangement

##### (a) Pre-meeting activities

- (1) The Company has a policy to support or encourage all groups of shareholders, including institutional shareholders, to attend the shareholders' meeting.
- (2) The Company provides a website to present important information, news, such as quarterly and annual financial reports, Form 56-1 One Report, including the invitation to the shareholders' meeting, which includes information specifying the date, time, place, agenda items, information to support decisions in each agenda item, rules used in the meeting, and complete voting procedures, which is the same information provided to shareholders in document form. The information is published on the Company's website at least 30 days before the meeting to allow shareholders sufficient time to study the information.
- (3) The Company has provided opportunities and granted rights to shareholders to propose agenda items for the shareholders' meeting on matters that they deem important and to propose the names of qualified individuals for appointment as new directors in advance, at least 3 months before the end of the accounting year (from October 1 to December 31 of each year), with clearly defined procedures through the Company's website.





- (4) The Company provides opportunities and grants rights to shareholders to send questions related to the meeting agenda in advance, at least 3 weeks before the date of the shareholders' meeting, through the Company's website.
  - (5) The Company has supported shareholders in using a proxy form that allows shareholders to specify the voting direction and has nominated at least 1 independent director as an option for shareholders' proxy.
- (b) Process on shareholders' meeting day
- (1) The Company determines the date, time, and place of the meeting, taking into account the convenience of shareholders in attending the meeting, such as setting an appropriate and sufficient meeting time for discussion and a meeting place that is convenient for travel, etc.
  - (2) The Company requires shareholders or proxies to bring documents or evidence of identity as specified in the invitation to the meeting, which is in accordance with the guidelines of the relevant regulatory agencies.
  - (3) The Company has used technology in the shareholders' meeting, including shareholder registration, vote counting, and display of results, to enable the meeting to be conducted quickly, correctly, and accurately. The voting methods and vote counting for each agenda item have been notified to the shareholders before the start of the shareholders' meeting.
  - (4) The Company has clarified the meeting procedures, voting methods, vote counting methods, and announced the number of shares and the proportion of shareholders attending the meeting in person and shareholders by proxy before the start of the meeting.
  - (5) The Chairman of the Board of Directors is the chairman of the shareholders' meeting, responsible for ensuring that the meeting is conducted in accordance with the law, relevant regulations, and the Company's articles of association, allocating appropriate time for each agenda item specified in the meeting invitation, and providing opportunities for shareholders to express opinions and ask questions at the meeting on matters related to the Company.
  - (6) The Company has stipulated that all directors and relevant executives attend the meeting so that shareholders can ask questions on various related issues.
  - (7) The Company encourages the use of ballot cards in important agenda items, such as related transactions, acquisitions, or disposals of assets, etc., for transparency and verifiability in the event of disputes later.
  - (8) The Company requires shareholders to exercise their right to appoint directors on an individual basis in the agenda item for the appointment of directors and provides opportunities for shareholders to ask questions about the meeting agenda appropriately.
  - (9) The Company avoids adding other agenda items that were not specified in advance in the shareholders' meeting, as it is unfair to shareholders who did not attend the meeting.
  - (10) The Company promotes the appointment of independent individuals to count or verify the votes in the meeting and discloses the results of the votes in favor, against, and abstentions in each agenda item to the meeting and records them in the meeting minutes.
- (c) Post-meeting procedures



- (1) The Company has prepared the minutes of the shareholders' meeting to be accurate and complete, for publication on the Company's website, in both Thai and English, which summarizes the key points as follows:
  - (1.1) Record of clarification of meeting procedures, voting methods, vote counting methods, and announcement of the number of shares and the proportion of shareholders attending the meeting in person and shareholders by proxy before the meeting.
  - (1.2) Record of the names of directors and executives attending the meeting and the percentage of directors attending and not attending the meeting.
  - (1.3) Record of the meeting resolutions and the results of votes in favor, against, abstentions, and invalid ballots for each agenda item.
  - (1.4) Summary of questions and answers at the meeting, including the names of the questioners and respondents.
- (2) The Company has disclosed the resolutions of the shareholders' meeting, along with the voting results, on the next working day following the shareholders' meeting, by notifying through the Stock Exchange of Thailand and on the Company's website.
- (3) The Company has sent a copy of the minutes of the shareholders' meeting to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.
- (4) The Company has complied with the guidelines for assessing the quality of the shareholders' meeting (AGM Checklist) prepared by the Thai Investors Association.
- (5) The Company organizes a factory visit activity at least once a year to provide opportunities for shareholders or analysts to participate in viewing the Company's operations.

## 8.2 Communication with shareholders

The Company provides a website to communicate important information and news between the Company and external parties, such as shareholders, institutional investors, analysts, and general investors, and provides opportunities for all groups to access and inquire about information equally, with the following guidelines:

- (1) Communication of important information and news: The types of information have been defined to communicate to all relevant parties to receive information equally, in various forms, such as investor information, marketing information, and general information, to suit each group and not disadvantage or deprive any group of investment opportunities.
- (2) The Company defines the nature of the content and information in communicating information to ensure equal understanding among all relevant parties, such as information must be accurate and factual, and financial information must be approved by the Audit Committee and the auditors, so that investors can assess its importance, and use language that is easily understood by the general public.
- (3) Information that has been communicated to the public can be used to answer questions or provide additional information to interested parties, which must be done equally, without discrimination, and approved by the Company's authorized personnel.
- (4) Information communication: In the event of issues that cause misunderstanding and require clarification, the Chief Executive Officer will clarify the information through the Stock Exchange of Thailand's system so that all relevant parties are aware, to prevent the problem of unequal access to information.





### **8.3 Dividend payment**

The Board of Directors has established the Company's dividend payment policy in accordance with the Company's articles of association and relevant laws as follows:

#### **Dividend payment policy**

The Company shall maintain the policy on dividend payment in accordance with the proportion of rights at the rate of over 60 percent of the net profit after deduction of income tax and reserve as required by the law on separate financial statements when the Company obtains benefits without retained loss and have good financial liquidity.





## Appendix Definitions

**Company** refers to TCM Corporation Public Company Limited.

**SEC** refers to the Securities and Exchange Commission.

**Related Party Transactions** refers to transactions between the Company or its subsidiaries with directors, executives, or related persons under the laws governing securities and the stock exchange.

**Related Persons** refers to related persons according to the Stock Exchange of Thailand's regulations and includes persons related under Section 89/1 of the Securities and Exchange Act B.E. 2535, as amended by the Securities and Exchange Act (No. 4) B.E. 2551, which means:

- a. Directors of a juristic person with the power to control the company's business.
- b. Spouses, children, or legally adopted children who are not yet of legal age of the directors according to (a).
- c. Juristic persons that the persons according to (a) or (b) have the power to control their business.
- d. Any person who acts with the understanding or agreement that if the company engages in a transaction that provides financial benefits to that person, the following persons will also receive financial benefits, but only for that transaction:
  - (1) Directors of the company.
  - (2) Executives of the company.
  - (3) Persons with the power to control the company's business.
  - (4) Directors of persons with the power to control the company's business.
  - (5) Spouses, children, or legally adopted children who are not yet of legal age of the persons according to (1)(2)(3) or (4).

**Parent Company** means:

- a. A company that holds shares in the company exceeding 50% of the total number of shares with voting rights of the company.
- b. A company that holds shares according to (a) exceeding 50% of the total number of shares with voting rights of that company.
- c. A company that holds shares in a tiered manner, starting from a company that holds shares in the company according to (b), where the shareholding of that company in each tier exceeds 50% of the total number of shares with voting rights of the company being held.
- d. A company that holds shares in the company, whether directly or indirectly, totaling more than 50% of the total number of shares with voting rights of the company.
- e. The shareholding of the company or of the company according to (a), (b), (c), or (d) shall include shares held by related parties.

**Subsidiary Company** means:

- a. A limited company or a public limited company that the company has the power to control its business.
- b. A limited company or a public limited company that the subsidiary company according to (a) has the power to control its business.





- c. A limited company or a public limited company that is under the power to control business in a tiered manner, starting from being under the power to control business of the subsidiary company according to (b).

**Associated Company** means:

- a. A company that the company or its subsidiary holds shares totaling from 20% but not exceeding 50% of the total number of shares with voting rights of the company being held.
- b. A company that the company or its subsidiary has the power to participate in deciding on the financial and operational policies of the company, but not to the extent of controlling those policies, and is not considered a subsidiary or a joint venture.
- c. The shareholding of the company or its subsidiary shall include shares held by related parties.

**Same-Level Subsidiary Company** means two or more subsidiary companies at the same level that have the same parent company.

**Major Shareholder** means a shareholder, whether directly or indirectly, holding shares in the company exceeding 10% of the total number of shares with voting rights of the company. The shareholding shall include shares held by related parties.

**Power to Control Business** means:

- a. Holding shares with voting rights in a juristic person exceeding 50% of the total number of voting rights of that juristic person.
- b. Having the power to control the majority of votes at the shareholders' meeting of a juristic person, whether directly or indirectly, or for any other reason.
- c. Having the power to appoint or remove half of the total number of directors, whether directly or indirectly.

**Related Person** means an individual or a partnership that has a relationship with any person in any of the following manners:

- a. Spouse of that person.
- b. Child who is not yet of legal age of that person.
- c. Ordinary partnership in which that person or the person according to (a) or (b) is a partner.
- d. Limited partnership in which that person or the person according to (a) or (b) is a partner with unlimited liability or is a limited partner holding shares totaling more than 30% of the total shares of the limited partnership.
- e. Limited company or public limited company in which that person or the person according to (a) or (b) or the partnership according to (c) or (d) holds shares totaling more than 30% of the total number of shares sold of that company.
- f. Limited company or public limited company in which that person or the person according to (a) or (b) or the partnership according to (c) or (d) or the company according to (e) holds shares totaling more than 30% of the total number of shares sold of that company.
- g. Juristic person that that person can manage as a representative of the juristic person.

**Director Involved in Management** means a director who holds a position as an executive, a director who is responsible for any operations like an executive, including a director with the power to sign binding





documents, except when it can be shown that it is a signing according to a matter that the board of directors has resolved to approve and is a signing jointly with other items.

**Independent Opinion** means expressing an opinion or reporting freely according to the assigned mission, without regard to any benefits related to assets or positions, and not being under the influence of any person or group of persons, including not being in any situation that would force one to be unable to express an opinion as one should.

**Internal Control** means the processes, organizational plans, work systems, and methods within the organization that are designed by the company's board of directors and the organization's executives, with the main objective of providing reasonable assurance regarding:

- a. The reliability and completeness of information.
- b. Compliance with policies, plans, methods, laws, and regulations.
- c. Care, protection, and safeguarding of the company's assets.
- d. Economical and efficient use of resources, and achievement of the objectives and goals of operations or assigned plans.

**Significant Shareholder** means a shareholder in any business holding shares exceeding 10% of the total number of shares with voting rights of that business, and the shareholding shall include shares held by related parties.

**Human Rights** means:

- a. Respect: Maintaining personal safety, freedom from harassment or oppression, freedom of association.
- b. Equality: Equal opportunities regarding race, skin color, religion, gender, nationality, sexual orientation, or disability.
- c. Dignity of Labor: Humane working environment, employee health and safety, freedom from forced labor and child labor.

**Freedom of Association** means colleagues have the right to associate, communicate, and establish organizations for work-related purposes, in accordance with the company's laws, policies, and work processes.

**Humane Working Environment** means a working environment that is safe, hygienic, and clean, with sufficient lighting, clean drinking water, sufficient restrooms, fire exits, and necessary safety equipment in case of fire. Emergency first aid kits and participation in emergency response plans, both fire and medical.

**Corruption** means bribery in any form, by offering, promising, giving, pledging, demanding, or accepting money, assets, services, or any other inappropriate benefits to government officials, government agencies, private sector agencies, or individuals with duties, whether directly or indirectly, to induce such individuals to act or refrain from acting in a manner that obtains or retains business, or recommends business to the company in particular, or to obtain or retain any inappropriate business benefits, except in cases where laws, rules, announcements, regulations, local customs, traditions, or commercial practices allow.

**Dishonesty** means seeking benefits improperly by duty or law by directors, executives, and employees, whether of the company, customers, or the company's trading partners or contracting parties, such as





falsifying financial documents, using company assets for personal use, embezzlement, misappropriation, fraud, actions that involve conflicts of interest, etc.

### **Securities and Exchange Act B.E. 2535**

#### **Section 89/7**

In the conduct of the company's business, directors and executives must perform their duties with responsibility, caution, and integrity, and must comply with the law, the company's objectives, articles of association, and the resolutions of the board of directors, as well as the resolutions of the shareholders' meeting.

#### **Section 89/8**

In performing duties with responsibility and caution, directors and executives must act like a prudent person in such business would under the same circumstances. If any director or executive can prove that, at the time of considering the matter, their decision had the following characteristics, it shall be deemed that the director or executive has performed their duties with responsibility and caution according to paragraph 1:

- (1) The decision was made in good faith and reasonably believed to be for the best interest of the company.
- (2) The decision was made based on information believed in good faith to be sufficient.
- (3) The decision was made without any personal interest, whether direct or indirect, in the matter being decided.

#### **Section 89/9**

In considering whether each director or executive has performed their duties with responsibility and caution, the following factors shall also be taken into account:

- (1) The position held by that person in the company at that time.
- (2) The scope of responsibility of that person's position in the company, as defined by law or as assigned by the board of directors.
- (3) Qualifications, knowledge, abilities, and experience, including the objectives of the business.

#### **Section 89/10**

In performing duties with honesty and integrity, directors and executives must:

- (1) Act in good faith for the best interests of the company as a priority.
- (2) (Act with lawful and appropriate objectives and refrain from any actions that significantly conflict with the company's interests.