



# Policy, Criteria, and Procedure of Nominating and Determining Remuneration

To comply with the good corporate governance policy of the Company and the good corporate governance principles of the Stock Exchange of Thailand, regarding the nominating and determining remuneration of directors, the Company must proceed in a transparent and fair manner for every groups of stakeholders as well as for the organization's effectiveness. The Board of Directors has appointed a sub-committee, which is the Nomination, Remuneration and Corporate Governance Committee, consisting of 3 members with a three-year tenure. They shall be responsible for promoting good corporate governance, responsible for determining the criteria and policy for nominating and determining remuneration of directors, subcommittee, and chief executive, responsible for nominating, selecting and nominating appropriate persons to serve as the company's directors, responsible for determining remuneration of directors, as well as performing other tasks as assigned and presenting to the Board of Directors and/or the shareholders' meeting, as the case may be.

In nominating Board of Directors, the Nomination, Remuneration and Corporate Governance Committee shall make a consideration as the following guidelines.

## 1. Qualifications

### 1.1 Qualifications of Director

- A director shall have qualifications according to the requirements of the Securities and Exchange Commission, shall have no prohibited properties under the law on public limited company, as well as shall not have any characteristic indicating that he lacks of reliability to manage public affairs of the shareholders as prescribed by the Securities and Exchange Commission.
- A director shall be knowledgeable, honest, ethical in business operation, and have mastership and ability to perform duties for the Company.
- A director shall be unable to operate as a partner or to be a director in another company with the same status and compete with the Company's business whether for his own benefit or for the benefit of others unless notified to the shareholders' meeting prior to the appointment.
- An executive director is a director who participates in the management of the Company on a full-time basis and earn a monthly return from the Company in the form of salaries or other benefits that are comparable to salaries.

- A director shall notify the Company without delay when there are following cases.

(1) Having any interest, directly or indirectly, in any contract made by the Company during the fiscal year, the director shall identify the facts about the nature of the contract, the name of the counterparty and the interest of the director in the contract (if any).

(2) Holding shares or debentures in the Company and its subsidiaries, the director shall indicate the total increasing or decreasing during the fiscal year (if any).

## 1.2 Qualifications of Independent Director

The Company has defined the definition of an independent director as a Non-Executive Director who is not related to the daily management and not a major shareholder of the Company. The company has set its qualifications equal to the minimum requirements of the SEC and the SET. The persons nominated as independent directors of the Company are qualified according to the following definitions:

- (1) Holding no more than 1% of the total number of voting shares of the Company, its parent company, subsidiary, associated company or juristic person with possible conflict of interest, including shares held by related persons.
- (2) Not being nor having ever been a director involving in management, a staff, an employee, a consultant who receive a regular salary, or a controlling authority of the Company, its parent company, subsidiary, associated company, equivalent subsidiary, or juristic person with possible conflict of interest, unless he has been removed from the above properties for not less than 2 years prior to the date of submitting application to the SEC.
- (3) Not being a person who has a blood relationship or is legally registered in the manner of a father, mother, spouse, sibling or child, including spouse of a child, an executive, a major shareholder, a controlling person, or a person to be proposed to be an executive or a controlling person of the Company or its subsidiaries.
- (4) Not having nor having ever had a business relationship with the Company, its parent company, subsidiary, associated company or juristic person with possible conflict of interest in a manner that may obstruct the use of his independent judgment; as well as, not being nor having ever been a major shareholder, a non-independent director or executive or a person who has any business relationship with the Company, its parent company, subsidiary, associated company or juristic person with possible conflict of interest, unless he has been

removed from the above properties for not less than 2 years prior to the date of submitting application to the SEC.

- (5) Not being nor having ever been an auditor of the Company, its parent company, subsidiary, associated company or juristic person with possible conflict of interest; not being a major shareholder, a non-independent director, an executive or managing partner of any audit firm that any auditor of the Company, its parent company, subsidiary, associated company or juristic person with possible conflict of interest is affiliated with, unless he has been removed from the above properties for not less than 2 years prior to the date of submitting application to the SEC.
- (6) Not being nor having ever been a professional service provider, a legal advisor or a financial advisor receiving service fee of more than 2 million baht per year from the Company, its parent company, subsidiary, associated company or juristic person with possible conflict of interest. In case the professional service provider is a juristic person, this includes being a major shareholder, a non-independent director, an executive or managing partner of such professional service provider, unless he has been removed from the above properties for not less than 2 years prior to the date of submitting application to the SEC.
- (7) Not being a director appointed to represent the Company's directors, major shareholders or shareholders, who are related to the major shareholders of the Company.
- (8) Not having other properties that make it impossible to express an independent opinion about the Company's operations.
- (9) Not operating any business that has same conditions and significant competition with the business of the applicant or subsidiary; not being a significant partner in any partnership; not being a director who is involved in management, a staff, an employee, a consultant who receives monthly salary; holding no more than 1% of the total number of voting shares of other companies operating the business with the same nature and being a significant competitor to the business of the applicant or subsidiary.
- (10) Each independent director holds the position of independent director for not more than 9 years.

## **2. Criteria and Procedure of Nominating Director and Sub-Committee**

- 2.1 The Company allows minority shareholders to nominate any person to the Nomination, Remuneration and Corporate Governance Committee for their consideration and presentation in the board meeting.

- 2.2 The Company shall inquire the willingness of the independent directors who retired at the end of tenure and shall inquire the intention of the major shareholders to nominate representatives.
- 2.3 The Nomination, Remuneration and Corporate Governance Committee shall screen before submitting the list to the board of directors for their consideration and presentation to the shareholders' meeting. Then, the directors will be elected based on the qualification required by the relevant laws, the Company's regulations, and the charter of the Board of Directors.
- 2.4 Those with skills, professional experience, specific qualifications in a variety of areas, which the board is lacking and which is essential for the business of the company will be given priority without limiting or discriminating between gender and race or any difference to ensure that the composition of the Board is complete and of the utmost benefit of the Company.
- 2.5 The appropriateness of knowledge, experience, ability, usefulness to the company, and experience in the business or industry that the company is operating on will be considered so that the board of directors of the Company has all qualifications required. Board Skill Matrix is designed to help ensure that nominating directors shall be aligned with the Company's business direction, strategy, financial law, international business economics, accounting, engineering, and to merge knowledge and skills that are beneficial to the Company's operations.
- 2.6 Dedication of the director shall be considered. Any returning director may be considered by the performance during the tenure. The number of companies for which each director will serve as the company's director, which is a listed company, should not exceed 3 companies. This is to ensure that performance shall be not compromised.
- 2.7 In the case of the appointment of an independent director, it shall consider the independence of the proposed person in accordance with the Company's regulations mentioned above.
- 2.8 Performance in the past year (if any)



4. Criteria and Procedure of Determining Remuneration of the Board of Directors, Sub-Committee, Managing Director and Chief Executive Officer

3.1 To determine remuneration of directors, the following should be considered.

- Remuneration should be in line with the obligations, responsibilities, contributions, and comparisons with companies in similar businesses and benefits expected from the directors. Such remuneration should be at the appropriate level and sufficient to attract and retain qualified directors. It must be proposed to the Board of Directors for consideration and submission to the shareholders meeting for approval.

3.2 Remuneration consists of 3 parts as follows.

- Meeting Allowance: To reflect the work of the directors and to motivate the directors to perform their duties by regular attendance.
- Monthly Remuneration: To reflect the duties and responsibilities of the directors
- Annual Remuneration: To reflect the performance of the directors

Approved by the Board of Directors' Meeting  
No. 2/2561 held on February 22, 2018