

Policy, Criteria and Methods for Nomination and Remuneration of Directors and Senior Executives

To comply with the Corporate Governance Policy of the Company and the Stock Exchange of Thailand regarding nomination and remuneration of committees to be transparent and fair to all groups of stakeholders, as well as efficiency for the organization, the Board of Directors has appointed a sub-committee which is the Nomination, Remuneration, and Corporate Governance Committee to be responsible for formulating policies, criteria, and methods for nomination and remuneration of board of directors, sub-committees, and senior executives including performing other tasks as assigned and presenting to the Board of Directors and/or the shareholder meeting, as the case may be.

Nomination of directors

Sub-committee considers the qualifications of individuals to be nominated as board of directors, sub-committees, and senior executives as follows.

1. Qualifications of Company Directors

1.1 Qualifications of directors

- 1.1.1 Has the qualifications according to the regulations of the Securities and Exchange Commission and does not have prohibited characteristics according to the law on public limited companies as follows:
 - (1) At the age of majority.
 - (2) Not a bankrupt, incompetent or quasi-incompetent person.
 - (3) Never been imprisoned by a final judgment for an offense involving property that was committed dishonestly.
 - (4) Never been punished, fired or removed from government service or a government organization or agency for dishonesty in performing duties.
- 1.1.2 Do not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing business whose shares are held by public shareholders as specified in the notification of the Securities and Exchange Commission.
- 1.1.3 Be a person with knowledge, ability, honesty, business ethics, morality and responsibility, adhering to working with principles and standards like a professional.
- 1.1.4 Do not operate a business, become a partner or become a director in another juristic person having the same nature and competing with the Company's business, whether for your own benefit or the benefit of others; unless the shareholder meeting is informed before the appointment resolution is made.
- 1.1.5 Executive directors are directors who participate in the management of the company on a full-time basis and receive compensation from the company on a monthly basis in the form of a salary or other compensation similar to a salary.

1.2 Qualifications of Independent Directors

The definition of an independent director of the company is a Non-Executive Director and is not involved in regular management and is not a major shareholder in the company. The company specifies the qualifications for this position to be equal to the minimum requirements of the SEC Office and the Stock Exchange of Thailand. Those nominated to be independent directors of the company must have all the qualifications according to the definitions as follows:

- 1.2.1 Hold shares not exceeding 1% of the total number of shares with voting rights of the company
- 1.2.2 Do not be a director who participates in management, an employee, a staff member, a consultant who receives a regular salary, or a person with controlling power during the previous 2 years. Such prohibited characteristic shall not include the case of retirement from being a civil servant or advisor to the government agency which is the major shareholder or those with controlling authority for less than 2 years.
- 1.2.3 Do not be a person related by blood or legal registration to the director or executive.
- 1.2.4 Do not conduct transactions or be a significant shareholder or controlling person of a legal entity that conducts transactions with the company with a transaction value of \geq 20 million baht or 3% of NTA, whichever is lower, during the previous 2 years.
- 1.2.5 Do not be an auditor of the company, parent company, subsidiary company, associated company, major shareholder or controlling person during the previous 2 years
- 1.2.6 Do not be a provider of other professional services or being a significant shareholder, controlling person or a partner of a legal entity that has provided services with a service value exceeding 2 million baht in the previous 2 years.

* In the case that a person whose qualifications do not comply with Section 1.2.4 and Section 1.2.6, he or she may hold the position of independent director only if the Board of Directors considers Section 89/7 and finds that it does not affect the performance of duties. Independent opinions are given and required information must be disclosed in the shareholder meeting notice.
- 1.2.7 Do not represent company directors, major shareholders or persons related to major shareholders.
- 1.2.8 Do not operate a business that has the same nature and competes with the company and its subsidiaries. Do not hold more than 1% of shares or be a director who participates in management, an employee, a staff member, a consultant who receives a regular salary, or a person with controlling power in the said business.

- 1.2.9 Do not have any other characteristics that prevent him/her from giving independent opinions.
- 1.2.10 Independent directors can be independent directors of companies in the group, but audit committee members are prohibited from being directors of parent companies, subsidiaries, or same-level subsidiaries (sister companies) that are listed companies.
- 1.2.11 After being appointed as an independent director, such independent director may be assigned by the board of directors to make decisions on the operations of the company, parent company, subsidiary company, associated company, sister company, major shareholder or controlling authority through collective decision making, but the Audit Committee is prohibited from participating in operational decisions.
- 1.2.12 Each independent director holds the position of independent director continuously for not more than 9 years, unless there is reason and necessity.

1.3 Qualifications of Senior Executives

- 1.3.1 Be a person with sufficient knowledge, ability and experience in the Company's business for effective management of the Company as well as having honesty and business ethics.
- 1.3.2 Have enough time to devote his knowledge and abilities and perform his/her duties fully for the company.
- 1.3.3 Do not have prohibited characteristics according to the law on public limited companies and the law on securities and exchange and other related laws; and do not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing business whose shares are held by public shareholders as specified in the notification of the Securities and Exchange Commission.

2. **Criteria and Methods for Nomination of Company Directors and Sub-Committees**

In nominating company directors and sub-committees, the following criteria, methods and guidelines are established.

- 2.1 The Company provides an opportunity for small shareholders to nominate persons according to the guidelines set by the Office of the SEC and the Stock Exchange through the Company's website.
- 2.2 Company directors can nominate suitable persons to be directors.
- 2.3 Consider and screen the qualifications of directors specified above and the history of those who will be nominated as directors. Then present the opinion to the Board of Directors to present to the shareholder meeting to appoint the next directors.
- 2.4 Consider the suitability of knowledge, experience, and specific abilities that are beneficial to the company so that the Board of Directors has the required composition. Prepare a Board Skill Matrix so that the nomination of directors is consistent with the direction of the

company's business operations in terms of business, strategy, law, finance, accounting, economics, international business, engineering, to integrate knowledge and abilities that are beneficial to the company's operations, without limiting or segregating gender and race or any other differences, so that the composition of the board of directors is complete and in the best interest of the company.

- 2.5 Inquire about the voluntariness of independent directors who vacate their position upon the expiration of their term of office whether they wish to continue their position for another term or not. In appointing independent directors, the independence of the person nominated to be an independent director should be considered in accordance with the company criteria set out above.
- 2.6 Independent directors should have a continuous term of office not exceeding 9 years from the date of their first appointment as independent directors. In the case of holding office for more than 9 years, reasonable necessity must be considered.
- 2.7 Consider the ability of directors to devote their time. If a former director returns to office for another term, his or her performance during the period of office may be considered. In addition, each director should not hold directorship positions in more than 5 listed companies to ensure that his or her performance will not be impaired.
- 2.8 Proceed to approach individuals whose qualifications are consistent with the specified qualification criteria to ensure that such individuals are willing to accept the position of director of the Company if appointed by shareholders.

3. Criteria and Methods for Nomination of Senior Executives

In recruiting the Chief Executive Officer and Managing Director to fill vacant positions, the nomination committee considers the following criteria:

- 3.1 Qualifications as specified by the company in Section 1.3
- 3.2 Knowledge, abilities in business operations, experience, professionalism, specific qualifications in various fields that are absolutely necessary and most beneficial to the Company's business without conflicts of interest
- 3.3 Experience in the transformer or energy business and organizational management
- 3.4 Experience in leading organizations and high leadership skills
- 3.5 Recognized by relevant business organizations

After completing the screening process, candidates for the position of CEO and Managing Director will be presented to the Board of Directors for further appointment.

4. Criteria and Methods for Remuneration of Board of Directors, Sub-committees, Executive Committee and Senior Executives

- 4.1 Directors' remuneration is subject to the following considerations:

- Consistency and appropriateness of his duties and responsibilities, his/her performance and comparison with companies in similar businesses or in the same industry, as well as the benefits expected from him/her. Such remuneration must be at an appropriate level and sufficient to attract and retain quality directors. Such rates must be proposed to the Board of Directors for consideration and presented to the shareholders' meeting for approval.
- 4.2 There are 3 types of compensation as follows:
- Meeting allowance: to reflect the work of the directors and to motivate them to perform their duties by attending meetings regularly
 - Monthly remuneration: to reflect the duties and responsibilities of directors
 - Annual remuneration: to reflect the performance of directors
- However, all remuneration is subject to operating results.
- 4.3 Senior executive's remuneration is subject to the following considerations:
- Experience, knowledge, ability, and responsibility
 - Duties and goals set by the company
 - Compare remuneration with that of the same industry or group of listed companies listed on the Stock Exchange of Thailand.

Approved by the Board of Directors' Meeting
No. 6/2023 on 9 November 2023
(cancelled the version approved on 22 February 2018)

References

1. Securities and Exchange Act No. 4 B.E. 2008
2. Listed Company Guide: Stock Exchange of Thailand
3. Listed Company Directors' Handbook: Office of the Securities and Exchange Commission
4. Principles of good corporate governance for listed companies in 2017
5. Charter of the Board of Directors
6. Charter of committee nomination, remuneration and corporate governance
7. Additional guidelines on the remuneration committee: Stock Exchange of Thailand
8. Additional guidelines on the nomination committee: Stock Exchange of Thailand
9. Good practices in determining directors' remuneration: IOD
10. Good practices in nominating and appointing directors: IOD

- Attachment -

Board Skill Matrix

Director's name	Knowledge, skills, experience									
	Management, business	Directly related to business	Indirectly related to business	Strategic planning	Law	Accounting and auditing	Finance and investment management	International business	Engineering	Others/ Foreign Affairs/ Economics
Mr.Krirkkrai Jirapaet	/			/	/		/	/		
Mr.Natthaphon Lilawatthananun	/		/	/	/	/	/			
Mrs. Wasara Chotithammarat	/			/		/				
Dr. Kamol Takabut	/		/	/					/	
Mr. Suroj Lamsam	/			/			/			
Mr.Norachit Sinhaseni	/			/	/			/		/
Mr. Poonphiphat Tantanasin	/	/	/	/			/	/	/	
Mr. Ruangchai Kritsnakriengkrai	/	/		/				/	/	
Mr. Monkhol Kittipoomvong	/						/			/
Miss Panita Kuansataporn	/							/		