

### **Corporate Governance, Business Ethics and Charter of the Board of Directors and Committees**

The Board of Directors realizes on the importance of the Good Corporate Governance that is the fundamental factor to enhance business operational standard to create transparency, competitiveness and strengthen the confidence of all shareholders, investors and other related parties for sustainable growth of business. Thus, the Company sets the written Corporate Governance Policy, Business Ethics and Charter of the Board of Directors and Committees in line with the Principles of Good Corporate Governance for Listed Companies and CSR Concept for directors, management and employees under the principle of being a good corporate citizen, who is accountable to employees, customers, shareholders and support to society.

In addition, the Company continuously reviews the Corporate Governance Policy, Business Ethics and Charter of the Board of Directors and Committees and discloses the latest version on the website at [www.samartdigital.com](http://www.samartdigital.com). The Company Secretary Division take a responsibility as a compliance unit to supervise and oversee the operation of the Company, directors and executives to ensure that they are correctly complied with the regulations of the SET, the SEC, the Public Company Limited Act., and other related laws. Please see the Corporate Governance Policy, Business Ethics and Charter of the Board of Directors and Committees at [www.samartdigital.com](http://www.samartdigital.com).

# **Corporate Governance Policy**

**Of**



**Samart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Introduction

Good corporate governance has always been the foremost priority of Samart Digital Public Company Limited in establishing all business guidelines. The Company's Board of Directors has played a key role in initiating a set of policies as well as regulatory frameworks to ensure optimum efficiency and effectiveness for the organization. Therefore, the written Policy of Corporate Governance has been set and approved by the Board since 2005 and have been revised continuously.

Recent social and commercial developments have been accompanied by efforts from the global business community to establish standard principles and practice of good corporate governance that can both win the confidence of stakeholders and support sustainable growth. The Board of Directors was of the opinion that the Company's Corporate Governance Policy needs to be update to reflect this awareness.

Prime objectives of practicing good corporate governance are not only to materialize Company's goals in achieving accountability and transparency in all operations, but also to create and instill ethical mindsets among employees. Such implementation demonstrates the Company's highest standards and its commitment to maintain a robust and sustainable growth. Stability and sheer determination allow the Company to gain acceptance in both domestic and international levels and to bring forth myriad of benefits to stakeholders, our society and country.

-Signature-

Mr. Piyapan Champasut  
Chairman of the Board  
Samart Digital Public Company Limited

## Table of Contents

1. Rights of Shareholders.....	1
2. Equitable Treatment to Shareholders.....	3
3. Attention to Stakeholders.....	4
4. Disclosure and Transparency.....	5
5. Roles and Responsibilities of the Board of Directors.....	7

## 1. Rights of Shareholders

The Company emphasizes and recognizes the importance of the rights of all shareholders equitably. The rights that the Company provides for its shareholders as fundamental are as follows:

- **Rights to get share certificate, sell, purchase or transfer the Company's shares**

Thailand Securities Depository Co., Ltd. ("TSD") has been appointed as the Company's registrar to provide all services for all transactions related to registration of the Company's shares.

- **Rights to propose agenda and send question in advance of the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to the shareholders under the good corporate governance and comply with laws. It is the Company policy to allow the shareholders to propose matter(s) for consideration of the Board of Directors as agenda of the shareholders' meeting. The shareholders are allowed to submit any enquiries concerning the Company's operation prior to the Annual General Meeting of Shareholders. The Company allows the shareholders to propose the matter for consideration as agenda or submit any enquiries at least 3 months prior to the end of the fiscal year. The shareholding proportion of the shareholders entitled to propose the agenda must not less than 4 percent of total number of the voting rights. The Company will notify and disclose contact channels and period for proposing agenda and enquiries via the SET and also provide details of the procedures on the company's website ([www.samartdigital.com](http://www.samartdigital.com)).

- **Participation in the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to participate in the shareholders' meeting, be informed conditions and procedures of meeting as well as having proxy to vote and comment in the meeting on behalf of the shareholders. With realize on convenience to shareholders and to encourage them to attend the shareholders' meeting, the Company is prior to notify and specify date, time and place that comfort the shareholders to participate in the meeting. In addition, the Company is aware of Shareholders' convenience and the rights of shareholders to participate in the meeting are as follows:

### **Before the Meeting Date**

The shareholders will be informed on the date and agenda of the shareholders' meeting via the SET's communication system prior to the meeting date which been complied with the regulations of the SET. At the same time, the Company will also disclose the notice of shareholders meeting as well as related documents in both languages, Thai and English, on the Company's website ([www.samartdigital.com](http://www.samartdigital.com)) not less than 30 days before meeting date for the shareholders to have sufficient time for consideration. Some documents will be directly delivered to the shareholders by TSD, the Company's registrar, at least 7 days or 14 days prior to the meeting date depends on consideration matter that required by law and regulations. The notice of shareholders meeting will contain fact, rationales, an opinion of the Board of Directors for each agenda, conditions and procedures of meeting as well as other related document with sufficient information for shareholders' consideration. Moreover, the notice of shareholders meeting will be published on the newspaper at least 3 consecutive days and at least 3 days prior to the meeting date to be in line with the law.

To facilitate the institutional investors to participate in the shareholders' meeting, the Company tries to contact them in advance to assist them in proxy preparation and registration.

### **On the Meeting Date**

Meeting procedures has been set to conform to laws and considering on shareholders' convenience. The Company is aware of the equitable of shareholders' right and their comfort to participate in the shareholders' meeting. Appropriated technology and equipments are sufficient for registration reviewed on required documents more than 1 hour prior to the commencement of the meeting. In every Shareholders' Meeting, the Board of Directors, Chairman of all committees, the Company's management and external auditors are also present in the meeting in order that the shareholders can ask questions during the meeting. The Chairman of the Board of Directors is Chairman of the meeting will introduce all Board members and the management to the shareholders, declare how to exercise their right and vote before commencement of the meeting to be in line with the agenda without any additional topic from what have been expressed in the invitation letter. Voting cards are provided for significant agenda. Voting result in term of approval, disapproval or abstain for each agenda are transparently presented to the meeting. The shareholders are encouraged to express their opinions and raise any questions either in the agenda or any other questions related to the Company's business in the meeting. All questions and answered are taken in the minutes of meeting as well as the opinions from the shareholders.

### **After the Shareholders' Meeting**

Resolutions of the meeting has been disclosed to the SET with all voting details in approved, disapproved and abstained, of each agenda by the next day after the meeting date. Full minutes of meeting that contained the attendance and absence record of directors and management, significant AGM procedure and related matters, summary of questions and answers during the meeting in both Thai and English, has been sent to SET and related parties within 14 days after the meeting date as well as posted on the Company's website ([www.smartdigital.com](http://www.smartdigital.com)) for verification.

- **Appointment / Dismissal of Directors of the Company and Approve their Remuneration**

According to the Company's Articles of Association, at the Annual General Meeting of Shareholders, one third (1/3) of the Directors has to be retired by rotation. Election for replacement is required. The retired directors are eligible to be re-elected for another term. The election of the Board of Directors shall be in accordance with the rules and procedures as follows:

- Each shareholder shall have one vote on each share.
- In voting, a shareholder shall vote in accordance with the number of votes each shareholder for one or several directors. The said shareholder may not allot any number of his/her votes to any person.
- The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the Chairman of the meeting shall have a casting vote.

Apart from the appointment of Directors, the shareholders also have rights to remove any director from the office before the expiration of his/her term of office by having votes of not less than three quarters (3/4) of the number of shareholders attending the meeting and having the rights to vote. The aggregate number of shares shall be not less than one half (1/2) of the shares held by all the shareholders attending the meeting and having the rights to vote.

In every General Meeting of Shareholders, the shareholders have the rights to consider and approve the remuneration for all directors and members of sub-committees. Adequate Information of all candidates for consideration and appointment as directors or members of committees are delivered to shareholders for consideration.

- **Appointment of Auditors and approval of their remuneration**

In every Annual General Meeting of Shareholders, one of the agenda is the appointment of Company's auditors and consideration of their remuneration. The Company will propose name of the auditors with sufficient details and remuneration for consideration of the shareholders.

- **Regularly and timely obtained adequate information, business performance and management policy**

The Company concerns on Shareholders' rights and not only disclosed Company's information via the SET's communication system but also posted all significant and updated information on the Company's website ([www.samartdigital.com](http://www.samartdigital.com)).

- **Profit Sharing**

The Company will return profit to its shareholders in form of dividend payment. The Company has a policy to pay dividend to shareholders of no less than 50% of its net profit after deduction of all reserves as stated in the Company's Articles of Association and related laws. However, the dividend payment is subject to the Company's future investment plans and business expansion, including other necessity and suitability.

In consideration of dividend payment for profit from disposal of investment or fixed assets of the Company or subsidiaries, it is at the discretion of Management and the Board of Directors to consider whether or not to pay dividend or amount to be paid by taking into account the Company's future investment plans and business expansion including other necessity and suitability.

The dividend payment of subsidiaries should base on policy of the Company.

## **2. Equitable Treatment of Shareholders**

The Company realizes to protect and due care for the interests of all major and minor shareholders as fairly basis. In addition, the Company sets policy for equitably treatment to all shareholders for attending and vote in the shareholders' meetings, sharing in profits, regularly and timely obtained adequate information, business performance and management policy. In the shareholders' meeting, each shareholder shall have one vote on each share. Proxy form and requiring documents are delivered together with the invitation letter for shareholders who would like to appoint a proxy. Proxy form, which contains details of voting as approve, disapprove or abstain, as well as details of independent directors also are attached for shareholders consideration as alternative proxy and also required documents, evidence and proxy method. In addition, voting cards are provided for each agenda, especially, the agenda of appointment of directors of which been appointed by individual. In the shareholders meeting, the meetings will conduct to be in line with the agenda without any additional topic from what expressed in the invitation letter otherwise rights of the shareholders who could not participate in the meeting by themselves will be deprived.

### **Inside Information Monitoring**

The Company will inspect to ensure no inside information of which is material, undisclosed and confidential leak to public or be used from the unauthorized for personal benefit. IT system has been implemented for a secure access for all users inside and outside the firewall in conjunction with the Company's own user authentication and security system. In addition, the Company sets as policy that all employees shall acknowledge and sign the agreement of non-disclosure confidential information, non-violation of concealment of computer related and non-infringement of intellectual property. New employee shall sign this agreement together with employment contract. It was also set forth in the Company's Business Ethics to refuse directors, management and employees of the Company to use Company's inside information for personal benefits. Any trading of The Company's securities within 1 month prior to disclosure of either Company's financial performance or any other information that may affect securities' price is prohibited. The Directors and management had been informed on their duties and punishment to disclose report to the SEC on each person holding securities and derivatives as well as the holding and changes to the holding of their spouse, cohabiting couple and minor children within 3 days from the transaction date according to the Securities and Exchange Act B.E. 2535. The report shall include the holding of securities and derivatives by a juristic person whose shares exceeding thirty percent of the total voting rights held by the aforementioned persons, including the spouse or cohabiting couple, and minor children of such persons. Any change in securities and derivatives holdings, such directors and managements have to report the Company Secretary for coordination and preparing report submit to the SEC. In addition, the Company has set as a policy to report on securities and derivatives holdings of directors and management in every meeting of the Board of Directors.

In case of conflict of interest, it is the Company's Policy to the directors, management, employees and related parties to disclose such interests to the Audit Committee for consideration of the transaction to be complied with the SET's regulations and any governing laws and regulations prior to further submit for consideration of either the Board of Directors or the shareholders. The directors who have conflict of interest will not participate in any agenda that they have conflict of interest. Moreover, any conflict of interest transactions with the connected persons will be disclosed in the Company's Annual Report.

General practices for conflict of interest protection have been set in the Company's Business Ethics. Such practices have been delivered to all directors, management and employees. The Corporate Governance Committee will monitor and ensure that Company's regulations, Corporate Governance Policy and Business Ethics have been strictly and continually complied.

### **3. Attention to Stakeholders**

The Company is aware that the support from each stakeholder should increase the competitiveness and ability to generate more benefit for long-term success and also realizes the importance of all stakeholders i.e. shareholders, employees of the Company and its subsidiaries, customers, competitors, trade partners, lenders, societies and environment. Therefore, the Company provides more channels for the stakeholders to contact directly to the Company in order to provide either comments or recommendations of which will be benefit to the Company. Thus, general rules and practices have been set for directors, management and employees in the Company's Business Ethics for directors, managements, and employees to perform and disclosed on the Company's website ([www.samartdigital.com](http://www.samartdigital.com)).



#### 4. Disclosure and Transparency

The Company has strong determination to reveal accurate complete, consistent and updated information, both financial and general information that related to Company's business. The complete, consistent and updated information will truly reflect the Company's financial performance and future business direction. Such information is disclosed to shareholders, investors and any related parties via the SET's Communication system, Company's website(www.samartdigital.com), Annual Report, press conference and Opportunity Day, etc.

The Board of Directors has supervised to ensure that any person involved in the preparation and disclosure of any information of the Company has relevant knowledge, appropriate skills and experience needed for their responsibilities, and sufficient resources as well as ensure that the Company's disclosures are transparency and strictly complied by laws, the Company's and any related regulations. The Board has major concerned on transparency and disclosure in the following area

- **Information Disclosure Policy**

The Company appreciates on management and business operations in accordance with the principles of good corporate governance. In order to ensure that the information disclosure is accurate, complete transparency and equal, complied with laws and the relevant regulations. Therefore, the Company has established information disclosure policy to be a guideline for directors and employees as follows:

1. Information disclosure in both financial and non-financial should be accurate, complete, sufficient, reliable and on time to ensure that shareholders and stakeholders of the Company receive the information equally.
2. Information disclosure of the Company must be prepared carefully, clearly, accurately and transparently.
3. Be careful to disclose important information that affects the price or value of the Company's securities and complying with the regulations and announcement of the SET.
4. Clearly appoint a responsible person to disclose the Company's information to public.

**The persons who have the right to disclose important information not yet disclosed to the public are as follows:**

1. Executive Chairman
2. Chief Executive Officer (CEO) or President
3. Manager of Investor Relation of the Company
4. Authorized person from Executive Chairman or Chief Executive Officer or President

Those who do not relevant or assigned duties cannot provide information or interview to the media or public about the Company's business.

- **Provide multi channels for disclosure of information apart from the SET's communication system**

- Annual Report

The Board of Directors has to ensure that Annual Report contain adequate information with accuracy, clarity and create understanding to the shareholders and related parties on the Company's operation and its performance in previous year as well as the management

structure, nature of business, financial status and performance of the Board of Directors and all Committees.

- Company's website

The Board of Directors is aware of the efficiency of website disclosure to the shareholders and related persons as well as equitably and easily of getting information. The Board of Directors therefore ensures the Company not only provides all significant information of the Company in the Company's Annual Report but also on the Company's website ([www.samartdigital.com](http://www.samartdigital.com)) in both languages, Thai and English. The disclosed information comprised of Corporate Governance Policy, Business Ethics, General News, Financial Statements as well as Annual Report.

- Investors Relation

The Company has also set up an Investors Relation section to provide the Company's information and activities for investors, shareholders, analysts and general public via Company's website, Roadshows, analysts meetings, conference calls, etc. The Company's Investor Relations can contact at phone number 0-2502-6583 or via [www.samartdigital.com](http://www.samartdigital.com) or e-mail address at [InvestorRelations@samartdigital.com](mailto:InvestorRelations@samartdigital.com). Ethics of the investor relations are as follows:

1. Conduct duties with integrity
2. Disclose necessary information completely and fairly to all relevant groups equally
3. Allow all relevant groups to access and enquire the information
4. Perform duties by mainly adhering to benefits of the shareholders and the stakeholders
5. Preserve confidential information of the Company and must not use inside information for personal gain
6. Perform duties at his/her best and professionally
7. Keep on studying to develop efficiency of the work
8. Observe the principle on not accepting the appointment during the period close to the financial statements announcement and the practical guidelines on securities trading specified by the Company

In addition to above, the announcement on the Company's financial performance has been arranged for investors, analysts and public on a quarterly basis with participation of the executives.

• **Disclosure of Information of the Board of Directors and Committees**

- Structure, Roles and Responsibilities of the Board as well as performance of the Board and each Committee.
- Directors' Remunerations: Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry and consistent with the Company's strategies and long-term objective as be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committees will be paid appropriately more in accordance with the extra work. The Nominating and Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders.

The above information and remuneration of each board member is disclosed in the Company's Annual Report.

- **Accountability to the Financial Statements**

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and any financial information that appears in the Annual Report of which consistent with the Company's strategies and long-term objective. The financial statements are prepared in accordance with Thai Financial Reporting Standard. Appropriate accounting policies are used and practiced regularly. Careful consideration and best estimates are made with sufficient disclosure of information in the notes to the financial statements. This is to ensure transparency and benefits to the shareholders and investors. The financial statements have been audited and commented independently by the authorized auditors of the SEC to increase confidence and reliability of the report. Additionally, the Company has no record to amend the financial statements from the SET and the SEC.

The Board of Directors also set out and maintained for the efficiency of the Company's internal control system to ensure that the financial information had been correctly and accurately booked and sufficient to maintain the Company's assets and be aware of weak points in order to prevent whether from any dishonesty or significant error. The Board of Directors has appointed the Audit Committee of which comprised independent directors to be responsible for the quality of the financial statements and the internal control system and disclosed such opinion in the Annual Report under the Report of the Audit Committee. Moreover, Report of the Board of Directors' responsibility on the Company's Financial Statements are also attached in the Company's Annual Report.

## **5. Roles and Responsibilities of the Board of Directors**

### **5.1 Composition of the Board of Directors**

The Board of Directors comprise of directors who have various knowledge, experience, transparent working background, nobility and integrity and have occupational diversification. In addition, they have the skills that advantage to the Company's business, such as accounting & finance, management, strategic planning, laws, corporate governance and other without gender discrimination. The composition of the Board of Directors are as follows:

1. The Board of Directors shall have the number as specified by the shareholders' meeting at least 5 persons and not less than one half of the total number of directors shall have residence in the Kingdom.
2. The Board of Directors must be at least one-third of independent director out of total number of directors, and at least 3 persons.
3. The Board of Directors may elect one of the directors as Chairman. When considering appropriate, the Board of Directors may elect one or many directors to be Vice-Chairman.

### **5.2 Qualifications of Director**

1. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) or other relevant laws as well as not lacking trustworthiness in accordance with the announcement of the Securities and Exchange Commission (the SEC), including the Company's Articles of Association.
2. Not undertaking any business, being a partner or a shareholder of other juristic persons of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the shareholders' meeting before the appointment.

3. Have leadership, vision, and independent consideration for best benefit of the Company and the shareholders.
4. Have various knowledge, experience, and specific skill that suitable for the Company business.
5. Have responsibility, carefulness, integrity, and business ethics.
6. Have sufficient time for fully participated as a Director of the Company.

**Qualifications of Independent Director**

1. Holding no more than 0.5 % of total voting shares of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, including shares held by any related person of such independent director.
2. Not being or ever been an executive director, worker, employee, salaried consultant, or controlling person of the Company, parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company unless the foregoing status has ended for at least 2 years prior to the date of appointment.
3. Not being a person related by blood or legal registration as father, mother, spouse, sibling and child, including the spouse of the child, of other director, executive, major shareholder, controlling person, or person nominated as a director, executive, or controlling person of the Company or subsidiary.
4. Not having or ever had business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company in a manner that may obstruct his /her independent judgement, and not being or ever been a significant shareholder or controlling person of person having a business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.

The aforementioned business relationship is inclusive of any normal business transaction, rental or lease of property, transaction relating to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions. These result in the Company or counterparty being liable to indebtedness payable to the other party in the amount from 3% of net tangible assets of the Company or from Baht 20 million, whichever is lower. The amount of indebtedness, included the obligation incurred during 1 year prior to the date of having a business relationship with the same person, is determined by the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning regulations in respect of an entering into connected transaction *mutatis mutandis*.

5. Not being or ever been an auditor of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person, and not being a significant shareholder, controlling person of the Company, or partner of the audit firm that employs auditors of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.
6. Not being or ever been a professional services provider, including legal advisor or financial advisor who receives service fee more than Baht 2 million per year from the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and not being a significant shareholder, controlling person, or partner of such professional service provider unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.

7. Not being a director who has been appointed as a representative of the Company's director, major shareholder, or shareholder who is a connected person of major shareholder.
8. Not undertaking any business of the same nature and in significant competition with business of the Company or subsidiary or not being a significant partner in the partnership or executive director, worker, employee, salaried consultant, or shareholder holding more than 1 % of total voting shares of another company undertaking any business of the same nature and in significant competition with business of the Company or subsidiary.
9. Not having any other characteristic that cause the inability to express independent opinions.

### **5.3 Terms of positions**

Pursuant to the Public Company Acts B.E. 2535, at first Annual General Meeting of Shareholders after the registration of the Company and at the first Annual General Meeting of Shareholders in every subsequent year one-third of the directors, who have been longest in office, shall retire. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Nominating and Compensation Committee. However, the independent directors shall be in post no longer than 3 consecutive terms except getting an unanimous approval from the Nominating and Compensation Committee due to his/her contribution to the Company. In addition, the Committee ensures that the extra term will not, cause or impact the independent of such director, and shall be approved from the Board of Directors and/or the shareholders' meetings.

### **5.4 The Independent of the Board of Directors**

#### **5.4.1 Separation of Chairman and Executive Chairman**

For best benefit of the shareholders and balance of power within the Company, the Chairman of the Board of Directors is not the same person as Executive Chairman. The Company's Chairman of the Board of Directors is an independent director who has the qualifications of independent director in accordance with the SET's notification and has no business relation with any management of the Company.

#### **5.4.2 Balance between members**

More than half of the members of the Board of Directors are not a part of executive team. Within this half, one-third of the directors and shall at least 3 members are independent members who have no relations, business or personal, with the Company's executives. Free from executives' influences, they oversee the Company's direction with neutrality and pay careful attention to the rights of shareholder and stakeholder. To strike a balance of power within the Company, the positions of Chairman of the Board of Directors and Executive Chairman must not be the same person. The Chairman of the Board of Directors should be an independent member.

#### **5.4.3 Roles and Responsibilities of the Board of Directors, Chairman of the Board of Directors and Executive Chairman**

##### **Roles and Responsibilities of the Board of Directors**

The Board of Directors will focus and ensure that the Company's business will achieve its target and in the direction that create value and best benefit to the shareholders as

well as all stakeholders. Any conflict of interest with the Company and its subsidiaries will be prohibited. The Board will also comply with the Company's Ethics, responsibility, due care, and integrity to ensure all Company's businesses are run under Company's objectives, Articles of Association, resolutions of the Board of Directors' and shareholders' meetings as well as laws and regulations of the SET, the SEC and other related laws. Their duties include:

1. Conduct business with responsibility, due care, and integrity, and ensure the Company's operations in accordance with the law, objectives, Articles of Association of the Company as well as the resolution of the Board of Directors' and shareholders' meeting to protect the rights and interests of the Company and shareholders.
2. Formulate policies and directions of the Company's operations including supervising the management to proceed in accordance with the specified policies and strategies with efficiency and effectiveness.
3. Establish and review the Company's vision, mission and strategy by prioritize and promote appropriate and safe innovation and technology to increase business opportunities, and ensure effective communication throughout the Company in order to drive the business in the same direction.
4. Approve annual budget and investment of the Company as well as ensure proper resource allocation and effective systems and controls, and monitor the implementation of the Company's strategies and annual plans.
5. Appoint directors to replace of those who retire by rotation as well as consider the remuneration package for directors and committee members proposed by the Nominating and Compensation Committee for further consideration of the shareholders' meeting. The Board of Directors also consider the appointment of directors in case of vacancy due to any reason other than the expiration of the term unless the remaining term of office of the director is less than 2 months. The replacing director shall hold office only for the remaining term of the replaced director.
6. Appoint committees to oversee administrative process and internal system to be in accordance with the specified policy and approve the charters of all committees.
7. Appoint Executive Chairman and define its roles and responsibilities as well as ensure that Executive Chairman perform its duties as assigned.
8. Appoint Company Secretary and define its roles and responsibilities as well as ensure that Company Secretary perform its duties as assigned.
9. Approve policy, structure, criteria of remuneration for directors, committees, Executive Chairman, key executive, management and employees as well as propose remuneration for directors and committees for further approval from the shareholders' meeting.
10. Prepare quarterly and annual financial statements to disclose or propose to the shareholders' meeting for approval, as the case may be, as well as supervise to disclose important information accurately, sufficiently and on time to comply with the relevant rules and regulations.
11. Nominate appropriated auditor and its remuneration from proposal of the Audit Committee for further consideration of the Annual General Meeting of Shareholders.
12. Provide written Corporate Governance Policy and Business Ethic, and ensure that the Company has effective internal control and risk management system to prevent conflict of interest.

13. Ensure that good corporate governance is implemented to demonstrate the Company's commitment to operate the business with ethics and to bring fair treatment to all stakeholders.
14. In case of entering into any direct or indirect transaction with the Company and subsidiaries, such director should immediately inform his/her or related parties' interest to the Company.
15. Supervise to ensure that succession plans for the Executive Chairman and key executives are in place.
16. Encourage and promote innovation including social and environmental responsibilities.
17. Approve interim dividend payment to the Company's shareholders and report the interim dividend payment in the next shareholders' meeting.
18. Approve the acquisition or disposal of the Company's assets according to the rules of the Capital Market Supervisory Board.
19. Approve the connected transactions of the Company according to the rules of the Capital Market Supervisory Board.
20. Organize an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year.
21. Continuously monitor performance of the Company and subsidiaries to comply with the operation plans and budgets of the Company.
22. Supervise subsidiary and affiliate to comply with the Company's policy.

#### **Roles and Responsibilities of the Chairman of the Board of Directors**

1. Oversee, monitor, and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objectives.
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
3. Set the board meeting agenda by discussing with the Executive Chairman which important matters should be included.
4. Allocate sufficient time for management to propose topic, and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.

#### **Roles and Responsibilities of Executive Chairman**

Roles and responsibilities of the management have clearly classified. The Executive Chairman will be the management's leader of the Company of which will cover the following roles:

1. Manage and control general business operation of the Company to comply with its objectives, policy and the Articles of Association.
2. Consider investment plans before proposing to the Executive Board and the Board of Directors for further approval.
3. Consider the criteria and procedures for nomination and recruiting person to be top management together with the Nomination and Compensation Committee.

4. Act on behalf or in the name of the Company as delegation of authorities defined in the Company's policy and practice.
5. Carry out any assignment from the resolutions of the Board of Directors and/or the Company's shareholders meetings.

The delegation of authorities, duties and responsibilities of Executive Chairman shall not be delegated or further assigned that authorize Executive Chairman or its attorney to approve any transactions that Executive Chairman or connected persons or any persons who may have conflict of interest have done with the Company or its subsidiaries unless such transactions are complied with the Company's policy or principle approved by the Board of Directors. Such connected transactions shall be proposed to the meeting of the Board of Directors and/or shareholders for approval to comply with the notification of the Stock Exchange of Thailand, the Securities and Exchange Commission (SEC) or related law.

## **5.5 Being Director in other Listed Companies**

- **Policy for directors to serve as directors in other listed companies**

For efficiency of being the director, the Board of Directors of the Company has set the policy for all directors to be the director in any listed companies not exceeding 5 companies.

- **Policy for top executives to serve as directors in other companies**

The top executives of the Company will also be obtained approval from the Executive Committee prior to be a director in any companies of which are not have either similar business or being the Company's competitors.

## **5.6 Transparency of Nomination of Directors and Management**

### **Nomination of Directors**

The Nominating and Compensation Committee has been appointed by the Board of Directors in order to select, and nominate appropriate candidates for positions of Chairman of the Boards, members of the Boards and other committees, Executive Chairman, other executives and Company Secretary as well as consider the appropriate remuneration for such directors and management with the following criteria and procedures:

1. The Nominating and Compensation Committee will select and nominate the appropriate candidate with regard to qualifications, experience, knowledge, ability that will beneficial to the Company and consider the diversification in the board's structure, including gender, age, ethnicity and nationality. The Nominating and Compensation Committee will also consider the necessary skills that are still lacking to achieve the Company's business strategy and using the database of IOD. The appropriate candidates, who have qualifications as specified by the relevant laws, will propose to the Board of Directors' or the Shareholders' Meeting for approval in accordance with the Company's Articles and Association.
2. For election of independent directors, the Nominating and Compensation Committee will nominate any person who is fully complied with the qualifications of Independent Directors under the Company's policy and requirements of the SEC and the SET to propose to the



Board of Directors' and/or the Shareholders' Meeting for approval in case of rotation or others.

3. Determining whether to recommend a director for re-election, the Nomination and Compensation Committee will consider relevant factors such as past performance, directors' dedication, history of attendance and participation in meeting, number of listed companies that each director holds tenure in of not exceeding five listed companies, and other contributions to the activities undertaken by the Board of Directors. In the case of independent directors, their respective independent qualifications shall also be considered.
4. The appointment of the Board members shall comply with the Company's Articles of Association and all relevant laws. Selection of the directors shall be transparent and clear through initially consider of the Nomination and Corporate Governance Committee with the following criteria and procedures in the shareholders' meeting:
  - (1) Each shareholder shall have one vote on each share.
  - (2) In voting, a shareholder shall vote in accordance with the number of votes each shareholder has under (1) for one or several directors. The said shareholder may not allot any number of his votes to any person.
  - (3) The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the Chairman of the meeting shall have a casting vote.  
The Company proposed shareholders to elect the directors on an individual basis to allow shareholders to elect the desirable directors.

In case a directorship becomes vacant by any reason other than the expiration of the term, the Board of Directors shall elect a person possessing the qualifications and being under no prohibitions under the relevant laws as a replacing director at the Board of Directors' Meeting, unless the remaining term of such director is less than two months. The replacing director shall hold office only for the remaining term of the replaced director. The resolution of the Board of Directors' Meeting must be passed by votes of not less than three-fourths of the remaining directors.

5. For nomination of committee, the Nominating and Compensation Committee will consider appropriate knowledge and ability, composition of the entire committees, criteria of directorship and independence of director prior to propose to the Board of Directors for approval.

### **Nomination of Management**

The Company has criteria and procedures for nomination of the Executive Chairman who is the top management of the Company with the process start from recruiting internal and external persons who have leadership skills, ability to manage the organization and good understanding of company's products and services. The Nominating and Compensation Committee will select and nominate appropriate candidates to be top management and propose to the Board of Directors for approval. For recruiting of key executive, the Board of Directors assigns the Executive Committee to consider qualified persons to appoint as key executive and report to the Board of Directors for acknowledgment

### **Management Succession Plan**

The Company is aware of the importance of succession plan for top management and key executive positions. In case any position is vacant, apart from the appointment of the Nominating and Compensation Committee to select and nominate appropriate candidates for directors and top management, the Company also provides succession plan for top management and key executive positions. The succession included the specifying key positions in the Company's business and determining criteria for selecting of the successors by considering knowledge, ability, experience, potential of each position and management vision in order to select the qualified executives as specified in the criteria. In addition, the Company also set up a development plan to prepare them to be able to support their positions in the future. This is to build confidence among investors, shareholders and employees that the Company's operations will be carried out in a timely manner. The Company reviews the succession plan for top management and key executive on an annual basis.

In addition, the Company should encourage the Executive Chairman to invite key executive to attend the Board of Directors' meetings and/or the Executive Committee's meetings to present details on the agenda items related to matters that they are directly responsible for, and to allow the board to gain familiarity with key management and assist succession planning.

### **Ethic of the Directors and the Executives**

The Company wishes its directors and executives to express their intentions on performing the Company's business operations with transparently and morally as well as perform their duties pursuant to the ethical standards on integrity, with carefulness and cautiously for benefits of the shareholders and the stakeholders. Hence, the ethics used as operating guidelines for the directors and the executives specified as follows:

1. To perform duties by compliance with laws, rules and regulations concerning business operation
2. To perform the Company's business operations with integrity, fairness, transparency and morality
3. To perform their duties with fullest capacity to maximize benefits of the Company
4. To have the independence in making decision and their actions must be based on the righteousness basis
5. To perform duties by avoiding the conflicts of their own interests with the Company's benefits so that the management tasks can be effectively achieved
6. Must not have any benefits or interests in any business made with the Company or in any business which is regarded as the competition with the Company, irrespective of directly or indirectly
7. To keep the confidential information of the Company and the stakeholders from leaking to non-relevant people that might cause damages to the Company of the stakeholders

## **5.7 Remuneration of Directors and Management**

### **• Directors' Remuneration Policy**

Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry consistent with the Company's strategies and long-term objective, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any sub-Committees will be paid appropriately more in accordance with the extra work. The Nominating and Compensation Committee will consider the remuneration and propose for consideration of the Board of

Directors prior to further for approval from the shareholders. The directors' remuneration by individual has been disclosed in the Annual Report.

- **Management's Remuneration Policy**

Remuneration of the top managements shall be in accordance with principles and policies specified by the Nominating & Compensation Committee. Such remuneration is in the appropriated level and can be comparable with the rate of the same industry by taking into consideration duties, responsibilities and performance of the Company as well as performance of each top management. In addition, it must be able to motivate and retain the qualified and capable personnel.

Annual remuneration and bonus of the top managements shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and performance of each top managements. These criteria shall be explained in advance before they can be used for the assessment at the end of the year. The Nominating and Compensation Committee shall consider prior propose to the Board of Directors for approval.

- **Executive Chairman's Remuneration Policy**

Remuneration of the Executive Chairman is not only consideration in accordance with Management's Remuneration Policy, but the Board of Directors also set the performance evaluation of Executive Chairman, annually by the Directors in order to be a reference for remuneration consideration. The policy of remuneration are as follows:

Category		The purpose & link to the principle of remuneration
<b>Fixed Pay</b>	Salary & other benefits, such as, Provident fund.	To motivate and retain the competent Executive Chairman
<b>Short Term Incentive</b>	Annual bonus.	To reward for the success of achieving the goals as defined for each year.
<b>Long Term Incentive</b>	Compensation according to Stock Option* & provident fund in the part that the Company contributes and increases according to year of work experience.	<ul style="list-style-type: none"> <li>• To motivate and retain the competent Executive Chairman.</li> <li>• To ensure alignment between interests of Executive Chairman and shareholder.</li> <li>• To promote the growth and value to shareholders in long term.</li> </ul>

Remark \* The Stock Option will be depend on the Board of Directors' consideration which will be based on the appropriate time and situation.

## 5.8 Accountabilities of the Board of Directors

### 5.8.1 Set Policy and Business Direction

The Board of Directors have set and reviewed the Company's vision, mission, strategies, goal, direction, business plan, budget, internal control and internal audit systems and risk management as well as to govern the management to follow such business plan and budget with efficiency and profitability for economic value to the Company and the best stability to the shareholders. In addition, the Board of Directors has not only ensure the Company and its management to oversee the value of all stakeholders, neither derive personal benefit nor create any rivalry with the Company and its subsidiaries, but the Board of Directors also conducted the business with great awareness in ethical, moral and compliance to the Company's Articles of Associations, laws and regulations of the SET and the SEC.

In addition, the Company has communicated the vision, mission, business goals to all employees in the organization to acknowledge and understand, driving business in the same direction.

### **5.8.2 Appointment of Committees**

For governing the management to comply with the approved policies and having better efficiency, the Board of Directors appointed the following 6 committees to help the Board for consideration in significant matters:

#### **1) Audit Committee**

The Audit Committee's members have to be the independent directors who are elected by the Nominating and Compensation Committee and proposed for appointment of the Company's Board of Directors' and/or Shareholders' Meeting, the Audit Committee shall at least 3 members.

#### **Qualifications of the Audit Committee**

1. The Audit Committee members shall be appointed by the Board of Directors' and/or Shareholders' Meetings.
2. All members of the Audit Committee should be Independent Directors with the qualifications as specified in the announcement of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand.
3. Not being a director assigned by the Board of Directors to take part in the business decision of the Company, parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company.
4. Not being a director of parent company, subsidiary, and same-level subsidiary that is a listed company.
5. Having sufficient knowledge, experience, and time to perform duties as the Audit Committee members.
6. At least 1 member of the Audit Committee shall have sufficient knowledge and experience in accounting and finance to review the reliability of financial statements. The Company should specify name of the Audit Committee member who has that qualification in the Annual Report, and define his/her qualification in the certification of the Audit Committee profile sent to the SET.

Term of the Audit Committee member is 3 years. All members shall be in post no longer than 3 consecutive terms except getting an unanimous approval from the Nominating and Compensation Committee and the Committee ensures that the extra term will not cause or impact the independent of such director, and shall be approved from the Board of Directors and/or the shareholders' meetings.

#### **Roles and Responsibilities of the Audit Committee**

1. Review the Company's financial report to ensure its accuracy with adequate, reliable and timely disclosure.
2. Review the Company's internal control, and internal audit systems to ensure that they are suitable and efficient, and consider the independence of internal

- audit unit, as well as to propose the appointment, transfer and dismissal of the head of internal audit or any other unit in charge of internal audit.
3. Consider and approve the manpower and necessary resources for working process of the internal audit unit, approve the annual audit plan including significant changes in the audit plan.
  4. Review the Company's compliance with the Securities and Exchange Act, the regulations of the SET and the laws relating to the Company's business.
  5. Propose for consideration and approval of the Board of Directors' and shareholders' meeting on the selection, appointment, termination of the external auditors including propose their remuneration for further consideration.
  6. Arrange the Audit Committee's meeting with auditors without management of the Company at least once a year.
  7. Review the connected transactions or the transactions that may lead to conflicts of interests to comply with the Securities and Exchange Act, and the regulations of the SET and the SEC, including the related laws which are effectively with the Company and/or the Company's business to ensure that the transactions are reasonable with the highest benefit of the Company.
  8. Prepare report of the Audit Committee to disclose in the annual report with at least information defined in the regulations of the SET.
  9. Review the scope of authorities, roles and responsibilities of the Audit Committee in accordance with the situation.
  10. Audit and investigate concerned persons in order to gain the clearly information within the scope of authority.
  11. Engage the specialist for competent advice and assistance auditing as considered by the Audit Committee with Company's expenses.
  12. Perform any other activities as assigned by the Board of Directors.

## **2) Executive Committee**

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management propose for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### **Roles and Responsibilities of the Executive Committee**

1. Set and review Company's vision, mission, strategies and business plan as well as the Company's management structure and delegation of authorities for further approval from the Board of Directors.
2. Review and monitor the operating performance of the Company and subsidiaries to achieve the goal.
3. Audit, monitor and implement the Company's policies and management practices to conform to the assignment from the Board of Directors efficiently.
4. Consider and approve annual budget and investment of the Company for further approval from the Board of Directors.
5. Determine policy, structure, criteria for remuneration of employees and management together with the Executive Chairman and propose to the

- Nominating and Compensation Committee for consideration prior to further approval from the Board of Directors.
6. Consider entering into any transactions binding the Company as delegation of authorities defined in the Company's policy and practice.
  7. Report the significant performance of the Executive Committee to the Board of Directors on a regular basis.
  8. Review the roles and responsibilities of the Executive Committee in accordance with the situation.
  9. Perform any other activities as assigned by the Board of Directors.

The delegation of authorities, duties and responsibilities of the Executive Committee shall not be delegated or further assigned that authorize the Executive Committee or its attorney to approve any transactions that the Executive Committee or connected persons or any persons who may have conflict of interest have done with the Company or its subsidiaries unless such transactions are complied with the Company's policy or principle approved by the Board of Directors. Such connected transactions shall be proposed to the Board of Directors' and/or Shareholders' Meetings for approval to comply with the notification of the Stock Exchange of Thailand, the Securities and Exchange Commission (SEC) or related law.

### **3) Corporate Governance Committee**

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates propose for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. The Chairman of the Committee has to be nominated from the Company's Independent Director. However, the retired members are eligible to be re-elected for another term.

#### **Roles and Responsibilities of the Corporate Governance Committee**

1. Responsible for governing and monitoring business operation and performance of committees, management and employees of the Company to comply with the principles of good corporate governance, the Company's policies and related laws.
2. Establish corporate governance policy including social responsibility and anti-corruption.
3. Establish and review the Company's significant procedures and practices to comply with the good corporate governance policy.
4. Regularly review the Company's policies, principles and practices.
5. Provide suggestions relevant to business ethics and best practices to the Company's directors, management and employees.
6. Ensure that the good corporate governance policy are performed in practice continuously and appropriately.
7. Review the roles and responsibilities of the Corporate Governance Committee in accordance with the situation.
8. Report to the Board of Directors regarding the Company's good corporate governance with comments and recommendations for appropriate improvements.
9. Perform any other activities as assigned by the Board of Directors.

#### **4) Nominating and Compensation Committee**

One-third of the Nominating and Compensation Committee, who have been longest in office, shall retire by rotation every year. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Board of Directors. In case of vacancy, the Nominating and Compensation Committee will consider an appropriate person from the members of the Board of Directors and/or any qualified candidates and propose to the Board of Directors for appointment.

##### **Roles and Responsibilities of the Nominating and Compensation Committee**

1. Recruit, select, and nominate appropriate candidates for the position of independent directors, Chairman of the Board of Directors and directors, proposed for consideration and approval from the Board of Directors' and/or the shareholders' meetings when those positions are vacant due to termination of terms or other reasons.
2. Recruit, select, and nominate appropriate candidates for the position of director in each committee, Executive Chairman, top management and Company Secretary proposed for consideration of Board of Directors when such position is vacant as well as propose criteria for selecting candidates for the succession plan.
3. Determine and review qualification, criteria and procedures for nomination of directors, committees, Executive Chairman, top management and Company Secretary to propose for approval from the Board of Directors' meeting.
4. Determine policy, structure and criteria for remuneration, whether in cash, securities or otherwise, of directors, committees, Executive Chairman, top management and employees in accordance with the Company's strategy, goal and operating results as well as market conditions to propose for further approval from the Board of Directors.
5. Review the roles and responsibilities of the Nominating and Compensation Committee in accordance with the situation.
6. Perform any other activities as assigned by the Board of Directors.

#### **5) Risk Management Committee**

Term of each members is 1 years. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

##### **Roles and Responsibilities of the Risk Management Committee**

1. Set clear business directions, identify, analyze and investigate significant risk factors as well as determine strategy for managing those risks to the Company's acceptable risk level.
2. Set the risk management policy and propose for approval from the Board of Directors to use as guideline for each division according to its responsibility with the following 4 aspects:

- 1) Financial Risk
- 2) Operational Risk
- 3) Strategic Risk
- 4) Compliance Risk
3. Supervise to ensure effective communication of such measures thoroughly the Company and employees continuously comply with those measures.
4. Review the roles and responsibilities of the Risk Management Committee in accordance with the situation.
5. Provide efficiently assessment and review of possible damage that may occur to ensure that risk exploration covers all processes of the business operations.
6. Support and develop risk management to cover throughout the organization and ensure that it is complied with the international standard.
7. Provide professional opinions from external consultants as necessary with company's expense.
8. Perform any other activities as assigned by the Board of Directors.

#### **6) Sustainable Development Committee**

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management and/or any qualified candidates propose for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

#### **Roles and Responsibilities of the Sustainable Development Committee**

1. Set policy, strategy and action plan for sustainable development to comply with the Company's business operation in term of economy, society and environment for further approval from the Board of Directors.
2. Encourage and support the Company's activities to achieve the SD policy such as labor and employee management, employee welfare, employee development, training and promotion, and development of communities and society around the Company's area.
3. Monitor, review, follow up the operational progress and evaluate the effectiveness of SD policy implementation.
4. Review the roles and responsibilities of the Sustainable Development Committee in accordance with the situation.
5. Perform any other activities as assigned by the Board of Directors.

#### **5.8.3 Board of Directors' Meeting**

1. At a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. In the event the Chairman is not present or is unable to discharge his duties, the Vice-Chairman, if any, shall serve as the Chairman. If there is no Vice-Chairman or such Vice-Chairman is unable to discharge his duties, the directors present shall elect one of their members as the Chairman of the said meeting.

The Company set a minimum quorum at the time of voting to be at least two-thirds of all directors attending the meeting.



2. All resolutions of the Board of Directors' meeting shall be passed by the majority vote of the directors presented at the meeting. Each director shall have one vote, however, the director who has interest in any matter cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.
3. The Board of Directors' Meeting schedule has been set at least 5 times a year with certain agenda. The annual meeting schedule will be sent to each director by Company Secretary for preparation, arrangement and participation. However, additional unscheduled board meetings may be called upon appropriate notice at any time to address specific needs of the Company. The operating results will be regularly reviewed. The notice of the Board of Directors' meeting with the meeting materials will be delivered by Company Secretary to all directors at least 5 working days prior to the meeting date for consideration. While the Company's Articles of Association stipulate that the notice should be sent to directors no less than 7 days before the meeting date except in urgent cases. In addition, if directors would like to propose the agenda, they will inform prior to the meeting date or propose as other matters in the meeting.

### **5.9 Internal Control and Internal Audit**

The Company organized an internal audit department to review compliance control of all departments to investigate the errors and weaknesses and then proposes the suggestions to improve the operational efficiency. This is to ensure the consistent and appropriate compliance with existent internal control as well as strengthen the confidence of management and stakeholders. This department is independent and reports directly to the Audit Committee.

The Company organized that good internal control allows the Company to notice irregularity and gives early warning for possible risks as well as manage risk to acceptable level.

The Company provides internal control system in accordance with the system suggested by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) that covers Organizational and Control Environment, Risk Management, Management Control, Information and Communication, and Monitoring.

### **5.10 Risk Management**

The Board of Directors has been appointed the Risk Management Committee in order to assessed overall business situations and analyzed risks both internally and externally, likelihood of risks which may impact to the Company's main goals and stakeholders in order to specify risk reduction measure to keep such risk in the appropriated level. In addition, risks shall also been assessed by the Internal Audit Unit who will present the results to the Audit Committee and the management to jointly find guidelines to prevent such potential risk as well as to monitor and review the assessment results continually.

The Company has set risk management policy to keep up with the changing economic and political situation including the impact of the global financial crisis. The risk management policy includes measures to prevent and manage risks. The Risk Management Committee has supervised and monitored risks pursuant to the plans by cooperating and coordinating with various business units as follows:

1. Preparation of risk management plan by each department to follow the Company's master business plan and business risks that may occur in order that risk management plan can harmonize with Company's objectives, business plan, goals, strategies and the acceptable risks of the business operations;

2. Risk management will be carried according to the plan mentioned above. Each responsible department has prioritized the risks by evaluating the overall risk profile and its potential impact to the organization. The appropriate risk mitigation criteria shall be determined in conjunction with each department where as internal audit department undertaking role as risk coordinator and reviewer;
3. Risk Management countermeasures shall be implemented and regularly followed up by the risk management Committee which consists of management from all relevant departments in a quarterly meeting as outlined in the risk management plan. All countermeasures shall be followed and reviewed by internal audit department to ensure that the final outcome is agreeable with the Company's objectives.

Besides, the Company held risk management seminar and training for each business. The risk management criteria's have been adapted as key factors in performance evaluation of staffs. The training also focused on concepts and principles of practicing on risk management throughout the organization which would contribute ensuring the sustainable growth of the Company as well as create long term value for the organization's target and return on shareholders.

#### **5.11 The assessment of the Board of Directors, Committee, Executive Chairman and Company Secretary**

##### **5.11.1 Board Self-assessment and Director Self-assessment**

The Corporate Governance Committee is responsible for Self-assessment of the Board of directors and Director Self-assessment to annually review and evaluate directors' performance to comply with Corporate Governance of the Company. The result of assessment including comments and recommendations from the assessment will propose to the Board of Directors' meeting for consideration.

##### **5.11.2 Committee Self-assessment**

The Corporate Governance Committee conducts the self-assessment of committees annually. The criteria for self-assessment of Executive committee, Corporate Governance Committee, Nominating and Compensation Committee, Risk Management Committee and Sustainable Development Committee covered the subject of structure & qualifications, meeting, roles & responsibilities and development & training. For the Audit Committee, The criteria for self-assessment covered the subject of board structure & qualifications, meeting, roles & responsibilities, development & training, auditing activities and relationship between head of internal audit, external auditors and the Company's executives. Results of the self-assessment of each committee will use to develop working performance of them for more efficiency and to be in line with the responsibilities assigned from the Board of Directors.

##### **5.11.3 Executive Chairman Assessment**

The Corporate Governance Committee conducts Executive Chairman Assessment annually in subjects of leadership, strategy formulation, financial planning and performance, board relations, risk management and internal control, human resources management, succession, product and service knowledge and good corporate governance and code of business conduct for consideration of his remuneration.

#### **5.11.4 Company Secretary Assessment**

The Corporate Governance Committee conducts the Company Secretary Assessment annually relating to knowledge, related laws and regulation compliance, communication and coordination, documentation, meeting and corporate Governance. Results of the assessment will use to develop working performance of Company Secretary to support the Board of Directors to comply with the roles and regulations of the SET and the SEC.

### **5.12 Development of Directors and Management**

#### **Development of Director**

The Company will provide orientation program to new directors. Information on the Company's business and directions as well as Corporate Governance Policy and Business Ethics of the Company will be advised. The Directors' Manual will comprise of:

- Related Laws and Regulations
- Company's Businesses
- Roles and Responsibilities of Directors of Listed Companies
- Corporate Governance Policy and Business Ethics

In addition to support and increase knowledgeable of directors, the Company also encourages all directors to strengthen their skills and knowledge for performing their duties including knowledge and understanding of relevant law and standards, and other applicable obligations, risk factors, and the Company's business environment. The board should receive accurate, timely and clear information, including timely and regular updates.

#### **Development of Management**

The managerial competency program, courses have been designed for management level in order to develop in managerial competency to strengthen leadership and management skills for executives as well as prepare promotion qualification in the future for pre-executive or talent employees. Moreover, this program would elaborately lead executives to support organization's business growth and prepare the Company to become business leader in the industry existed. These courses provide innovated and practical knowledge to be applied to arrange managerial work such as Creating & Strategic Implementation Plan, Modern Supervisory, etc.

### **5.13 Company Secretary**

The Nominating and Compensation Committee will consider a potential and experienced person to propose for approval of the Board of Directors to appoint as the Company Secretary. Roles and responsibilities of the Company Secretary are as follows:

1. Perform his/her duty with accountability, duty of care and duty of loyalty as well as has to comply by laws and any other related regulation.
2. Support the Board of Directors for their activities included providing consultation in related to the Company's Articles of Association, and any other regulations from related authorities.
3. Arrange meetings for Board of Directors, Committees and Shareholders as well as coordinate to ensure all resolutions have been implemented complying with Company's

Objectives, Articles of Association and the resolutions of the Board of Directors' and the shareholders' meetings as well as laws and related regulations.

4. Prepare and keep the Company's documents such as register of directors, notice calling directors' and shareholders' meetings as well as the minutes of such meetings and the annual report, etc.
5. Keep a report on interest filed by a director and executive as well as submit a copy of the report to the Chairmen of the Board of Directors and the Audit Committee within 7 business days from the date on which the company has received such report.

In case Company Secretary vacates the position or incapable to perform duty, the Nominating and Compensation Committee shall select a candidate to propose for consideration and approval of the Board of Directors to appoint as a new Company Secretary within 90 days since the date that Company Secretary has vacated the position or has been incapable to perform duty. In this regards, the Board of Directors shall be empowered to assign any director to perform the duty as the substitutes during such period.

#### **5.14 Supervision on Operation of the Subsidiaries and Affiliated Companies**

Before establishment of any new company, the Executive Chairman shall propose such matter to the meeting of the Board of Directors for consideration and approval before the registration of the new company is arranged. The Board of Directors shall consider on appointment of the executives who shall hold positions of director and management of such subsidiaries and affiliated companies including scope of authority and responsibility of the directors and the management who shall be the Company's representatives in such company. In case the appointment of additional new director or director in replacement of the vacant position from any reason other than retirement, the Board of Directors assigns the Executive Committee to consider and appoint the director in replacement and report to the Board of Directors for acknowledgment. The management of the subsidiaries and affiliated companies shall report business performance of the company they are responsible to the Executive Committee every month. Any investments or substantial operations as per specified in the delegation of authorities must be performed pursuant to the specified policies and they must be presented to the meeting of the Executive Committee as well. The management of the subsidiaries and affiliated companies must present the annual business plan to the meeting of Executive Committee and the Board of Directors for consideration and approval every year. If performance of any company has not achieved as per the targeted plan, the management must clarify to the meeting of Executive Committee. In case business operation encountered a lot of problems, the management is required to clarify to the Executive Committee as the watch list so that precaution and corrective measures can be closely monitored and taken.

The subsidiaries and affiliated companies must have the internal control system or measure that the Company's Internal Audit Department can audit and report to the Audit Committee and the Executive Committee. If internal control system of any company is defective which may likely cause risks and damage to the Company, the Executive Committee shall order such company to make good and rectify defects in such internal control system immediately. In addition, if the subsidiary has to conduct any transaction which is required to comply with the regulations of the Company or of the relevant laws and which is required to be approved from the shareholders' meeting of such subsidiary, i.e. capital increase, capital decrease or dissolution of subsidiary and etc. Such transaction shall be proposed for the Executive Committee's consideration and approval on voting guideline during the shareholders' meeting of such subsidiary.

When a new company is established or has significant investment in other businesses, such as having a percentage of shares with voting rights ranging from 20% but not over 50% and the amount of investment or may require significant additional investment to the Company. The Board of Directors will consider to provide shareholders' agreement or other agreements that is obviously about the power of management and participation in making important decisions, performance tracking to be able to used as information in the preparation of the Company's financial statements in accordance with standards and schedules.

In the event where the subsidiary performs any transaction about acquisition or disposal of assets, the Company shall treat the same way as criteria on acquisition and disposal of assets of its own which must be pursuant to criteria on undertaking the significant transaction on asset acquisition or disposal as per specified by the Capital Market Supervisory Board. In case the subsidiary has performed any transaction with its related persons, the Company shall not involve in such matter, except the subsidiary has performed any transaction with the related person of the Company, then the Company shall comply with the criteria on related transaction announced by the Capital Market Supervisory Board.

# **Business Ethics**

Of



**Samart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

---

---

## Table of Contents

Messages from the Chairman.....	1
Conflicts of Interest.....	2
Responsibilities to Shareholder.....	2
Employee Policies.....	3
Customer Policies.....	4
Trade Partners Policies.....	4
Creditor Policies.....	5
Counterpart/Competitor Policies.....	5
Anti-Corruption Policies.....	5
Money Laundering Policy.....	8
Tax Policies.....	8
Sustainable Development Policy.....	8
Human Rights Policy.....	9
Operating policy and practice on non-infringement of intellectual property or copyright.....	11
Suggestions and complaints.....	11
Procedures and methods on “Notifying the information on misconduct and the protection of the informant” ..	11

## Messages from the Chairman

Samart Digital Public Company Limited is conducting the business with great awareness in ethical practices and responsibility to all stakeholders. The written business ethics has been provided as the general practices of directors, management and employees of the Company and subsidiaries since 2005 and revised continuously. This revision reflects recent development of good corporate governance practices and aware of for contemporary economic, social and environment while the core ethical approach remains the same.

The Board of Directors expects this revision of business ethics as guideline practices for all employees just as the directors themselves are committed to be role models by putting it into practice. Employees should study and absorb these practices. When in doubt, an employee should consult with his or her superior.

-Signature-

Mr. Piyapan Champasut  
Chairman of the Board  
Samart Digital Public Company Limited



**Conflict of Interest**

To prevent conflict of interest, the Company has drawn out guidelines for directors and employees to follow:

1. Avoid all actions that may cause conflict of interest with the Company.
2. In case that directors or employees commit any action related to the Company, the particular director and employee will be treated like an outsider, and will play no part in decision-making process.
3. Refuse to use Company's information obtained in their posts for an opportunity to derive personal benefits by creating rivalry with the Company or involving in related businesses.
4. Refuse to use Company's information for securities purchase for personal benefits or to leak Company's information to outsiders for their benefits. Any trading of the Company's securities within 1 month prior to disclosure of either the Company's financial performance or any other information that may affect securities' price is prohibited.
5. Refuse to reveal Company's classified information e.g. electronic information, financial situation, work's plans, business information and Company's future plans during and after their posts.

On any conflict of interest transaction, before entering into the transaction, the Audit Committee will carefully review prior to submit with opinion either on such conflict or connection to the Board of Directors for further review and to ensure that the transaction has to be complied with the SET's regulations. Price and condition will be accounted like an outsider (Arm's Length Basis) and information of the transaction i.e. value of transaction, party involved and necessity etc. has been disclosed in the Company's Annual Report and Notes to the Financial Statements. Any consideration of the connected transaction, the directors who may have conflict of interest will neither participate nor vote in such meeting both in the Board of Directors' and the Shareholders' Meeting.

**Responsibilities to Shareholder**

The Company upholds a principle to treat every shareholder without any discrimination.

1. Operate all business affairs with moral conducts. All decisions are carefully made with fullest attention to accomplish fair deal and maximum benefit to every shareholder.
2. Monitor and operate to ensure that appropriate transactions from financial management to administrative strategies are properly carried out to protect and raise benefit for shareholders.
3. Determine to maintain sustainable growth and stability of the Company, thus all shareholders can enjoy long-lasting benefits due to Company's superb performance and its efficiency and effectiveness in delivering all tasks.
4. Respect shareholder's right to information for evaluation purposes. Oblige to truthfully reveal annual income, financial status with other supporting documents with accuracy. Such practice is mandated by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

**Employee Policies**

The Company highly regards all of the employees as invaluable resources and indispensable factor that propel the Company to meet all objectives and future successes. Henceforth, the Company is responsible to provide just opportunity, reasonable remuneration, promotion, appointment, transfer and development of potential by:

1. Treat every employee with respect to his/her right, honor and privacy.
2. Maintain working atmosphere that is conducive to promote better safety for their lives and properties.
3. Promoting, transferring, awarding and punishing of employees are conducted with sincerity, and based on each employee's knowledge, potential, and appropriateness.
4. Pay importance on developing skills and potential of employees by constantly organizing various activities, for instance; seminars, training, and handing out scholarships for employees.
5. Avoid all unfair actions that may cause instability of employee's position.
6. Propose reasonable remuneration packages according to market situations, business competitions, job descriptions, work qualities including assessment of company's performance on short term and long term based on company's capability to pay for that remuneration packages.
7. Provide the appropriate compensation such as medical fee, life insurance, annual checkup, reserve allowance fund, accommodation, subvention in case death of employees or employees' family, bus, fitness, and discount for the Company's products.
8. Provide opportunities for employees to express opinions and file complaints related to their jobs. Those suggestions and complaints will be seriously taken into consideration for formulating solutions. This important policy is meant to draw benefits to all parties and spawn camaraderie in the office.

**Policy on the safety of life and health of employees**

1. The Company is committed to developing and creating safety and health of employees in accordance with the requirements of the law.
2. The Company will perform all necessary measures to ensure the safety of life and health of employees.
3. The Company seeks to control and prevent losses caused by fire, accidents and illness from working and maintain a safe working environment for employees as well as promoting and raising awareness of health care workers.
4. The Company will support adequate and appropriate resources in accordance with the requirements of the law and commit to develop human resources with knowledge and awareness of safety and health of employees.
5. The Company is aware that a safety and health of employees is very important, it was the duties and responsibilities of executive, supervisors at all levels and employee to comply with the rules and the requirements of the law.

**Ethics of the Employees**

The Company trained and informed the prudent operating guidelines standards with regards to good manner and ethics of the employees via the orientation of the new employees, Employee Manual and HR website ([www.samarthre.com](http://www.samarthre.com)). Such ethics have been written in the working regulations of the Company for the employee's adherence as follows:

1. The employees must respect and comply with the rules and regulations specified by the Company.
2. The employees must respect and comply with the legally orders and recommendations of their superior as well as the persons designated by the Company.
3. The employees must devote themselves and perform their duties and the assigned works with their utmost competency.
4. The employees must protect the Company's benefits.
5. The employees must work on time and on regular basis.
6. The employees must perform the work with integrity.
7. The employees must have good disciplines as well as good morality.

### **Customer Policies**

The Company strongly believes in building confidence and bringing satisfaction to all of the customers. Since their trusts are critical to our business, the Company promotes the following policies:

1. Determine to provide and produce commodities and services that are trendy to satiate customers' needs.
2. Provide high-quality products and services at reasonable price.
3. Provide accurate information without any exaggeration that may cause misunderstandings on product's quality and quantity, or special conditions for each product and service.
4. Formulate procedures that permit customers to inform about drawbacks of the products or improper services, because those complaints are valuable for the Company to come up with immediate remedy and improvement for problematic products and services.
5. Provide effective after-sale services for customer's convenience.
6. Guard all customers' information as top secret and refuse to use them for personal benefits.
7. Support all activities that will strengthen, as well as maintain, lasting and healthy relationship between Company and customer.

### **Trade Partners Policies**

The Company must instigate fair treatment and mutual benefits to all trade partners because they are essential in contributing success to the Company. The Company has duty to:

1. Systematically provide products and services with the highest standard under these principles:
  - Must clearly specify conditions and regulations about purchase, hire and other related procedures.
  - Must compete based on congruent information.
  - Must have clear-cut rules in evaluation and selection of trade partners.
  - Must formulate fair agreements with trade partner, proceed as trading condition, contract and treat all related partner fairly.
  - Must provide systematic operating and monitoring processes to ensure that all conditions stated in the agreement are strictly followed, and at the same time, to prevent corrupt practices that may occur during each process.
  - All payments for business partners must be issued with punctuality and accuracy according to all conditions stated in the agreements.

2. Develop and maintain good relationship between all partners with trust and confidence, keep in touch with customer in order to share each other opinion.
3. Refuse and do not request for any personal benefit offered by partners.
4. Refuse to fabricate or falsify information that will cause misunderstandings to partners.
5. Do not deal business with partner who may be involved in illegal and immoral activities.
6. Avoid purchase products and/or services from partner who violates human rights or infringe intellectual property and follow up information whether the partner infringes human right or intellectual property or not. If such behavior is found, the Company will avoid purchase products and/or services from the partner who is deemed to have such illegal behavior.
7. Do not disclose any partner's information except getting consent from that partner.

### **Creditor Policies**

The Company sticks to operate the business principled and orderly for reliance of creditors. The Company has duty to:

1. The Company conforms to its Principle of Business Operation in order to the respect and admission of the Creditors and strictly comply with contracts, terms and the covenanted condition as agreed with creditors strictly, transparently and equally.
2. In case the Company could not comply with the covenanted condition or has financial risk or difficulties, the Company will foregone notify to creditor for solving problem.
3. Provide sound financial mitigation plans that consider stakeholder rights including creditor rights including monitor management's handling of financial risk or difficulties and regularly report to the Executive Committee.
4. Provide any actions to improve the Company's financial position carefully and reasonably.

### **Counterpart /Competitor Policies**

The Company conducts all business affairs under just rules and competitions, support free trading by holding the following principles:

1. Refuse to search for rivals' secret information by all means, dishonestly or inappropriately.
2. Refuse to ruin counterparts/ Competitors' reputations by accusing them of wrongful actions.
3. Refuse to violate intellectual property rights of business' counterparts /competitor.
4. Not intervene or have a secret transaction that give negative impact to competitor and give benefit to the Company.

### **Anti-Corruption Policies**

The Company conducts all business affairs under principles of good corporate governance. Anti-Corruption Policy is set to prevent all corruptions that may arise from operating activities and contacts with stakeholders which directors, executives and employees of the Company, its subsidiaries and associated companies must strictly adherence as follows;

#### **1. Political neutrality and political assistance**

The Company is a politically neutral business entity that supports lawful operations and democratic form of government with the King as Head of State. Directors, executives, and employees enjoy their political rights and freedom under the law. However, they must not deprive

Company of neutrality and compromise it though their involvement in politics or use its resources to do so.

## **2. Donation for charity and support fund**

The Company supports community and social development to upgrade the quality of life, enhance the economy, and strengthen communities and society through business processes or donation for charity used for public charity only. Moreover, the support fund for Company's business must have a clear proof of documents in compliance with the Company's regulations.

## **3. Receiving and giving present, property or other benefits policies**

Receiving or giving any benefits as tradition and morality to express gratitude or maintaining business relation as usual should be done with appropriateness. The Company will not encourage or expect the receiving person to ignore his/her duty and/or return favor from giving inappropriate present, property or other benefits with the following practices:

1. Receiving and giving property or other benefits that could improperly influence decision making;
  - The employee of company shall not receive or give money, property, merchandise or any benefits involving anyone whose intention is to persuade the employee to commit or omit anything contrary to duty.
  - Receiving present or property shall be compliance with morals, and shall not be illegal as well as such gift or property shall not be illegal.
  - Paying for business expenses such as meals and other forms of hospitality that are directly connected to performance of business commitments is acceptable, but such expenses must be reasonable.
  - Giving present, property or other benefits to government officer in Thailand and other countries must be sure that it shall not against the law and local tradition.
2. Receiving or giving present and memento:
  - Before receiving or giving present or memento, should make sure that such an action does not violate the law and the Company's regulations. Gifts exchanged in the normal course of business should be inexpensive and appropriate to the occasion.
  - Avoid receiving or giving present or memento that could unfairly influence a decision in the performance of one's duties. If it is necessary to receive a gift of unusually high value from someone doing business with the Company, report the matter to the superior.
  - Keep records of expenses as evidence of the value of present or memento given, so that can be examined later.
  - If the employee has been assigned or permitted by the superior to assist an outside agency, the employee may receive money, item, or present according to the guidelines or standards that agency has set.
3. Transactions with the government sector:
  - Conduct properly and honestly when in contact with government officials or agencies.
  - Always remember that the laws, rules, and customs of each place may have diverse conditions, procedures, or methods of proceeding.
  - Comply with the laws of each country or locality in matters pertaining to hiring government employees as consultants or employees of the Company. Such hiring must be transparent and appropriate.

**General Operating Guidelines****1. The process of risk assessment and risk management**

The Company has an internal audit unit to audit operations which may trend to have risks of all departments of each company, including risks from corruption to ensure that all departments have appropriated internal control system in place, both on preventive control and detective control. If it is found that any department does not have adequate internal control system or there is a corruption case, such matter shall be reported to the Audit Committee and the high level executives. Preventive guidelines must have also been reported in order to improve the internal control system.

**2. Protection**

To ensure that the remuneration provided to the employees is adequate, focused on creation of consciousness and it must not be the source for corruption. The Human Resource Department shall compile the survey results report on wage adjustment in each year from the well-known institutes, both domestically and internationally as well as exchange information with the Human Resource Department of other companies in the telecommunication and computer businesses. The information gained shall be used for consideration on provision of remuneration to the employees.

**3. Training and Communication**

To encourage operations pursuant to anti-corruption policies by providing training to employees to promote honesty, integrity and best practices on good conduct and ethics for employees including code of business ethics of the Company during the orientation of the new employees. All employees can access to such information via HR Website ([www.samarthre.com](http://www.samarthre.com)).

**4. Reporting Channels**

In order to oversee the implementation of anti-corruption policy, the Company encourages its employees and all stakeholders to report the violation of Company's policies and unfair practices by providing the channels for stakeholders to inform any actions which are against the corporate governance principle, ethics, rules and regulations of the Company, laws or any action which may cause damage to the Company to the Internal Audit Department by direct mail or E-mail as informed at the Company's website ([www.samardigital.com](http://www.samardigital.com)). The Internal Audit Department will inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant". The Company shall protect the informant or whistle-blower by not disclosing the name of the informant or whistle-blower to any person.

**5. Governing and monitoring of the policy**

The internal audit unit shall summarize the audit result only the corruption issues of each department during the previous year and report to the Audit Committee annually with recommendations to solve the problems.

**6. Penalty**

Any action that direct or indirect violates this policy shall be subject to disciplinary action according to the Company's regulations and face with legal penalty, if such action is against the law.

**Money Laundering Policy**

The Company recognizes the importance and compliances to the related rules and laws relating to money laundering. The Company will adhere to the law and regulation regarding the provisions of the Anti-Money Laundering Act B.E. 2542 and its amendment.

**Tax Policies**

The Company's tax practices shall be fully and currently pursuant to the laws as follows:

1. Manage tax planning to comply with laws.
2. Remit tax within the time frame as prescribed by laws.
3. Provide risk assessment that may impact on tax exposure.

**Sustainable Development Policy**

The Company realizes that achieving and preserving goals in accordance with its vision and missions, the Company must be committed to conduct the business to respond to all stakeholders and reduce the impact on the economy, society and environment. In order to cover and respond to the Company's stakeholders and develop the Company towards sustainable growth, it must be developed in parallel with social responsibility, environment and good corporate governance as well as respect for human rights. Therefore, the Company has set the Sustainable Development Policy as follows:

1. To committee to develop the organization based on good governance by supervising the affiliated companies to conduct business with transparency, fairness, and effective risk management. Finding the opportunities for business expansion and investing in the new businesses, and returns benefits to the stakeholders effectively and sustainably.
2. To promote business operations with responsibility to customers, partners, communities, society, as well as employees of the organization by setting policies and practices to treat all parties in the business value chain with fairness and comply with human rights principles.
3. To promote environmental conservation and the efficient use of resources, as well as encourage subsidiary companies to develop and present the technologies which are friendly to the environment.

General practical guideline for responsibility to societies, communities and environment are as follows:

**Responsibility to society as a whole**

The Company recognizes that it can survive and grow in a society that is vigorous and prosperous. Therefore, to bring about societal progress, the Company has policies to:

1. Participate in societal improvements with financial support to all activities that aim to maintain beneficial cultures, customs and rituals. Moreover, the Company will involve in religious activities regularly.
2. Support educational activities, vocational development, athletic ability as well as sanction for outreach people.
3. Support and aid society and community, and also always aid sufferer.

**Responsibility to communities**

The Company has policy to strengthen close relationship with the communities and the surrounding areas as follows:

1. Strengthen good relationship with the organizations, both from public and private sectors, as well as the community leaders in various levels so that the works for community development can be harmoniously coordinated on sustainable and concrete basis.
2. To provide the buildings, materials including funds to oversee the livelihood condition and safety of the communities, for instance the construction of bus shelter in front of the Company's office building, donation of rain coats and reflective coats to the traffic police in the areas of Pak-Kred Local Police Station and Pak Klong Rangsit Local Police Station, support the learning materials and sport equipment to the schools in nearby areas, restoration of the temples and donation of money to the poor in the communities.
3. To raise funds and supply the necessities to help the disaster victims, for instance provision of boats to the government agencies to be used for facilitating the people who were suffered from the flood.
4. To cultivate consciousness to the Company's employees on responsibility to the society, community and environment via media and internal activities continually.

**Responsibility to environment**

The Company recognizes the importance to operate the business by considering environmental protection and using resources wisely and knowing their value as well as developing and introducing technology that is beneficial to the environment. The Company has supported various environmental projects and raising awareness among employees seriously and continuously to create participation in sustainable environmental stewardship. Therefore, the Company set the environmental policy for affiliated companies to adhere to and comply with as follows:

1. Policy for managing the use of resources with the most value and benefit covered the use of water supply, electricity, office equipment and vehicle fuel, etc.
2. Policy for the development of technology products and services to promote sustainable conservation of natural resources and the environment.
3. Policy for cultivating environmental sustainability awareness among employees and stakeholders of the Company's value chain through media and activities continuously.

**Human Rights Policy**

The Company adheres and follows with human rights policy in business operations in accordance to the Universal Declaration of Human Rights (UDHR) to ensure that the Company's operations are free from human rights violation. The Company deem it appropriate to formulate policies and guidelines to prevent human rights violation in all business activities of the Company including business partner in business value chain and business associates are aware of the policies in the same principles and practices as follows:



**1. Equal treatment of employees**

- The Company treats employees with equality and non-discrimination regardless of race, nationality, language, religion, sex, age and education.
- The Company do not support or affiliated ourselves with child labor under the legal age or forced labor within the Company or our supply chain.
- The employee must respect for each other, behave in accordance with the regulations of the Company and tradition without creating a disgrace to the image of the Company.
- The Company gives employees the opportunities to demonstrate their full abilities by determining appropriate compensation in accordance with the Company's regulation. The Company also provides employees with the opportunities for self-improvement such as higher education, short-term and long-term training
- Employee assessment will be assessed purely on merit and the process must be done in proper and unbiased method.
- When performing the work, employees must avoid from comments in regard to difference of physical, mental, race, nationality, language, religion, sex, age, education or any matters that could lead to cause conflict.
- Employees should monitor and reinforce the working environment free from discrimination and injustice.
- The employee show respect and tolerance for each other's opinions.

**2. Equal treatment and indiscrimination of company's stakeholders**

The Company conducts business activities that not directly and indirectly violate human rights of the Company's stakeholders such as employees, communities, suppliers, business partners, customers and treat them equally without discrimination.

**3. Human Rights Risk and Impact Assessment**

The Company shall continuously develop and conduct human rights due diligence process to identify human rights risks and impacts and potentially affected stakeholders in order to plan for corrective and preventive actions as well as provide appropriate mitigation plan towards affected groups.

**4. Suggestions and complaints of human rights violation.**

In order to encourage knowledge, understanding of human rights code of conduct, as well as allowing employees and stakeholders to have a channel of voicing their concerns and comments. Employees and stakeholders can send mail or emails toward the Company's website ([www.samartdigital.com](http://www.samartdigital.com)) under "Contact Us" in case there are incidents or actions related to human rights violations.

**5. Monitor and follow up**

The Company shall monitor and follow up on the process of human rights violation management in accordance with the Company's guideline as well as supporting and mitigating the affected groups from the Company's actions.

**6. Penalty**

Those who violate the human rights policy is a violation of company business ethics and considered disciplinary in accordance with the Company's rules or regulations. In addition, there may be legal penalties if the act is against the law.

**Operating policy and practice on non-infringement of intellectual property or copyright**

The Company has an operating policy on non-infringement of intellectual property or copyright. The method employed by the Company regarding this matter is that all employees are required to sign their names in memorandum of understanding to not commit any computer crime and to not infringe any intellectual property. The Company has specified the policy on usage of information technology system of Samart Group and software program of the employee shall be inspected to prevent any usage of piracy software and software which is unrelated to work.

**Suggestions and complaints**

The Board of Directors respects the importance of all stakeholders in participation of the Company's success and discloses related important information to stakeholders sufficiently and transparently. The Company provides channels for all stakeholders to send suggestions and complaints that is beneficial to the Company. Those channels consist of direct mail or E-mail as informed at the Company's website ([www.samartdigital.com](http://www.samartdigital.com)) under "Contact Us" with the following details:

Mailing Address: Internal Audit Department  
Samart Corporation Public Company Limited  
99/2 Moo 4, Software Park, 34<sup>th</sup> Fl., Chaengwattana Rd.,  
Klong Gluar, Pak-kred, Nontaburi 11120.  
or E-mail address: InternalAudit@samartdigital.com

The Internal Audit Department will collect the suggestion and complain, then, inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant"

**Procedures and methods on "Notifying the information on misconduct and the protection of the informant"**

The Company adheres to good corporate governance principles and encourages its stakeholders to examine and oversee any action which is against the corporate governance principles, ethics, rules and regulations of the Company, laws, corruption or any action which might cause damages to the Company including rights violation. If such action is found, the stakeholders can notify the clue on misconduct behavior to the Company by sending information and/or document and/or concerned evidence (as the Company's form to notify the information on misconduct) to Internal Audit Department. If the name and surname of the informant is specified, it will be more beneficial to the Company for convenience on enquiry and/or contact for more information.

**The process of information inspection and analysis**

The Internal Audit Department is responsible for preliminary investigation of offenses, both from documentary witness and witness. If misconduct is happened, they will propose the matter to the Executive Chairman for consideration and setting up an investigation committee.

The investigation committee consists of supervisor or representative from Internal Audit Department, Legal Department, Human Resources Department, and the original affiliation, responsible for investigating the facts, including collecting all evidences in order to know details of the damage and impact to the Company.

The investigation committee will propose the results of the investigation to the Executive Chairman to consider and proceed and then the Internal Audit Department will propose the matter to the Audit Committee for acknowledgement, respectively.

The Company shall protect the informant or whistle-blower by not disclosing the name of the informant or whistle-blower to any person.

# **Charter of the Board of Directors**



**Samart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Table of Content

1. Objective.....	1
2. Composition.....	1
3. Qualification.....	1
4. Roles and Responsibilities of the Board of Directors.....	2
5. Roles and Responsibilities of the Chairman of the Board of Directors.....	4
6. Term.....	4
7. Meeting.....	4
8. Directors' Remuneration Policy.....	5
9. Board Self-Assessment and Director Self-Assessment.....	5
10. Reporting.....	5

## Charter of the Board of Directors

### 1. Objective

The Board of Directors as representative of shareholders are responsible for setting the Company's important policies and strategies to ensure that the management has implemented policies and strategies. The Board of Directors shall perform their duties responsibly, carefully, and honestly which will create maximize benefits for the Company and all stakeholders based on corporate responsibility.

### 2. Composition

1. The Board of Directors shall have the number as specified by the shareholders' meeting at least 5 persons and not less than one half of the total number of directors shall have residence in the Kingdom.
2. The Board of Directors must be at least one-third of independent director out of total number of directors, and at least 3 persons.
3. The Board of Directors may elect one of the directors as Chairman. When considering appropriate, the Board of Directors may elect one or many directors to be Vice-Chairman.

### 3. Qualification

#### Qualification of directors

1. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) or other relevant laws as well as not lacking trustworthiness in accordance with the announcement of the Securities and Exchange Commission (the SEC), including the Company's Articles of Association.
2. Not undertaking any business, being a partner or a shareholder of other juristic persons of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the shareholders' meeting before the appointment.
3. Have leadership, vision, and independent consideration for best benefit of the Company and the shareholders.
4. Have various knowledge, experience, and specific skill that suitable for the Company business.
5. Have responsibility, carefulness, integrity, and business ethics.
6. Have sufficient time for fully participated as a Director of the Company.

#### Qualification of Independent Director

1. Holding no more than 0.5 % of total voting shares of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, including shares held by any related person of such independent director.
2. Not being or ever been an executive director, worker, employee, salaried consultant, or controlling person of the Company, parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company unless the foregoing status has ended for at least 2 years prior to the date of appointment.
3. Not being a person related by blood or legal registration as father, mother, spouse, sibling and child, including the spouse of the child, of other director, executive, major shareholder, controlling person, or person nominated as a director, executive, or controlling person of the Company or subsidiary.

4. Not having or ever had business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company in a manner that may obstruct his /her independent judgement, and not being or ever been a significant shareholder or controlling person of person having a business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.  
The aforementioned business relationship is inclusive of any normal business transaction, rental or lease of property, transaction relating to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions. These result in the Company or counterparty being liable to indebtedness payable to the other party in the amount from 3% of net tangible assets of the Company or from Baht 20 million, whichever is lower. The amount of indebtedness, included the obligation incurred during 1 year prior to the date of having a business relationship with the same person, is determined by the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning regulations in respect of an entering into connected transaction mutatis mutandis.
5. Not being or ever been an auditor of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person, and not being a significant shareholder, controlling person of the Company, or partner of the audit firm that employs auditors of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.
6. Not being or ever been a professional services provider, including legal advisor or financial advisor who receives service fee more than Baht 2 million per year from the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and not being a significant shareholder, controlling person, or partner of such professional service provider unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder, or shareholder who is a connected person of major shareholder.
8. Not undertaking any business of the same nature and in significant competition with business of the Company or subsidiary or not being a significant partner in the partnership or executive director, worker, employee, salaried consultant, or shareholder holding more than 1 % of total voting shares of another company undertaking any business of the same nature and in significant competition with business of the Company or subsidiary.
9. Not having any other characteristic that cause the inability to express independent opinions.

#### **4. Roles and Responsibilities of the Board of Directors**

1. Conduct business with responsibility, due care, and integrity, and ensure the Company's operations in accordance with the law, objectives, Articles of Association of the Company as well as the resolution of the Board of Directors' and shareholders' meeting to protect the rights and interests of the Company and shareholders.
2. Formulate policies and directions of the Company's operations including supervising the management to proceed in accordance with the specified policies and strategies with efficiency and effectiveness.
3. Establish and review the Company's vision, mission and strategy by prioritize and promote appropriate and safe innovation and technology to increase business opportunities, and ensure effective communication throughout the Company in order to drive the business in the same direction.

4. Approve annual budget and investment of the Company as well as ensure proper resource allocation and effective systems and controls, and monitor the implementation of the Company's strategies and annual plans.
5. Appoint directors to replace those who retire by rotation as well as consider the remuneration package for directors and committee members proposed by the Nominating and Compensation Committee for further consideration of the shareholders' meeting. The Board of Directors also consider the appointment of directors in case of vacancy due to any reason other than the expiration of the term unless the remaining term of office of the director is less than 2 months. The replacing director shall hold office only for the remaining term of the replaced director.
6. Appoint committees to oversee administrative process and internal system to be in accordance with the specified policy and approve the charters of all committees.
7. Appoint Executive Chairman and define its roles and responsibilities as well as ensure that Executive Chairman perform its duties as assigned.
8. Appoint Company Secretary and define its roles and responsibilities as well as ensure that Company Secretary perform its duties as assigned.
9. Approve policy, structure, criteria of remuneration for directors, committees, Executive Chairman, key executive, management and employees as well as propose remuneration for directors and committees for further approval from the shareholders' meeting.
10. Prepare quarterly and annual financial statements to disclose or propose to the shareholders' meeting for approval, as the case may be, as well as supervise to disclose the important information accurately, sufficiently and on time to comply with the relevant rules and regulations.
11. Nominate appropriated auditor and its remuneration from proposal of the Audit Committee for further consideration of the Annual General Meeting of Shareholders.
12. Provide written Corporate Governance Policy and Business Ethic, and ensure that the Company has effective internal control and risk management system to prevent conflict of interest.
13. Ensure that good corporate governance is implemented to demonstrate the Company's commitment to operate the business with ethics and to bring fair treatment to all stakeholders.
14. In case of entering into any direct or indirect transaction with the Company and subsidiaries, such director should immediately inform his/her or related parties' interest to the Company.
15. Supervise to ensure that succession plans for the Executive Chairman and key executives are in place.
16. Encourage and promote innovation including social and environmental responsibilities.
17. Approve interim dividend payment to the Company's shareholders and report the interim dividend payment in the next shareholders' meeting.
18. Approve the acquisition or disposal of the Company's assets according to the rules of the Capital Market Supervisory Board.
19. Approve the connected transactions of the Company according to the rules of the Capital Market Supervisory Board.
20. Organize an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year.
21. Continuously monitor performance of the Company and subsidiaries to comply with the operation plans and budgets of the Company.
22. Supervise subsidiary and affiliate to comply with the Company's policy.



**5. Roles and Responsibilities of the Chairman of the Board of Directors**

1. Oversee, monitor, and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objectives.
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
3. Set the board meeting agenda by discussing with the Chief Executive Officer which important matters should be included.
4. Allocate sufficient time for management to propose topic, and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.

**6. Term**

1. Pursuant to the Public Company Acts B.E. 2535, at first Annual General Meeting of Shareholders after the registration of the Company and at the first Annual General Meeting of Shareholders in every subsequent year one-third of the directors, who have been longest in office, shall retire. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Nominating and Compensation Committee.
2. Independent directors shall be in post no longer than 3 terms except getting a unanimous votes from the Nominating and Compensation Committee due to his/her contribution to the Company and the Committee ensures that the extra term will not cause or impact to the independent of such director, and shall be approved from the Board of Directors' and/or the shareholders' meeting.

**7. Meeting**

1. At a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. In the event the Chairman is not present or is unable to discharge his duties, the Vice-Chairman, if any, shall serve as a Chairman. If there is no Vice-Chairman or such Vice-Chairman is unable to discharge his duties, the directors present shall elect one of their members as the Chairman of the said meeting.  
The Company set a minimum quorum at the time of voting to be at least two-thirds of all directors attending the meeting.
2. All resolutions of the Board of Directors' meeting shall be passed by the majority vote of the directors presented at the meeting. Each director shall have one vote, however, the director who has interest in any matter cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.
3. The Board of Directors' meeting schedule has been set at least 5 times a year with certain agenda. The annual meeting schedule will be sent to each director by the Company Secretary for preparation, arrangement and participation. However, additional unscheduled board meetings may be called upon appropriate notice at any time to address specific needs of the Company. The operating results will be regularly reviewed. The notice of the Board of Directors' meeting with the meeting materials will be delivered by Company Secretary to all directors at least 5 working days prior to the meeting date for consideration. While the Company's Articles of Association stipulate that the notice should be sent to directors no less than 7 days before the meeting date except in urgent cases. In addition, if directors would like to propose the agenda, they will inform prior to the meeting date or propose as other matters in the meeting.

**8. Directors' Remuneration Policy**

Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry consistent with the Company's strategies and long-term objective, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committee will be paid appropriately more in accordance with the extra work. The Nominating and Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further for approval from the shareholders. The Company discloses criteria and remuneration of each director in the annual information disclosure (Form 56-1).

**9. Board Self-Assessment and Director Self-Assessment**

The Corporate Governance Committee is responsible for self-assessment of the Board of Directors and individual director to annually review and evaluate directors' performance to comply with the Corporate Governance of the Company. The result of assessment including comments and recommendations from the assessment will propose to the Board of Directors' meeting for consideration.

**10. Reporting**

The Corporate Governance Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report.

# **Audit Committee Charter**



**Smart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Introduction

The Audit Committee Charter has been set to provide the Audit Committee for an understanding of the objectives, composition, qualifications and duties & responsibilities of the Audit Committee in support to the Company's Good Corporate Governance especially in the financial reporting process, internal control and internal audit system, risk management system and to compliance with relevant laws of the Company. This is to ensure the effectiveness of the Company's good corporate governance system, no conflict of interest, be adequate in internal control and risk management systems. The financial reporting are also in accordance with Thai Financial Reporting Standards and present fairly, reliability and adequate disclosure for equally benefit to all stakeholders. In addition, to monitor the procedure in place to ensure that the Company is in compliance with the Securities and Exchange Act, requirements of the SET and the SEC and any other relevant legislations concerning the business.

Therefore, the Audit Committee should strictly comply with the provisions of this Charter to ensure that the operation is in accordance with the intended purpose.

This Charter has reviewed by the Audit Committee.

-Signed-

(Dr. Chotivid Chayavadhanangkur)  
Chairman of the Audit Committee

To be acknowledged.

-Signed-

(Mr. Watchai Vilailuck)  
Executive Chairman

## Table of Contents

1. Objective.....	1
2. Composition.....	1
3. Term.....	1
4. Secretary to the Audit Committee.....	2
5. Qualification.....	2
6. Roles and Responsibilities of the Audit Committee.....	3
7. Meeting.....	4
8. Reporting.....	4
9. Evaluation.....	5

---

## Audit Committee Charter

### 1. Objective

The Audit Committee is a committee of the Board of Directors organized as an important tool or mechanism required of business to ensure the Company's good corporate governance. The Audit Committee as an independent committee can mitigate burden of the Board of Directors and increase flexibility in management function. The Audit Committee can express its straight opinion on financial reports and internal control systems, and accommodate discussion and consultation between management and external auditor with a view to managing possible risks and ensuring complete and correct disclosure in the financial reports according to the applicable standards and regulations in order that such reports are credible. The main objectives of the establishment of the Audit Committee are to create efficiency in the business operations and add value to the Company as follows:

1. Increase reliability and creditability of the disclosed financial reports.
2. Increase duty of care of the Board of Directors in discharging its responsibility regarding:
  - Corporate Governance to comply with strategy and policy of the Company
  - Compliance with applicable regulations and relevant laws
  - Monitoring and control of business risk
  - Preparation of financial reports and selection of appropriate accounting policies
  - Internal control and Internal audit
  - Connected transaction
3. Mitigation of the Board of Directors' burden by delegation of duties pertaining to the financial reporting, internal control and internal audit to the Audit Committee. As a result, the Board of Directors would have more opportunity to address various matters in depth and become more efficient in the areas of management.
4. Improvement of duties and process of the internal and external audit and increase of efficiency in the communication among the Board of Directors, internal and external auditors.
5. Reinforcement of independence of internal auditors and internal audit department to enable them to present straight opinions that will give rise to more efficient operations.
6. Encouragement of the preservation of independence of external auditor and provision of framework to enable the external auditor to present straight opinions in case that the conflict with management may arise.
7. Improvement of quality of the internal audit reports.
8. Strengthening of role and authority of outside directors.
9. Assurance of the directors' understanding in auditing scope.

### 2. Composition

1. The member of the Audit Committee must not less than 3 persons and all members shall be independent directors.
2. The Board of Directors shall select one member of the Audit Committee to be Chairman of the Audit Committee.
3. In case the term of the Audit Committee member is terminated or there is any circumstance causing any member to be unable to hold the remained term, thus making the number of the Audit Committee members lower than 3 persons, the Board of Directors and/or the shareholders' meeting shall appoint new member to replace the vacancy immediately or not later 3 months from the date of vacancy in the Committee to ensure continuity of the Audit Committee.

### 3. Term

Term of the Audit Committee member is 3 years. All members shall be in post no longer than 3 consecutive terms except getting an unanimous votes from the Nominating and Compensation Committee and the Committee ensures that the extra term will not cause or impact to the independent of such director and shall be approved from the Board of Directors' and/or the shareholders' meeting.

#### 4. Secretary to the Audit Committee

1. Head of internal audit department shall be assigned as secretary to the Audit Committee to assist the Audit Committee in performing work pertaining to summoning of meetings, preparation of agendas, delivery of meeting documents and keeping of minutes.
2. The Secretary of the Audit Committee should have knowledge, capable and experience in the above task including independence in performing duties to assist the Audit Committee.

#### 5. Qualification

1. The Audit Committee members shall be appointed by the Board of Directors and/or the shareholder's meeting.
2. All members of the Audit Committee should be Independent Directors with the qualifications as specified in the announcement of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand as follows:
  - 2.1 General qualification: Each member shall be an independent director with the following qualifications:
    1. Holding no more than 0.5 % of total voting shares of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, including shares held by any related person of such independent director.
    2. Not being or ever been an executive director, worker, employee, salaried consultant, or controlling person of the Company, parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company unless the foregoing status has ended for at least 2 years prior to the date of appointment.
    3. Not being a person related by blood or legal registration as father, mother, spouse, sibling and child, including the spouse of the child, of other director, executive, major shareholder, controlling person, or person nominated as a director, executive, or controlling person of the Company or subsidiary.
    4. Not having or ever had business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company in a manner that may obstruct his /her independent judgement, and not being or ever been a significant shareholder or controlling person of person having a business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.

The aforementioned business relationship is inclusive of any normal business transaction, rental or lease of property, transaction relating to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions. These result in the Company or counterparty being liable to indebtedness payable to the other party in the amount from 3% of net tangible assets of the Company or from Baht 20 million, whichever is lower. The amount of indebtedness, included the obligation incurred during 1 year prior to the date of having a business relationship with the same person, is determined by the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning regulations in respect of an entering into connected transaction mutatis mutandis.
    5. Not being or ever been an auditor of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person, and not being a significant shareholder, controlling person of the Company, or partner of the audit firm that employs auditors of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.
    6. Not being or ever been a professional services provider, including legal advisor or financial advisor who receives service fee more than Baht 2 million per year from the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and not being a

- significant shareholder, controlling person, or partner of such professional service provider unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder, or shareholder who is a connected person of major shareholder.
  8. Not undertaking any business of the same nature and in significant competition with business of the Company or subsidiary or not being a significant partner in the partnership or executive director, worker, employee, salaried consultant, or shareholder holding more than 1 % of total voting shares of another company undertaking any business of the same nature and in significant competition with business of the Company or subsidiary.
  9. Not having any other characteristic that cause the inability to express independent opinions.
- 2.2 Specific qualification: The Audit Committee members must have follows:
1. Not being a director assigned by the Board of Directors to take part in the business decision of the Company, parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company.
  2. Not being a director of parent company, subsidiary, and same-level subsidiary that is a listed Company.
  3. Having sufficient knowledge, experience and time to perform duties as the Audit Committee member.
  4. At least 1 member of the Audit Committee shall have sufficient knowledge and experience in accounting or finance to review the reliability of financial statement, the Company has to define in the Annual Report for the name of the Audit Committee member who has that qualification, and has to define his/her qualification in the certification of the Audit Committee profile that should be sent to the SET.

## **6. Roles and Responsibilities of the Audit Committee**

### **6.1 Roles of the Audit Committee**

1. Review the Company's financial report to ensure its accuracy with adequate, reliable and timely disclosure.
2. Review the Company's internal control, and internal audit systems to ensure that they are suitable and efficient, and consider the independence of internal audit unit, as well as to propose the appointment, transfer and dismissal of the head of internal audit or any other unit in charge of internal audit.
3. Consider and approve the manpower and necessary resources for working process of the internal audit unit, approve the annual audit plan including significant changes in the audit plan.
4. Review the Company's compliance with the Securities and Exchange Act, the regulations of the SET and the laws relating to the Company's business.
5. Propose for consideration and approval of the Board of Directors' and shareholders' meeting on the selection, appointment, termination of the external auditors including propose their remuneration for further consideration.
6. Arrange the Audit Committee's meeting with auditors without management of the Company at least once a year.
7. Review the connected transactions or the transactions that may lead to conflicts of interests to comply with the Securities and Exchange Act, and the regulations of the SET and the SEC, including the related laws which are effectively with the Company and/or the Company's business to ensure that the transactions are reasonable with the highest benefit of the Company.
8. Prepare report of the Audit Committee to disclose in the annual report with at least information defined in the regulations of the SET.
9. Review the scope of authorities, roles and responsibilities of the Audit Committee in accordance with the situation.
10. Audit and investigate concerned persons in order to gain the clearly information within the scope of authority.
11. Engage the specialist for competent advice and assistance auditing as considered by the Audit Committee with Company's expenses.
12. Perform any other activities as assigned by the Board of Directors.



**6.2 Responsibilities of the Audit Committee**

The Audit Committee is responsible to the Board of Directors according to the duties and responsibilities assigned by the Board of Directors, while the responsibilities of all activities of the Company towards third parties are still vested in the entire Board of Directors.

**7. Meeting****7.1 Agenda**

The secretary to the Audit Committee shall prepare invitation to the Audit Committee meeting. Each Meeting should be clearly determined date, time, place and agenda. The agenda and meeting documents should be delivered to the Audit Committee and attendants at least 7 days in advance of the meeting for consideration or request of additional information.

**7.2 Frequency of Meetings**

The Audit Committee shall convene the meeting as necessary and appropriate at least 4 times a year to ensure achievement of the works assigned.

**7.3 Attendances**

A constitution of quorum of the Audit Committee is required attendance of members at least 50%. The Audit Committee should invite external and internal auditor to present their works, and may invite director or related executive to attend the meeting as necessary.

**7.4 Voting**

The resolution of the meeting shall be supported by majority vote and each member has one vote. The member who has conflict of interest will not participate in that agenda. In the event receiving equal votes, the Chairman has one vote for a casting vote.

**7.5 Minutes**

The secretary to the Audit Committee shall prepare the minute of meetings that must be submitted to the Audit Committee and the Board of Directors in order to provide the Board of Directors with information about the activities of the Audit Committee on a timely basis. The minutes should also be submitted to internal and external auditors in order to inform them formally that there are areas which require their special attentions.

**8. Reporting**

The audit committee has duty and responsibility to report the operation of the committee and any duties assigned by the Board of Directors. The report is essentially an informational report for the Board of Directors, shareholders, and investors, which should convey the independent opinion of the committee. The Board of Directors must ensure that the management is fulfilling its stewardship accountability and must consider the equitable benefit of the shareholders as a whole.

**8.1 Reporting to the Board of Directors**

1. Report on regular activities so that the Board of Directors is kept informed of the Audit Committee's activities.
  - Minutes of the meetings that clearly specify opinion of the Audit Committee on various matters.
  - Summary report of activities during the year.
  - Report concerning comments on financial report, internal audit, and internal audit process.
  - Other reports which should be disclosed to the Board of Directors.
2. Immediate report on the findings so that the Board of Directors can seek a solution on a timely basis. For the operation of the Audit Committee, if the Audit Committee seeks or suspects that the transaction or the following actions has material impact on the Company's financial position and results of operation, the Audit Committee will report to the Board of Directors for improvement within a period of time mutually fixed by the Audit Committee:
  - Report on conflict of interests.

- Suspicions or assumptions that there may be fraud or irregularity or material defect in the internal control system.
- Suspicion that there may be a violation of the Securities and Exchange Act, regulations of the Stock Exchange of Thailand or the laws related to the Company's business.
- Other reports which should be disclosed to the Board of Directors.

### **8.2 Reporting to the Authorities**

If the auditor discovers any suspicious circumstance that the Managing Director or any person who is responsible for the operation of the Company commits an offence under the Section 89/25 in the Securities and Exchange Act, the auditor shall inform the fact relating to such circumstance to the Audit Committee. The Audit Committee shall report the result of preliminary inspection to the SEC or the SET and the auditor within 30 days.

If the Audit Committee has reported about anything which has material impact on the financial condition and results of operation to the Board of Directors and has discussed with the Board of Directors and the management that any rectification is necessary, upon completion of the period of time mutually fixed if the Audit Committee finds that such rectification has been unreasonably ignored, any or all members of the Audit Committee may report such finding to the SEC and the SET.

### **8.3 Reporting to Shareholders and General Investors**

Report on activities carried out during the year according to the duties and responsibilities delegated by the Board of Directors; that shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report with the following details:

1. Comment on the accuracy, completeness and credibility of the preparation process and disclosure of information in the Company's financial report.
2. Comment on the adequacy of the Company's internal control system.
3. Comment on the appropriateness of the auditor.
4. Comment on the compliance with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand, or laws related to the Company's businesses.
5. Comment on the transaction that may have conflict of interest.
6. Number of the Audit Committee meeting and time attendance of each member.
7. Comment or observation on the operation as defined in the Audit Committee Charter.
8. Any other report that should be made to the shareholders and general investors within the scope of duties and responsibilities assigned by the Board of Directors.

## **9. Evaluation**

The Audit Committee shall evaluate its performance by providing Audit Committee Self-Assessment or other appropriate mechanism in order to improve its performance for higher efficiency and achieve the objectives.

# **Executive Committee Charter**



**Smart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Executive Committee Charter

### 1. Objective

The Executive Committee was established to support the Board of Directors in managing the Company's business in compliance with the strategy, policy, business plan, regulations and announcement including key objectives and target under the framework assigned by the Board of Directors.

### 2. Composition and qualifications

The Board of Directors is responsible for the appointment of the Executive Committee by electing at least 3 appropriate persons from the members of the Board of Directors and management. The Board of Directors will consider and appoint the Chairman of the Executive Committee from appropriate member of the Committee.

### 3. Term

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### 4. Roles and Responsibilities of the Executive Committee

1. Set and review the Company's vision, mission, strategies and business plan as well as the Company's management structure and delegation of authorities for further approval from the Board of Directors.
2. Supervise the subsidiary and associated companies to be in accordance with the Company's policy including Review and monitor the operating performance of the Company and subsidiaries to achieve the goal.
3. Audit, monitor and implement the Company's policies and management practices to conform to the assignment from the Board of Directors efficiently.
4. Consider and approve annual budget and investment of the Company for further approval from of the Board of Directors.
5. Determine policy, structure, criteria for remuneration of employees and management together with the Executive Chairman and propose to the Nominating and Compensation Committee for consideration prior to further approval from the Board of Directors.
6. Consider and appoint qualified persons as key executive and report to the Board of Directors for acknowledgment
7. Consider entering into any transactions binding the Company as delegation of authorities defined in the Company's policy and practice.
8. Report the significant performance of the Executive Committee to the Board of Directors on a regular basis.
9. Review the roles and responsibilities of the Executive Committee in accordance with the situation.
10. Perform any other activities as assigned by the Board of Directors.

### 5. Delegation of Authorities

The delegation of authorities, duties and responsibilities of the Executive Committee shall not be delegated or further assigned that authorize the Executive Committee or its attorney to approve any transactions that the Executive Committee or connected persons or any persons who may have conflict of interest have done with the Company or its subsidiaries unless such transactions are complied with the Company's policy or principle approved by the Board of Directors. Such connected transactions shall be proposed to the Board of Directors' and/or shareholders' meetings for approval to comply with the notification of the Stock Exchange of Thailand, the Securities and Exchange Commission or related law.

**6. Meeting**

1. The Executive Committee shall convene the meeting as necessary and appropriate at least 6 times a year.
2. The agenda and meeting documentation should be delivered to the members of the Executive Committee in advance of the meeting.
3. A constitution of quorum of the Executive Committee meeting is required attendance of members at least 50%. In the event the Chairman of the Executive Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. The resolutions of the Executive Committee meeting shall be passed by the majority votes of the members who attend the meeting. The member who has interest in any agenda cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.

**7. Reporting**

The Executive Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report with the following details:

1. Number of the Executive Committee's meetings.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.

# Corporate Governance Committee Charter



**Samart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Corporate Governance Committee Charter

### 1. Objective

The Corporate Governance Committee was appointed to support the Board of Directors in governing the Company to have a system or management process in compliance with the Good Corporate Governance Policies.

### 2. Composition and qualifications

The Board of Directors is responsible for the appointment of the Corporate Governance Committee by electing at least 3 appropriate persons from the members of the Board of Directors and/or any qualified candidates. The Board of Directors will appoint independent director who has appropriate qualifications to be Chairman of the Corporate Governance Committee.

The qualifications of the Corporate Governance Committee are as follows:

1. Have knowledge, integrity and business ethics including time to devote his knowledge and ability to perform duties for the Company.
2. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) and not lacking trustworthy characteristics as specified by the Securities and Exchange Commission.
3. Not undertaking any business or being a partner or director of other juristic persons of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the Board of Directors' meeting before the appointment.

### 3. Term

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### 4. Roles and Responsibilities of the Corporate Governance Committee

1. Responsible for governing and monitoring business operation and performance of committees, management and employees of the Company to comply with the principles of good corporate governance, the Company's policies and related laws.
2. Establish corporate governance policy including social responsibility and anti-corruption.
3. Establish and review the Company's significant procedures and practices to comply with the good corporate governance policy.
4. Regularly review the Company's policies, principles and practices.
5. Provide suggestions relevant to business ethics and best practices to the Company's directors, management and employees.
6. Ensure that the good corporate governance policy are performed in practice continuously and appropriately.
7. Review the roles and responsibilities of the Corporate Governance Committee in accordance with the situation.
8. Report to the Board of Directors regarding the Company's good corporate governance with comments and recommendations for appropriate improvements.
9. Perform any other activities as assigned by the Board of Directors.

**5. Meeting**

1. The Corporate Governance Committee shall convene the meeting as necessary and appropriate at least twice a year.
2. The agenda and meeting documentation should be delivered to the members of the Corporate Governance Committee at least 7 days in advance of the meeting for consideration except in urgent case.
3. A constitution of quorum of the Corporate Governance Committee meeting is required attendance of members at least 50%. In the event the Chairman of the Nominating and Compensation Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. The resolution of the Corporate Governance Committee's meeting shall be passed by the majority votes of the members who attend the meeting. The member who has interest in any agenda cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.

**6. Reporting**

The Corporate Governance Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report with the following details:

1. Number of the Corporate Governance Committee's meetings.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.



# **Nominating and Compensation Committee Charter**



**Samart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Nominating and Compensation Committee Charter

### 1. Objective

The Nominating and Compensation Committee was established to select qualified persons to hold the position of Directors, Committee, Chief Executive Officer, Top management and Company Secretary as well as consider policies, compensation structure and criteria for remuneration to propose for further consideration of the Board of Directors.

### 2. Composition and qualifications

The Board of Directors is responsible for the appointment of the Nominating and Compensation Committee by electing at least 3 appropriate persons from the members of the Board of Directors and/or any qualified candidates. Most of them should be independent directors. The Board of Directors will appoint independent director who has appropriate qualifications to be Chairman of the Nominating and Remuneration Committee.

The qualifications of the Nominating and Compensation Committee are as follows:

1. Have knowledge, capable, experience, business ethics and time to devote his knowledge and ability to perform duties for the Company.
2. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) and not lacking trustworthy characteristics as specified by the Securities and Exchange Commission.
3. Not undertaking any business or being a partner or director of other juristic persons of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the Board of Directors' meeting before the appointment.

### 3. Term

One-third of the Nominating and Compensation Committee, who have been longest in office, shall retire by rotation every year. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Board of Directors. In case of vacancy, the Nominating and Compensation Committee will consider an appropriate person from the members of the Board of Directors and/or any qualified candidates for further appointment from the Board of Directors.

### 4. Roles and Responsibilities of the Nominating and Compensation Committee

1. Recruit, select, and nominate appropriate candidates for the position of independent directors, Chairman of the Board of Directors and directors, and propose for consideration and approval from the Board of Directors' and/or the shareholders' meetings when those positions are vacant due to termination of terms or other reasons.
2. Recruit, select, and nominate appropriate candidates for position members of each committee, Executive Chairman and Company Secretary proposed for consideration of Board of Directors when such position is vacant as well as propose criteria for selecting candidates of top management and key executives for the succession plan.
3. Determine and review qualification, criteria and procedures for nomination of directors, committees, Executive Chairman, key executives and Company Secretary to propose for approval from the Board of Directors' meeting.
4. Determine policy, structure and criteria for remuneration, whether in cash, securities or otherwise, of directors, committees, Executive Chairman, key executives, management and employees in accordance with the Company's strategy, goal and operating results as well as market conditions to propose for further approval from the Board of Directors.
5. Review the roles and responsibilities of the Nominating and Compensation Committee in accordance with the situation.
6. Perform any other activities as assigned by the Board of Directors.

**5. Meeting**

1. The Nominating and Compensation Committee shall convene the meeting as necessary and appropriate at least twice a year.
2. The agenda and meeting documentation should be delivered to the members of the Nominating and Compensation Committee at least 7 days in advance of the meeting for consideration except in urgent case.
3. A constitution of quorum of the Nominating and Compensation Committee meeting is required attendance of members at least 50%. In the event the Chairman of the Nominating and Compensation Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
4. The resolution of the Nominating and Compensation Committee's meeting shall be passed by the majority votes of the members who attend the meeting. The member who has interest in any agenda cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.

**6. Reporting**

The Nominating and Compensation Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report with the following details:

1. Number of the Nominating and Compensation Committee's meetings.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.

# **Risk Management Committee Charter**



**Smart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Risk Management Committee Charter

### 1. Objective

The Risk Management Committee was appointed to support the Board of Directors in determining appropriate, sufficient, and effective risk management policies and overseeing to ensure that overall risk management system or process is at an acceptable level.

### 2. Composition and qualifications

The Board of Directors is responsible for the appointment of the Risk Management Committee by electing at least 3 appropriate persons from the members of the Board of Directors, simultaneously, to consider and appoint the Chairman of the Risk Management Committee from the committee members.

The qualifications of the Risk Management Committee are as follows:

1. Have knowledge, capable, experience and expertise in the Company's business including integrity, business ethics and time to devote his knowledge and ability to perform duties for the Company.
2. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) and not lacking trustworthy characteristics as specified by the Securities and Exchange Commission.
3. Not undertaking any business or being a partner or director of other juristic persons of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the shareholders' meeting before the appointment.

### 3. Term

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors for further consideration and appointment from the Board of Directors in the first board meeting after Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### 4. Roles and Responsibilities of the Risk Management Committee

1. Set clear business directions, identify, analyze and investigate significant risk factors as well as determine strategy for managing those risks to the Company's acceptable risk level.
2. Set the risk management policy and propose for approval from the Board of Directors to use as guideline for each division according to its responsibility with the following 4 aspects:
  - 1) Financial Risk
  - 2) Operational Risk
  - 3) Strategic Risk
  - 4) Compliance Risk
3. Supervise to ensure effective communication of such measures thoroughly the Company and employees continuously comply with those measures.
4. Review the roles and responsibilities of the Risk Management Committee in accordance with the situation.
5. Provide efficiently assessment and review of possible damage that may occur to ensure that risk exploration covers all processes of the business operations.
6. Support and develop risk management to cover throughout the organization and ensure that it is complied with the international standard.
7. Provide professional opinions from external consultants as necessary with company's expense.
8. Perform any other activities as assigned by the Board of Directors.

**5. Meeting**

1. The Risk Management Committee shall convene the meeting as necessary and appropriate at least twice a year.
2. The agenda and meeting documentation should be delivered to the members of the Risk Management Committee at least 7 days in advance of the meeting for consideration except in urgent case.
1. A constitution of quorum of the Risk Management Committee's meeting is required attendance of members at least 50%. In the event the Chairman of the Sustainable Development Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
2. The resolution of the Risk Management Committee's meeting shall be passed by the majority votes of the members who attend the meeting. The member who has interest in any agenda cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.

**6. Reporting**

The Risk Management Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report with the following details:

1. Number of the Risk Management Committee's meetings.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.

# **Sustainable Development Committee Charter**



**Smart Digital Public Company Limited**

(This revision was approved by the Board of Directors' Meeting No. 2/2022 on February 24, 2022)

## Sustainable Development Committee Charter

### 1. Objective

The Sustainable Development Committee was appointed to support the Board of Directors in determining the Company's appropriate and effective economic, social and environmental policies and overseeing to ensure that the Company has a system or process for social and environmental development at an acceptable level.

### 2. Composition & Qualifications

The Board of Directors is responsible for the appointment of the Sustainable Development Committee by electing at least 3 appropriate persons from the members of the Board of Directors and management and/or any qualified candidates. The Board of Directors will consider and appoint Chairman of the Sustainable Development Committee from appropriate members of the Committee.

The qualifications of the Sustainable Development Committee are as follows:

1. Have knowledge, capable, experience and expertise in society and environment including integrity, business ethics and time to devote his knowledge and ability to perform duties for the Company.
2. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) and not lacking trustworthy characteristics as specified by the Securities and Exchange Commission.
3. Not undertaking any business or being a partner or director of other juristic persons of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the shareholders' meeting before the appointment.

### 3. Term

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management and/or any qualified candidates for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

### 4. Roles and Responsibilities of the Sustainable Development Committee

1. Set policy, strategy and action plan for sustainable development to comply with the Company's business operation in term of economy, society and environment for further approval from the Board of Directors.
2. Encourage and support the Company's activities to achieve the SD policy such as labor and employee management, employee welfare, employee development, training and promotion, and development of communities and society around the Company's area.
3. Monitor, review, follow up the operational progress and evaluate the effectiveness of SD policy implementation.
4. Review the roles and responsibilities of the Sustainable Development Committee in accordance with the situation.
5. Perform any other activities as assigned by the Board of Directors.

### 5. Meeting

1. The Sustainable Development Committee shall convene the meeting as necessary and appropriate at least twice a year.
2. The agenda and meeting documentations will be delivered to the members of the Sustainable Development Committee at least 7 days in advance of the meeting for consideration except in urgent case.
3. A constitution of quorum of the Sustainable Development Committee's meeting is required attendance of members at least 50%. In the event the Chairman of the Sustainable Development Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.



4. The resolution of the Sustainable Development Committee's meeting shall be passed by the majority votes of the members who attend the meeting. The member who has interest in any agenda cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.

**6. Reporting**

The Sustainable Development Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report with the following details:

1. Number of the Sustainable Development Committee's meetings,
2. Meeting attendance of each member,
3. Performance of the Committee as defined in the charter.