

Corporate Governance in 2021

The Board of Directors of Group Lease Public Company Limited (the “Company”) realizes the importance and really believes that the corporate governance according to the principles of the good corporate governance is the key to the success and sustainable achievement of the Company’s important goals—good operating result, the ability to adapt to business changes, developing or reducing negative environmental impacts, ethical business practices, building shareholder and investor confidence, building good relationships with stakeholders and creating societal benefits. Moreover, it also leads to creation value-added to the Company which, in turn, will contribute to the long-term interests of the Company’s shareholders, employees, suppliers, customers, debtor and to society as a whole. Consequently, Corporate Governance Policy of the Company has been set up based on the Good Corporate Governance Principle 2012 and has been updated to be in relation to the Corporate Governance Code for listed Companies 2017 which focus more on the Board of Directors’ roles and responsibilities to oversee the Company to operate its business transparently, ethically, respecting the right of and be responsible to its duties, shareholders and all stakeholders and at the same time striving for competitiveness and good performance including the resilience under various risk factors that might arise.

In 2021, the Board of Directors has approved the revision of the Corporate Governance Policy in order to make sure that the Company has the good corporate governance principles which is up to date and in order to use it as a good practice for the Board of Directors, executives and all employees; even though, the Company has mostly complied with the aforementioned good practice. In this year, the Company has complied with the good corporate governance principles as follows.

Section 1 Rights of Shareholders

1. Right Protection of the shareholders

The Company encourages and gives importance on the rights of the shareholders which was not limited to only the legal rights but also encourages the shareholders to exercise their basic rights, including the right to trade or transfer shares, the right to receive dividends, the right to receive significant information and news of the Company accurately, completely, equally, adequately, appropriately and in a timely manner, the right to attend and to vote in the shareholders’ meeting to ensure that the shareholders have participated in the decision making of significant issues of the Company.

2. Shareholders’ Meeting

The Company has scheduled the Annual General Meeting of Shareholders to be held within 4 months from the end of the Company’s fiscal year. Unless there is an urgent need to consider a special agenda in the matter that may affect or relate to the shareholders which needs to be approved by the shareholders, the Board of Directors will consider calling the Extraordinary General Meeting of Shareholders.

The Company has a policy to encourage every group of its shareholders, including institutional shareholders, to attend and vote in the shareholders' meeting. To ensure that this is possible, the Company will always ensure that the venue of its shareholders' meeting is easily accessible by road and by public transport and that the shareholders' meeting will never be convened on a public holiday, on a weekend, or otherwise outside normal office hours. The 2021 Annual General Meeting of Shareholders took place on Wednesday, 28th April 2021 at 10.00 hrs. at the Miracle Grand Convention Hotel which is located near the Company's head office at No. 99, Khampang Phet 6 Road, Laksi, Donmuang, Bangkok 10210.

Before each Annual General Meeting of Shareholders (AGM) and Extraordinary General Meeting of Shareholders (EGM), the details stipulated in the Notice of the Meeting, including the meeting date, time, venue and agenda, including an explanation and rationale for each agenda item, as well as the opinion of the Board together with the various attachments, such as details of the name, age, education and working backgrounds divided into listed and non-listed companies, the type of position proposed for election, past record of Board Meeting attendance and the date of appointment of the directors who shall be retired by rotation and be re-elected, Independent Directors' detail as a Proxy, the Company's Articles of Association in relation to the shareholders' meeting, the list of papers to show identification of the shareholders who have the right to attend the meeting and the proxy form B and form C which states 3 Independent Directors for proxy granting alternatives as well as the map of the venue were all posted on the Company's website in both Thai and English versions separately at least 30 days before the date of the shareholder's meeting so that the shareholders have sufficient information and time to study each agenda item before making decision in person or by proxy at the shareholders' meeting.

In addition, the Company also gives the opportunity to the shareholders or interested persons to send questions in advance via both post and e-mail to Investor Relations Department of the Company at IR@grouplease.co.th, which the said channels are already disclosed on the Company's website. Once the questions are received, the IR officer will consider and coordinate to have them answered by the authorized person or his representative.

3. Procedures on the shareholders' meeting date

Before the commencement of shareholder's meeting, there will be announcements on the quorum, the procedure and method of vote casting, vote counting and vote reporting. The registration for and vote counting in the shareholders' meeting will be done by computer so that the meeting could be carried out efficiently. In addition, the shareholders are encouraged to use the proxy form which can specify their voting choice and the Company always offers 3 Independent Director as the shareholders' proxy granting alternative (in 2021, the Company had nominated only 2 independent directors due to the Company had only 2 Independent Directors at that time). Duty stamps are also provided without cost for the proxy granting and those shareholders who arrive late for the meeting are still afforded the right to participate in the meeting. On the agenda item relating to the re-election and appointment of new directors, the voting shall be done individually and voting cards are used for all agenda items and were kept for future reference, especially those disapproved and abstained voting for transparency and future auditing. In the 2021 AGM, the Company had volunteer who is the representative from the Thai Listed Companies Association to become witness for the vote counting

before the meeting began and was introduced to the Meeting and recorded in the minutes of the meeting.

Apart from having the Notice of the Meeting prepared in both Thai and English, the shareholders' meeting itself was also conducted in both languages so that both Thai and foreign shareholders were able to equally understand. Moreover, during the shareholder's meeting, the Chairman provided the opportunity and sufficient time for the shareholders to express their opinions or ask questions concerning each of the agenda items and the Company's businesses fully before the vote casting. In addition, after all of the proposed agenda items had been completed, the shareholders were given further opportunity to ask additional or follow-up questions.

4. Writing and releasing of the minutes of shareholders' meeting

Minutes of the shareholders' meeting shall always include the list of present and absent directors (if any). For the 2021 AGM, due to the Coronavirus (COVID-19) epidemic, the government had set measures to control and prevent the spread of COVID-19 such as closing some place, limiting the number of participants in meeting/seminar, social distancing, work from home, national lockdown, 14-day quarantine for travelers who enter to Thailand, etc. and regard to the 2021 Annual General Meeting of Shareholders, there was 4 directors who can't attend the 2021 Annual General Meeting of Shareholder of the Company due to they are in abroad and it has a lockdown in Thailand. However, they joined the 2021 AGM of Shareholders via Electronic devices (E-Meeting). The other 2 directors who were in Thailand had attended the meeting in person. In this regard, one director was absent from the shareholders' meeting and there were 2 directors submitted their resignation letters before the date of the shareholders' meeting. Therefore, the proportion for director's attendance was recorded at 85.71 percent which means that the Chairman of the Board, Chief Executive Officer including the Deputy Chief Financial Officer had attended the 2021 Annual General Meeting of Shareholders. The Chairman of the other sub-committees hadn't attended the 2021 Annual General Meeting of Shareholders due to the Company was on the process of recruiting the qualified candidates to substitute the resigned one. Moreover, the minutes also included the explanation of voting method and vote counting as well as the important questions and answers together with the name of the person who asked and answered the questions in every agenda. The voting result will show the number of shares approved, disapproved and abstained votes and such results were disclosed on the SET's disclosure system on the same date after the shareholder's meeting. Moreover, the minutes of the 2021 AGM was disclosed on the Company's website on 12th May 2021 or within 14 days after the date of shareholder's meeting date and the Company had submitted the aforementioned minutes of the shareholders' meeting to the Stock Exchange of Thailand within 14 days after the date of the shareholders' meeting in order to be in line with the regulations of the Stock Exchange of Thailand.

Section 2 Equitable treatment of shareholders

The Board of Directors of the Company treats all shareholders fairly and equally, whether they be major or minor shareholders, corporate or individual shareholders, and irrespective of their nationality. In order to ensure the fair and equitable treatment of all of its shareholders, the Company follows the following guidelines:

1. Release of information before shareholders' meeting

For the 2021 Annual General Meeting of Shareholders, the Board resolution on notice of shareholders' meeting together with the agenda and opinions of the Board both in Thai and English versions were disclosed to the SET and the notice of the meeting and other attachments were also posted on the Company's website on 26th March 2021 or 33 days in advance of the meeting date and the invitation to the Meeting was delivered to the shareholders on 12th April 2021 or 16 days in advance of the meeting date which was still better than the rule of 7 days in advance since there was no special agenda. The Company used voting sheets for every agenda item and the vote counting method is based on 1 share per 1 vote for all shareholders. The meeting was informed of the voting method and the vote counting method together with the amount of shares/votes required from the shareholders to approve each agenda item was also announced before voting in each agenda item.

2. Protection of minor shareholders

Minor shareholders were provided with the opportunity of proposing agenda items and/or nominating qualified persons to be the Company's Director to be considered in the 2021 AGM of Shareholders in accordance with the announcement on the SETLINK in which the procedures of making such proposals were disclosed on the Company's website and the period of proposal was during 1st October – 31st December 2020. However, there were no agenda items or any director nomination proposed by the minor shareholders to be considered in the 2021 AGM of Shareholders. In the re-election of Directors who retired by rotation, and the appointment of new directors, the shareholders had the right to vote for each person individually. The Company did not include additional agenda items nor did it switch the sequence of the shareholders' meeting agenda in the 2021 AGM of Shareholders from the sequence specified in the Notice of the Meeting.

3. Protection against insider trading

The Company has prescribed guidelines regarding its confidentiality policy and its policy relating to the insider trading in its official written Business Code of Ethics. The Company takes this matter seriously to ensure that all directors and employees especially those who involve in and have the knowledge of the financial information strictly comply with the Company's Business Code of Ethics regarding insider trading. Any director or employee who breaches shall be subject to disciplinary action according to the Company's internal disciplinary procedures and penalty under the Securities and Exchange Act Section 296 which is an imprisonment of not exceeding 2 years or a fine of not exceeding 2 times of the earned benefit but not less than 500,000 Baht or both imprisonment and fine. For the year 2021, the Company still applied with the Insider Trading Policy in order to forbidden the insiders who obtain financial information or other inside information from buying/selling the Company's securities for a period of 30 days before the financial statements is disclosed to the public and 24 hours after the disclosure of the inside information that has the impact on the Company's share price in order to be appropriate and concise.

4. Conflict of interest by directors

The Company's Directors and executives (under SEC's definition) have an obligation to disclose their own and their related persons' interests which might have any conflict with the Company's interests since their first appointment according to Section 89/14 of the Securities & Exchange Act B.E 2535 and update the information whenever there is any change so that such related transactions shall

be decided on the Company's highest benefit as a whole. Those directors who have significant conflict of interest which might limit their ability to make independent and impartial decisions shall not be entitled to participate in the decision making in respect of the matter for which the conflict has arisen.

Moreover, all directors and executives who have the obligation to report the shareholdings of the Company's shares must submit a report of any changes of such shareholdings to the SEC to comply with Section 59 of the Securities & Exchange Act B.E. 2535 according to the rules and method specified by the SEC. Such changes shall be acknowledged in the next Board of Directors' Meeting and the changing of directors' and executives' shareholdings of the Company's shares during the year shall be disclosed in the Company's annual report.

Section 3 Role of Stakeholders

The Company gives importance to and respects the rights of all of its stakeholders, including its shareholders, customers, employees, suppliers, creditors, competitors, as well as the environment, the community, and society as a whole.

The Board of Directors and management, therefore, have set up the following operational guidelines for the benefit of its stakeholders as follows:

Guideline towards the Stakeholders

The Company also ensures that it complies with good corporate governance and business ethics in all of its dealings with its stakeholders, both internal stakeholders such as directors, management, employees and other staffs, and external stakeholders such as shareholders, customers, creditors, suppliers, competitors, as well as environment, the community, and society as a whole, all of which were prescribed in the Company's Business Code of Ethics and which may be summarized as follows:

Shareholders: The Company strives to be a good representative of the shareholders in carrying out the business operation for the best satisfaction of its shareholders, treating them equally and ensuring that the shareholders' benefits are carefully maintained by managing the Company's business to contribute to the long-term and sustainable growth in order to create value added and appropriate and continuous return while complying with the good corporate governance principles.

Employees: The Company realizes that employees are its most valuable resources and a key component to the Company's success. Therefore, good culture and working atmosphere are enhanced. Environment around the work area shall always be taken care of in terms of safety. As such, rules regarding the security and safety are established and included in the Employees Work Rules and Regulations 2016 for the employees to comply strictly. During 2021, there was no severe accident from work occurred. Moreover, recruitment, promotion, compensation, and transfer of employees will always be strictly based on labor law and will be considered equitably and fairly together with appropriate remunerations. Employees' performance evaluations are done annually for their salary adjustment and bonus payment. Various kind of training courses are frequently provided to the employees in different departments to develop their respective knowledge and skills on a continuous basis, for example, Debt collection and negotiation technique, Debt restructuring and debtor management, Get ready to provide the hire purchase loans via online channel, What the employer has to do in regard to the remittances according to the Act B.E. 2560

(2017) and Update on the Debt Collection Act B.E. 2021, examine the announcements under the Debt Collection Act and the customer claims and diagnostics, etc. to enhance their potential on their career path and finally for the benefit of the Company as a whole.

Due to the Coronavirus (COVID-19) pandemic in the year 2021, there were a slowdown in the economy and a restriction in a society including organizing both internal and external training which emphasize on social distancing. The Company conducted a total of 2 internal training courses and 3 online training courses which were conducted instead of the external training courses due to the COVID-19 outbreak which were attended by a total of 228 persons or an average of 6 hours per person.

Moreover, employees were also provided proper health and recreation welfare such as group life and health insurance, annual physical check-up, provident fund, allowances on wedding, maternity and funeral expense allowance, scholarship for employee's children who achieved excellent academic results, motorcycle insurance for the staff who use motorcycle on their job and motorcycle hire-purchase to employees at low interest rates. For the year 2021, the Company still provided employee loan as an additional welfare to release the employees' financial obligation and still carried on with the recreation activities that were found to be appropriate and could successfully enhance good relationship among the employees and still encouraging them to do more exercise such as Weight Losing Competition including arranging internal football match between staff and management.

In 2021, the Company has the following safety measures to prevent the spread of the COVID-19 which can be listed as follows:

- Ask the employees at the higher risk of getting the COVID-19 infection such as the elderly, people with congenital diseases, people who had close contact with someone with the COVID-19, etc. including the employees in some back-office department to work from home.
- Reduce and change working hours of some department from 8.30 - 17.30 hrs. to be 9.30 - 16.30 hrs. For the customer service department or credit department, the Company maintains working hours at 8.30 - 17.30 hrs. as usual but the Company allows employees in these departments to internally adjust their working hours as appropriate in order to prevent any effect to customer including the operation of the Company.
- Keep the minimum 1 – 2 meters for social distancing and require employees to wear face masks while they are in the workplace.
- Require employees to measure temperature and wash hands with alcohol gel before entering the workplace. Alcohol gel is also provided at various areas such as inside and in front of the elevator, customer reception area, customer service area, etc.
- Require employees to refrain their personal travel to affected/risk areas to reduce the risk from the COVID-19 epidemic.
- Allow employees to be able to take leave in order to get the COVID-19 vaccines without deduction of the employee leave days.
- Require employees who have had close contact with someone known who has the COVID-19 to assess 14-day home isolation to observe symptoms and reduce the risk of spreading infection.

<u>Customers:</u>	<p>The Company aims to build satisfaction and confidence to its customers to ensure the best quality services under appropriate safety and technology and continue to raise its service standards. Information regarding the services offered will be disclosed completely, correctly, in a timely manner and without any distortion to the customers. The Company focuses on operating its business with reasonable cost while maintaining an efficient, fast, and high quality of service thus fulfilling the Company's business philosophy: First, Fast and Forward. Customers' confidential information shall always be kept confidential and such information shall not be used for the Company or other related person's benefit and never solicit, offer any illegal benefits to customers including not doing any business with any customer related to corruption.</p>
<u>Suppliers:</u>	<p>Suppliers will be selected on a fair and equitable basis. The Company shall deal with its suppliers in strict compliance with the commercial terms of the arms-length legal agreements executed with them. The Company does not do business with suppliers who are suspected of corruption or of soliciting bribes. Under no circumstances will the Company accept, solicit, offer any bribes to its suppliers including not doing any business with any customer related to corruption.</p>
<u>Creditors:</u>	
<u>Competitors:</u>	<p>The Company strictly complies with the terms and conditions made with its creditors, including the punctual repayment of its debts and other conditions specified in the agreement.</p> <p>The Company supports and encourages fair competition with other firms doing the same business. Competition is done under the framework set by the industry or regulators. The Company does not act to take advantage of its competitors by using improper or unethical methods?</p>
<u>Community, Society & Environment</u>	<p>The Company has policy in operating the business with responsibility towards community, society and environment in terms of safety, quality of life and natural resources conservation. We promote the efficient utility of energy and resources, e.g. we reduce paper usage by circulating e-mail instead, assisting the community by making donations and encouraging employees to arrange and participate in various social responsibility activities or environmental conservation in order to instill consciousness of social responsibility to the employees.</p> <p>In 2021, the Company participated in social responsibility activities such as participating in activities on National Children's Day at the Police Station Prachachuen Branch to donate school supplies as a gift for children, donating face shield masks, donating office tables and chairs, conference tables, used office furniture that is in good condition, donating consumer goods, including catering lunch for babies in which the employees also participated in the activities as well as the cash donation, etc. In addition, the Company continues to encourage employees to reduce the use of plastic bags. and turned to use more cloth bags.</p>

Policy on Anti-Corruption and prohibition of bribery for commercial benefit of the Company

The Company's Board of Directors passed a resolution to establish an Anti-corruption Policy in January 2016. Formerly, the Company had stipulated corruption as a prohibited action in the Employees' regulations and also included such matter in the Company's Code of Business Ethics. However, the Board of Directors has enhanced such regulations for clearer and more updated provisions and this Anti-corruption policy was inserted as a part in the Company's Code of Business Ethics. The latest update for the present version was in September 2019.

The Anti-corruption Policy states that:

"Directors, executives and employees of the Company and subsidiaries are prohibited to participate in any corruption, briberies either to or from the government or private officers in any form whether directly or indirectly in return for wrongful benefits for oneself, family, friend and acquaintances or to get business for the Company or for commercial advantage. They must also comply with the Company's Business Code of Ethics and other laws in Thailand in relation to anti-corruption."

Process on Risk Evaluation from corruption and guideline on governance and risk monitoring

- 1) Internal Audit Department is responsible for the risk evaluation from corruption actions by setting up yearly audit plan which covers various audited items that may incur the risk from corruption done by employees to the Company during the performing of duty or done with the outsiders such as customers, suppliers or government officers and report the results to the Audit Committee for further action in compliance to the Company's rule or related laws as the case may be. The auditing should be done regularly in each department and the risk criteria and Company's rules should be reviewed regularly to always ensure the effectiveness to control the risk to be within the acceptable level and to ensure the implementation of such policy.
- 2) When there is any corruption cases found, an investigation committee will be established to investigate the case and if found guilty, the person shall be penalized or put under disciplinary action according to the Company's rule.
- 3) In order to be fair to the accused of corruption in case of disagreement to the accusation, such person can file a complaint by following the complaint filing procedure specified in the Company's rule.
- 4) Anti-corruption Policy has been communicated via e-mail and posted on the employees' notice board in the head office and every branch's office. It was also posted on the Intranet and website of the Company in both Thai and English versions and set as a course in the orientation of new employees in order to declare the Company's intention of doing business without corruption.

Whistle Blowing Policy and Channel provided to receive Anti-corruption Complains including the dealing of complain and the protection of the Whistle Blowers

Stakeholders who observed any suspicious act of corruption or bribery or a suspected violation of the law, the Business Code of Ethics or the good corporate governance policy of the Company or any malpractice which may adversely affect the Company's image by directors, management and employees may report in writing specifying their name, contact address or number or any other contact channel, stating the details of matter of concern and submitting the evidence to the Company via 3 of the following channels:

1. Registered mail addressed below:

Chairman of Corporate Governance Committee
Group Lease Public Company Limited
P.O Box 149, Bang Sue,
Bangkok 10800

2. E-mail address: whistleblowing@grouplease.co.th
3. LINE: GLWhistleblowing or QR Code



This PO Box and e-mail address and LINE was specially opened exclusively for the purpose of complaints on corruption or bribery reporting and the Chairman of Corporate Governance Committee who is the independent director is the direct responsible person. After receiving the complaints, Investigation Committee shall be set up to investigate the matter. The accused person is given the right to defend himself before final result and penalties can be summarized and report to Audit Committee and the Board of Directors for acknowledgement.

In addition, in order to protect the rights of the whistleblower or those who reveal the information, the Company shall take appropriate care to conceal the identity and address or other information that can lead to the identity of the whistleblower. The employee who discloses matters of concern in good faith will not be penalized or put under disciplinary action or demotion, suspension or layoff or any other actions that may have an adverse effect on such employee. Employees who make false accusations will be dealt with very seriously in accordance with the Company's internal disciplinary policy.

For other complaints such as problem on service rendered or other violation of rights or the complaints other than corruption cases can be done via e-mail address: glpcl@grouplease.co.th or by telephone number: 0 2580 7555 contact Customer Service or access through the Company's website at: www.grouplease.co.th/Investor_Relations. All the complaints shall be forwarded to the related Management who shall promptly investigate the matter and take the best action to solve the problem and make improvement.

Section 4 Disclosure and Transparency

The Company has a policy to disclose important information both financial and non-financial regarding the Company's business and operating result which is clear, accurate, sufficient and timely to all concerns in order to strictly comply to the rules set by the SET and SEC to be transparent. The Company's information which was disclosed through the SET's electronic system (SETLINK) is also posted on the Company's website under "Investor Relations" section to enhance the equality of information to public.

Besides disclosing the mandatory information through SETLINK Portal system, the Company also discloses other important information through form 56- 1 and annual report (Form 56-2) including

its website in Thai and English versions. Such information shall be updated regularly so that investors and other stakeholders are able to use them in making investment decision accurately and equitably. Those who are interested may visit the Company's website at anytime to view Thailand's information at www.grouplease.co.th and at www.grouplease.international for direct, fast and easy access to our global network.

The Board of Directors had set up Investor Relations Department and the Chief Executive Officer or his designated shall be assigned to be the Company's speaker who has the duty to communicate with the investors, shareholders, analyst including the related governor and the analyst meeting has been arranged regularly in order that the Company's important information shall be disclosed efficiently.

After the Company discloses the financial statements, the Company always holds Analyst Meetings/press conferences in March, May, August and November or 1 time per quarter. In the year 2021, the Company was unable to arrange the Analyst Meetings/press conferences after disclosing the financial statements as usual due to the Company was unable to disclose the Q1 – Q3/2021 financial statements and the financial statements for the year ended 31 December 2021 as the Company still unable to disclose the financial statements for the year ended 31 December 2020. However, the Company arranged the Public Presentation for 2 times in April and July 2021.

Disclosure Policy of the Company is summarized as follows:

- The Chief Executive Officer shall be the highest authorized person to determine the contents of the drafted important information and to make decision whether to disclose or not disclose any such information as well as being the main spokesperson in disclosing important information of the Company.
- Deputy Chief Executive Officer, Chief Financial Officer, the Investor Relations Officer, Legal Officer or Company Secretary shall assist the Chief Executive Officer in preparing important information or presentations to ensure that such information is complete, correct and in compliance to the Disclosure Rules.
- Deputy Chief Executive Officer, Chief Financial Officer or Head of Investor Relations can be designated by the Chief Executive Officer to be the spokesperson to disclose the Company's and its subsidiaries' information to the press, analyst or general investors.
- Other persons might be designated by the Chief Executive Officer or Chief Financial Officer to communicate the information to outsiders only in the matters that related to the designated persons' responsible duties.
- The Company shall disclose financial information and important inside information that has impact on the Company's share price and also affects the decision making of the investors as well as other general non-financial information that does not have any impact on the Company's share price but needs to be disclosed in compliance with the SET's rule through the SET's disclosure channel according to the SET's regulation. Such information should be disclosed correctly, completely, clearly, adequately and on a timely manner so that all groups of people can access the information equally. In the event that such information is not yet due for disclosure, the Company shall ensure that such information shall be strictly kept confidential among the related persons only.
- After the inside information has been disclosed to public through the SET's disclosure system, it shall be disclosed on the Company's website as well to ensure that the shareholders receive the information completely, correctly, timely, equally and easily accessible or disclosed through any other channels (as the case may be) and the appropriate timing of the disclosure of information shall also be taken into consideration.
- The persons who have obtained non-public inside information are forbidden to use the obtained information in buying or selling the Company's share.
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Section 5 Responsibilities of the Board

1. Roles and responsibilities of the Board

- Review and approve key business issues The Board of Directors involved in determining the Company's vision, mission and planning of strategy, objective, policy, and budget. It also advises and controls the implementation of the plan according to the policy. There will be presentation of performance to be presented in the Board of Directors Meeting every month. The Board of Directors will be responsible in reviewing the Company's objectives and business plan and strategies as appropriate or as deemed necessary or at least once every 5 years to ensure that those strategies and plans are in line with and suitable for the business' environment, opportunity as well as condition and status of the Company.
- Corporate Governance Policy The Board of Directors set and approved a written corporate governance policy for the Company starting from the year 2007 and regularly updated to be more appropriate and in line with the existing Corporate Governance Principles. In the year 2019, the Company revised the Board of Directors' Charter together with Code of Business Ethics and also determined the number of directorship in other listed company of each director to be not more than 5 companies including setting up the Compliance Unit under the Legal Department. In the year 2020, the Company reviewed the Corporate Governance Policy to be in line with the Corporate Governance Principles in which the latest update was in 2017 and disclosed it on the Company's annual report including posting it on the Company's website. In addition, the Company reviewed the Audit Committees' Charter and the Code of Business Ethics by providing additional channels for whistleblowing. Moreover, the Company announced the Disclosure Policy and the Insider Trading Policy.
- Code of Business Ethics Guidelines for appropriate operation of Directors, management and the employees were set up in writing according to the Code of Business Ethics or Statement of Business Conduct communicated to directors, management, and employees by including in the orientation of new employees and posted on the Company's Intranet system, sent to every employee via e-mail and posted on the Company's notice board as well as communicated to public by posting on the Company's website. Furthermore the operation guidelines were also set up in writing as the Company's rule so that the employees can follow as operational guidelines to enhance good moral and discipline in carrying out their duties and such rule also states penalties in violation of the regulations. In 2021, the Company had reviewed and improved the Company's Code of Ethics to be more in line with the Corporate Governance Policy of the Company.
- Conflict of Interests The Board of Directors is aware of the transactions which may have conflict of interest and set up the direction and operational guidelines to comply with the process and disclosure rules prescribed by law or related regulator and ensure that such transactions are for the benefit of the Company and shareholders as a whole. The guidelines are as follows:
 - 1) Significant transactions between the Company and related persons have to be considered and approved by the Board of Directors and in presence of Audit Committee and in compliance with the SET's rules and regulations and the Securities and Exchange Act. Directors who have conflict of interest in such transaction cannot vote.

Additionally, the minimum quorum while making resolution in the Board Meeting should not be less than two-third of the total number of the Board of Directors.

- 2) Related party transactions shall be disclosed completely, correctly, transparently and in a timely manner according to the rules together with the opinion from the Audit Committee or independent financial advisor whether such transactions are appropriate in terms of price and justification of the transaction (as regulated).
- 3) Directors and executives shall disclose their interest or related persons when they first engaged in the Company on the form determined by the Company and have the duty to update the Company whenever there is any change. The copy of such report shall be acknowledged by Chairman and Chairman of Audit Committee.
- 4) The Company's Board of Directors' Meeting No. 8/2008 held on 21st August 2008 had approved in principle that the management is able to approve the related transactions which have the same commercial terms as those an ordinary person would agree with any unrelated party under similar circumstances, on the basis of commercial negotiation and without any dependent interest resulted from the status of the director, executive or related person.

- Internal control System The Board of Directors realizes the importance of internal controls in every procedure to get the most efficient operations and to have sufficient internal control appropriated for each operation procedure of each system. As a result, Internal Audit Department was set up to assess the sufficiency and appropriateness of the internal control system and report directly to the Audit Committee. The Company sets up duties and scope of authority to access inside database system of the staff and management in different levels by using employee's code as the password to access the system so that different staff shall have different scope of authority to access the Company's database differently. In addition, the Company also segregated the duties of the operator and evaluator clearly. For financial control, the Company sets appropriate financial reporting system and proposed in the Management meeting for consideration regularly on monthly basis.
- Risk Management Policy It is the policy that every division is to perform in compliance with the regulations and relevant laws. Operating policy, operating regulations and command of authorization are in writing and revised to be in line with the on-going operation as well as the business of the Company. The Risk Management Committee together with the management of each department shall assess the risk from the business and the result shall be used as the base for the internal audit planning. In addition, the result of the risk assessment of the business that may have impact to the Company and the solution to manage such risk shall be acknowledged by the Board of Directors.
- Governance on Company's subsidiary In order to manage the Company's investment in subsidiary company to the best interest, the Board of Directors has assigned appropriate personnel to become director in the subsidiary in order to control the operations of the subsidiary to be in line with the Company's policy and to ensure that various transactions are carried out in compliance with the rules and laws of each country. The operating result of the Company's subsidiaries was regularly reported in the Board of Directors' meeting.

2. Check and Balance of directors

The Board of Directors determined the proportion of its member between executive and non-executive directors appropriately to be able to balance the authority of the Board of directors so that no single group can make decision on their own. As of 1st January 2021, the Company's Board of Directors consisted of 9 members which divided into 4 Executive Directors, 3 Non-Executive Directors and 2 Independent Directors which makes the ratio of Non-Executive directors of 56% of the total members of the Board and Independent Directors ratio of 22% of the total members of the Board who are also the Audit Committee. However, during the year 2021, there was 2 Independent Directors and 1 Non-Executive Director resigned in April 2021 and August 2021, respectively. Moreover, there was 1 Executive-Director who retired by rotation but wasn't proposed to be considered and approved the renewal of his term. Therefore, as of 31st December 2021, the Company's Board of Directors consisted of 8 members which divided into 4 Executive Directors, 1 Non-Executive Directors and 3 Independent Directors which makes the ratio of Non-Executive directors of 50% of the total members of the Board and Independent Directors ratio of 38% of the total members of the Board who are also the Audit Committee.

3. The Aggregation and Segregation of Role

During 1st January – 2nd March 2021, the Company had the same person held the position of the Chairman of the Board of Directors and the Chief Executive Officer. However, the Company appointed Mr. Kaname Hashimoto, director, to be the Chairman of the Board of Directors on 3 March 2021 in order to clearly separate role of the aforementioned positions and to balance between management and good corporate governance.

4. Board of Directors' Meeting

At present, the Company's Board of Directors meeting is arranged once a month. The Audit Committee meeting is set to be held once a quarter. In December of each year, the Board will be proposed to determine the next year's Board of Directors and Audit Committee meeting schedule as well as AGM meeting schedule in advance. However, if there is any urgent agenda that the Chairman or other directors need to bring in for the Board's attention, additional meetings can be arranged as necessary. In 2021, the Board of Directors' meeting was held altogether 20 meetings of which 12 meetings were monthly meetings and the rest 8 meetings were extra ones and the average percentage of Board Meeting attendance was about 100% (excluded the directors who resigned and the director who wasn't proposed to renew his term. The average of the year 2020 was about 91.05%). The Company Secretary will send notice to the Board meeting and the Board papers (if any) to all directors at least 7 days prior to the meeting date which was considered sufficient for the directors to study before coming to the meeting. Should any directors need more supporting information or reports, he can always ask from the related executives. In each monthly meeting, the agenda on operating result of the Company and its subsidiaries both in Thailand and overseas is set as regular agenda to ensure that it was in line with the set strategies and plan, and the Meeting is also updated on the market outlook, competition situation and other significant issues regularly each month. For each meeting, Chairman has allocated sufficient time for the meeting and all directors always pay high attention and give sufficient time to each proposed agenda as appropriate.

Moreover, the Board of Directors has the policy to let the Audit Committee which comprises of non-executive directors arrange a meeting with the external auditor of the Company in absence of management team at least once a year in order to discuss various problems concerning management issues independently and the result will be reported in the Board of Directors' meeting. As for the year 2021, the Audit Committee had 6 meetings with the external auditor without presence of management in the Meeting No. 1/2021 held on 13th January 2021, No. 2/2021 held on 22nd February 2021, No. 3/2021 held on 2nd March 2021, No. 4/2021 held on 12th March 2021, No. 12/2021 held on 30th September 2021 and No. 17/2021 held on 8 December 2021.

5. Board of Directors' Reporting

Board of Directors is responsible for the report on the Company's consolidated financial statements as well as the financial information disclosed on the Company's annual report. The financial statements of the Company will be prepared in accordance with the generally accepted accounting standard in Thailand with appropriate accounting policy consistently implemented so that the reports are accurate and reflect the important and sufficient information in the notes to financial statements.

The Audit Committee will be assigned to be responsible for the quality of the financial reporting and the internal control including asking to prepare the Audit Committee Report which is a part of the Annual Report. Due to the Company had postponed the submission of the financial statements for the year ended 31 December 2020 of the Company and the subsidiaries to the Stock Exchange of Thailand so the Board of Directors can't give the opinion on the Q1 – Q3/2021 financial statements and the financial statements for the year ended 31 December 2021 of the Company and the subsidiaries.
