



## **THE CHARTER OF BOARD OF DIRECTORS**

### **THAI WAH PUBLIC COMPANY LIMITED**

Amended by the resolution of the Board of Directors Meeting No.4/2023, dated November 14,2023

#### **1. Objective**

The Board of Directors (“**the Board**”) of Thai Wah Public Company Limited (“**the Company**”) is the driving force of the organization. Its roles and duties are to set strategies and policies pertaining to business operation for the Company. The Board of Directors must perform its duties responsibly, carefully, and loyally in order to maximize the Company’s benefits and act in fairness to all stakeholders, according to the principles of good corporate governance. In addition, the Board plays an important role in overseeing and assessing the performance of the Management to ensure the accomplishment of the Company’s action plan. The Board has thus resolved to adopt this Charter of the Board of Directors so that every director is aware of his/her duties and responsibilities and performs them correctly and completely.

#### **2. Composition, Qualification, and Terms of Office**

##### **2.1 Composition**

- 2.1.1 The Board of Directors shall comprise at least 5 directors, half of the total directors shall reside in Thailand.
- 2.1.2 The Board of Directors consists of independent directors which shall not be less than one-third of the total number of the directors, with a minimum of 3 directors.
- 2.1.3 The Board of Directors shall elect one of the members to be the Chairman of the Board.

##### **2.2 Qualifications**

- 2.2.1 The Company’s directors must be qualified and having none of the prohibited characteristics under the Public Limited Companies Act B.E. 2535 (A.D. 1992) (including additional amendments) and the Securities and Exchange Act B.E. 2535 (A.D. 1992) (including additional amendments), including other regulations stipulated by the Securities and Exchange Commission Board, and do not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing business whose shares are held by public shareholders as specified in the notification of the Securities and Exchange Commission.
- 2.2.2 The Company’s directors shall not operate any business of the same nature as and is in competition with the business of the Company and its subsidiaries, or become a partner or a director of any other private company or public company operating business of the same nature as and is in competition with the business of the Company and its subsidiaries, either for his or her own benefit or for the

benefit of other persons, unless he or she notifies the shareholders meeting prior to the resolution for his or her appointment.

### **2.3 Terms of Office**

At each annual general meeting, one-third (1/3) of the total number of the directors at that time, or if the number is not a multiple of three, then the number nearest to one-third (1/3), must retire from office. A retiring director is eligible for re-election.

Apart from retirement upon expiration of the term of office, a director shall cease to hold office upon:

- (1) death
- (2) resignation
- (3) lacking qualifications or possession of prohibited characteristics under the law governing public limited companies and the law governing securities and exchange and the Company's Articles of Association.
- (4) removal by a resolution of shareholders meeting
- (5) removal by a court order.

In the case of a vacancy on the Board of for any reason other than the expiration of the director's term of office, the Board shall elect a person who is qualified and having none of the prohibited characteristics under the law governing public limited companies and the law governing securities and exchange as the substitute director at the following meeting of the Board, unless the remaining term of office of the vacating director is less than two months. The substitute director shall hold office only for the remaining term of office of the director whom he or she replaces. The aforesaid resolution of the Board shall require a vote of no less than three-quarters (3/4) of the number of directors remaining.

## **3. Duties and Responsibilities**

- 3.1 Overseeing the Company in managing the business for the benefits of shareholders by observing the following four practices:
  - 3.1.1 Performing its duties with responsibility and all due circumspection and caution (Duty of Care).
  - 3.1.2 Performing its duties with faithfulness and honesty (Duty of Loyalty).

- 
- 3.1.3 Performing its duties in compliance with laws, objectives, Articles of Association, the resolutions of the Board of Directors and the resolutions of Shareholders' Meetings (Duty of Obedience).
  - 3.1.4 Disclosing information to shareholders accurately, completely, and transparently with verification and timeliness (Duty of Disclosure).
  - 3.2 Defining objectives that promote sustainable value creation and governance outcomes as a framework for the operations of the Company.
  - 3.3 Determining and reviewing the board structure, in terms of necessary qualifications, size, skills, experience, gender, age balance, diversity and the proper proportion of independent directors so as to ensure its leadership role in achieving the Company's objectives and stakeholder interests.
  - 3.4 Ensuring that the policy and procedures for the nomination and selection of directors are clear and transparent resulting in the desired composition of the board.
  - 3.5 Ensuring that all directors are properly accountable for their duties and responsibilities and allocate sufficient time to discharge their duties and responsibilities effectively.
  - 3.6 Ensuring that directors understand the roles and responsibilities, the nature of the business, the Company's operations, relevant law and are consistently given support to enhance their skills and knowledge necessary to carry out their roles on the board and board committees.
  - 3.7 Determining and reviewing the appropriateness and adequacy of the Company's corporate governance policy and guidelines to ensure they align with the laws as well as local and international practices, while also ensuring that the Company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.
  - 3.8 Ensuring that an appropriate compensation structure and performance evaluation are in place.
  - 3.9 Implementing and overseeing the annual self-performance evaluations of the board, its committees, and each individual director, including reviewing and using the evaluation results for strengthening the effectiveness of the board.
  - 3.10 Ensuring that the Company has effective human resources management and development programs to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.

- 
- 3.11 Prioritizing and promoting innovation that creates value for business together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the Company.
  - 3.12 Encouraging management to adopt responsible operations towards society and the environment and incorporate them into the Company's operational plan in order to ensure that every department and function in the Company adopts the Company's objectives, goals, and strategies, applying high ethical, environmental, and social standards.
  - 3.13 Ensuring that management allocates and manages the resources efficiently and effectively throughout all aspects of the value chain to enable the Company in meeting its objectives.
  - 3.14 Establishing a framework for governance of enterprise IT that is aligned with the Company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Company's objectives.
  - 3.15 Ensuring that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals and strategies and comply with applicable laws and standards.
  - 3.16 Establish the sub-committees that align with related laws and business requirements to assist the Board of Directors in their operations.
  - 3.17 Monitoring and managing conflicts of interest that might occur between the Company, management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.
  - 3.18 Establishing a clear anti-corruption policy and other relevant policies, practices and disseminating to the Company's stakeholders for proper implementations.
  - 3.19 Establishing a mechanism for handling complaints and whistleblowing.
  - 3.20 Prioritizing and ensuring the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.
  - 3.21 Monitoring the financial liquidity and solvency of the Company and ensuring that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated, and that the Company's governance framework provides for the consideration of stakeholder rights.
  - 3.22 Ensuring sustainability reporting as appropriate

- 3.23 Monitoring and reporting on their interests or interests of related persons (spouses, cohabitation partners, and minor children under legal age) which are related to the management of the Company or subsidiary companies, to the Company which can be verifiable, for transparency in business operations.

#### **4. The Board of Directors' Authorization**

The Board of Directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company's regulations, Articles of Association, the Board of Directors charter, and the resolutions at the shareholders' meeting.

#### **5. Role of the Chairman of the Board**

The Chairman of the Board is responsible for leading the Board with the following duties and responsibilities:

- 5.1 Summoning meeting for Board and presiding over the meeting. In making decision, the Chairman has a deciding or casting vote in the event of tied votes.
- 5.2 Setting Board meeting agenda in consultation with the Chief Executive Officer and Chairman of the Audit, Risk and Corporate Governance Committee and ensuring that Board members receive accurate, complete, timely and clear information prior to the meeting in order to assist their decision-making process.
- 5.3 Conducting the Board meeting according to the agenda, relevant laws and good corporate governance, allocating sufficient time and encouraging all directors to participate in the discussion, exercise their discretion prudently and express their opinions freely.
- 5.4 Overseeing and ensuring that the Board of Directors and the Sub-Committees effectively carry out their duties to achieve the Company's objectives.
- 5.5 Promoting constructive relations between executive and non-executive directors, and between the Board and the management.
- 5.6 Ensure that all directors contribute to the company's ethical culture and good corporate governance.

## **6. Meetings of the Board of Directors**

The date and time for the Board meetings shall be planned and formally agreed upon in advance in the fourth quarter before the start of the new financial year. Additional meetings are convened as and when circumstances warrant.

## **7. Remuneration of Directors**

The Board of Directors assigns the Nomination and Remuneration Committee to review the policy and criteria for directors' remuneration and recommend the Board of Directors prior to proposing to the shareholders' meeting for approval. In determining the composition of the remuneration package, the nature of the role, duties and responsibilities performed, and market practice are taken into consideration. The package shall also be competitive with the industry's benchmark.

## **8. Development of Directors**

- 8.1 When a person is appointed as a director of the Company, the Company shall provide him/her with the director orientation to introduce the Company's overview, operations, strategies and working plans and present to him/her the Charter of Board of Directors and various relevant information so that he/she acknowledges his/her roles and duties as a director of the Company.
- 8.2 Encouraging directors to be trained and developed in various ways such as seminars, lectures, and excursion trips to enhance up-to-date knowledge and new experience in line with the changing situations in order to benefit the operations of the Company.

## **9. Review of the Charter**

The Board of Directors shall review and evaluate the adequacy and appropriateness of the Charter on an annual basis.