



## **Corporate Governance Policy**

### **Principles of Good Corporate Governance**

#### Corporate Governance Policy

The Company realizes the significance of good corporate governance and intends to abide by the stated principles to ensure transparency and accountability in its business operations and ensure confidence among all its stakeholders. The principles are also intended to provide efficiency to compete internationally and increase value for the shareholders in the long term. In this regard, the Company's Board of Directors and management have, thus, established good corporate governance policies in writing policies and disclosing them, as well as its business ethics on the Company's website: [www.vibhavadi.com](http://www.vibhavadi.com).

#### **Section 1. Shareholders' Rights**

The Company recognizes the importance of shareholder rights, including basic rights of both major and minor shareholders. These rights include the ability to buy, sell, or transfer securities, receive complete, adequate, and timely news and information through easily accessible channels, and express opinions. Shareholders also have the right to participate in determining the Company's key decisions, such as the election of directors, approval of important transactions that affect the direction of the Company's business operations, amending the memorandum of association, and the Company's regulations.

Therefore, the Company has established the following guidelines to proceed in various matters that are aimed at promoting and facilitating the exercise of shareholders' rights while attending the general meeting of shareholders:

1. The Company allows the shareholders the opportunity to participate in proposing matters that are considered important and should be included as agendas at the Company's annual general meeting of shareholders, as well as nominating individuals with the appropriate knowledge, capabilities, and qualifications, to be considered for election as Company directors in advance of holding the general meeting of shareholders. Shareholders can view details of the criteria and procedures on the Company's website.

2. The Company will send meeting invitations to shareholders in advance to notify the meeting's agenda as well as the opinions of the committee on each agenda, including various supporting documents to ensure that shareholders are capable of exercising their rights and making well-informed decisions. Also included with the meeting invitation are details of the documents that shareholders must present on the meeting day, to exercise their rights to attend the meeting, as well as details of their voting rights. In addition, in order to further provide facilitation to the shareholders, the Company will also disclose the meeting invitation letter

on the Company's website. In the case of the annual general meeting of shareholders, the meeting invitation will be disclosed at least 30 days in advance of the meeting date.

3. In the event that shareholders are unable to attend the meeting in person, they can exercise their right to appoint independent directors or any other person to attend the meeting and vote on their behalf by using the proxy form that the Company sent along with the meeting invitation letter. Additionally, shareholders also have the option to download the proxy form via the Company's website as well.

#### 3.1 Before the date of the Annual General Meeting of Shareholders.

- Provide an opportunity for minority shareholders to propose matters that they deem important and should be included as agendas at the Company's Annual General Meeting of Shareholders. The shareholders can also nominate individuals with the appropriate knowledge, capabilities, and qualifications, to be considered for election as Company directors in advance of the date of the general meeting of shareholders. In this regard, the Company will issue guidelines and procedures, in Thai and English, on the Company's website, as well as notifying the shareholders through the information channels of the Stock Exchange of Thailand.
- Notify the date of the shareholders' meeting in advance to ensure that shareholders can manage their time to attend the meeting accordingly.
- Publish the meeting invitation with the related attachments, such as the Form 56-1 One Report, through the Company's website, which contains the identical information that is being sent to the shareholders. This is to ensure that the shareholders can access the information conveniently and quickly, as well as having adequate time to study the information.
- Publish the announcement of the shareholders' meeting in a newspaper for 3 consecutive days as well as before the meeting date.
- Shareholders receive documents that include an invitation to the meeting, which details the meeting agenda, supporting facts, and reasons. The Board of Directors' opinions on every agenda item are also included. In addition, documents that can be used for consideration and voting decisions on various agenda items are included, such as Form 56-1 One Report in a QR code format, biographies of individuals who are to be nominated to serve as directors in place of retiring directors, the definition of an independent director, information of the nominated auditor, information of independent directors nominated by the Company to assume the role of shareholders' proxies, the Company's regulations regarding the general meeting of shareholders, documents and evidence that attendees must present before attending the meeting, and meeting practices. Supporting documents also include details on the process for granting a proxy to someone else to attend the meeting on their behalf, procedures for submitting questions in advance, procedures for joining the meeting, the meeting's location map, meeting registration form, and Proxy Form B, which is a form that allows shareholders to determine the direction of voting. Alternatively, shareholders may choose to use either Proxy Form A or Form C, and they may download all three types of proxy forms from the Company's website. In the case of foreign shareholders or institutional investors, the Company will send a shareholders' meeting invitation along with the meeting's accompanying documents in English to encourage all types of shareholders, including institutional investors, to attend the meeting.

4. To help facilitate shareholders, the Company will open its registration desk 1 hour in advance and after the meeting has started. Shareholders can register their attendance at any time during the meeting to exercise their voting rights on agenda items that have not yet been voted on. Additionally, at the end of the meeting, shareholders are also allowed to request the details of the voting.

5. Before starting the meeting according to the stated agenda, the presiding Chairman of the Board of Directors will assign directors and the meeting's secretary to inform the meeting of the voting procedures for each agenda item. During the meeting, the meeting's Chairman will also give every shareholder an opportunity to make suggestions, ask questions, and offer opinions on every agenda. The Chairman and Company's executives will give importance to every question and will respond to questions in a clear and concise manner.

6. The Company will employ the use of a barcode system to assist in the registration and vote counting processes, in order to facilitate shareholders attending the meeting and ensure a meeting that is not only convenient and appropriate, but also not pose any hinderance in the shareholders' participation.

#### 6.1 On the day of the Annual General Meeting of Shareholders.

- A convenient and appropriate date, time, and location for the meeting will be determined so that it will not pose an obstacle to the shareholders' attendance.
- The meeting will be open for shareholders to register to attend the meeting through the use of a barcode system at least 1 hour in advance of the official meeting time. The registration will be available throughout the entire duration of the meeting until its completion. The Company will arrange for an adequate number of personnel to support the registration process accordingly. Duty stamps will also be available to serve shareholders who appoint others as proxies or independent directors to attend meetings on their behalf. Voting ballots are also distributed for all shareholders to use in voting. In cases where shareholders appoint proxies to attend the meeting on their behalf, the Company is duty-bound to provide the same rights to and treat proxies as if they were the shareholders themselves.
- The Board of Directors gives importance to shareholders' meetings and are duty-bound to attend every meeting provided that they are not on urgent duty or sick. This responsibility also extends to the Managing Director, Chief of Accounting and Finance, executive directors, the Executive Committee, as well as the Company's auditor, to enable the shareholders to pose questions on related matters. Moreover, the Company will also appoint an inspector to verify the accuracy of the votes and witness the counting of votes for each agenda, to ensure that the meeting was conducted in a transparent manner according to all legal requirements and Company regulations.
- Before the start of the meeting, the Company Secretary will notify the meeting of the quorum details, and provide an explanation on the voting procedures, how the shareholders' votes on each agenda are counted according to the legal requirements and the Company's regulations. In the case that any shareholder enters after the meeting has started, their attendance is also counted toward the quorum and is entitled to vote on the remaining agenda items that have not yet been considered and voted on.

7. The Company Secretary will accurately and thoroughly record the meeting's minutes, including the voting results on each agenda in detail. The shareholders' meeting minutes will be submitted to the Stock

Exchange of Thailand within 14 days after the meeting and published on the Company's website so that shareholders can be informed and validate the final meeting's results.

#### 7.1 After the date of the Annual General Meeting of Shareholders.

- Disclose the shareholders' meeting resolutions including the voting results for each agenda item through the information channels of the Stock Exchange of Thailand after the meeting has ended, and on the Company's website on the next business day.
- Prepare minutes of the general meeting of shareholders by including all the important information, as well as a summary of the voting results for each agenda, classified according to the Agree, Disagree, and Abstentions votes. The minutes will also include details of the various discussion points and clarifications. It will then be submitted to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting and published on the Company's website as a channel for shareholders to be informed and validated without needing to wait for the next meeting.
- Provide a video recording of the Company's general shareholders' meeting.

### **Section 2. Treating Shareholders on an Equal Basis**

Every shareholder, which includes shareholders who are executives, non-executives, foreign shareholders, and minority shareholders, are treated equally by the Company and are bound by a clear policy regarding the use of the Company's internal information. In this regard, executives, directors, employees, and related persons, are prohibited from using the Company's internal information for personal gain or disseminating it to others. In the past, the Company has not come across any such incident where its information has been used to seek any benefits.

Company has taken the necessary steps to impartially prevent and manage matters with conflicts of interest, by means of disclosure or maintaining confidentiality, or refusal to process, or any other appropriate methods as the case may be. Additionally, the Company has established policies and procedures for approving and executing transactions that may have conflicts of interest and related transactions, including establishing policies and regulations to prevent executives from using inside information for personal gain. It also requires directors and executives to report changes in their holdings of the Company's securities to the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act, B.E. 2535 (1992), and to report such matters including several other interests at every of the Company's Board of Directors' meeting as well.

The Company has established a policy that allows shareholders to propose additional agenda items for shareholders' meetings and nominate individuals to be elected as a Company director under certain conditions and at an appropriate time period, subject to the provisions of the relevant laws. The Company also provides an opportunity for shareholders who are unable to attend the meeting in person to appoint others as proxies, such as the Company's independent directors, to attend the meeting and vote on their behalf. A proxy form in which shareholders can express various intentions is attached along with the meeting invitation letter. Voting ballots are also available for shareholders at every shareholders' meeting. Additionally, meeting agendas

include an agenda for considering the appointment of directors in which each director's qualifications can be considered individually.

### **Section 3. Roles of Stakeholders**

The Company places importance on the rights of all groups of stakeholders, regardless of whether it is internal stakeholders such as employees and the Company's executives, or external stakeholders such as customers, creditors, competitors, as well as society and the environment. This is because the Company always realizes that every type of stakeholder plays an important role in the Company's operations in different ways. The Company, therefore, takes into account the basic rights and benefits that stakeholders are entitled to from the Company, as follows:

**3.1 Shareholders :** The Company is committed to being a good representative of the shareholders in conducting its business operations to create satisfaction, while also taking into account the long-term growth of the Company's value with appropriate and continuous returns, including the transparent disclosure of reliable information. It is also committed to conducting its operations to comply with good corporate governance principles and develop communication with its shareholders and investors. Moreover, the Company has continuously paid out dividends with a consistent return on investment to its shareholders.

**3.2 Customers/Patients :** The Company places great importance on the safety and health of its customers/patients by providing quality medical care staffed by medical personnel who possess the necessary knowledge and capabilities, and modern medical equipment. The Company also places great respect for human rights and strives to continuously develop the quality of medical care services to meet the needs of its customers by constantly developing the quality of its personnel to be aware of safety, ethics, professional standards, patients' rights, as well as ensuring the appropriate use of resources and technology. Additionally, it also applies effective risk management measures and ensure the protection of service users' personal data to ensure customer satisfaction. External agencies are employed to assess its operations and the results are used to make continuous improvements to its services.

**3.3 Employees :** The Company's employees are the key to running a healthcare business, especially during the COVID-19 pandemic in which the organization must depend on the knowledge, abilities, dedication, and sacrifice of its employees in every sector of the organization. The Company, therefore, places great importance on taking care of its employees to ensure that they are contented, safe, secure, and ready to grow with the organization. In this regard, the Company adheres to human resource management guidelines in accordance with the principles of good corporate governance, which recognizes the importance of employees as its valuable resource in driving the organization to progress and operate the business successfully. The Company focuses on three main areas of this aspect: manpower planning and recruitment, employee training and development, and maintaining and supporting all employees to receive equal opportunities to grow in the organization, regardless of gender, race, and religion, that focus on developing knowledge and professional skills and be prepared to accommodate changes under a working atmosphere that respects and accepts differences, to ensure contentment across all of its employees. The Company has established a core value that is committed to instilling in employees the principles in which they work, which include: Safety, Caring, Cooperation, Integrity, focus on self-improvement, and the pursuit of knowledge to attain excellence.

**3.4 Partners/Contracting parties :** The Company recognizes the importance of its partners, who are considered participating allies in creating value and a good image for the Company. The Company is committed to conducting business with its partners in a transparent, fair, and distinct manner, to ensure fairness to all parties involved by placing importance on the procurement of medicines and quality medical supplies, based on the related safety standards and care about the environment. The Company also conducts appropriate assessments of its suppliers accordingly.

**3.5 Creditors :** The Company is committed to providing accurate, transparent, and auditable information to its creditors. In addition, the Company also strictly complies with the loan conditions with honesty and is always committed to paying its debts on time. The Company believes in building a good relationship with its creditors, in addition to confidence and trust.

**3.6 Competitors :** The Company conducts itself in accordance with the principles of good competition within the framework of the law, including treating its business competitors in an honest and fair manner as it regards its competitors as one of the compelling factors that make the Company committed to developing the quality and efficiency of providing better services to its customers and patients.

**3.7 Society and the Environment :** The Company is committed to conducting its business through the creation of business value, managing the environment systematically under quality standards, possessing social and environmental responsibilities, and responding to the needs and expectations of stakeholders in a manner that can be monitored concretely. The Company has carried out an important assessment of its business strategies' resilience, risks and opportunities, and sustainability management, in conjunction with gathering opinions of directors, executives, stakeholders, and complaints, to comprehensively cover all groups that influence sustainability issues. The issues are then assessed and prioritized by taking into consideration the opportunities and impacts on the Company's business operations, as well as the interests of stakeholders. Therefore, importance is given to managing the organization's physical environment that is conducive to the safety of patients and staff by providing an efficient building and security management system. In this regard, the Environment, Safety and Occupational Health Committee will conduct an annual inspection to explore environmental risks, organize safety training for employees, including creating a fire prevention plan and organizing fire drills for 100% of its doctors and employees, as well as providing facilities for the disabled such as dedicated parking spaces, bathrooms, ramps, and a tumble notification alert, and disclose information according to significant sustainability issues. It also gives importance to quality and safety standards whereby hospital operations manage its energy efficiently, in addition to providing systematic waste management from every process, environmental quality control, assessing air quality inside the hospital, and the quality and efficiency of various dedicated labs, such as the operating rooms (OR) or isolation wards, to ensure that they are operated according to the specified standards and taking into account the safety of service users and workers within the hospital area.

**3.8 Promoting the efficient use of resources :** The Board of Directors recognizes the value of utilizing resources in the most worthwhile and beneficial manner, and therefore, focuses on conducting the Company's business in an environmentally friendly manner that gives importance to the safety of service users and its personnel, and also covers sustainable energy management. In addition, the Company continues to develop efficient energy use under its energy management system to instill a culture of energy conservation throughout

the organization, such as introducing a solar cell system on the hospital building with the aim of mitigating electricity costs, as well as applying a 24-hour online energy monitoring system to control its energy usage. The Company also supports active campaigning for efficient water use and conducts regular inspections on the quality of its drinking water, as well as water that is used within the hospital, and establishing an emergency water supply contract with the Metropolitan Waterworks Authority

**3.9 Providing knowledge and training to employees regarding the environment :** The Board of Directors has encouraged employees to be highly aware of the importance of the environment. Moreover, it encourages employees to attend training to continually enhance their knowledge about the environment. In this regard, the Company has created a total of 6 environmental, occupational, health and safety management programs, as well as 1 additional plan, which consists of the Emergency Management Program, the Fire Prevention and Suppression Program, the Chemical and Hazardous Waste Management Program, the Safety Program, the Security Program, the Utilities Management Program, and the Medical Equipment Management Plan. Such programs and plan are established to prepare to deal with emergencies in a timely and efficient manner.

**3.10 Support activities or participate in supporting activities that are related to community development :** Due to its awareness of actively participating in caring for society and the community, which is an important aspect in supporting sustainable business growth, the Company, therefore, focuses on caring and improving the quality of life, as well as strengthening and bringing contentment to society and communities to grow with determination and goals in mind. The Board of Directors places importance on community development, creating value, and creating a simultaneous balance between business operations and social development. The Company does not focus on developing its internal factors but also includes the development of external factors, society, and the community, to ensure continued balanced and sustainable growth through supporting activities which is beneficial to the community on a regular basis.

**3.11 Policies and guidelines regarding not being involved in human rights violations :** The Company recognizes the importance of respecting international human rights principles, therefore, its directors, executives, and employees, are required to actively be involved in respecting human rights and rights in the workplace and throughout the organization. The main points can be summarized as follows:

1. The Company supports employees to exercise their rights as citizens in accordance with the constitution and law.
2. The Company does not support businesses that violate international human rights principles and corruption.
3. All employees are considered human beings and possess equal opportunities to perform their duties according to the assigned scope and responsibilities according to each individual's capabilities and potential.
4. Every employee has the opportunity to learn and develop their full potential, have the right and freedom to express opinions that are beneficial to the Company, and have the right to express their opinions as long as they do not violate the rights and freedoms of others under the provisions of the law, work

regulations, and other related terms and regulations, including in accordance with proper social norms and practices.

5. All employees will refrain from conducting themselves in a manner that is deemed offensive or threatening, whether verbally or physically, toward others on the basis of culture, race, gender, religion, education, age, marital status, sexual orientation, identity, and/or sexual expressions, physical and mental disabilities, including through expressing comments, notions, and working styles. The Company emphasizes that each employee should not ignore the opinions of others who may be considered different, or based on a new concept, as innovative thinking and initiating solutions are considered critical to a Company's success.

6. The Company does not have a policy of hiring child labor under the age of 18 years and does not hire illegal foreign workers.

7. The Company always realizes that it is required to treat all employees equally under the provisions of the law, work regulations, as well as other related terms and regulations, including respect for the local customs, traditions, and culture, in which the Company and/or its subsidiaries are located.

8. The Company places importance on maintaining customer privacy by strictly abiding by the Personal Data Protection Act, B.E. 2562 (2019), by establishing a system for storing customer information securely with the necessary measures to maintain customer confidentiality. Such measures also include not forwarding the customers' information without their prior consent, and not using the information for the benefit of oneself or others illegally.

9. The Company will provide medical care services that are in line with international standards with equality for individuals of all races, religions, ages, genders, and statuses. The Company will maintain standards of business ethics and personal dignity and aims for its executives and partners to respect human rights and conduct business in accordance with the Company's rules and regulations and code of conduct, to avoid from being a part of the operating process that may cause or violate human rights. The Company is also committed to promoting respect for human rights by complying with the related human rights laws and regulations and firmly reiterating on respecting these laws and regulations throughout the supply chain. Additionally, the Company encourages its business partners to participate in ethical business operations and possess social responsibility to foster a culture of mutual respect, including developing competitive capabilities on a continuous basis.

10. Individuals who violate the established policies will be subjected to disciplinary actions in accordance with the Company's regulations or the requirements of the regulatory agency. In the event that the offense is an offense according to the provisions of the law, such violations will be taken into consideration to receive punishment as prescribed by law.

**3.12 Policy regarding non-infringement of intellectual property or copyrights:** The Company has a policy to comply with the laws regarding intellectual property and copyright, in accordance with the following guidelines:

1. Do not use the Company's confidential information, including information obtained from ideas, research, and technical knowledge that is related to and created as a result of the Company's and/or its subsidiaries' operations and is considered the Company's and/or its subsidiaries' intellectual property, whether



or not it is registered under intellectual property law. Such information cannot be disseminated without prior written permission from the Company or the responsible person.

2. Any works and research studies arising from the performance of duties assigned by the Company by having the employee or responsible personnel taking action or preparing, or is a work that uses information and work learned from the Company, research rights, patent applications, patent ownership, and the returns received from that work, will be considered the Company's property, and the employee or responsible personnel must deliver such work to the Company regardless of the format of the work or copyright that it is stored in.

3. The copyrights as well as the benefits obtained from computer programs developed by the Company's employees or responsible personnel, will be considered the sole property of the Company.

4. Employees must not infringe on any intellectual property or copyrights, through actions of copying, duplicating, modifying, or distributing various works or computer software. Employees found to infringe on any intellectual property rights or copyrights will be considered as committing a disciplinary or legal offense.

5. The use of computers and information technology shall be in accordance with the Computer Crime Act, B.E. 2550 (2007), the Royal Decree on the Supervision of Electronic Payment Services Business, B.E. 2551 (2008) (2008), and other related electronic laws. Any misconduct on this part will be considered a disciplinary offense.

6. The Company requires its employees to comply with laws related to intellectual property and copyrights, such as the laws on trademarks, patents, copyrights, or any other related laws. In this regard, the Company supports training to educate employees on the relevant intellectual property laws

#### 7. Other requirements

7.1 Employees are duty-bound to ensure that using works or information which is the rights of third parties, obtained personally or due to their responsible work duties, and which will be used within the Company, does not infringe on the intellectual property rights of other individuals or organizations.

7.2 Disclosure of the Company's proprietary information to third parties and allowing them to use such information requires written authorization from the Company or responsible authority.

7.3 Strictly abide by the guidelines for using the Company's trademarks and trade names.

8. If employees come across any action that is considered a rights violation, or considered as actions that may cause disputes regarding intellectual property, the employees are duty-bound to report such incidents to their supervisor immediately. Those who violate or transgress on this policy will be subject to disciplinary action according to the Company's work regulations, or according to the requirements of regulatory agencies. In the event that the offense is an offense that violates the provisions of the law, the employee will be considered and punished according to the prescribed law.

**3.13 Channels for stakeholders to report or file complaints :** The Board of Directors has established a policy regarding the reporting of misconduct to ensure that those who file complaints to the Company will receive appropriate and fair protection, as well as being protected from harassment resulting from such

complaints. The Company will listen to and process all complaints in an impartial, transparent, and fair manner, through the use of systematic and fair measures to protect the complainants.

#### Measures for filing complaints.

The Board of Directors provides measures for reporting evidence or filing complaints regarding illegal activities, as well as ethical activities or actions that may indicate corruption or misconduct, of individuals within the organization, including employees and other stakeholders, to file complaints regarding incorrect financial reporting or reports of defective internal control management. In this regard, the Company has established an appropriate mechanism to protect whistleblowers or complainants, enabling stakeholders to take an active role in monitoring the Company's interests more efficiently.

#### Whistleblowing and Complaint matters:

- Illegal deeds, corrupt practices, violations of the Company's regulations of code of conduct by directors and employees.
- Financial reporting irregularities and deficiencies in internal control systems.
- Matters affecting the benefits or reputation of the Company.

#### Whistleblowing and Complaint Channels

The Board of Directors provides opportunities for stakeholders to communicate with them and will protect the rights of stakeholders who report tips or complaints about various issues. The communication channels are through the Company's Audit Committee, which will follow the processes determined by the Company and report to the Board of Directors. The contact channels are as follows:

- (1) By post, by sending the matter to the attention of the;  
Audit Committee  
Vibhavadi Medical Center Public Company Limited  
51/3 Ngamwongwan road, Latyao, Jatujak Bangkok 10900
- (2) By email : [vibha\\_cac@vibhavadi.com](mailto:vibha_cac@vibhavadi.com)

#### Mechanism for protecting whistleblowers.

To create confidence for those who report evidence or file complaints, the Company places great importance on keeping confidential information regarding whistleblowing or complaints and has established written procedures for receiving and conducting investigations into such matters. Complaints will be known only to an assigned group of individuals. If, in the event, such confidential information is disclosed without the proper authorization, the Company will conduct an investigation to determine the individual who disclosed such information and impose disciplinary actions accordingly.

Additionally, it is considered the duty of the supervisor or departmental head of the person who provided the information, or the complainant, to apply the necessary discretion to protect the whistleblowers, complainants, witnesses, and persons providing information for the investigation, from encountering any harm or torment, or unfairness, resulting from their whistleblowing, filing complaints, bearing witness, or providing the necessary information.

This must be in accordance with the policy to protect and provide fairness to all employees who report evidence or file complaints regarding dishonest activities, or actions that do not comply with the Company's rules, regulations, code of conduct, or the relevant laws.

#### **Section 4. Disclosure of Information and Transparency**

##### **Disclosure of Information and Transparency**

The Company places importance on disclosing information that is accurate, complete, thorough, unbiased, and timely, which includes financial reports, important information, general updates regarding the Company, as well as other information that may affect the shareholders' interests, or investment decisions that may affect the stock price of the Company's securities, for its shareholders, investors, securities analysts, including the general public to be well-informed, though no specific investor relations department has been established. However, the Managing Director has been tasked with providing the Company's general information. Shareholders and investors can contact the Company's office at Vibhavadi Hospital through telephone numbers 0-2561-1111 ext. 2421, 2424, 2427, fax 0-2561-1462, and email: [info@vibhavadi.com](mailto:info@vibhavadi.com). The Company has arranged to publish quarterly management discussions and analysis information, including publishing various information through the Company's website at [www.vibhavadi.com](http://www.vibhavadi.com). The main objective of this is to ensure that investing in the Company's securities is the result of a fair assessment and receiving unbiased information in accordance with the Company's disclosure and information policy, which was announced and disseminated to all directors, executives, and employees, to acknowledge and practice.

The Board of Directors has established a report on taking responsibility for financial reports in conjunction with the auditor's report as stated in the annual report and the annual information form to ensure that the management is fully aware of its mission and responsibility toward the Company's financial information and reports, which must be accurate and complete, before being disseminated to interested investors.

Moreover, the Company has established a department to perform investor relations duties and act as a direct channel to facilitate communications with investors and analysts, both domestically and abroad, as well as those involved or third parties who are interested in the Company's information. This is in accordance with the Company's disclosure and information policy

4.1 In terms of corporate governance, the Company has prepared and disclosed details regarding its good corporate governance policy, including principles of good corporate governance, business ethics, and the Company's code of ethics for its directors, executives, and employees, as well as reporting the results of compliance with such policies by publishing the information on the Company's website.

4.2 In terms of policies for social and care of the environment, the Company has stated its policies in the Company's declaration of its mission, corporate governance policy, and ethics in conducting business, regarding the manner in which the Company must treat society and the environment.

4.3 Regarding policy on risk management, the Company has established a risk and investment management committee to perform the duty of overseeing the organization's risk management in a systematic, effective, and comprehensive manner, across all aspects along with establishing the appropriate risk management policies.

4.4 Regarding shareholding structure, the names of the top 10 shareholders are disclosed on the closing date of the shareholder register for the annual general meeting, on the Company's website

4.5 Regarding the report on the Board of Directors' responsibility toward the Company's financial reports, the Board recognizes the importance of preparing accurate financial reports that is also reliable and in accordance with accounting standards for investors to use in making decisions. Therefore, a report has been prepared on the responsibility of the Board of Directors for the preparation of financial reports which is shown along with the auditor's report in Form 56-1 One Report. Additionally, the Company is committed to punctually submitting its financial statements to the Stock Exchange of Thailand and the Securities and Exchange Commission without having to be ordered to make corrections to its financial statements in any way.

4.6 The roles and duties of the Board of Directors and the subcommittees are disclosed openly, as well as information regarding the number of meetings being held during the past year and the participating directors.

4.7 Regarding securities holdings of directors and executives, such information on shareholdings and changes in the Company's shareholdings during the year of its directors and executives, both direct and indirect, are disclosed in the annual information statement (Form 56-1 One Report).

4.8 Details of the remuneration for directors and executives are openly disclosed, including the form, nature, and amount of remuneration received from being the Company's directors and members of subcommittees.

4.9 Policy regarding the reporting of directors' and executives' interests, is established by the Company's Board of Directors that require executives to report to the Company regarding their interests and those of related persons within 3 months from the date of their appointment or the date it was changed. Consequently, the Company Secretary shall send a copy of the report of interest to the Chairman of the Board of Directors and the Chairman of the Audit Committee, within 7 working days from the date the Company receives the report.

4.10 Regarding the development of directors and executives, the Company places importance on continuous training and knowledge development of its directors and executives. The information on the development and training of directors and executives in each past year has been disclosed accordingly.

4.11 Conducting related party transactions. In this regard, the Board of Directors has established a policy for the Company to comply with the announcement of the Capital Market Supervisory Board, in the event that an important related transaction occurs, although the approved amount is within the authority of the Executive Director who directs the work unit, the Company will present the information to the Executive Board for consent and/or approval, as the case may be. Thereafter, matters with a sizable transaction will be forwarded to the Audit Committee's and the Board of Directors' meetings for its consideration. Such a procedure will allow the Audit Committee to express its differing opinions (if any), as well as ensuring that the Company directors and executives are well-informed of the details before the Company informs the Stock Exchange of Thailand.

4.12 Reporting on the Company's quarterly performance, in the case where the net profit according to the latest financial statement has changed from the financial statement of the same period of the previous

year by more than 20%. The Company discloses a description of its quarterly operating results on the website of the Stock Exchange of Thailand as well as that of the Company.

4.13 Regarding the policy on whistleblowing, the Board of Directors provides opportunities for employees and stakeholders to report whistleblowing or file complaints when they encounter illegal acts, employee misconduct, as well as activities that may cause issues and damage to the Company, including accepting complaints in cases where employees and stakeholders' rights have been violated or are being treated unfairly, through the channels and processes specified by the Company.

The Company will listen to and process all complaints in an impartial, transparent, and fair manner, and in accordance with the procedures set forth by the Company. The complainant's information will be kept confidential in a systematic and fair manner to ensure that honest complainants are protected against any undue harassment.

4.14 Regarding relationships with investors, the Company has established an Investor Relations Department by assigning the Managing Director to perform duties in providing general information regarding the Company. Shareholders and investors can contact us the Company's office at telephone number 0-2561-1111 ext. 2421, 2424, 2427, or fax 0-2561-1462, or email: [corporateaccounting@vibhavadi.com](mailto:corporateaccounting@vibhavadi.com). Additionally, the Company has arranged to publish quarterly management discussions and analysis information, as well as other various information, through the Company's website at [www.vibhavadi.com](http://www.vibhavadi.com), so that it can be a center for communication and dissemination of important and useful information to investors and related parties. Guidelines for such practices are in accordance with the Investor Relations Code of Conduct. Details of the Company's current information can be found on the Company's website under the Investor Relations section, and the information channel of the Stock Exchange of Thailand.

In addition, the Company has created a website that contains both financial and non-financial information for shareholders and investors to receive adequate information regarding the Company's financial highlights, policies and payments of dividends, shareholding structure, stock price, information as provided to the Stock Exchange of Thailand, investor relations' news, investor activity calendar, including annual reports, financial statements, shareholders' meeting invitations, and minutes of the shareholder meetings that can be retroactively downloaded. Additionally, the Company also provides information services and responses to shareholders', investors', and related parties' queries, who contact the Company via email, telephone, and mail.

## **Section 5. Responsibilities of the Board of Directors**

The Board of Directors plays a significant role in guiding the Company's operations, monitoring and supervising the work of the management and showing responsibility according to its stated duties to ensure the Company's and the stakeholders' optimal benefits.

### **5.1 Structure of the Board of Directors**

The Board of Directors is comprised of highly qualified experts with experience in various fields. Each director is responsible for actively participating in the establishment of the Company's vision, mission, strategies, goals, business plans, and budgets. In addition, they are tasked with supervising management to ensure that operations are carried out efficiently and effectively, with the aim of adding maximum value to the Company

and its shareholders. The Board convenes on a quarterly basis to review reports on management's performance and the Company's financial statements.

(1) Composition of the Board of Directors

1. The Company's Board of Directors does not have to be the Company's shareholders.
2. The Board of Directors consists of not less than five directors and not less than half of the total number of directors must reside in the Kingdom of Thailand.
3. The structure of the Company's Board of Directors must consist of at least one-third of all independent directors, but no less than three persons. The independent directors must be independent from the control of the executives and major shareholders, and must not be involved or have financial interests, or be involved in the administration of the business. Additionally, directors are required to possess the necessary qualifications according to the independent director criteria as specified in the announcement of the Capital Market Supervisory Board No. TorJor. 28/2551, regarding requesting and granting permission to offer newly issued shares ("Announcement No. TorJor. 28/2551"), including those that have been amended.
4. The Board of Directors also consists of at least three members of the Audit Committee. In this regard, these members must possess all the qualifications according to the Announcement No. TorChor. 28/2551, and is also tasked with the scope of duties and responsibilities as specified in the Announcements of the Stock Exchange of Thailand ("Stock Exchange").
5. The Board of Directors will elect one director to assume the position of Chairman of the Board of Directors. In cases where the Board of Directors considers it appropriate, it may elect one or more directors to be the Vice Chairman of the Board of Directors. The Board may also assign one or more committee members to perform any task on behalf of the Board.

(2) Qualifications of the Independent Directors.

All of the Company's independent directors are fully qualified to hold the position of independent directors according to the criteria set by the Company. Moreover, no independent director holds directorship positions in more than five listed companies.

The Board of Directors has agreed to set the qualifications of "Independent Director" to be in accordance with the announcement of the Capital Market Supervisory Board. However, in practice, the Company's independent directors are truly independent from the Company's management and major shareholders. The independent directors and related persons do not hold shares in the Company, or of the parent company, subsidiaries, associated companies, major shareholders, or the controlling person of the Company.

(3) Nomination of Directors.

The Board of Directors has appointed the Recruitment and Remuneration Committee to oversee the selection process for directors and ensure that it is transparent and fair.

(4) The number of companies in which directors hold positions.

The Company has disclosed information on the positions held by each director in other companies under the topic of “Personal Information of Company Directors and Executives.” Presently, the Company’s Board of Directors does not have any directors who hold directorship positions in more than five listed companies.

Incidentally, the Board of Directors has established a policy for the Managing Director to serve as a director in other subsidiaries and affiliated companies, to ensure management flexibility and be in line with the same direction as the Company.

#### (5) Separation of position

The Chairman of the Board of Directors does not hold the position of an executive director. The Company has clearly defined duties and responsibilities between Company directors and executives, in which Company directors are responsible for setting policies and overseeing the operations of executives at the policy level. While the executives are responsible for managing the Company’s operations in various areas and ensure that it is in accordance with the stated policies.

#### (6) Company Secretary

The Board of Directors has appointed Mrs. Sasithorn Norakrai, who is knowledgeable and possess useful capabilities and experience, to hold the position of Company Secretary. She is tasked with the roles, duties, and responsibilities as specified by the Company.

### **5.2 Sub-committees**

The Board of Directors has appointed various subcommittees to assist the Board in considering, screening, and performing specific duties and proposing it to the Board for consideration or acknowledgment. The names of the directors of the various subcommittees’ scope, authority, and duties, are as specified in the Management Structure section

### **5.3 Roles, duties, and responsibilities of the Board of Directors.**

#### (1) Leadership and Vision

The Board of Directors consists of individuals with the necessary knowledge, capabilities, and experience that is beneficial to the Company, as well as possessing leadership qualities and independence in decision making, including supervising the Company’s business, to be in accordance with the established objectives and goals for the maximum benefit of the Company and its shareholders. The Board of Directors is tasked with determining the Company’s vision and mission and reviews them on an annual basis. In addition, the Board of Directors is also responsible for approving the Company’s strategies, goals, plans, and annual budgets, as presented by the management, including providing a mechanism for monitoring and ensuring that the Company’s strategy is implemented accordingly. The Board of Directors requires the management to report the results of implementing the stated strategies biannually, in addition to requiring that the Company’s operating results and other important matters be reported on a quarterly basis. The Board also evaluates the management’s performance and ensures that it is in line with the goals and guidelines that will help increase value and wealth for the Company and its shareholders, including the interests of all stakeholders.

## (2) Good Corporate Governance

The Board of Directors recognizes the importance of good corporate governance and has established the related principles in writing that consist of four parts: the policies of good corporate governance, principles, business ethics, and code of conduct, for the Company's directors, executives, and employees. In this regard, the Board of Directors will conduct an assessment of the compliance and review of corporate governance principles on an annual basis. Compliance with the principles of good corporate governance is encouraged by publicizing the policies through the Company's intranet and website, as well as distributing a manual to Company's directors, executives, and employees, and requiring everyone to strictly abide by the manual. Such policies are intended to create awareness in working for new employees. Moreover, the Company has also integrated the topics of business ethics and code of conduct into the employees' orientation course.

The Board of Directors conducts monitoring and follow-ups to ensure compliance with the principles of good corporate governance. Supervisors at all levels are duty-bound to monitor and ensure that employees under their responsibility comply with the established ethics and the code of conduct of the Company's directors, executives, and employees. The aim is to strengthen the Company's management system and transparency in its business operations. Those who fail to comply will be subject to appropriate disciplinary action and may be prosecuted according to the relevant laws. In the event that employees have questions with regard to compliance or making decisions, they are required to consult with their respective supervisors. In cases of conflicts, the decision(s) of the Managing Director, the Executive Committee, or the Board of Directors shall be considered as final.

## (3) Supervise conflicts of interest

The Board of Directors places importance on mechanisms for supervising transactions that may have conflicts of interest, or related items, to ensure that it is conducted in a cautious, prudent, and honest manner. In considering such activities, the transactions must comply with the related laws and requirements of relevant regulatory agencies. The stakeholders in any transaction will be required to not be involved in the process of approving the mentioned transaction. The Board also has established a policy for conducting transactions with individuals who may have conflicts of interest for its executives and employees, to ensure that transactions that may have potential conflicts of interest are dealt with in a fair and transparent manner, and is consistent with the legal requirements and rules of the relevant regulatory agencies. The Board is also responsible for supervising the disclosure of information in a correct manner in accordance with the principles of good corporate governance. The details of this policy can be viewed on the Company's website.

## (4) Supervision of internal control and audit systems

The Board of Directors play an important role in ensuring that there is an appropriate internal control and audit process, by providing independent internal auditors to perform auditing duties, including establishing a risk management policy to manage and monitor risks of the entire organization, to ensure that the Company possesses an efficient risk management and internal control system and have practices that are in accordance with relevant laws and standards, whereby the Company's operating results be reported to the Board of Directors through the screening of the assigned subcommittees. It also includes the evaluation of the adequacy



of the internal control system and risk management by the relevant subcommittees that are responsible for screening and presenting the report to the Board of Directors for consideration and approval.

#### (5) Administration

The Board of Directors has assigned the Executive Committee to have the necessary authority, duties, and responsibilities in managing the Company's day-to-day operations, business, and administration, of screening and setting policies, business plans, budgets, management structures, various other administrative powers, in addition to, establishing criteria for conducting business operations in accordance with the prevailing economic conditions, and propose it to the Board of Directors' meeting for consideration and approval and/or consent, including the monitoring and following up on the Company's performance according to the specified policy.

#### **5.4 Meetings of the Board of Directors**

The Board of Directors holds regular meetings as well as additional meetings as necessary, based on agendas that consist of considering the Company's quarterly financial statements, following up on the progress of the Company's improvement initiatives, considering various policies, and following up on the Company's performance. In this regard, the Company's administrative office will issue a meeting invitation along with the meeting's agenda and accompanying documents for the Board's directors to consider at least 7 days in advance of the actual meeting date so that they may have sufficient time to consider and study the agenda and meeting documents. Simultaneously, the Company's subcommittees also hold regular meetings in which the minutes of the meetings are also recorded in writing.

The details of each meeting are thoroughly recorded, and a documented meeting report is prepared and the draft is then presented to the Board for consideration before endorsing it at the next meeting. The Board's meeting minutes that have been endorsed are well maintained and can be readily inspected retroactively by the Board and related agencies.

1. Meetings of the Board of Directors must be in accordance with the related laws and the Company's regulations. Normally, the Company's Board of Directors requires that the meeting be held at least every 3 months. In calling a meeting of the Board of Directors, the Chairman of the Board, or a person assigned by the Chairman of the Board, will send a meeting invitation to the Directors by no less than seven (7) days before the actual meeting date. Except in cases of urgent necessity, to preserve the rights or interest of the Company, the meeting can be notified by other means and the meeting date can be set earlier than has been stated

The Board of Directors can hold meetings at the location where the Company's headquarters is located or other places as it deems appropriate.

Two or more directors may request that the Chairman of the Board call a meeting of the Board. In the event that two or more directors have requested for a meeting, the Chairman or a Board member assigned by the Chairman set the meeting date within 14 days from the date of receipt of the request.

2. At any of the Board's meeting, there must be no less than two-thirds (2/3) of the total number of directors present to form a quorum. In the event that the Chairman of the Board cannot be present at the meeting or is unable to perform his/her duties, the vice chairman, if present, can assume the role of Chairman.

If the vice chairman is also not present, or is present but unable to perform his/her duties, the Board members will be required to elect one Board member to assume the role of Chairman of the meeting.

3. In each of the Board's meeting, the Chairman can choose to conduct the meeting via electronic channels provided that at least one-third (1/3) of the members are present at the same location, and all directors attending the meeting are in Thailand at the time of the meeting.

Meetings conducted via electronic channels mentioned in the above paragraph must be conducted through a secure audio or audio/video channel for each and every director, as the case may be, throughout the entire duration of the meeting. The computer traffic data resulting from such recordings and the meeting's control system must also be in accordance with relevant laws.

Directors who attend Board meetings via electronic channel through the methods and in accordance with the conditions mentioned above, are considered to be meeting participants and can be counted as a quorum, and such meetings can be considered to have the same effect as meetings conducted through methods as stipulated by law and the Company's regulations.

4. The final decision of the Board of Directors' meeting will be decided by a majority vote. One director is entitled to one vote in the voting process, except in cases where the director is directly involved in any matter to which he/she will have no right to vote on that matter. If the votes are equal, the Chairman of the meeting shall cast one additional vote as the deciding vote.

5. The Chairman, or the director assigned by the Chairman of the Board, will determine the date, time, and location of the Board of Directors' meeting. In this regard, the meeting venue can be an alternate location other than the location Company's headquarters is located, or nearby provinces. If the Chairman of the Board or a Board member assigned by the Chairman of the Board, does not specify a particular location, it shall be assumed that the meeting venue will be the Company's headquarters.

6. The Company Secretary is responsible for taking notes and issuing the meeting's minutes within 14 business days. He/she will also be responsible for maintaining the minutes and the related supporting documents and ensuring that the Board of Directors is able to perform its duties in accordance with the related laws, regulations, and shareholders' meeting resolutions, including coordinating with the relevant persons.

#### **5.5 Self-assessment of the Board of Directors**

The Board of Directors consists of a panel of experts who possess capabilities and a good understanding and expertise of the Company's business operations. However, the Board also conducts monitoring of operations in various areas, such as the Company's strategies and business plans, risks and internal controls, ensuring that no conflicts of interest occur, monitoring financial and operating reports closely to avoid any blunders, including assessing its own performance to consider and review its work, issues, and obstacles, to ensure that it is sufficiently effective.

The Board's self-assessment is to be conducted annually in the form of an individual self-assessment that consists of five topics:

1. Committee Structure
2. Board Meetings

3. Roles, Duties, and Responsibilities of the Committee
4. Relationship with Management
5. Self-Development of Directors and Executive Development

### **Assessment of the Managing Director's Annual Performance**

The Board of Directors has assigned the Recruitment and Remuneration Committee, excluding the Director of the Recruitment and Remuneration Committee who may have potential conflicts of interest, to be the responsible unit to consider and evaluate the performance of the Managing Director on an annual basis and use it as a means to determine his/her remuneration. The performance evaluation of the Managing Director can be classified into four areas:

1. Performance.
2. Strategic planning and implementation.
3. Leadership qualities.
4. Relationship with the Board of Directors and stakeholders.

### **5.6 Remuneration**

The Board of Directors has appointed the Nomination and Remuneration Committee to be the unit responsible for ensuring that the process for considering remunerations for directors and senior executives is conducted in a transparent manner.

### **5.7 Development of Directors and Executives**

All of the Company's Board of Directors consist of a panel of knowledgeable, capable, experienced, and skilled individuals, who are highly aware, understand, and responsible for the Company's business operations. Additionally, the Board is also aware and attentive to playing an active participative role in the support and providing opportunities for those involved to participate in various courses that are seen to be beneficial to the Company on a regular basis.

### **5.8 Orientation for new Directors**

The Company also provides orientation sessions for its new directors to prepare for the performance of their duties as directors and develop an understanding of the Company's operations, organizational structure, and nature of the Company's business. In this regard, a tour of the hospital along with a presentation of the Company's history, as well as a comprehensive view of the overall industry and business policies for the directors is provided. He/she will also be provided with a handbook for directors of listed companies, which contains a summary and comparison of the Company's regulations, details of the Securities and Exchange Act, Public Limited Company Act, including the charters of various committees, good corporate governance policies and principles, business ethics, and a code of ethics for the Company's directors, executives and employees, anti-corruption policy, and other regulations, in addition to various regulations on other related matters from the listed company regulatory agencies, all of which is to serve as a guideline for performing work while holding the position of a director.

## **5.9 Succession plan**

The Board of Directors has established a succession plan for important management positions at all levels, from the position of Managing Director, who is the highest executive of the organization. The process starts with the recruitment and selection of qualified personnel to take on responsibilities in an appropriate and transparent manner, preparing them on various aspects, organizing continuous development training, monitoring, and evaluating, to create executives who are knowledgeable, capable, possess leadership qualities, professional, and honest. The entire plan is intended to allow the Company's operations to continue in an efficient manner. The procedures for creating executives to succeed in the top executive position are as follows:

- Establish a description of the top executive position, and its relevance to organizational goals and strategies, as well as specifying the required qualifications, knowledge, and skills.
- Shortlist second-level executives with potential and abilities.
- Analyze individual qualifications to determine strengths and areas that need further development.
- Create individual development plans to promote the development of potential and capabilities.
- Report the results of operations according to the succession plan to the Board of Directors' meeting on an annual basis.

### **Monitoring System.**

The Company consists of executives and supervisors of each work unit to supervise, monitor, and evaluate work performance on a regular basis, to ensure that internal controls are carried out completely and appropriately. The presence of an Audit Committee is also responsible for reviewing the internal control system through the Internal Audit Office, which is responsible for monitoring, analyzing, and evaluating internal control results and supervision, as well as ensuring compliance with various regulations on a continuous basis. Audit results are to be reported directly to the Audit Committee, which meets on a monthly basis, if any significant flaws are detected.

The Audit Committee reports to the Board of Directors, to propose improvements and corrections and propose regular monitoring of progress in resolving flaws. Additionally, the Company's financial accounting practices are audited by a certified public accountant and the audit results are presented to the Audit Committee for consideration on a quarterly and annual basis.

## **Nomination and Appointment of Directors and Top Executives**

### **1. Nomination of Directors and Top Executives**

In the Nomination of directors, the Company has appointed the Nomination and Remuneration Committee to perform the duty of considering, recruiting, selecting, proposing, and examining suitable individuals to fill vacant director positions. In this regard, the Company has provided opportunities for retail investors to nominate qualified individuals to be selected as Company director each year by announcing the invitation on the Company's website, as well as considering nominating directors whose terms had expired to assume the post of directors again and propose it to the Board of Directors. The criteria for appointing directors consist of the following methods:

1. In the process of electing directors, it is considered that each shareholder has one vote per share.
2. In the process of electing directors, individual votes are to be considered by allowing shareholders to cast all of their votes to elect the person nominated as a director, on an individual basis.
3. The individual receiving the highest number of votes counted in a descending order will be elected as a director which is equal to the number of directors to be elected at that time. In the case that the elected individual counted in a descending order has the same number of votes exceeding the number of required directors, the Chairman of the meeting shall be entitled to an additional deciding vote.

In the event where the position of director is vacant due to reasons other than the expiration of the term of office, the Committee shall consider appointing a person who has the necessary qualifications and does not possess attributes that are prohibited by law, to be a replacement director at the next Committee meeting. Except in the case in which the term of the director who will be vacating office is less than 2 months, the person who will be assuming the position of a replacement director will remain in the director position only for the remaining term of the director he/she will be replacing. In this regard, the resolution appointing the person to be the replacement director must receive votes of not less than three-fourths of the number of remaining directors.

#### **Qualifications of a Director**

1. Directors must be individuals with knowledge, capabilities, and experiences that will be beneficial to business operations. Additionally, they must be honest and trustworthy, possess ethics in doing business, and have enough time to fully dedicate their knowledge and capabilities to perform duties for the Company.
2. Directors must possess all the required qualifications and must not have prohibited attributes according to the law governing public limited companies, as well as the law on securities and exchange. They must also not possess characteristics that indicate a lack of suitability to be trusted in managing a public company as specified by the Securities and Exchange Commission. They must also be persons whose names are listed on the list of directors and executives of a company issuing securities.
3. Directors cannot engage in becoming partners in a business or becoming a director in another juristic person having the same status and conducting business that competes with the Company's business, unless the shareholders' meeting is informed before the resolution to appoint the director is made.
4. Directors must inform the Company without delay in the case where the director has an interest, whether directly or indirectly, in any contract that the Company has made during the current fiscal year, or holds shares or debentures in the Company and affiliated companies by specifying the total amount that increased or decreased during the fiscal year.

#### **Qualifications of the Company's Independent Directors**

The Board of Directors of the Company has agreed to determine the qualifications of independent directors in accordance with the announcement of the Capital Market Supervisory Board as follows:

1. Must hold shares not exceeding 1% of the total number of shares with voting rights of the parent company, subsidiary companies, associated companies, major shareholders, or controlling person of the applicant, provided that the shareholding of related persons of the independent director also be counted.

2. Not being or having been a director who has a participative role in management, an employee, a staff member, or an advisor who receives a regular salary, or a controlling person of the company, parent company, subsidiary company, associated company, same level subsidiary company, major shareholders or of the controlling person of the Company, unless the aforementioned characteristics have been released for not less than two years before the date of appointment. However, such prohibited characteristics do not include cases where the independent director used to be a government official or an advisor to a government agency that is a major shareholder or the controlling person of the Company.

3. Not being a person related by blood or by legal registration as a father, mother, spouse, sibling, and child, including the child's spouse of other directors, executives, major shareholders, controlling person or persons who will be nominated to be directors, executives or controlling persons of the Company, parent company, or subsidiary company.

4. Does not have or ever had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholders, or the controlling person of the applicant, in a manner that may impede the exercise of his/her independent judgment. Including not being or having never been a significant shareholder, or controlling person of those who have business relationships with the Company, parent company, subsidiary company, associated company, major shareholders, or the controlling person of the applicant, unless the person has been released from such characteristics for not less than two years before the date of appointment.

The business relationships mentioned in paragraph one above also include commercial transactions that are normally done for business operations, renting or leasing real estate, transactions regarding assets or services, or giving or receiving financial assistance through receiving or granting a loan, collateral, or providing assets as collateral for debts, including other similar circumstances that result in the applicant or contracting party having a debt that must be paid to the other party in the amount of 3% of the net tangible assets of the Company, or from twenty million baht or more, whichever is lower. The calculation of such debt burden shall be in accordance with the method for calculating the value of related transactions in accordance with the announcement of the Capital Market Supervisory Board regarding the criteria for conducting related transactions, mutatis. However, in consideration of the said debt burden, it should also include debt obligations incurred during the one year before the date of having a business relationship with the same person.

5. Not being or having been an auditor of the Company, parent company, subsidiary company, associated company, major shareholders, or the controlling person of the applicant, and not being a significant shareholder controlling person or partner of the audit firm which includes the auditor of the applicant, parent company, subsidiary company, associated company, major shareholder or the controlling person of the applicant is affiliated to, unless the person has been released from such characteristics for not less than two years before the date of appointment.

6. Not being or having ever been a professional service provider that includes providing services as a legal advisor or financial advisor who receives service fees in excess of two million baht per year from the Company, parent company, subsidiary company, associated company, major shareholders, or the controlling person of the applicant, and not being a significant shareholder controlling person or a partner of that

professional service provider as well, unless the person has been released from such characteristics for not less than two years before the date of appointment.

7. Not being a director appointed to represent the Company's directors, major shareholders, or shareholders who are related to the major shareholders.

8. Does not operate a business that has the same nature and is in significant competition with the Company's business, or subsidiary company, or not being a significant partner in the partnership or being a director who participates in management, an employee, a staff member, or a consultant, who receives a regular salary or holding shares exceeding 1% of the total number of shares with voting rights of other companies which operates a business that has the same nature and is in significant competition with the business of the applicant or its subsidiaries.

9. Not having any other attributes that prevent him/her from giving independent opinions regarding the Company's operations.

The Company has established criteria for selecting independent directors from individuals who possess the above qualifications and who have the necessary knowledge, capabilities, skills, and experiences, that are beneficial to the Company's operations.

In the past fiscal year, the Company's independent directors do not have business relationships or provide professional services with a value exceeding the criteria specified in the announcement of the Capital Market Supervisory Board regarding requesting and granting permission to offer newly issued shares.

## **2. Rights of minor shareholders in appointing directors.**

### **Proposing Names of Directors**

The Company has given every shareholder (major and minor shareholders) the right to nominate suitable persons to be considered for election as Company directors in advance of holding the Annual General Meeting of Shareholders according to the criteria set by the Company. Additional details of the criteria and procedures can be found on the Company's website.

### **Voting in the Election of Directors**

The Company will use technology to promote quick, efficient, and accurate meeting procedures for shareholders. This will include the registration and vote counting processes, as well as the display of results. This is aimed at providing facilitators for all shareholders and proxies to fully exercise their rights in attending the meeting and casting their votes. It is also intended to refrain from any activities that limit the opportunity for shareholders to attend meetings through the promotion of opportunities for shareholders to pose questions and express opinions at the meeting appropriately, as well as openly disclosing the voting results for each agenda, either agreeing, disagreeing, or abstentions, to the meeting. Upon the meeting's conclusion, the Company Secretary will prepare and publicize the meeting's minutes on the Company website as well as on the website of the Stock Exchange of Thailand, to ensure that shareholders are informed of the meeting resolutions in a timely manner according to the deadlines stipulated by law and regulations of relevant regulatory agencies.

- In the event that shareholders are unable to attend the meeting in person, they can exercise their right to appoint independent directors or any other person to attend the meeting and vote on their behalf through the use of one of the proxy forms that the Company sent along with the meeting invitation. In this regard, shareholders can download the proxy form via the Company's website as well.
- To help facilitate shareholders, the Company will open the meeting's registration 1 hour in advance and after the meeting has opened. Shareholders can register to attend the meeting at any time during the entire period of the meeting, to exercise their voting rights on agenda items that have not yet been voted on. In addition, at the end of the meeting, shareholders can also request to check the details of the voting.
- Before starting the meeting according to the stated agenda, the presiding Chairman of the Board of Directors will designate a director or the Company Secretary to inform the meeting of the voting procedures for each agenda item. During the meeting, the Chairman will give every shareholder an opportunity to make suggestions, pose questions, and offer opinions on every agenda, in which the Chairman and related executives will give importance to every question and provide answers in a clear and concise manner.
- In an effort to help facilitate shareholders, the Company will employ the use of barcodes to support the registration and vote counting processes.
- The Company Secretary will keep an accurate record and complete minutes of the meeting and will record the voting in each agenda in detail. The minutes of the shareholders' meeting will then be submitted to the Stock Exchange of Thailand within 14 days after the meeting date, as well as being published on the Company's website to ensure that shareholders are informed of the meetings' resolutions in a timely manner.

## **Procedures for Recruiting and Selecting Individuals to be Appointed as Top Executives.**

### **Nomination of Executives.**

The Company recruits individuals that are to be appointed as executives from selecting people that have the necessary knowledge, management capabilities, leadership qualities, possess morals and ethics, to work with and has developed its readiness for everyone to have the opportunity to become an executive in the future. The selection process is conducted through the process of evaluating the potential of its employees, in which the employee who passes the assessment process will be assigned challenging tasks and have higher responsibilities. The Company has prepared to develop employees at all levels to make replacements in the event of vacancies

### **Nomination of Top Executives.**

In the process of nominating the Company's top executives, the Recruitment and Compensation Committee will consider a selection from current executives or other individuals who possess the necessary knowledge and capabilities in management, with the appropriate qualifications and a good understanding of the Company's business, as well as possessing leadership qualities and experience in leading the organization. The individual should also be able to manage their work to achieve the objectives and goals established by



the Board of Directors, as well as not having any prohibited attributes as specified by law. The nomination will be presented to the Board of Directors' meeting to consider and make the appointment.

#### **Care of use of the Company's internal information**

The Company has specified various actions to prevent disclosure and transactions that may cause conflicts of interest. These actions include preventing the unauthorized use of inside information, which may affect the Company's business operations and the value of the Company's securities. The Company seeks to prevent inequality in receiving the Company news and information, which may potentially result in benefiting from the use of such inside information. To avoid such circumstances, the Company has laid down the following guidelines:

(1) Establish the Company's business ethics, including an employee's code of ethics, that covers conflicts of interest, disclosure of information and news, prohibiting the use of inside information, or the disclosure of inside information, for the benefit of oneself or others, including policies on good corporate governance, the treatment of stakeholders regarding their rights and maintaining confidentiality of recipients of the Company's services. The stipulations are communicated and disseminated to relevant persons for their general knowledge and adherence.

(2) Determine the period during which the trading of the company's securities is prohibited and a 30-day 'silent period' in which directors and executives are prohibited from disclosing the Company's news and information before the announcement of the Company's operating results, or quarterly financial statements and annual financial statements. During the silent period, directors and executives are prohibited from expressing their opinions regarding investment guidelines, the Company's profits, and performance, except in the case of disclosing facts that have already been disclosed to the public.

(3) Disclose the extent of securities holdings of directors and executives. The directors and executives are responsible for preparing and reporting their trading of the Company's securities within 1 month from the date of first assuming the position, and within 3 business days after there is a change in their holding of such securities, to the Securities and Exchange Commission along with reporting such holdings or changes to the Company's Secretariat so that he/she can compile a summary of changes in securities holdings of such companies and include it as an agenda for acknowledgment at the next meeting of the Board of Directors.

(4) In reporting issues of personal interests, the Company requires its directors and executives to prepare a report on their personal interests and those of related persons and send it to the Company Secretary. Subsequent reports are also to be issued every time a change in information is initiated. The Company Secretary is responsible for consolidating such information and reporting it to the Chairman of the Board as well as the Board of Directors' meeting for acknowledgment, as well as complying with the Securities and Exchange Act, B.E. 2535 (1992) as amended by the Securities and Exchange Act (No. 4), B.E. 2551 (2008), and/or announcements of the Capital Market Supervisory Board. The Company will use such information to manage and conduct transactions between the Company and its directors or executives, and/or related persons, in order to comply with the principles of the law and good corporate governance.

(5) Measures to be taken when inside information is found to be used for personal gains:

\*In the case of a Director.

Directors who have been judged to possess attributes that show a lack of suitability to be trusted to manage a business in which the public is a shareholder from the Company's governing body according to the announcement of the Securities and Exchange Commission No. KorJor. 8/2553, regarding the supervision of the lack of trustworthiness of directors and executives of companies listed on the stock exchange, will be disqualified from holding the position of Company director in accordance with relevant laws, as well as the rules and regulations announced by the Company's regulating agency that considers the Company as a listed entity on the stock exchange.

\*In the case of a executive or employees, or its affiliates.

This will establish a central investigative committee to determine the facts and appropriate punishments. If the investigation reveals that an offense has been committed, the Company or its affiliates may issue a warning letter, suspend or terminate employment, or transfer the employee to a position where they cannot take advantage of the Company's internal information. The punishment will take into consideration the intent to commit the offense, knowledge and experience of the person's profession, severity of the damage caused, and impact on the Company. The punishment must be in accordance with the Company's or its affiliates' regulations, relevant laws, and regulations and rules announced by the Company's regulating agency that considers the Company as a listed entity on the stock exchange.