

**Board of Directors Charter**  
**Siamese Asset Public Company Limited**

**1. Purpose**

The board of directors is the representative of shareholders and is appointed by shareholders to drive the business. Its members play a major role in the setting of the business policies and strategies of the company in order to supervise the company's business for maximum prosperity and benefits for shareholders. As such, the board of directors must perform its duties responsibly, cautiously and with honesty and integrity with consideration to the best interest of the company and fairness to every interested party under the good corporate governance principles in addition to carrying out its duties and performing responsibilities according to the law, the company's objectives and regulations and shareholder meeting resolutions.

**2. Composition, Qualifications, Appointments, Term in Office and Removal from Office**

**2.1 Composition**

- (1) The board of directors is made up of at least 5 directors and no more than 12 directors. Half of all directors have to reside within the kingdom, and independent directors have to number at least one-third of the total number of directors and at least 3 directors or a number stipulated by related laws.
- (2) The board of directors is to choose a company director to serve the role of chairman of the board. In cases where the board of directors deems appropriate, one or several directors may be chosen to serve as vice chairmen, and a board secretary may be appointed to assist in the work of the board in scheduling meetings, preparing meeting agendas and delivering meeting documents and meeting records and reports.
- (3) The chairman must not be the same person as the chief executive officer or the managing director. This ensures a balance of power in work and a clear separation of roles and duties.

**2.2 Qualifications of Company Directors**

- (1) Company directors are required to meet all the qualifications without the prohibitions or characteristics indicative of lack of suitability to be entrusted with the business management of a business in which the public are shareholders pursuant to laws governing limited companies and public limited companies, securities and exchange laws and the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as any other related laws.

- (2) Company directors are required to be persons possessing knowledge and experience deemed highly beneficial to the business operations of the company and required to achieve the company's purpose and objectives. They are also required to be honest, have integrity and operate ethically while conducting business, in addition to fully dedicating and devoting time to performing their assigned responsibilities.
- (3) Company directors are required to perform their duties and exercise their independent judgement in making decisions in various matters. Each director has the duty and freedom to raise questions and express opinions, visions or objections, in cases of conflict, in order to manage the company in a manner that brings sustainability to the business while transforming the company into a leading business that brings about the greatest interest for the company and interested parties.

### **2.3 Qualifications of Independent Directors**

Independent directors are required to possess qualifications for independence pursuant to the law and be persons who can equally oversee the interest of every shareholder in order to prevent conflict of interest. Additionally, they have to be able to attend board meetings and express their opinions independently.

In addition to the general qualifications of directors, independent directors must possess the following qualifications:

- (a) Hold shares not in excess of 1% of all voting shares of the company, parent company, subsidiaries, joint companies or juristic persons in which conflict of interest might exist, including the shares held by persons related to said independent directors.
- (b) Not be nor have been directors involved in work management, workers, employees, salaried advisors or controlling persons of the company, parent company, subsidiaries, joint companies or juristic persons with potential conflict of interest, unless the aforementioned statuses had terminated by at least 2 years prior.
- (c) Not be persons with blood relations or relations registered by law of other directors, executives or persons nominated to become directors, executives or controlling persons of the company or subsidiaries.
- (d) Not have nor have had business relations<sup>1</sup> with the company, parent company, subsidiaries, joint companies or juristic persons with potential conflict of interest in a manner that might hinder the exercising of independent judgement, nor be nor have been significant shareholders or controlling persons of persons with business relations with the company,

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<sup>1</sup> Business relations include trade transactions conducted normally to operate business, rent or renting out of real estate, transactions related to assets or services, provision of financial assistance through receipt or loaning of funds, guarantees, using assets as debt guarantees, and other similar circumstances that cause the company or contract partners of the company to be obligated to make payment to the other party by an amount of at least 3% of the net tangible assets of the company or 20,000,000 million baht or above, depending on whichever amount is lower. The calculation of these debt obligations is to automatically follow the calculation methods for the value of related party transactions in the announcement by the Capital Market Supervisory Board concerning the criteria for conducting related party transactions. However, in the consideration of these debts, also include debts created within 1 year before the business relationship with that same person.

parent company, subsidiaries, joint companies or juristic persons with potential conflict of interest, unless the aforementioned statuses had terminated by at least 2 years prior.

- (e) Not be nor have been auditors of the company, parent company, subsidiaries, joint companies or juristic persons with potential conflict of interest, nor be significant shareholders, controlling persons or partners of an audit office of the auditors of the company, parent company, subsidiaries, joint companies or juristic persons with potential conflict of interest, unless the aforementioned statuses had terminated by at least 2 years prior.
- (f) Not be nor have been professional service providers, including services as legal advisors or financial advisors, whose service fees exceeded 2,000,000 baht of the company, parent company, subsidiaries, joint companies or juristic persons with potential conflict of interest, nor be significant shareholders, controlling persons or partners of said professional service providers, unless the aforementioned statuses had terminated at least 2 years prior.
- (g) Not be directors appointed to become representatives of directors of the company, major shareholders, or shareholders related to major shareholders.
- (h) Not operate business of the same nature and in significant competition with the business of the company or subsidiaries, nor be significant partners in partnerships, nor be directors involved in work management, workers, employees, salaried advisors or shareholders holding in excess of 1% of the voting shares of other companies operating business of the same nature and in significant competition with the business of the company or subsidiaries.
- (i) Not possess any other attributes that might hinder the independent expression of opinions relating to the company's business activities.

After receiving appointments to become independent directors who are qualified according to the above, independent directors may receive assignments from the company to make decisions about the business activities of the company, parent company, subsidiaries, joint companies, or subsidiaries of the same tier, as part of collective decisions.

## **2.4 Appointments and Term in Office**

- (1) Appointments of company directors are to comply with company regulations and related laws. Directors have to be recruited by transparent and clear process.
- (2) The Nomination and Remuneration Committee will recruit and nominate fully qualified persons according to Clauses 2.2 and 2.3 to become company directors by nominating said persons to a board meeting for subsequent proposal to a meeting of shareholders for consideration of appointment.
- (3) Each term of the board of directors is 3 years.

- (4) At every annual general meeting of shareholders, one-third of all directors at the time are to leave their offices. If the number of directors cannot be divided evenly into three parts, then the number closest to one-third is to leave office. Accordingly, for directors having to leave their offices in the first and second years after the registration of the company, they are to leave their offices by lottery, but in later years, the directors who have been in their offices the longest are to be the ones to leave. Company directors who leave their offices according to term may be reappointed to become directors again.
- (5) In cases where a director position becomes vacant due to another reason aside from departure according to term, the Nomination and Remuneration Committee is to choose a fully qualified person and nominate him/her to the board of directors for consideration to become a company director fill the vacant position.

## **2.5 Removal from Office**

- (1) A company director is removed from office in the event of the following:
  - (a) Death.
  - (b) Resignation.
  - (c) Lacking in qualifications or possession of legally-prohibited characteristics.
  - (d) A resolution is passed by a shareholder meeting for removal from office.
  - (e) By court order.
- (2) If any company director wishes to resign from his/her position, the director may present a resignation form to the Chairman of the Board by at least 1 month in advance.

## **3. Powers, Duties and Responsibilities**

The board of directors has the powers, duties and responsibilities to manage and operate the company's business according to the law and the company's purpose and regulations and shareholder resolutions with honesty, integrity and caution while safeguarding the company's interests and conforming to the principles of good corporate governance and company ethics as follows:

- (1) Set the vision, missions, goals, guidelines, policies business work plans, budgets and business strategies of the company and review them to ensure consistency with changes in circumstances and provide monitoring and supervision and manage and administrate the company and subsidiaries in line with set policies, work plans and budgets and related laws, announcements, regulations and criteria of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange
- (2) Monitor and supervise reporting of progress in line with goals, indicators and strategic plans according to budgets approved by the board of directors as well as policies to improve and enhance international competitiveness.

- (3) Set good corporate governance policies and company ethics such as on treatment of interested parties, anti-corruption and prevention and management of conflicts of interest, use of internal information and maintenance of confidentiality and handling of whistleblowers and complaints and regularly review the company's corporate governance and ethics policies every year.
- (4) Set in place an appropriate and adequate internal control system and monitor the effectiveness of the internal control system in line with accepted standards such as those of the Committee of Sponsoring Organization (COSO) by disclosing the adequacy of the internal control system and audit reports in annual reports.
- (5) Set appropriate risk and risk management policies and regularly monitor the effectiveness of risk management by disclosing the adequacy of the risk management system in annual reports.
- (6) Set information technology management policies and information technology system security measures in line with accepted standards within the industry and monitor, review and improve them consistently and appropriately with information technology risks.
- (7) Promote the creation and adoption of appropriate innovations and technologies to ensure effective resource utilization for shared benefit of the company's business, trade partners, related persons and society.
- (8) Control the company's work operation to achieve financial security and the ability to operate business continuously.
- (9) Take care to prepare and disclose financial information that is correct, complete, on-time and reflective of business performance and financial position in line with the accounting standards set according to accounting laws and disclose important company information correctly and completely according to related criteria and practice guidelines.
- (10) Set the framework and mechanisms for supervising subsidiaries or joint companies. The board of directors will judge the suitability of persons to represent the company by becoming directors in subsidiaries or joint companies in order to supervise and oversee the work of the subsidiaries or joint companies in line with the company's policies and ensure that transactions are conducted correctly according to the law, which includes complete and correct disclosures of information about financial position, performance, related party transactions and significant acquisitions and disposals of assets.
- (11) Consider and approve appointments and set the roles and duties of various sub-committees as appropriate and necessary to support the work of the board of directors and set the criteria and process for recruitment of directors in sub-committees and the managing director that is transparent and clear in addition to annually specifying their remunerations and performance assessments and monitoring and ensuring the existence of a process to prepare personnel to replace or succeed in the position of managing director every year.

- (12) Consider and approve inter-period dividend payments to shareholders and report to each shareholder meeting that follows such payments.
- (13) Consider and approve other important issues related to the company or as deemed fitting in order to achieve the greatest benefits fairly for the company and all groups of stakeholders.
- (14) Assign one or several directors or other persons to perform actions on behalf of the board of directors. Accordingly, such granting of authority must not be granting or sub-granting of authority in a manner that allows directors or persons authorized by directors to be able to authorize transactions in which they or persons with potential conflict of interests or conflict of other benefits conduct with the company or subsidiaries (if any).

#### **4. Meetings**

- (1) Board meetings have to be attended by at least one half of all directors in order to form a meeting quorum. In cases where the Chairman of the Board is absent from the meeting or is unable to perform duties, if there is a vice chairman, then the vice chairman is to chair the meeting. If there is no vice chairman or there is one but he/she cannot perform duties, the directors are to select a director to chair the meeting.
- (2) The final decisions rendered at board meetings are to be derived from a majority of votes, by which one director has one vote, and directors holding any interests in any matter are to be prohibited from being present in the meeting room, nor to have the right to cast any vote concerning the matter. Additionally, if votes are evenly split, the meeting chairman is to cast an additional, deciding, vote.
- (3) The Chairman of the Board or another person assigned by the Chairman of the Board is to set the date, time and place of each board meeting. If two or more directors request for a board meeting, the Chairman of the Board is to schedule a meeting within 14 days from the date of the request. Accordingly, the meeting location can be set to a different location from the company main office. If the Chairman of the Board or another person assigned by the Chairman of the Board did not specify a meeting location, use the company main office as the place to hold the meeting.
- (4) In holding a board meeting, the Chairman of the Board or another person assigned by the Chairman of the Board is to send meeting invitation letters to directors by specifying the date, time, place and agendas of the meeting by at least 7 days in advance of the meeting date. However, in necessary or urgent cases to protect the rights or interest of the company, meetings can be announced by other means or schedule to take place sooner.
- (5) Directors holding any interests in the topics of deliberation are to report their interests and be prohibited from participating in deliberations of said topics.

**5. Reporting**

The company's secretary is to have the duty of preparing board meeting reports that are complete in their essential contents and present them to the board of directors for certification of said meeting reports, in addition to having the duty to systematically storing reports and meeting documents.

**6. Performance Assessments of the Board of Directors**

The board of directors will assess its own performance at least 1 time annually by assessing the performance of the entire board of directors and of individual directors. The scores and comments of the board of directors will be used to improve the board of directors' performance each year and increase the board of directors' effectiveness. Additionally, assessment results will be used as information to accompany the board of directors' opinions presented to shareholders for consideration of appointment of company directors to replace directors leaving office according to term.

Furthermore, the board of directors has the duty to assess the performance of sub-committees and the chief executive officer.

**7. Reviews and Improvements of the Charter**

The board of directors is to review and assess the adequacy and suitability of this charter every year in order to propose amendments or changes as deemed fitting.