



Corporate Governance Policy

MK Restaurant Group Public Company Limited

Being in a food and service business, MK Restaurant Group Public Company Limited operates restaurant chains in Thailand and abroad where the service reaches a large number of customers. The Company has been recognized not only for quality and safe food but also great service which have solidly driven its growth so far. Aside from running the business on this fundamental, the Board of Directors also places an extremely high priority to corporate governance (CG). In other words, as the Company firmly believes in the CG principles, CG rules and regulations have been applied in the operation while CG policy is adopted to manage the business and supervise internal functions. The goal, after all, is to ensure that the business is run efficiently and effectively to achieve its objectives.

The essence of the CG is to commit to integrity, transparency and fairness when doing business to reinforce confidence among shareholders, investors, customers, staff and all stakeholders. Our personnel are encouraged to be aware of the principles and to commit to moral practices when conduct the service business. As this reflects the Company's standards of management, it should be favorable to our business and further enhance our recognition here and abroad. That's why the Board of Directors has adopted the CG policy which corresponds to the CG principles for the business to grow sustainably and for us to remain trusted by our shareholders, investors, customers, staff and all stakeholders.

Corporate Governance Practice

To make the Company an efficient organization when it comes to business operation, corporate governance practices and management excellence where shareholders are treated with the best interest and stakeholders are taken into consideration while the Company's business is carried out with transparency and accountability, the Board of Directors has adopted the following corporate governance (CG) policy for itself, the Company's executives and employees to adhere to. Details are as follows.

1. The Board of Directors, executives and employees will perform duty with transparency and integrity towards the organization and other colleagues.
2. The Board of Directors' first priority is customers, to be followed, respectively, by welfare and happiness of employees and best interest of the organization and business partners.
3. The Board of Directors strives to perform its duty with responsibility and independence. Roles and responsibilities of chairman of the Board, Chief Executive Officer and every executive are clearly defined.
4. The Board of Directors strives to be respectable. It will be a leader in ethical practice and a role model for corporate governance compliance.

5. The Board of Directors will devote to the Company without considering their personal interests. Its actions will be mainly based on outcomes affecting the organization and the public at large.
6. The Board of Directors will disclose the Company's financial and non-financial information in an adequate and timely fashion for shareholders and stakeholders to equally access the information.
7. Shareholders will be equally treated for the rights to information and will be offered appropriate channels to communicate with the Company.
8. The Board may appoint a specific committee to carefully screen important matters as deemed appropriate. There will also be an appropriate selection process to recruit important executives of all levels as well as a transparent and fair nomination process.

Section 1: Shareholders' Rights

The Board of Directors is aware of shareholders' rights to own and control the Company through the Board of Directors appointed to perform duty on their behalf and to make decisions on the Company's major changes. That's why the Board of Directors has encouraged shareholders to exercise their rights based on the following fundamental rights of shareholders:

1. Shareholders' Meeting

- 1.1 The Board will ensure that the Company discloses information, identifies date and time of the meeting and meeting agendas with supporting explanations and rationale in each agenda in an invitation letter to attend the Annual General Meeting of Shareholders (AGM) and the Extraordinary General Meeting of Shareholders (EGM) as well as posts the information on its website. The Company will refrain from doing anything that will restrict shareholders from studying the Company's information.
- 1.2 The Board will facilitate the Shareholders' Meeting which will be held at a place large enough to accommodate shareholders in Bangkok or nearby provinces and not too far away to travel.
- 1.3 The Company will allow shareholders to propose meeting agenda or send questions to the Company before the meeting day through available channels.
- 1.4 The Company will allow shareholders who are unable to attend the meeting themselves to appoint a proxy who may vote on their behalf where absent shareholders will receive documents and explanations on how to appoint a legal proxy. Simultaneously, the Company will propose independent directors as a choice to be appointed as a proxy.

2. Procedures on the Shareholders' Meeting Date

- 2.1 The Company will introduce technology at the Shareholders' Meeting to register shareholders, count votes and present voting results to allow the meeting to proceed fast, correctly and accurately.
- 2.2 The Company will allow shareholders to pose questions to Chairman of the Board and chairman of sub-committees in matters relating to the meeting.
- 2.3 Shareholders are entitled to vote separately in each proposed agenda. For an election of member of the Board, shareholders are entitled to vote for each individual director.

2.4 The Company will appoint an independent person to count or check votes at both the AGM and the EGM before disclosing voting result to the meeting and recording it in the minutes of the meeting.

2.5 Chairman of the meeting shall appropriately manage the meeting session while encouraging shareholders to express their views and ask related questions to the meeting under a relevant meeting agenda.

3. Minutes of the Meeting and disclosure of resolutions of the Shareholders' Meeting

3.1 Voting procedures and presentation of counted votes will be explained to the meeting before it starts. Shareholders will be allowed to ask questions or raise an issue. In addition, questions and answers and voting results of each agenda indicating the number of shareholders who have voted yes, no or abstention will be recorded. A list of directors present at the meeting and absent from the meeting will also be recorded.

3.2 The Company will disclose to the public voting results of each meeting agenda at both the AGM and the EGM on the next business day on the Company's website.

Section 2: Equal treatment of shareholders

Realizing the importance of equal and fair treatment to all shareholders, the Board of Directors has done the following:

1. Giving information prior to the Shareholders' Meeting

1.1 The Board of Directors will have the Company submit a meeting schedule, meeting agendas and the Board's opinions to the Stock Exchange of Thailand (SET) as well as post them on the Company's website at least 28 days before the date of the shareholders' meeting.

1.2 The Board will have the Company notify shareholders all rules and regulations to be applied at the meeting including how to adopt a resolution and voting rights of different classes of shares held by shareholders.

1.3 An invitation letter to attend the Shareholders' Meeting will be entirely made both in Thai and English.

2. Protecting the rights of minority shareholders

2.1 The Company has prescribed the criteria and procedures whereby minority shareholders may propose agendas for the Meeting and nominate candidate to be considered for election as a director in advance. Such criteria and procedures are posted on the Company's website.

2.2 The Board of Directors will proceed with the meeting based on the agendas notified in the invitation letter to attend the Shareholders' Meeting and will not add any meeting agenda during the meeting without notifying shareholders in advance.

2.3 The Board of Directors will allow shareholders to appoint a director on an individual basis.

3. Protection against the use of insider information

To promote equal access to information and to prevent the use of insider information for the benefit of directors, executives and employees including their spouse and children not yet legally matured as well as to strengthen our CG practice, the Company has adopted the insider information policy as follows:

- 3.1 Directors, executives and employees including their spouses and children not yet legally matured who have access to material information and the Company's financial statements not yet disclosed to the public are prohibited to disseminate or disclose the information to other persons both in and outside the organization. In addition, there shall be the Chinese Wall among departments to prevent premature disclosure of material information not yet disclosed to the public unless such department is required by its duty to access the information which it shall take a good care of the information the same way the information owner does. This however excludes the disclosure of information to the supervising authorities.
- 3.2 The Company's directors, executives and employees including their spouses and children who are minors who have access to the Company's material information and its financial statements are prohibited to buy, sell, transfer or take transfer the Company's securities within one month prior to the disclosure of the Company's financial statements to the public and 24 hours after the release (Blackout Period). The Company will inform all concerned persons of the blackout period 14 days prior to such period.

4. Director's interest

- 4.1 At the Board of Directors' meeting, a director having an interest in a meeting agenda must report his interest to the meeting for the Board's acknowledgment. He/she has to leave the meeting room during the agenda.
- 4.2 The Board of Directors has a duty to review and resolve an issue of potential conflict of interest and connected transactions for the benefit of the Company and all stakeholders where it may designate the Audit Committee to review the issue and express an opinion regarding the transaction with potential conflict of interest and any item relating to the Company's transaction. The Audit Committee should inform the Board on a quarterly basis.

Section 3: Roles of Stakeholders

The Board of Directors has given priority to the rights of all groups of stakeholders; namely customers, suppliers, competitors, creditors, the society, employees and shareholders. Realizing its roles and responsibilities, the Board has formulated the Code of Conduct and best practices for employees to be aware of the stakeholders, to be faithful to their duties and to refrain from corruption. In order to protect the interest of all parties in an honest and fair manner, various groups of stakeholders are treated as follows:

Customers The Company commits to make customers satisfactory and deliver quality food and good service to our customers. The Company also developed the system to survey the customer satisfaction including the customer's opinions, suggestions, and feedbacks. In addition, the Company has the

customer relations unit which has the responsibility to receive the suggestions and feedbacks from the customers in order to improve the service to be more efficient.

Suppliers The Company commits to create a mutual relationship with suppliers through which both may share reciprocal benefits and which the Company may honestly maintain supplier's rights in the service business because it places high priority to supplier's integrity. The Company also focuses at keeping supplier's information confidential. In addition, the Company implemented the procurement and vendor selection policies and guidelines as well as the procedures to do business with the Company in order to select suppliers in a systematic, fair, transparent and ethical manner. The Company also refuses to conduct business with a person or a juristic person who violates the law or demonstrates behavior involving corruption.

Competitors The Company has the policy to treat competitors fairly and aims to compete on quality and service efficiency for the best interest of customers. It will not destroy competitor's reputation just for the Company's interest. Simultaneously, the Company considers other firms both as a supplier and a person sharing the same profession who has mutually committed to the ratification governing the profession.

Creditor The Company treats creditors fairly and strictly complies with the terms and conditions of contracts. In case that the Company is not able to comply with the terms and conditions, the Company shall inform the creditors in advance in order to find the solutions to prevent the damages. In addition, the Company places emphasis on the capital management to create the proper financial structure in order to prevent the default risk.

Society Realizing that the Company is a component in a society, the Board of Directors has instructed the Management to adopt the CSR (corporate social responsibility) policy to provide assistance and support and to create something beneficial for communities and the society. In addition, employees are urged to be aware of their responsibilities to every sector of the society.

Employees Equal opportunity is given to employees at all levels. Human resources management is carried out on the basis of ethics and fairness. Remunerations, welfare and the provident fund will be provided for employee's secured future. The Company also pays attention to the development of human resources regardless of their levels both in terms of knowledge and skill enhancement as well as work attitude. The Company will take care of safety and healthcare issues of factory workers. All employees will be subject to a competency evaluation system. Besides, the Key Performance Indicators (KPIs) have been introduced to evaluate employee's performance vis-à-vis the Company's goals.

Remuneration and employee benefits management

The Company oversees its remuneration management to ensure that its employees are offered appropriate, fair and competitive remuneration compared across organization as well as other companies in the same industry. The remuneration is determined by individual performance and

positions held and paid in form of salary, bonus and special compensation. The Company has also formulated an appropriate compensation structure for each position level with adjustments made in accordance with economic circumstances, inflation rates and consumer price index. In addition, the Company also regularly surveys the remunerations for all position levels of other companies in order to maintain the retention and create the employees' motivation.

Moreover, the Company also established an employee benefit policy with comprehensive coverage to enhance the quality of life of its employees. The employee benefits are also regularly reviewed to ensure alignment with the current circumstances, needs and living cost.

Shareholders The Company commits to maintain the interest of shareholders for their maximum satisfaction through remarkable returns and a steady growth. In addition, information will be accurately and transparently disclosed to investors and shareholders in an accurate and reliable manner. All shareholders are given a chance to equally exercise their rights.

Contacts for Stakeholders

The Company has provided channels for employees and external stakeholders to contact, complain and report violation cases through various channels as follows:

- Report directly to trusted supervisor
- Send e-mail to supervisor or internal audit manager
- Send mail to Chairman of Audit Committee or directors to the following address:

MK Restaurant Group Public Company Limited
1200 Debaratna Road, Bangnatai, Bangna
Bangkok 10260

When the Company receives the complaint, the Company will assign internal audit department or other appropriate department to collect relevant facts from the whistle blower. In the event that the violation is proven, internal audit department or other appropriate department will propose to Audit Committee and Board of Directors to consider and set the action plan including forming the investigation committee.

After investigated the case, the investigation committee will propose the guidance to Audit Committee and Board of Directors for the corrective action and punishment.

Section 4: Disclosure of information and transparency

1. The Board of Directors has a duty to equally disclose all financial and non-financial information in a timely and reliable manner to shareholders and stakeholders via the Company's annual report, the SET's electronic notification system and the Company's website. Information to be disclosed will cover what's stated in the SET's best practices which requires the Company to disclose significant and necessary information on a regular basis in Thai and English through the SET's communication channels and on the Company's website.

2. The Company has set up the Investor Relations Unit to coordinate with institutional investors, securities analysts and shareholders of the Company to provide them with the Company's performance and investment information through a convenient, fast and easy-to-access channel of communication.
3. Significant information with effect to the Company's securities price or which could affect investment decision or make an impact to shareholders' rights and benefits will only be disclosed after the information has been officially disseminated to the SET.
4. The Board of Directors is responsible for reporting its liability to the financial statements where such report must be published with the Annual Report. It is to report remunerations of each director in the annual report and to disclose the number of meetings held annually.
5. The Board of Directors has entrusted the Audit Committee to oversee the Management Discussion and Analysis (MDA) in conjunction with financial statements on a quarterly basis. This includes reviewing an auditing fee which shall also be disclosed in the annual report.
6. The Board of Director is required to disclose a policy under which remunerations are paid to directors and senior executives that can reflect each individual's roles and responsibilities. The disclosure shall include nature or characteristics of the remunerations as well as what each director receives from his/her directorship of subsidiary companies.
7. The Board of Directors must report changes in the Company's shareholding ratio based on the regulations of the Securities and Exchange Commission (SEC) and the SET.
8. The Board of Directors requires the Audit Committee to examine and oversee risk management where a risk assessment analysis will be conducted and risk is to be kept at an acceptable level.

Investor Relations Unit

Investor Relations Unit has the responsibility to communicate with institutional investors, retail investors, shareholders, analysts and other relevant units on an equal and fair basis. Shareholders requiring additional information can contact the Investor Relations Unit directly via investorrelations@mkrestaurantgroup.com. In addition, the Company organizes various activities in order that the Company's management had chance to meet investors and analysts on a regular basis and present the operating results and answer questions as summarized below:

- Organize Analyst Meeting at least twice a year.
- Company Visit and Conference Call which allow investors to inquire about the business operation and strategies of the Company. Investors' inquiries are also directly responded via e-mail and telephone on a regular basis.
- Domestic roadshow with domestic institutional investors to present, communicate and create an accurate understanding regarding the Company's business operation.

Should there be any need for additional information, shareholders can directly contact the Investor Relations Unit via channels as follows:

Address: 1200 Debaratna Road, Bangnatai, Bangna, Bangkok 10260
Tel: 0-2836-1000
Email: investorrelations@mkrestaurantgroup.com

Section 5: Responsibilities of the Board of Directors

1. Components and qualifications of the Board of Directors and appointment

- 1.1 The Board of Directors shall consist of no fewer than five members but not exceeding 12. This however depends on what the Shareholders' Meeting may determine from time to time. Of this, at least half shall be independent directors.
- 1.2 Directors shall possess qualifications and shall not have prohibited characteristics as stated in the laws on public limited company. Nor shall they possess any feature that indicates the lack of qualifications to be trusted to manage a business whose shares are held by the public under the laws and the SEC's notification on securities and exchange.
- 1.3 The Board of Directors shall adopt rules and regulations that carefully allow directors to hold positions at other companies taking into consideration how efficient directors who work for several firms will be and how reassuring that directors can adequately dedicate themselves for the Company. As such, each director should hold directorship in a maximum of four other listed companies. In other words, efficiency of a person as the Company director may fall if he/she holds directorship in too many companies.
- 1.4 The Board of Directors will assign Company Secretary to inform legal and regulatory advice that it had better learn. The Company Secretary will oversee the Board's activities and coordinate with other parties to ensure compliance with the Board's resolutions. The Company Secretary shall be a law or accounting graduate or has attended training relating to the Company Secretary's functions.
- 1.5 The Board of Directors may appoint an unlimited number of sub-committee as necessary to help it screen and oversee work under its responsibility.
- 1.6 Members of the Board shall be appointed with transparency. The Corporate Governance, Nominating and Compensation Committee shall start a nomination process where a person with appropriate qualifications will be nominated as the Company's director together with detailed resume. The Corporate Governance, Nominating and Compensation Committee will then submit a list of nominees to the Board who will propose them to the Shareholders' Meeting for approval and appointment.
- 1.7 Resumes of all directors will be posted on the Company's website.
- 1.8 Newly-appointed directors will attend an orientation session within three months after the appointment in which information proven beneficial and necessary to their performance will be presented to them.
- 1.9 The Board of Directors will clearly adopt a policy and procedures governing the way the Company's CEO and senior executives hold directorship at other companies. This will include types of directorship and a number of companies they may sit at. All of this is subject to the Board's approval.

1.10 The Board of Directors has designated the Company Secretary to summarize and brief new information to new directors via the Board of Directors' Manual. New directors will make a company visit to better understand the Company's business.

2. Roles and responsibilities of the Chairman of the Board of Directors

The following are major roles and responsibilities of the Chairman of the Board of Directors:

- 2.1 Set the Board meeting agenda and ensure Board members receive accurate, complete, timely, and clear information prior to the meeting in order to make decision properly.
- 2.2 Be the leader and chair the Board of Directors
 - 2.2.1 Conduct the meeting according to the agenda, the Company's Articles of Association and applicable laws.
 - 2.2.2 Allocate sufficient time for discussion and encourage all members to participate and share opinion independently and carefully by taking into account all stakeholders.
 - 2.2.3 Conclude the meeting's solutions and action plan clearly.
 - 2.2.4 Setup the Board meeting without the presence of the executive directors.
- 2.3 Oversee, monitor and ensure that the Board performs duties efficiently and achieves the Company's objectives.
- 2.4 Chair the meeting of shareholders according to the agenda, the Company's Articles of Association and relevant laws by allocating time appropriately and providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' enquiries are responded appropriately and transparently.
- 2.5 Support and be a role model in compliance with the principles of good corporate governance and the Company's code of conduct.
- 2.6 Strengthen the relationship between the Board of Directors and the management and support the management's duty in accordance with the Company's policy.
- 2.7 Oversee to ensure the transparency of disclosure and management in the event of conflict of interest.
- 2.8 Oversee to ensure that the Board of Directors has appropriate structure and composition.
- 2.9 Oversee that the Board of Directors, Sub-Committees, and each individual member perform duties efficiently and effectively.

3. Specific committee

One of the Board of Directors' duties is to thoroughly and effectively review and approve important matters relating to the Company's operation. As a result, the Board has decided to set up the following specific committees:

- 3.1 The Audit Committee - At least three independent directors are appointed as members of the Audit Committee, one of whom must be knowledgeable in finance and accounting. They shall be independent as defined in the SET's announcement and according to the definition of independent director

specifically for company. The Audit Committee will audit internal control system, financial reporting system and risk management and will select and appoint auditor.

3.2 The Corporate Governance, Nomination and Compensation Committee - All members are appointed from the Board of Directors. At least three of them shall be independent non-executive directors and at least 50% of them as well as the chairman of the committee shall be the independent director. Moreover, the chairman of the Board of Directors should not be the chairman or the member of the Corporate Governance, Nomination and Compensation Committee.

4. The Board of Directors' Meeting and information provided for the Meeting

4.1 The Board of Directors will schedule meeting dates of the Board of Directors in advance on an annual basis. The Company Secretary will inform each director accordingly.

4.2 The Board of Directors will receive information relating to the meeting in advance. The Company Secretary will prepare an invitation letter to attend the meeting plus meeting agendas and supporting documents at least five days before the meeting date to allow the Board enough time to study the information before attending the meeting unless it's an emergency meeting.

4.3 Chairman of the Board shall approve meeting agendas where he is to consult with the CEO. Each director has liberty to propose a matter into the meeting agendas. The Company Secretary will gather proposed agendas from each director.

4.4 Directors having an interest in an agenda are required to abstain from voting or refrain from expressing opinion in the agenda. At the Board of Directors' meeting, if a director is having an interest in an agenda, Chairman of the Board will ask the director to comply with the policy by acknowledging his interest in the agenda to the meeting before he/she is invited to step out of the meeting during the agenda.

4.5 The Board of Directors has designated the Company Secretary to record a minutes of the meeting in a complete, accurate and timely fashion. The minutes must be clear in terms of meeting results and opinions of the Board for further use as reference.

4.6 Non-executive directors should be able to meet, as necessary, among themselves without the management team in order to debate their concerns.

5. Remunerations of the Board and CEO

The Board of Directors and CEO may not set their own remunerations since this is obviously a conflict of interest. To do so, the Corporate Governance, Nominating and Compensation Committee will determine the rates and propose them for the Board to approve before the matter is presented to shareholders for their approval based on the Board's performance.

5.1 The Corporate Governance, Nominating and Compensation Committee has a duty to provide advice regarding remunerations of the Board and CEO to the Board of Directors. Other advice includes structure/ components of the remunerations proven fair to the Board's responsibilities and in line with its performance at an amount that can effectively retain qualified directors in the same industry.

Meanwhile, structure/components of the remunerations shall be clear, transparent and easy to understand.

- 5.2 Shareholders are entitled to review rules and policies regarding remunerations of each director annually. The Board of Directors is to submit director's remunerations to shareholders who will review the information as part of the meeting agendas at the Annual General Meeting of Shareholders (AGM).
- 5.3 The Board of Directors and senior executives are required to report principles and rationale regarding director's remunerations in the Company's Annual Report and its financial statements.

6. Performance Assessment

- 6.1 The Company has stipulated the performance assessment for the Board of Directors and Sub-Committees at least once a year on a yearly basis in order to improve each of the committee's performance and enhance their efficiency. The assessment is divided into two types, namely the performance assessment of the Board of Directors as a whole and the self-assessment. An assessment of the Board of Directors and Sub-Committees will be based on the guideline as suggested by SET. Adjustment will be made to suit the Company's nature of business.
- 6.2 The Corporate Governance, Nominating and Compensation Committee has the responsibility to assess CEO's performance by considering the Company's operating result compared with other companies having comparable size in the same industry, the implementation of the Company's policies and the overall socio-economic circumstances. By taking into account those information, the Corporate Governance, Nominating and Compensation Committee will consider the CEO's remuneration and propose to the Board of Directors.

7. Succession plan

- 7.1 The Board of Directors has entrusted CEO and the management to adopt a succession plan for executives and positions in line operation.
- 7.2 The Board of Directors has designated CEO to regularly report actions under the development and succession plan so that the Company is constantly ready for a successor in case the CEO could no longer perform his duty.
- 7.3 The Board will ensure that a system is in place to properly select responsible personnel.

8. Enhancement of directors and executives

- 8.1 The Board will promote and facilitate CG training to enhance knowledge on this subject.
- 8.2 The Board will regularly attend knowledge-enhancement courses organized by supervisory agencies where the Corporate's Secretary is designated to coordinate with directors to inform them of relevant courses.

Nomination of Directors and Executives

Directors

The procedure for nominating the Company's director complies with the guidelines for appointing directors according to the Company's Articles of Association. Such person shall meet the qualifications under the Public Limited

Companies Act B.E. 2535, Law of Securities and Exchange, regulations of the Securities and Exchange Commission and the Capital Market Supervisory Board and the related rules and regulations. The Company's Articles of Association state that the Board of Directors shall comprise of no fewer than 5 directors and not less than half of total number of directors shall reside in the Kingdom. The Board shall appoint the chairman and may appoint the vice chairman as deemed appropriate. The shareholders' meeting shall appoint the directors on the basis of majority vote in accordance with the following rules and procedures:

1. A shareholder shall have one vote for each share.
2. At the election of Directors, the shareholders shall vote for each individual candidate nominated for Directors, but not exceeding the number of Directors required for that election. The vote shall not be distributed.
3. The candidates shall be ranked in descending order from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the directors positions are filled. If the votes cast for the candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the chairman of the meeting shall cast the deciding vote.

At every annual general meeting of shareholders, one-third of the directors shall vacate in proportion. If it is not possible to divide the total number of directors evenly by three, the number closest to one-third shall vacate office. The directors retiring by rotation are eligible for re-election as directors for another term. Other than retiring by rotation, the director will vacate office in case of death, resignation, disqualification, having prohibited characteristics under the Public Limited Companies Act, having resolution from the shareholders' meeting or having the order from the court. In such case, the Board may elect the qualified person not having prohibited characteristics under the Public Limited Companies Act to replace as a director for the next meeting unless the remaining term is less than 2 months. The person appointed as the director in his place will hold the position of director only for the remaining term of the director he replaces. The resolution is required a vote of not less than two-thirds of the total number of the remaining directors.

In addition, the directors are prohibited from doing business in the same nature and in competition with the Company's business or being a partner in ordinary partnership, a partner with unlimited liability in limited partnership or a director in other private company or public company which performs business in the same nature and in competition with the Company's business, unless it has been notified to the shareholders' meeting prior to the appointment. The directors shall notify without delay if there is any direct or indirect conflict of interests in any contract made by the Company or any change (increase/decrease) in holding shares or debentures of the Company or affiliated companies.

Independent Director

The Board of Directors will nominate a persons to serve as an independent director by considering the qualifications according to the Public Company Limited Act, B.E.2535, Law of Securities and Exchange, regulations of the Securities and Exchange Commission and the Capital Market Supervisory Board and the related rules and regulations. The Board of Directors shall be comprised of at least 3 independent directors or not less than one-thirds of total number of directors, whichever is higher.

Qualifications of Independent Director

The independent director must not own the business or involve in the Company's management or benefits which may impact to the independent decision making. The qualifications of the independent director are summarized as follows:

1. Holding shares of not more than 1% of total voting rights of the company, parent company, subsidiaries, associates, major shareholder or the company controlling person. The number of held shares shall be inclusive of shares held by any related persons of independent director.
2. Not being or having been an executive director, employee, staff member, advisor who receives a regular salary or being a controlling person of the company, parent company, subsidiaries, associates, subsidiaries which have the same parent company, major shareholder or the company controlling person except where such relationship was terminated for at least 2 years before appointment as an independent director. Such prohibitions shall not, however, include cases where the independent director previously served as a government officer or an advisor to a government agency which is a major shareholder or controlling person of the Company.
3. Not being a person who is related by blood or registration under laws, including mother, father, spouses, sibling and children and spouse of children of other director, management, major shareholder, controlling person or a person to be nominated as a director, management or controlling person of the company or subsidiaries.
4. Not having or having had a business relationship with the company, parent company, subsidiaries, associates, major shareholders or the company controlling person which may compromise independence. In addition, independent directors may not be or have been a significant shareholder, or controlling person who had a business relationship with the company, parent company, subsidiaries, associates, or major shareholder or the company controlling person, except where such relationship was terminated for at least 2 years before appointment as an independent director.

The relationships mentioned in the first paragraph include normal business transactions, transactions regarding rental or lease of immovable assets, transactions related to assets and services, transactions regarding financial support including lending, borrowing, guarantees, or providing assets to pledge or mortgage loans or any other similar action, which have transaction values of higher than 3% of net tangible assets or 20 million baht, whichever is lower. The calculation will include the transaction value taking place with the same person who has business relationship during 12 months period prior to the day of the decision to enter into the transaction and will be subject to the Capital Market Advisory Board regarding the rules on connected transactions.

5. Not being or having been an independent auditor of the company, parent company, subsidiaries, associates, major shareholders, or the company controlling person, and not being a significant shareholder, controlling person or partner of the audit firm which has provided independent auditor services to the company, parent

company, subsidiaries, associates, major shareholder or the company controlling person except where such relationship was terminated at least 2 years period before appointment as an independent director.

6. Not providing or having been providing professional services including legal advice, financial advice in consideration of service fees that are higher than two million baht per year from the company, parent company, subsidiaries, associates, major shareholder or the company controlling person and not being a significant shareholder, controlling person or partner of the independent service provider except such relationship was terminated for at least 2 years before the appointment as an independent director.
7. Not being a director who was appointed as a representative of a director of the company, major shareholder or shareholder who is related to the major shareholder of the company.
8. Not providing the same services as the company and not being competitors of the company and subsidiaries or not being a significant partner in a partnership or being an executive director, staff, employee, consultant who receives regular payroll, or holding over 1% of voting rights of other company which operates the same business and competes with the company and subsidiaries.
9. Not having any other conflicts that prevent independent directors from giving independent opinions to the company.

The independent directors may be assigned by the Board of Directors to make decision related to the operating business of the company, parent company, subsidiaries, associates, subsidiaries which have the same parent company, major shareholder or the company controlling person on the basis of collective decision.

In case that the appointed independent director is the person who has or used to have a business relationship, or provision of professional services at a value exceeding the specified amount under item 4 or 6, the Company shall be granted an exemption from such prohibition of having or having had a business relationship or provision of professional services at such excessive value, provided that the Company has obtained an opinion of the Board of Directors indicating that after a consideration in accordance with Section 89/7 of the Securities and Exchange Act, the appointment of such person does not affect the performance of duties and the giving of independent opinions, and that the relevant information is disclosed in the notice of shareholders' meeting under the agenda of the appointment of the independent director as follows:

- a. The business relationship or the provision of professional services that makes such person not qualified by the rules
- b. The reason and the necessity to appoint such person to be an independent director
- c. The opinion of the Board of Directors to propose such person to be an independent director

Executives

In order to nominate the Chief Executive Officer (CEO), the Board of Directors is responsible for setting the criteria and policy for the nomination and appointment. While CEO has the authority to set the criteria and policy to nominate and appoint the Managing Director, Executive Vice President and the executives from the level of Vice President and above.