



## Good Corporate Governance Policy

Ananda Development Public Company Limited

Approved by the Board of Directors' Meeting No. 11/2021 dated 8 December 2021

## Good Corporate Governance Policy

Ananda Development Public Company Limited appreciates the importance of good corporate governance as an important aspect of supporting the Company's operations for efficiency and sustainable growth, with a focus on the creation of utmost benefits for all stakeholders include: the employees, investors, shareholders, and others. Therefore, the Board of Directors deems it necessary to formulate a good corporate governance policy covering key principles from the structure, roles, duties, Board of Directors' responsibilities, as well as the transparent and verifiable management principles of executives as a guideline for the organization management ensuring that any operation of the Company is done with fairness and focus on the creation of utmost benefits of shareholders and stakeholders.

The Board of Directors and executives adhere to the principles of conducting business with determination and honesty by established the visions, policies, and guidelines to observe in their discharge of duties in order to create good corporate governance continually, being a foundation for sustainable growth, creates added value for the stakeholders. It also achieves the objectives of the Board of Directors has laid down the transparent organizational structure and verifiable operations, covering the rules of good corporate governance under the regulations of the Stock Exchange of Thailand.

### Good Corporate Governance Principles and Policies

The Board of Directors recognizes the significance of compliance with good corporate governance principles by realizing the roles, duties, and responsibilities of the Board of Directors and the executives in fostering good corporate governance in order to increase the ability of business competition, toward mutual trust for shareholders, investors, and all related parties through efficient and transparent management. Therefore, it has formulated a policy to support good corporate governance covering the main principles in accordance with the Good Corporate Governance Principles in five categories as follows:

#### Section 1 Right of Shareholder

The Board of Directors recognizes the significance of the rights of the shareholders, whether they are major shareholders, minority shareholders, Thais and foreigners, individual shareholders or institutional shareholders in which they have ownership rights control the Company through the appointment of the Board of Director to act on their behalf and have the right to make decisions about material changes to the Company.

This policy confirms that the Company supports and encourages the exercising of shareholders' rights and receive basic rights protection equally include the right to trade or transfer shares, the right to receive the Company's profits, the right to receive crucial information, the right to participate in and vote at Annual General

Meeting of Shareholder in the matter of appointment or demotion of directors, auditors, and matters affecting the Company, etc. There is no any violation of the right of shareholders, the details are as follows:

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1. The invitation letter is required to specify the date, time, and meeting venue, along with sufficient information supporting the meeting agendas, specifying the objectives and reasons, as well as the Board of Directors' opinion on every agenda to provide shareholders an opportunity to study the information in its entirety at least 14 days prior to the date of the shareholders' meeting.
2. To facilitate the exercise of the right to attend the shareholders' meeting by holding the shareholders' meeting in a convenient location and attaching a meeting venue in the invitation letter, including choosing an appropriate date, time, and allocating the sufficient meeting time.
3. To provide a criterion for shareholders to submit questions about the Company for the shareholders' meeting in advance.
4. Any limitation of the shareholder's opportunity is prohibited. In the event that the shareholders are unable to attend the meeting in person, the Company will not impose conditions that make it difficult for the shareholders to assign their proxy, but the Company will encourage the shareholders to use the proxy form B. with the voting schedule in accordance with at the end of the Department of Business Development' announcement which was delivered with the invitation letter or downloaded from the Company's website.
5. To encourage the Company's directors to attend the shareholders' meeting includes the Chairman of the Board of Directors, Chairman of the Sub-Committees, Chief Executive Officer, and Chief Executive Officer of Accounting and Finance to answer the relevant questions of shareholders.
6. Before the shareholders' meeting commence, the Company will inform the shareholders of the criteria, the voting method, the right to express their opinion including asking any question to the meeting in accordance with the meeting agenda. In this regard, during the meeting, the Company will provide shareholders equal opportunity to express their opinions and ask questions at the meeting fully, by Chairman of the meeting will allocate time appropriately.
7. To encourage the presence of an auditor to count the votes in the shareholders' meeting, who may be outside legal advisors or shareholders attending the meeting at that time.
8. To encourage the use of ballots for each agenda item in order for transparency and accountability.
9. To encourage shareholders voting for the election of directors individually in order to provide shareholders the right to truly elect their desired directors.
10. To provide shareholders for receiving the additional information channel through the Company's website, especially the notice of the shareholders' meeting should be published before the meeting in order to facilitate the shareholders in downloading the meeting agenda in order to study the meeting information sufficient in advance before receiving the information in the form of a document from the Company.
11. The minutes of the shareholders' meeting has consisted of the attendance of directors, the absence of directors, the voting procedure with the resolution at the meeting which consists of Approve, Disapprove,

and Abstain votes completely and accurately, this includes any inquiry at the meeting. In addition, the Company has disclosed the minutes of the shareholders' meeting on the Company's website as well as submitted to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting for considering of the shareholders.

12. To distribute the dividends to shareholders accurately and immediately.

## Section 2     Equitable Treatment of Shareholders

In order to assure shareholders of appropriate supervision of shareholders' finances by the Board of Directors and executives, thereby supervising to require protection of shareholders' rights and fair and also ensure equitable treatment of all shareholders. The details as follows:

### Practice

1. Treat all shareholders equally and fairly.
2. Each shareholder shall have one vote for every share held.
3. There are required to disclose the voting right of each share type (if any).
4. To encourage the minority shareholders to exercise their rights to propose the additional meeting agendas or nominate suitable persons to serve as directors of the Company prior to the date of the shareholders' meeting. Therefore, the regulations, the methods, and the conditions are required to stipulate in advance through the Stock Exchange of Thailand and the Company's website.
5. The notice of the shareholder's meeting is required to arrange in fully translated in to English and published at the same time as the Thai version which disclosed through the Company's website at least 30 days before the meeting.
6. At the shareholders' meeting, the shareholders will consider and vote according to the specified agenda without changing any important information or adding the meeting agenda without prior notice.
7. To set out in writing the insider protection policy as a guideline for using the confidential information by the personnel observing in their discharge of duties. In addition, the directors and executives are required to report the legal holding and submit to the Board of Directors.
8. To set out the stakeholder engagement disclosure policy of directors, executives and related persons in order to provide the Company with information to support the operation in accordance with the regulations on connected transactions which may cause conflicts of interest and may lead to the transfer of interests of the Company, the subsidiaries, or the stakeholders.
9. To determine a clear related party transaction policy, which is a transaction between the Company and a person who may have a conflict of interest or has a stake, the Audit Committee provides an opinion on the necessity of entering into the transaction. The terms and conditions in the said transaction must be consistent with the market price and the price used for such item must be assessable and comparable to the market price. In the event that there is no price to compare for such related party transaction, it must be an appropriate price for the best interest of the Company and its shareholders.

### **Section 3     Responsibilities to Stakeholders**

The Company appreciates the right of stakeholders, whether they are internal stakeholders such as the shareholders, directors, executives, employees and external stakeholders such as the customers, business partners, creditors, competitors, government sector, other agencies, including the surrounding communities. Due to the Company is supported by various stakeholders who create competitiveness and profit for the Company, which is considered to create long-term value for the Company, the details are as follows.

#### Practice

#### **3.1 Practices and Responsibilities towards Shareholder**

The Company recognizes that shareholders are business owners and the Company has a duty to create added value for shareholders in the long run, therefore, it has established guidelines as follows:

- 3.1.1 To perform duties with honesty and make decisions with caution, prudence and fairness to all shareholders for the benefit of the shareholders as a whole.
- 3.1.2 To oversee the operations to ensure that the Company has good financial status and operating results, and report on the status of the Company, operating results, financial information, accounting and other reports on a regular and complete basis.
- 3.1.3 To equally inform shareholders of the Company's future prospects, both positive and negative, based on feasibility, with sufficient supporting information and reasonable grounds.
- 3.1.4 Seeking benefits for themselves and others by using any information of the Company which is not publicly available or taking any action in a manner that may cause a conflict of interest with the organization is prohibited.
- 3.1.5 The Company shall treat shareholders equally.

#### **3.2 Practices and Responsibilities towards Government Sector**

In its business operations, the Company emphasizes to compliance with laws, rules and regulations of the government sector, particularly in undertaking its business transactions. The Company avoids any acts that may induce improper conduct of the government authorities or officials. Instead, it shall focus on developing mutually good relationships with them in an appropriate and permitted manner, such as meetings in public places and greetings on customary or festive occasions. Practices are as follows:

- 3.2.1 To perform properly when dealing with government officials or authorities.
- 3.2.2 The Company realizing the difference of laws, rules or regulations of government authorities may vary in conditions, processes or procedures, and the Company shall strictly comply with them.

#### **3.3 Practices and Responsibilities towards Employee**

The Company appreciates the employees are the most valuable resource, which is the key to success in achieving the Company's target. The Company, therefore, set out a policy of fair treatment in terms of opportunities, remuneration, appointment, transfer, and capacity development, based on the following practices

- 3.3.1 To treat employees with respect for dignity and personal rights.
- 3.3.2 To ensure a safe working environment for employees and their properties.
- 3.3.3 The appointment, transfer, reward and punishment of employees shall be done in good faith, based on the knowledge, competency and qualifications of such employees.
- 3.3.4 To put emphasis on the enhancement of employees' knowledge and capacity by arranging regular seminars and trainings and giving them equal opportunities.
- 3.3.5 To set out the fairly employees' remuneration according to the market condition, the business competition, the nature of work, the performance, and the Company's ability to payout such remuneration.
- 3.3.6 To avoid any unfair actions that may affect the job security of employees.
- 3.3.7 To provide employees an opportunity to propose suggestions or complaints regarding their work and determine solutions for the benefit of all parties and creates good working relationships.

#### **3.4 Practices and Responsibilities towards Customer**

The Company earnestly undertakes the real estate development business with an aim to present to its customers creative products and services managed based on high standards alongside ethical conduct. To achieve this, the Company has laid down the following practices:

- 3.4.1 To supply and develop products and services that serve customer needs.
- 3.4.2 To deliver quality products and services under fair conditions.
- 3.4.3 Provide customer accurate and sufficient information about products and services to make decisions without exaggeration either in advertising or in other communication channels, whether there be an event led to customers misunderstanding about the quality, quantity, or any condition of the goods or services.
- 3.4.4 Provide customers the process for reporting problems or improper service in order to quickly resolve the customer's problems as well as using such information to improve or develop such products and services.
- 3.4.5 The customer confidential information is required to keep without disclosure and misuse.

#### **3.5 Practices and Responsibilities towards Business Partner and Counterparty**

The Company's policy is to treat business partners and counterparties who are partners and one of the key business success factors with equality and consideration of mutual benefits with the following guidelines:

- 3.5.1 The Company aims to provide products and services efficiently under the following principles.
  - Competing on equal data.
  - There are criteria for evaluating and selecting business partners and counterparties.
  - Provide an appropriate and fair contract format for both parties.
  - Establish a management and monitoring system to ensure full compliance with the terms of the contract and prevent fraud at all stages of the procurement process.
  - Complying with payment terms to partners and counterparties in a timely manner.

- 3.5.2 The Company aims to develop and maintain lasting relationships with business partners and counterparties with a clear objective in terms of quality of products and services that are value for money and mutual trust.
- 3.5.3 All executives and employees are prohibited from receiving any personal benefits from business partners and counterparties whether directly or indirectly.
- 3.5.6 The information received from the procurement is prohibited for personal benefit or others.

### **3.6 Practices and Responsibilities towards Creditor**

The Company is committed to operate its business with principles and discipline in order to build trust for creditors by adhering to the following principles:

- 3.6.1 To strictly comply with the conditions stipulated under contracts or as mutually agreed.
- 3.6.2 In the event that the agreed conditions cannot be complied with, the Company will inform the creditors in advance to jointly consider solution.

### **3.7 Practices and Responsibilities towards Competitor**

The Company aims to operate its business toward sustainable success and business leadership, while competing in the industry fairly and ethically under the following practices:

- 3.7.1 To engage in fair competition.
- 3.7.2 Do not seek confidential information of its competitors by dishonest or improper means for the benefit of the Company's business operations.
- 3.7.3 Do not make a malicious accusation against or bring discredit on its competitors.
- 3.7.4 Do not perform any act that infringes the intellectual property rights of others or competitors.

### **3.8 Practices and Responsibilities towards Society**

The Company emphasizes to community and society, the Company values the importance of sustainable development of its neighboring communities, the society and environment. It has therefore carried out social and community activities continually alongside socially responsible business operations, as follows:

- 3.8.1 The Company's business policy considers the environment and strictly complies with applicable environmental laws and regulations
- 3.8.2 The Company has a clear corporate social responsibility (CSR) operating policy and adheres to within the organization.
- 3.8.3 The Company encourages the consciousness and responsibility to the environment and society among its employees.
- 3.8.4 To Respect the customs, traditions and culture of each locality in which the Company operates.
- 3.8.5 To regularly carry out social, community and environmental activities, either organized on its own or in cooperation with the government, private and community sector organizations, in order to help improve the quality of life in the communities in which the Company's operations are located.

- 3.8.6 To cooperate in various activities of neighboring communities in the areas in which the Company operates business as appropriate.
- 3.8.7 The Company responds promptly and efficiently to incidents, arisen from the Company's operations, that affect the environment, communities, lives and properties of the locals, by cooperating fully with relevant government authorities and agencies.
- 3.8.8 The Company's Anti-Corruption Policy prohibits the Company's personnel from engaging in all forms of bribery, either directly or indirectly, by offering, promising, soliciting, demanding, giving or accepting bribes or exhibiting any behaviors indicative of misconduct or corruption, in an attempt to gain or retain any other improper business benefits either for the Company's personnel or a third party. Particularly in the giving of gifts, assets or other benefits to government officials in Thailand and other countries, it must be ensured that such giving is not against the laws and local traditions.

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

##### Practice

- 4.1 The Board of Directors has a policy to disclose financial information and non-financial information pertinent to the business and operating results of the Company in a factual, complete, sufficient, regular and timely manner, which reflect the actual financial status, operations and business outlook of the Company.
- 4.2 The Board of Directors aims to ensure strict compliance with laws, rules, and relevant regulations regarding information disclosure and transparency. The Company's information, both in Thai and English versions, shall be published via the corporate website, mass media, and the Stock Exchange of Thailand's electronic channel, so that it is widely disseminated to the shareholders and related parties. Practices on information disclosure shall be revised in line with requirements prescribed by the Stock Exchange of Thailand and the Securities and Exchange Commission.
- 4.3 The Company provide shareholders the Investor Relations Unit to communicate with investors or shareholders, including institutional investors and individual shareholders. The Company holds regular meeting to analyze the operating results, as well as disseminate corporate information, both financial and otherwise information to shareholders, security analyst, credit rating company, and relevant government agencies through various channels include reporting to the Stock Exchange of Thailand, the Securities and Exchange Commission and the Company' website. In addition, the Company also disclosure information in both of Thai and English to shareholders regularly through the Company's website whereby such information is required to up-to-date at all time, whether it is vision, mission, financial statement, press release, annual report, organization structure and executives as well as shareholding structure, and major shareholders.



- 4.4 The Company attaches importance to financial reports to reflect the actual financial status and operating results of the Company on the basis of accurate, complete, and adequate accounting information in accordance with generally accepted accounting standards.
- 4.5 The Company has disclosed information on director profiles, roles and responsibilities of the Board of Directors as well as sub-committees, the number of meetings held and director attendance records in the past year, including remuneration of directors and senior executives in the Company's annual report (Form 56-2) and annual registration statement (Form 56-1).
- 4.6 The Company has a policy enabling its stakeholders to make enquiries, lodge complaints or report cases of wrongdoings, inaccuracy of financial reports, weakness in internal control system, unfair treatment caused by a wrongdoing, or the Company's violation of code of conduct and business ethics through complaints and whistleblowing channels. In this regard, such complaints and whistleblowing shall be protected and treated as confidential. The independent director or the Audit Committee member shall call for an investigation into the case in order to seek a solution thereto (if possible) and report such matter to the Board of Directors.

Complaints and Whistleblowing Channels

Mail	Chairman of the Board of Directors / Chairman of the Audit Committee / Chief Executive Officer / The Complaints and Whistle-blowing Working Group Ananda Development Public Company Limited 2525 FYI Center Building, 11th Floor Rama 4 Road, Kwang Klongtoei, Khet Klongtoei, Bangkok 10110
E-mail	<a href="mailto:whistleblower@ananda.co.th">whistleblower@ananda.co.th</a>
Website	<a href="https://investor.ananda.co.th/th/corporate-governance/whistleblowing">https://investor.ananda.co.th/th/corporate-governance/whistleblowing</a>

- 4.7 The Company has established the Anti-Corruption policy and guidelines to encourage the Company's personnel aware of anti-corruption, comply with the law, rules, and related regulations including providing the proper business operation in order to prevent corruption, extortion, and accepting or giving bribes in any form.
- 4.8 The Company has policies and guidelines on non-infringement of intellectual property by not supporting any act that infringes intellectual property or copyright as stipulated in the Intellectual Property Law. In the event that the infringement of intellectual property is found, the Company promptly acts according to the reasonable steps to intercept the infringement.

## Section 5 Responsibility of the Board of Directors

### Practice

#### 5.1 Structure of the Board of Directors

##### 1) Composition of the Board

The Company's Board of Directors comprises directors possessing various qualifications, expertise, proficiency and professional backgrounds pertinent to real estate development business, with the following composition:

1. The Board consists of at least 5 directors and not less than one-third of the total number of directors, but not less than 3 directors, must be independent directors fully qualified under relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand. At least half of the total number of directors shall reside in Thailand.
2. Each director is allowed to simultaneously hold a director or management position in not more than 5 other listed companies, excluding the Company's subsidiaries. Any director about to be a director or an executive of another listed company must inform the Board of the matter in advance before taking such position, so that the Board shall properly consider the appropriateness of the Board composition.
3. The Company's President must not hold a director or management position in any other listed companies, unless such companies are the Company's subsidiaries or affiliates.
4. The Board shall appoint 1 independent director possessing appropriate expertise, experience and qualifications as Chairman of the Board, who shall assume responsibility as the leader of the Board, discharge a duty as the chair of the Board and shareholders' meetings, and be responsible to the Board in supervising corporate management according to the guidelines and policies set by the Board.
5. The Board appoints the Company Secretary to be responsible for providing advice on regulatory matters to ensure compliance with the laws, the Company's Articles of Association, code of best practices and other regulations concerning the Board, taking care of the Board activities, and coordinating to ensure compliance with the Board resolutions.

##### Qualifications of Independent Directors

The Board of Directors has determined the qualifications of an independent director to be in accordance with the minimum criteria of the relevant Notification of the Capital Market Supervisory Board as follows:

1. Hold shares not exceeding 0.75 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate, major shareholders or controller persons of the Company, including the shares held by related persons of the Independent Director.
2. Neither being nor having been an Executive Director, employee, or advisor who receives salary or controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or controller persons of the Company, except they have ended the foregoing relationship not less than two years before the date of application to the Securities and Exchange

Commission. The prohibition does not include cases where the Independent Director used to be a public servant or consultant of government agencies which is a major shareholder or controlling persons of the Company.

3. Not being a person related by blood or registration under laws, such as in the manner of father, mother, spouse, sibling, and child, including spouse of children, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its subsidiary.
4. Not having any business relationship with the Company, its parent company, subsidiaries, affiliates, Ananda Development Public Company Limited \ 131 major shareholders or controller persons of the Company, in any manner that may interfere with his or her independent judgment, and not be, or used to be, a substantial shareholder or controlling person in its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, except they have ended the foregoing relationship not less than two years before being appointed.

The business relationship in paragraph one includes normal business transactions for the purpose of business operations, rental or lease of immovable property, transaction related to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness taking place during one year prior to the date on which the business relationship with the person commences.

5. Neither being nor having been an auditor of the Company, its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, and not having been a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, except they have ended the foregoing relationship not less than two years before being appointed.
6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, and not having been a substantial shareholder, controlling person or partner of the professional advisor, except they have ended the foregoing relationship not less than two years before being appointed
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder.

8. Not conduct any business of the same nature as the Company's or its subsidiaries' businesses and is in competition with them in any material respect, nor being a substantial partner, shareholder holding more than one (1) percent of the voting shares of any company whose business is of the same nature as the Company's or its subsidiaries' businesses and is in competition with them in any material respect.
9. Not having any other manners, which may render him or her incapable of expressing independent opinions regarding the Company's business affairs.

## **2) Term of Directorship**

At every annual general meeting of shareholders, one-third of the directors shall retire from office. If the number of directors is not a multiple of three, then the number closest to one-third shall apply. The directors to retire from office in the first and second years after the conversion of corporate status shall be selected by drawing lots. In subsequent years, the directors having served longest in the office shall retire. The directors retiring from office may be re-elected by the shareholders' meeting.

Furthermore, the Board has imposed a limit on the maximum term of an independent director to not exceed 9 consecutive years, in order to maintain transparency and good corporate governance and also to enable independent directors to independently exercise their discretion, without the influence of any group, in making decisions on or raising objections to any matters perceived as disadvantageous to shareholders' or stakeholders' interests.

Apart from retirement by rotation, the directors shall vacate office upon:

1. Death;
2. Resignation;
3. Lack of qualifications, or profection of legally prohibited characteristics;
4. Removal by a resolution of the shareholders' meeting by a vote of not less than three-fourth of the total shareholders attending the meeting and entitled to vote and having an aggregate number of shares not less than one-half of the total shares held by the shareholders attending the meeting and entitled to vote;
5. Removal by a court order.

## **5.2 Sub-Committee**

The Board of Directors has appointed certain directors or executives to serve in various Sub-committees set up the particular task of studying and reviewing specific matters of necessity. Each sub-committee has the same tenure as the Board of Directors and has duties as assigned by the Board of Directors.

The Board has appointed 5 sub-committees, namely the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Good Corporate Governance Committee and the Executive Committee. The duties and responsibilities of each committee shall be as stated in its Charter.

### **5.3 Roles, Duties and Responsibilities of the Board of Directors**

In the corporate governance of the Company, the Board of Directors has determined the roles, duties and responsibilities of the Board of Directors are as follows:

1. To perform their duties in accordance with the law, the Company's objectives, Articles of Association and resolutions of Board meetings and shareholders' meetings with responsibility, care and honesty;
2. To consider and set out the vision, business strategy, business direction, business policies, targets, guidelines, the operation plan, and budget of the Company and its subsidiaries as prepared and reviewed by the Executive Committee and Management at least annually;
3. To oversee the management and performance of the Executive Committee, Chief Executive Officer, the Management or any other person assigned to perform such duties, so as to conform with any policies set out by the Board;
4. To continuously monitor the Company's performance to be consistent with the action plan and budget of the Company;
5. To ensure that the Company and its subsidiaries adopt an appropriate and efficient accounting system to the business operation;
6. To ensure that the Company prepares balance sheet and profit and loss statements at the end of the Company's accounting period and sign to certify the said financial statements to the Annual General Meeting of Shareholders for further approval;
7. To consider and approve the selection and nomination of the auditors and to determine the audit fee as proposed by the Audit Committee, prior to presenting at the Annual General Meeting of Shareholders for further approval;
8. To ensure that the Company has a written corporate governance policy and to efficiently adopt such policy in order to ensure that the Company is equally responsible to each group of stakeholders;
9. To consider the appointment of a person who has the qualifications and does not have prohibited character as prescribed under the Public Limited Company Act B.E. 2535 (1992) (as amended) and the Securities and Exchange Act B.E. 2535 (1992) (as amended), as well as any relevant notifications, rules and/or regulations, to be a director in the event there is a vacancy on the Board due to any reason other than retirement by rotation, and to consider and approve the appointment of directors in replacement of directors retiring by rotation, and to determine the remuneration of directors as proposed by the Nomination and Remuneration Committee, before further submitting to a shareholders' meeting for approval;
10. To consider the appointment of Sub-Committee such as the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, and the Risk Management Committee or other Sub-Committees, and to determine the power and responsibilities of such sub-committees in order to support the performance of the Board;
11. To determine and change the authorized directors to sign on behalf of and to bind the Company;

12. To consider the appointment of executives in accordance with the definition prescribed by the SEC or the Capital Market Supervisory Board and to appoint the Company's Secretary. This includes considering the remuneration of such executives proposed by the Nomination and Remuneration Committee;
13. To seek professional advice from third-party organizations if it is necessary to make a proper decision;
14. To put in place and monitor comprehensive internal control and risk management systems that cover all risks including financial and operational ones in order to ensure compliance with relevant laws, rules and regulations, to supervise to ensure that the Management adopts an efficient risk management system or process, and to put in place an efficient check-and-balance mechanism for safeguarding the Company's assets;
15. To put in place a policy against abuse of inside information, putting emphasis on the good corporate governance in order to maintain transparency and to prevent the abuse of non-public information for personal interest;
16. To manage and resolve possible conflicts of interest and connected transactions, and to meticulously review significant transactions in order to bring utmost benefits to the shareholders and stakeholders as a whole;
17. To ensure that the Anti-Corruption policy and guidelines are formulated, as well as encouraging and instilling in all employees to comply with relevant laws and regulations;
18. To formulate a policy on directors' and executives' reporting of interests;
19. To put in place an efficient anti-corruption system, in order to ensure that the Management places much importance on countering corruption as well as complying with anti-corruption measures;
20. To arrange the documents and necessary information for the new directors in discharging their duties, including the induction session on the nature of the Company's business and operations;
21. To encourage the Company's directors, executives and company secretary to participate in the Thai Institute of Directors' seminars relating to the duties and responsibilities of directors and executives, in order to enhance their knowledge and competence conducive to good corporate governance, raise professional standard of directorship as well as provide best practice guidelines for directors in discharging their duties efficiently on par with international standards.

#### **5.4 The Board of Directors' Meeting**

The Company sets out the criteria for the Board of Directors meeting as follows:

- 1) The Board of Directors has scheduled meetings at least once a quarter per year and holds additional special meetings as necessary and appropriate with at least 7 days advance notice. At least one-half of the total number of directors shall attend the meeting to constitute a quorum. In case a vote is taken, not less than two-third of the total number of directors must be present.
- 2) The agenda items of the meeting shall be clearly specified in advance, where the Chairman of the Board and the Chief Executive Officer should jointly consider and propose agenda items for the

meeting. In this regard, the Company Secretary is responsible for delivering the meeting notice and documents to the directors at least 7 days in advance, so that they have sufficient time to review the matters for due opinions and votes.

- 3) The Board shall receive sufficient, complete and continuous information in a timely manner prior to each meeting. The directors can directly and independently contact the Company Secretary, who has a duty to provide them with consultation in relation to legal and regulatory compliance.
- 4) The Chairman of the Board shall duly allocate sufficient time for the Management to present pertinent information and for the directors to discuss significant issues. Each director is encouraged to express his/her opinion before a conclusion is reached.
- 5) The Board has a policy to allow non-executive directors to hold meetings among themselves as necessary, without the presence of the Management, to discuss management issues of concern. The Chief Executive Officer should be informed of the meeting results as well.
- 6) The Board of Directors encourages the Chief Executive Officer to invite senior executives to attend the Board meetings so that they, as the persons in direct charge, can provide more in-depth details. This gives the Board an opportunity to gather information for management succession planning.
- 7) During the consideration of the agenda items, directors having interests in any agenda item shall not be entitled to vote on such matter and exclude themselves from the meeting.
- 8) Records of each meeting shall be taken in writing. The Board-approved minutes of all meetings shall be kept for future inspection by the directors and relevant parties.

#### **5.5 The Board of Directors Self-Assessment**

The Board of Directors has provided the entire committee self-assessment, the individual director assessment, and performance evaluation of the Sub-Committee at least once a year to evaluate performance and find ways to improve work efficiency further.

#### **5.6 Remuneration**

The Board of Directors assigns the Nomination and Remuneration Committee to consider and propose guidelines for the determination of directors' remuneration and present at the Annual General Meeting of Shareholders for further approval by stipulating the policy comprising the following criteria:

- 1) The Company's operating results and business size in comparison with director remuneration of other listed companies in the similar sector and of the similar business size;
- 2) Experiences, roles, duties and scope of responsibilities of each director;
- 3) Benefits expected from each director;
- 4) The remuneration must be appropriate enough to motivate persons whose qualifications suit corporate needs and circumstances to be directors or executives of the Company.

## **5.7 Development of Directors and the Management**

The Board of Directors has the policy to promote and provide training and education for directors involved in the Company's good corporate governance system such as the directors, the Audit Committee, the executives, etc., in order to continually improves their operations. In the event that there is a change in directors or appointing the new directors, the management will deliver documents and information that are useful to the performance of the new directors. Moreover, the Company will also introduce the Company's business natures and business operation practices to new directors as well.

The Company has established a policy and procedures in the circumstance that the position of Chief Executives Officer or equivalent status falls vacant or the position holder is unable to perform the duty. To maintain continuity of management under such position that contributes to the Company's sustainable growth, shall appoint at least 3 executives of a similar level or lower rank as an acting position holder until the vacancy is filled according to the recruitment, selection, and appointment process specified by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall select the qualified candidate to assume the position and propose the appointment of such person to the Board of Directors for approval in order to ensure the continuity of the responsibility of such position and can lead the Company to sustainable growth.

## **5.8 Internal Control and Risk Management**

The Board of Directors provides the internal control system and risk management policy covering all risks including strategic risk, financial risk, operational risk, reputation risk, and compliance risk in accordance with relevant laws, rules and regulations. Furthermore, it has arranged for the assessment of potential corruption risks in business operations by establishing an effective check-and-balance mechanism for constant safeguarding the Company's assets, defining a hierarchy of approval authority and verifiable responsibilities of executives and employees, and setting operational procedures in writing. An independent internal audit unit has been assigned to monitor and ensure regulatory compliance of all operating units, and to assess the efficiency and adequacy of the internal control systems of such units.

## **5.9 Use of Internal Information**

The Board of Directors recognizes the importance of good corporate governance in order for transparency and prevents the exploitation of personal information from the use of internal information of the Company which has not been disclosed to the public. The Company has established a policy to use the Company's information as follows:

- 1) To inform the directors and executives, including Chief Financial Officer or equivalent about the duty to report their securities holding and the holding of their spouse and minor children to Office of the Securities and Exchange Commission according to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act B.E.2535



- 2) The Directors, executives, including Chief Financial Officer or equivalent are responsible for preparing and submitting a report on the change of securities holdings of oneself, spouse, and minor child to the Office of the Securities and Exchange Commission every time within 3 business days from the date of buying, selling, transferring or accepting the transfer of such securities.
- 3) The Directors, executives, including Chief Financial Officer or equivalent that received inside information which may affect the stock price, trading in the Company's securities shall be suspended for the period prior to the release of financial statements or disclosure of the Company's financial status until the Company has made public disclosure. The Company shall notify in writing the suspension of trading of its securities at least 30 days prior to the public disclosure and should wait at least 24 hours after the disclosure to the public, this include prohibiting the disclosure of such material information to other persons.

The Company imposes disciplinary penalties if there is a violation of using inside information for personal gain, starting from a written warning, wage cut, and temporary suspension without pay or dismissal. The punishment will be determined based on the intention of the act and the seriousness of the offense.

#### 5.10 Annual Report

The Board of Directors is responsible for the preparation of the Company's financial reports and the financial information disclosed in the annual report. The preparation is in accordance with generally accepted accounting standards by choosing the appropriate accounting policies and applying consistently with careful discretion in preparing them, including requiring sufficient disclosure of important information in the notes to financial statements. The Board of Directors assigns the Audit Committee to oversee the quality of financial reports and provide opinions to the Board of Directors.

This Good Corporate Governance Policy effective from December 9, 2021 onwards.

(Dr. Narongchai Akrasanee)

Chairman of the Board of Directors

Ananda Development Public Company Limited

## Appendix

### Definition

Company	refers to Ananda Development Public Company Limited
Company Personnel	refer to the Directors, the Executives, and Employees
Company Employees	refer to full-time employee, probationary employee Contractor of labor with Ananda Development Public Company Limited
Company Directors	refer to Director of Ananda Development Public Company Limited
Company Executives	refer to Chief Executive Office, Deputy Chief Executive Officer, and Chief Officer of each line and including Managing Director of each line of the Company
Stakeholders	refer to Shareholders, Customer, Business Partners, Competitors, Creditors, Employees, Society, Communities, Environment, Government agencies and related organizations
Person with blood relation or close relatives	refer to Father, Mother, Siblings, Spouses, Spouse of Son / Daughter
Conflict of Interests	refer to perform any activities in which the personal or related person needs, whether by blood or otherwise means to influence decision making which may obstruct or hinder the best interests of Ananda Development Public Company Limited and/or its subsidiaries, joint ventures
Connected Transactions	refer to connected transactions under the regulations of the Stock Exchange of Thailand or transactions between companies, subsidiaries or joint ventures with directors, executives or related persons under the Securities and Exchange Act.
Gifts	refer to money, property, things or any other benefits given to one another for hospitality or as a reward or as a favor.
Asset or any other benefits	refer to <ul style="list-style-type: none"> <li>- Remuneration for speakers or consultants on behalf of the Company.</li> <li>- The privilege which is not the general public's right to receive a discounted property.</li> <li>- The privilege of receiving services or entertainment.</li> <li>- The issuance of travel or sightseeing expenses, accommodation, meals or anything of the same nature.</li> <li>- Tickets or any other evidence, advance payment or refund.</li> </ul>

Normal Tradition	refers to festival occasion which may be gifted include occasions for congratulations, expression of gratitude, hospitality, condolence or providing assistance in accordance with the manners that are practiced in society as well.
Anti - Corruption	refers to any action by offering, promising, soliciting, demanding, giving or accepting assets or any other benefits to government officials or other person doing business with the Company, whether directly or indirectly, in order to such person to perform or refrain from performing duties in order to obtain or maintain any other improper business benefit, unless law regulations local customs or trade customs.

**Acknowledgment and Implementation Certification Form**

I have received the Good Corporate Governance Policy, I will study and agree to perform with my duty, this include strictly adhere to the Good Corporate Governance Policy as a working practice.

Sign .....

(.....)

Employee Number .....

Date ..... / Month..... / Year.....