



### Definition of Independent Directors

The Company had set out the standard qualifications of the Independent Directors are more stringent than the requirements of the notification of the Securities and Exchange Committee Office No. Tor. Chor 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares. Additional Amendment by the Notification of Capital Market Supervisory Board No. Tor Chor 4/2552 Re: Application for and Approval of Offer for Sale of Newly Issued Shares (No. 2) and the Notification of Capital Market Supervisory Board No. Tor Chor 15/2554 Re: Application for and Approval of Offer for Sale of Newly Issued Shares (No.5) in which stated that the Independent Directors shall possess the following qualifications:

Independent Directors are defined as external director, not involving in Executives, company staff, Executive Director or authorized signatory director, and be independent from major shareholders, Executives and related parties. In addition, Independent Directors are able to consider equitable treatment to shareholders and to preempt any possible conflict of interest between the company and related parties. Independent Directors shall possess the qualifications as follows:

- (1) Hold shares not exceeding 0.5% of the total number of shares entitled to voting rights in the Company, the parent company, the subsidiary companies, the associated companies or any corporations that may cause a conflict of interest, which shall be inclusive of the shares held his/her related parties\*.
- (2) He/she has been neither Executive directors\*\* nor been an employee/staff member/advisor getting salary paid, both in present time and two years before the appointment, of/by the Company, the subsidiary companies, the associated companies, the affiliated companies\*\*\* or any corporations that may cause a conflict of interest.
- (3) No relationship by blood or legal registration as parent, spouse, sibling, son/daughter and/or son/daughter in-law of an executive officer or a major shareholder with controlling power, or a candidate who will be nominated as an executive or a person in charge of the operations of the Company or the subsidiary companies.
- (4) Business relations can be divided as follows:
  - (a) Relationship types

- Relationship between professional service providers and users
  - Features: Auditors, other professional service providers such as legal consultants, financial advisors, property appraisers, etc.
  - Significant levels that are categorized non-independence.
    - Auditors: be prohibited in all cases
    - Other professional service providers: Transaction value exceeds Baht 2 million a year.
- Trade/Business Relations (apply the similar guidelines to the Stock Exchange's requirements regarding related party transactions:

- Features: Business transactions in all types including normal transactions, real property leases/out-leases, asset/service-related transactions, and financial assistance grants or receipts.
- Significant levels that are categorized non-independence:  
Transaction value is  $\geq$  Baht 20 million or  $\geq$  3% of the Company's NTA (net tangible assets), whichever is lower.

While considering a value in each time of transaction, the total value of previous transactions over the past 6 months shall be inclusive.

- (b) The same relationship as Type (a) with corporations that are categorized non-independence such as major shareholders, directors (except independent/audit directors) and executives or partners of those corporations.
  - (c) Prohibited period for no relationship in both types (a) and (b): In present time and two years before the appointment.
  - (d) Exemptions: In a necessary and reasonable case which does not happen frequently or constantly, an independent/audit director may bear a relationship beyond the significant levels, as set out above, during his or her term in office, provided that a prior and unanimous approval from the board of the Company is obtained. Furthermore, the board of the Company must provide the disclosure of information regarding the aforesaid relationship in a registration statement for a public offering or securities placement (filing form), an annual information disclosure (Form 56-1) and an annual report (Form 56-2). If that independent/audit director is nominated for another term, the board of the Company shall provide a description of the said relationship in the notice of the shareholders' meeting on an agenda for the election of director.
- (5) Be not appointed as a representative of any board members or major shareholders of the company, as well as being not appointed as a representative of other shareholders who bear relationship with major shareholders of the Company.

- (6) No restrictions that make him/her unable to freely express his/her opinions.
- (7) An independent director, with the complete qualifications, as stated in clauses 1-6, may be designated and authorized by the board of the Company to make a decision regarding the operations of the Company, the parent company, the subsidiary companies, the associated companies, the affiliated companies and/or other corporations that may cause a conflict of interest, which such decision can be collectively made (collective decision).

If an independent director of the Company also holds office as an independent director for the parent company, the subsidiary companies and/or the affiliated companies, the board of the Company shall provide the disclosure of such information as well as the disclosure of overall remuneration that certain independent director gets paid, in the filing form, Form 56-1 and Form56-2 respectively.

#### **Notes**

- \* Related parties mean persons under Section 258 of Securities and Exchange Act.
- \*\* Executive directors mean persons who involve in the management of the Company, hold office and are in charge of the Company as an executive, and are authorized signatories to execute a binding document on behalf of the Company, except a specified person in any transaction already been approved by the Board to sign a binding document jointly with other director(s).
- \*\*\*Affiliated companies mean subsidiaries of two and up having the same parent company.