

# Part 2

## Management and Corporate Governance

## 7. Securities and Shareholders Information

### 7.1 Amount of Registered Capital and Paid-up Capital

As at 31 December 2020, the company has its registered capital of 2,000,000,000 Baht, divided into shares, 2,000,000,000 shares at par 1 baht and paid up capital of 2,000,000,000 Baht and. No other types of shares are issued other than ordinary shares.

### 7.2 Shareholders Listed

List and shareholding proportion of the company's shareholders as of 8 July 2020

No.	Name of shareholders	Number of shares (Shares)	Proportion (Percent)
1	Mrs. Petchara Ratanapoompinyo	578,531,000	27.80
2	Dr. Somchai Ratanapoompinyo	578,530,900	27.80
3	Lt. Col. Dr. Janjida Ratanapoompinyo	160,159,000	8.01
4	Dr. Sanathorn Ratanapoompinyo	160,159,000	8.01
5	Thai NVDR Company Limited	128,665,121	6.43
6	San-Ei Gen F.I.I. Inc.	60,000,000	3.00
7	Thai Life Insurance Public Company Limite	21,107,200	1.06
8	Mr. Chai Manopas	18,280,000	0.91
9	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	15,335,100	0.77
10	Mr. Anucha Anurakwongsri	11,000,000	0.55

**Note :** 1<sup>st</sup> person is the spouse of 2<sup>nd</sup> person.

3<sup>rd</sup> person and 4<sup>th</sup> person are children of 1<sup>st</sup> person and 2<sup>nd</sup> person.

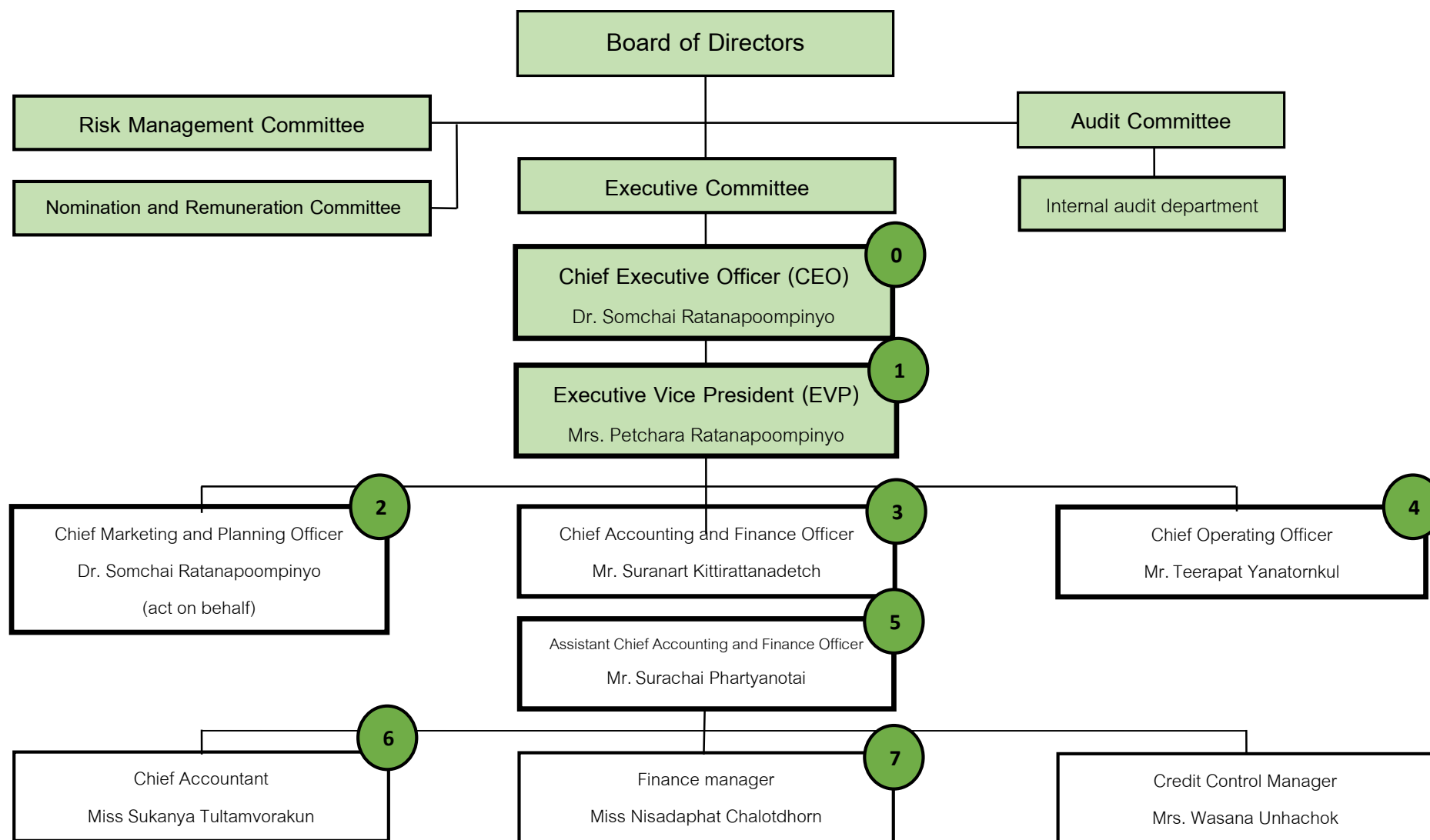
### 7.3 Dividend Policy

The company has a policy to pay dividends to shareholders each year, not less than 40 % of the net profit left after deducting all types of reserve funds as required by law as well as considering the financial statements for the company, despite the payment of dividends will depend on the cash flow plan legal terms. The company takes into account the necessity and appropriateness of other factors in the future and that dividend payment will not have a significant impact on the normal operations of the company. Besides, the resolution of the company's Board of Directors in which approves the payment of dividends must be presented to the shareholders' meeting for approval. However, the Board of Directors has the power to consider interim dividend payments. If it is considered appropriate and does not affect the company's operations and to report to the meeting of shareholders. At the next meeting.

The subsidiaries do not set a fixed dividend payment policy. It depends on the operating results of each company each year. However, the Board of Directors of the subsidiaries may consider paying an annual dividend of the subsidiaries. It must be approved by the shareholders' meeting of the subsidiaries, except for the interim dividend payment, the Board of Directors of the subsidiaries are authorized to pay dividends from time to time. When they consider that the subsidiaries have sufficient profits to do so, then the Board of Directors shall report to the shareholders' meeting of the subsidiaries in the next meeting.

The subsidiaries' dividend payment is considered from the net profit remaining after deducting various reserves. All types as required by law and considering the financial statements for the company, despite the payment of dividends will depend on the cash flow plan legal terms by its subsidiaries, taking into account the necessity and appropriateness of other factors, and future dividends will not affect. The normal operation of the company significantly.

## 8. Management Structure



**Note:** Position 0-7, as the executives according to the definition of the SEC Office

## 8.1 Board of Director

The list of the Board of Directors as of 31 December 2020 has 9 members as follows:

No.	Name	Position
1.	Mrs. Benjawan Ratanaprayul	Chairman of the Board of Directors / Independent Director / Audit Committee
2.	Dr. Somchai Ratanapoompinyo	Company Director
3.	Mrs. Petchara Ratanapoompinyo	Company Director
4.	Lt. Col. Dr. Janjida Ratanapoompinyo	Company Director
5.	Dr. Sanathorn Ratanapoompinyo	Company Director
6.	Mr. Suranart Kittirattanadetch	Company Director
7.	Mr. Teerapat Yanatornkul	Company Director
8.	Mr. Rut Dankul	Company Directors / Independent Director / Chairman of the Audit Committee
9.	Asst. Prof. Suppasin Suriya	Company Director / Independent Director / Audit Committee

- Note :**
- Details of the director's profile appear in the attachment 1
  - Details of the directors of the subsidiaries are shown in the attachment 2

### Director who has authority to sign to bind the company

The directors who have the power to sign on behalf of the company are Dr. Somchai Ratanapoompinyo or Mrs. Petchara Ratanapoompinyo, having signed together with Lt. Col. Dr. Janjida Ratanapoompinyo or Dr. Sanathorn Ratanapoompinyo total 2 person and affixed company seal except in the case of acts related to land and real estate and registration of legal rights with the Land Office, Department of Lands, for Dr. Somchai Ratanapoompinyo, Mrs. Petchara Ratanapoompinyo, Lt. Col. Dr. Janjida Ratanapoompinyo, Dr. Sanathorn Ratanapoompinyo, two of these four directors jointly sign with the company seal.

Directors' Power Restrictions: -None-

With Mr. Surachai Phartyanotai acting as the secretary of the Board of Directors.

### Composition of the Board of Directors

Board of Directors must contain the following elements

1. The Board of Directors consists of not less than 5 directors and not less than half of the total number of directors, having lived in Thailand and every director must have the qualifications as specified by the law.
2. The board structure must consist of at least one-third of all independent directors but must not be less than 3 persons and independent directors must meet the qualifications of independent directors as specified in the Notification of the Capital Market Supervisory Board No. Thor Chor. 39/2559 Re: Application and Approval for Offer for Sale of Shares Issued. New ("Thor Chor. 39/2559 Notification") or will be revised in the future.
3. The company's Board of Directors consists of at least 3 members of the Audit Committee. It also has the scope of duties and responsibilities as specified by the Stock Exchange of Thailand.
4. The Board of Directors will elect a director to be the Chairman of the Board of Directors. In the event that the Board of Directors deems it appropriate, one or more Company Directors may be elected as Vice Chairman of the Board of Directors.
5. The company has a policy to set the chairman of the board. It must not be the same person as the Chief Executive Officer or being a spouse or the child of the Chief Executive Officer unless the company has independent directors more than half of the total number of directors.
6. Company directors are not required to be shareholders of the company.
7. The shareholders' meeting shall appoint the company's directors in accordance with the following rules and procedures.
  - A. Each shareholder has one vote per share.
  - B. Each shareholder may use his existing votes to elect one or more persons to be the company's directors. In the case of multiple persons to be elected as directors cannot divide the votes to anyone. (Vote to elect company directors in Non-Cumulative only)
  - C. Persons who receive the most votes in descending order be elected as the company's directors equal to the number of company directors required or to be elected at that time. In the event that persons elected in descending order have equal votes in excess of the number of directors required or to be elected at that time. The chairman of the shareholders' meeting shall have a casting vote.
8. In the event that the position of the director of the company is vacant due to reasons other than the expiration of the term, the Board of Directors may elect any person who has qualifications and having no any prohibited characteristics under the law to be the company's director in the next Board of Directors meeting unless the remaining term of the said director is less than 2 months, the person who can replace the said director may hold office of the director for only the remaining term of the director whom he or she replaces.
9. Board of Directors establish a policy on diversity of the company's directors to recruit for those coming to serve as a committee based on the necessary skills that are still lacking in the committee, including professions, specializations without limiting gender to serve as a committee but somehow in order to strengthen the board.

**Qualifications of the Board of Directors**

1. The director must be a person who has knowledge, abilities and experience that will benefit the business operation, be honest, ethical in business as well as having enough time to devote knowledge, ability and perform duties for the company to the fullest.
2. Directors must have all the qualifications and not be prohibited under the Public Limited Company Law and the law on securities and stock exchange. In addition, it must not have characteristics indicating a lack of suitability to be entrusted to manage a publicly owned business as specified by the Office of the Securities and Exchange Commission.
3. Any director cannot operate a business that has the same nature and is in competition with the business of the company or become a partner or other corporate directors who have the same nature and are in competition with the business of the company, whether they do it for their own interests or for the benefit of others unless notified at the shareholders' meeting before the appointment.
4. Number of listed companies where each director may hold director positions must be not more than 3 companies.

**Scope of Duties and Responsibilities of the Board of Directors**

1. To manage the company in accordance with the law, objectives and company regulations as well as resolutions of the shareholders' meeting which are lawful with honesty be careful to protect the interests of the company.
2. To organize an annual general meeting of shareholders within 4 months from the end of the company's accounting period. The company should deliver the invitation letter for the shareholders' meeting including the agenda and supporting documents in advance with a reasonable period of time and it must not be less than the period specified in the Articles of Association.
3. To hold the Board of Directors meeting at least 3 months per time and they should be full faculty meetings when considering and voting on matters or transactions that are significant. The significant items should include: The acquisition or disposition of assets of the company and its subsidiaries that have a significant impact on the company, list of buying or selling important assets, expanding investment projects, consideration and approval of the connected transaction level of authority and the formulation of financial management policies and risk management of the company's business, etc.
4. To provide an internal control system, internal audit and effective and efficient risk management.
5. To provide an accounting system, reliable financial reporting and auditing, as well as maintaining a document storage system that can later be checked for accuracy.
6. To make financial statements at the end of the company's accounting period to be accurate in order to show the financial status and operational results of the past year to be true, complete and accurate in accordance with generally accepted accounting standards and audited by the auditors of the company before presenting to the shareholders' meeting for consideration and approval.

7. To consider and approve the nomination of auditors who have qualifications as prescribed by laws and regulations as well as having considered and approved the annual audit fee to propose to the general meeting of shareholders for consideration and approval.
8. To set goals, guidelines, policies, business plans and the budget of the company to control, supervise (Monitoring and Supervision) the administration and management of the management in accordance with the established policies, plans and budgets with efficiency and effectiveness.
9. To review, verify and approve business expansion plans, large investment projects as well as joint investments with other operators proposed by the management.
10. To determine and amend the names of directors who are authorized to bind the company.
11. To consider proposing an annual dividend payment to the shareholders for approval in the annual general meeting of shareholders and to consider and approve the payment of interim dividends to the shareholders when you can see that the company is profitable to do so and to report the said dividend payment to the shareholders 'meeting at the next shareholders' meeting.
12. To enforce control policies and mechanisms for corporate governance of companies investing in subsidiaries or associated companies including:
  - 12.1 Performance of duties in accordance with the scope of duties and responsibilities specified for directors who are approved by the Board of Directors meeting to be directors or management of subsidiaries or affiliates in proportion to their shareholding in that subsidiary or associated company.
  - 12.2 To continuously monitor the performance of subsidiaries or affiliated companies in accordance with plans and budgets.
  - 12.3 To monitor and supervise the subsidiaries to disclose information relating to financial status and operating results, making a transaction and the acquisition or disposition of significant assets to the company correctly and completely.
  - 12.4 In the event that subsidiaries have transactions with any connected person that there is an acquisition or disposition of property or making any other important items, the Board of Directors, especially any directors or other persons who receive the resolution of the Board of Directors' meeting to be appointed as a director or executives in subsidiaries, it is responsible for supervising the subsidiaries to comply with the regulatory mechanism for transactions with connected persons. The acquisition of assets including important transactions as specified by the company, such transactions shall be considered by subsidiaries in the same manner as transactions with the same criteria, nature and size as the company has to be approved by the Board of Directors meeting or the shareholders' meeting of the company as the case may be.



13. To consider and approve the appointment of change of persons to be directors and / or executives in subsidiaries or associated companies in proportion to their shareholding in subsidiaries or associated companies including setting up control policies and mechanisms for corporate governance in which the company invests in subsidiaries or associated companies to show that the company has a mechanism to regulate subsidiary companies as specified in the Notification ThorChor. 39/2559, Subject to application for and approval of the offering of newly issued shares as amended including to be modified in the future.
14. To determine the management structure, having the power to appoint the Executive Committee, Chief Executive Officer and other sub- committees as appropriate, such as the Audit Committee. The Nomination and Remuneration Committee, etc., including determining the scope of authority and duties and / or the remuneration of the Executive Committee, Chief Executive Officer and various appointed subcommittees.

In this regard, the delegation of power under the specified scope of authority must not be the nature of delegation of power that makes the Executive Committee, Chief Executive Officer, the aforementioned subcommittee can consider and approve transactions that may have conflicts of interest or any other conflict of interest with the company or its subsidiaries (if any) , except for the approval of transactions in accordance with the policies and criteria approved by the Board of Directors.

In the event that the Board of Directors assigns the Chief Executive Officer or other persons to act on behalf of the Board of Directors in any matter, such assignments must be made in writing or clearly recorded as a resolution of the Board of Directors in the minutes of the Board of Directors meeting and clearly specified the scope of authority of the assignee.

15. The committee may authorize one or more directors or any other person to perform any act on behalf of the committee. It is under the control and supervision of the Board or may authorize such person to have powers as the Board deems appropriate and within a period of time the Board deems appropriate. Where the Committee may cancel, revoke, change or amend such authorization as appropriate.

In this regard, the authorization must not have the nature of delegation that makes such a person to be able to consider and approve transactions that may lead to conflicts of interest in any other manner or person to do with the company or subsidiary (if any) unless it is a normal business transaction approval and in accordance with general commercial terms or in accordance with the policies and criteria approved by the Board of Directors as It is subject to the criteria, conditions and procedures as specified in connection with the connected transaction and the acquisition or disposition of important assets according to the announcement of the Capital Market Supervisory Board and / or any other relevant announcements from the relevant agencies

16. Directors and executives must report to the company related to their interests or related persons in which it is the interest in relation to the management of activities of the company or its subsidiaries in

accordance with the rules, conditions and procedures prescribed by the Capital Market Supervisory Board.

17. It is prohibited for directors, executives, including their spouses or children of such directors or management who have not yet become their legal ages to use information inside the company and its subsidiaries or associated companies, either obtained by performing duties or in any other way that have or may have a material impact on the company, subsidiaries or associate for the benefit of oneself or others, whether directly or indirectly, and whether to receive remuneration or not.
18. Directors and Executives of the company including relevant persons of the said directors and executives have duties to inform the company about the relationship and transactions with the company, subsidiaries or associates in a manner that may create a conflict of interest and avoid making transactions that may cause conflicts of interest with such company, subsidiaries or associated companies.
19. To appoint a company secretary to assist the Board of Directors in performing various tasks in order to conduct business of the company in accordance with applicable laws, regulations, rules and guidelines.
20. Directorship in other companies of the Chief Executive Officer and Senior Executive of the company able to hold director positions in other companies, subject to the approval of the Board of Directors.

#### **Roles and Duties of the Chairman of the Board of Directors**

1. Be the chairman of the board of directors meeting.
2. Casting Vote In the event that the Board of Directors' meeting has equal votes and two votes.
3. Calling the Board of Directors' Meeting.
4. Acting as Chairman at the shareholders' meeting.

#### **Appointment of Directors and Term of Office**

1. Election of the company's directors shall be in accordance with the Company's Articles of Association. and related laws. In doing this, the selection of the company's directors must be transparent and clear by the educational background and professional experience of the individual must be considered, including qualifications and lack of prohibited characteristics with sufficient details for consideration for the benefit of decision-making of the Board of Directors and shareholders.
2. Directors of the company have a term of office for a term of 3 years (Where 1 year here refers to the period between the date of the Annual General Meeting of Shareholders of the year appointed) until the date of the next Annual General Meeting of Shareholders). The company's directors who retire by rotation may be nominated and reappointed as a new position.
3. At every annual general meeting, the least one third (1/3) of the company's directors shall retire from office by the rate. In the event that the number of Company Directors cannot be divided into three

parts, the number of directors closest to one third ( 1/3) will be retired in the first and second years following the registration of the company may use the method of drawing a lot to see who will leave.

4. In addition to the termination of office, Directors of the Company will retire when
- ☐ Decease
  - ☐ Resign
  - ☐ Lack of qualifications or is prohibited under the law regarding a public limited company and / or the law on securities and exchange.
  - ☐ The shareholders' meeting resolves to issue with a vote of not less than three-fourths of the number of shareholders who attend the meeting and have the right to vote and having shares amounting to not less than one half of the number of shares held by shareholders who attend the meeting and having the right to vote.
  - ☐ The court issued an order to leave.
5. Any director who will resign from office shall submit a resignation letter to the company. The resignation shall be effective from the date of resignation to the company. The resigned director may also notify the public companies registrar of his resignation.
6. In the event that the position of the director of the company is vacant due to reasons other than the expiration of the term, then The Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics under the law on public limited companies and the Securities and Exchange Law to be appointed as the company's director at the next Board of Directors meeting unless the remaining term of the said director is less than 2 months, the person who becomes the director who replaces the said person may hold the position of director for only the remaining term of the director he/she replaces.
7. The term of office of independent directors cannot exceed 9 years without any condition, starting from 1 January 2021 onwards.

### Meeting of the Board of Directors

The meetings of the Board of Directors are as follows:

1. The Board of Directors must hold a meeting to acknowledge the company's operating results at least every 3 months. In a meeting, directors must express their opinions and exercise discretion independently. The directors should attend every meeting. In addition to force majeure which must notify the secretary of the board of directors in advance. The company is required to report the number of board meetings in the annual report. In order for all directors to know in advance, at each directors meeting, the secretary of the board of directors must send a meeting invitation letter to all directors to inform the date, time, place and agenda of the meeting. This is delivered at least

7 days in advance and is the person who collects supporting documents from the directors and management to submit to the directors in advance and such documents must provide sufficient information for decision making and exercise independent judgment of the directors. The Secretary of the directors must record the matters at the meeting in order to compose the minutes of the meeting, which must be complete and making it completed within 14 days as from the completion of the meeting to propose the Chairman of the Board of Directors to sign and must provide a good storage system, being easy to find and maintain confidentiality.

2. Directors who have interests in any matter have no right to vote on that matter. In addition to voting for the election of directors and consideration of directors' remuneration.
3. The minimum number of quorum at the time the Board of Directors is going to vote at the Board meeting whether there must be at least two-thirds of the total number of directors.
4. Voting at the Board of Directors meeting shall take the opinion of the majority vote in the case of equal votes, the chairman of the meeting shall have one more vote as a casting vote. However, the opinion of the other directors who did not vote for approval shall be stated in the meeting minutes as well.

#### Statistics Committee, in the year 2018 – year 2020.

Unit : Number of times

Board of Directors			Year 2018	Year 2019	Year 2020
			Director	Director	Director
1.	Mrs. Benjawan	Ratanaprayul	7/7	6/6	8/8
2.	Dr. Somchai	Ratanapoompinyo	7/7	6/6	8/8
3.	Mrs. Petchara	Ratanapoompinyo	7/7	6/6	8/8
4.	Lt. Col. Dr. Janjida	Ratanapoompinyo	5/7	6/6	6/8
5.	Dr. Sanathorn	Ratanapoompinyo	4/7	6/6	5/8
6.	Mr. Suranart	Kittirattanadetch	7/7	6/6	8/8
7.	Mr. Teerapat	Yanatornkul	7/7	6/6	8/8
8.	Mr. Rut	Dankul	7/7	6/6	8/8
9.	Asst. Prof. Suppasin	Suriya	7/7	4/6	7/8

Source : Information from the company

Note : - Information showing the number of times the directors attend the meeting per the number of meetings

## 8.2 Executives (Management, on Team).

The list of executives as of 31 December 2020 has 4 members as follows:

No.	Lists		Position
1.	Dr. Somchai	Ratanapoompinyo	Chief Executive Officer / Chief Marketing and Planning Officer (Acting)
2.	Mrs. Petchara	Ratanapoompinyo	Deputy Chief Executive Officer
3.	Mr. Suranart <sup>(1)</sup>	Kittirattanadetch	Chief Accounting and Finance Officer
4.	Mr. Teerapat	Yanatornkul	Chief Operating Officer

- Note:**
- Details of the company's executives are shown in attachment 1.
  - Details of management of the subsidiaries are shown in attachment 2.
  - The company is in the process of recruiting qualified persons for taking over the position of Chief Marketing and Planning Officer, In case of the recruiting is already done, it will continue to import the profile of such person into the director and management information system of the company.
  - / One who has been charged in the maximum responsibility in the line of the Accounting and Finance is Mr. Suranart Kittirattanadetch who is graduated master's degree of Faculty of Business Administration Master, Programming in Finance, Central Michigan University, USA and the Bachelor's Degree of Faculty of Engineering, Programming in Electrical Power, the King Mongkut's Institute of Technology Ladkrabang.
  - Those who have been entrusted with the responsibility of overseeing the accounting is Miss Sukanya Tultamvorakun, who graduates a Bachelor's Degree of Faculty of Business Administration, Programming in Accounting, Phranakhon Rajabhat University.

**Scope of Duties and Responsibilities of the Chief Executive Officer**

1. To control of business operations, strategic planning and manage the daily work of the company.
2. To judge on important matters of the company, define the mission, objectives, guidelines, policies of the company including controlling the administration of various departments.
3. Being the person with the authority to command, contact and command as well as entering into any legal, contract, document, order, notification as defined in the authority manual.
4. Having the power to hire, appoint, and transfer persons as they see fit as well as defining the scope of authority and duties and appropriate returns and to have the power to release Issued as appropriate for employees of various levels as defined in the authority manual.
5. Having the power to set trade terms for the benefit of the company.
6. To consider investing in a new business or business termination to present to the Executive Committee and / or the Company's Directors.
7. To approve and appoint consultants in various fields that it is necessary for operations.
8. To perform any action as assigned by the Executive Committee and / or the Directors.

The delegation of authority and responsibility of the Chief Executive Officer as mentioned above does not include any authority and / or delegation on any item that he / she or sub-attorney or people who may have a conflict (As defined in the Notification of the Capital Market Supervisory Board) having a stake or any other interest in conflict with the company in which the approval of such transactions must be submitted to the Board of Directors and / or the shareholders' meeting. (As the case may be) to approve the said transaction according to the company regulations or the relevant laws.

**8.3 Company Secretary**

The provisions of Article 89 / 15 of the Public Company Act B.E. 2535 (1992), the Board of Directors must provide company secretarial responsibilities on behalf of the company or its Board of Directors. The Board of Directors Meeting No. 4 / 2561 on 18 June 2018, had resolved to appoint Mr. Surachai Phartyanotai to hold position as Secretary of the Company (Details of Personal Secretary of the company shown in attachment 1) with duties and responsibilities as follows:

1. Ensuring that information is disclosed and reported information in the area responsible for the supervisory unit as well as keeping reports of interest reported by directors or executives.
2. To prepare and maintain the following documents:-
  - 2.1 Director registration.
  - 2.2 Notice of the Board of Directors Meeting Minutes of the Board of Directors of the company statement regularly and the annual report of the company.
  - 2.3 Invitation letter to shareholders' meeting and the minutes of the shareholders' meeting.
3. Keeping reports of interest reported by directors or executives and send a copy of the said report to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the company receives the report.

4. To establish the following system for keeping documents and evidences related to the display of information including ensuring that such documents or evidence are kept correct and complete and can be examined for a period of not less than 5 years from the date of such document or information.

Retention of the above documents and evidence to include storage with a computer system or any other system that can be viewed without text changes.

4.1 Providing information for seeking a resolution of the shareholders' meeting.

4.2 Financial statements and reports on the financial position and operating results of the company or any other report required to be disclosed in accordance with Section 56, Section 57, Section 58 or Section 199 of the Securities and Exchange Act.

4.3 Opinion of the company when there is a general offer to purchase the company's shares from shareholders.

4.4 Providing information or any other reports on business prepared by the company for dissemination to shareholders or the general public as specified by the Capital Market Supervisory Board.

5. To take operations as specified by the Capital Market Supervisory Board.

6. To perform duties with responsibility, caution and honesty as well as it must be complied with the law, objectives, regulations of the Board resolution including the resolution of the shareholders' meeting. It is prohibited to perform any action which is significantly inconsistent with the company's interests.

7. They must perform their duties with the same responsibility and caution, such business operators shall act under the same circumstances by:

7.1 Decisions that are made in good faith and reasonable belief where it is for the best interest of the company.

7.2 Decisions that are made on the basis of information believed in good faith to be adequate and

7.3 The decisions that are made without any interest, either directly or indirectly in the matter that is decided.

8. Providing basic advice to company directors regarding the law, regulations and company regulations including the principles of good corporate governance and code of conduct that directors should follow including monitoring to ensure correct and consistent compliance as well as reporting significant changes to the company's directors.

9. Preparing documents and information that are useful for the performance of duties of the new directors, introducing the nature of the business and the business direction of the company to the new directors.

10. To organize a shareholders meeting and the meeting of the Board of Directors in accordance with the law, the company regulations.

11. To encourage recruiting, training courses and seminars to increase knowledge and to develop directors to have skills and experience that will lead to the performance of duties of the company's directors effectively.

12. To provide information and lectures about the business of the company including other information related to a director who takes a position in the company for the first time.

#### 8.4 Remuneration of Directors and Executives.

##### a. Board Remuneration

##### ☐ Monetary compensation

Annual General Meeting of Shareholders for the year 2020, held on 31 July 2020, the remuneration for the Board of Directors, Audit Committee, Nomination and Remuneration Committee and the Risk Management Committee for the year 2020, not exceeding 10,000,000 Baht, with the details as follows:

##### Meeting allowance

Position	Meeting Allowance (Baht / Time)	Note
1. Board of Directors - Chairman of the Board of Directors - Director	25,000 20,000	Directors who are not involved in the management will receive value per In addition to meeting allowance equal to 20,000 baht per person per month.
2. Audit Committee - Chairman of the Audit Committee - Audit Committee	25,000 20,000	
3. Nomination and Remuneration Committee - Chairman of the Nomination and Remuneration Committee - Member of the Nomination and Remuneration Committee	25,000 20,000	
4. Risk Management Committee - Chairman of the Risk Management Committee - Risk Management Committee	25,000 20,000	
5. Executive Committee - Chairman of the Executive Committee - Executive Director	- -	

**Note :** The company sets the remuneration for the Board of Directors and subcommittee by comparison of companies in the food industry and listed on the Stock Exchange of Thailand by such remuneration has been already approved by the Nomination and Remuneration Committee and at the Annual General Meeting of Shareholders for the year 2020 of the company.

##### Director's Bonus

- To set the bonus for directors of the company equals to 200,000 baht per person per year.



In the year 2018 - year 2020, third board company had received remuneration as detailed below.

Board of Directors	Year 2018				Year 2019				Year 2020			
	Meeting allowance per time	Monthly remuneration	Annual compensation	Total	Meeting allowance per time	Monthly remuneration	Annual compensation	Total	Meeting allowance per time	Monthly remuneration	Annual compensation	Total
1. Mrs. Benjawan Ratanaprayul	160,000	240,000 <sup>2</sup>	200,000	600,000	150,000	240,000 <sup>2</sup>	200,000	590,000	340,000	240,000 <sup>2</sup>	200,000	780,000
2. Dr. Somchai Ratanapoompinyo	195,000 <sup>1</sup>	-	200,000	395,000	125,000 <sup>1</sup>	-	200,000	325,000	185,000	-	200,000	385,000
3. Mrs. Petchara Ratanapoompinyo	195,000 <sup>1</sup>	-	200,000	395,000	125,000 <sup>1</sup>	-	200,000	325,000	180,000	-	200,000	380,000
4. Lt. Col. Dr. Janjida Ratanapoompinyo	120,000 <sup>1</sup>	240,000 <sup>2</sup> -	200,000	560,000	125,000 <sup>1</sup>	240,000 <sup>2</sup> -	200,000	565,000	120,000	240,000 <sup>2</sup>	200,000	560,000
5. Dr. Sanathorn Ratanapoompinyo	80,000	240,000 <sup>2</sup> -	200,000	520,000	120,000	240,000 <sup>2</sup> -	200,000	560,000	100,000	240,000 <sup>2</sup>	200,000	540,000
6. Mr. Suranart Kittirattanadetch	165,000 <sup>1</sup>	-	200,000	365,000	125,000 <sup>1</sup>	-	200,000	325,000	200,000	-	200,000	400,000
7. Mr. Teerapat Yanatormkul	150,000 <sup>1</sup>	-	200,000	350,000	120,000	-	200,000	320,000	180,000	-	200,000	380,000
8. Mr. Rut Dankul	130,000	240,000 <sup>2</sup>	200,000	570,000	120,000	240,000 <sup>2</sup>	200,000	560,000	310,000	240,000 <sup>2</sup>	200,000	750,000
9. Asst. Prof. Suppasin Suriya	130,000	240,000 <sup>2</sup>	200,000	570,000	80,000	240,000 <sup>2</sup>	200,000	520,000	260,000	240,000 <sup>2</sup>	200,000	700,000

**Note:** - In the past, the company never fixed the remuneration to the Board of Directors. Later, the year 2018, Annual General Meeting of Shareholders on 10 April 2018, passed a resolution to approve the directors' remuneration for the year 2018 to be effective. Since January 2018.

/ 1 Board Meeting allowance for the year 2018 included meeting allowances for directors of subsidiaries of the subsidiary companies, In this regard, the subsidiaries' 2019 Annual General Meeting of Shareholders had approved the omission of directors' meeting allowances which would be effective from 10 January 2019 onwards.

/ 2 Executive directors did not receive monthly remuneration.

B. Remuneration for the Executive of the company and its subsidiaries

Executive compensation	Year 2018		Year 2019		Year 2020	
	Numbers (person)	Million Baht	Numbers (person)	Million Baht	Numbers (person)	Million Baht
Salary+Other benefits <sup>/1</sup>	4	30.85	4	33.76	4	35.08

- Source: Information from the company

- **Note:** - / 1 Other benefits include bonus, contribution remitted to social security, provident fund contributions, post-employment benefits and other benefits.

- The company had established a provident fund since August 2018. At present, the company assigned the jointly venture of the TISCO's Master to be the fund manager of the company by the company and its subsidiaries

will pay contributions to the Fund at a non-profitable rate not less than 5% but not more than 10% of the salary according to the working age of the employee, effective from August 2018 onwards.

- The company determines the remuneration for company executives and subsidiaries by considering of the factors involved are as follows: 1. By comparing with companies in the food industry and listed on the Stock Exchange of Thailand 2. Profit of each year 3. Potential and work experience of each management. 4. The achievement of the goals set. 5. Duties and responsibilities of each management by the remuneration of the Chief Executive Officer is approved by the Nomination and
- Remuneration Committee and the meeting of the Board of Directors for the remaining management remuneration that has been approved by the Chief Executive Officer.

#### 8.5 Remuneration for Employees of the Company and its Subsidiaries

In the year 2018 to 2020, the company has all personnel remuneration as follows:

Personnel Compensation (Unit : Baht)	Year 2018	Year 2019	Year 2020
Salary, Social Security Fund, Provident fund	368.19	394.01	359.05

**Note:** The Company has established a provident fund since August 2018, at present the Company assigns a provident fund of the TISCO Master joint venture to be the fund manager of the company. The Company and subsidiaries will pay contributions to the Fund at a rate not less than 5% but not more than 10% of the salary according to the working age of the employee, effective from August 2018 onwards.

#### 8.6 Other Benefits

-without-

#### 8.7 Major labor disputes in the past 3 years

-without-

## 9. Corporate Governance

### 9.1 Policy on Corporate Governance.

Board of Directors have established a corporate governance policy under the principles of good governance, rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission to be used as a guideline in the company's business operations including giving importance to the practice of all sectors of shareholders fairly and equally, having enough transparency and presentation of the information accurately.

In addition, the Board of Directors have appointed sub-committees in order to take charge of the internal control audit system, risk management and corporate governance along with promoting the executives and employees to operate with transparency and fairness in order to assure stakeholders of all sectors that the company has adhered to the principles of good corporate governance and believes that the company will continue to grow sustainably.

In addition, the company has complied with the principles of good corporate governance, covering with 5 content categories including shareholder rights, equitable treatment of shareholders, stakeholder role, disclosure and transparency and the responsibility of the Board of Directors Categories. Besides, the principles of good corporate governance can be summarized as follows:

#### Chapter 1 Rights of Shareholders

##### 1. Shareholders and the Shareholders' Meeting.

- 1.1 The right to sell or transfer shares and acknowledgment information is accurate, complete and transparent for the performance of the company, important information by period and important information according to events by disclosing information through the company's website as well as the information system of the Stock Exchange of Thailand in both Thai and English versions in order to provide shareholders with thorough information.
- 1.2 The right to attend shareholders' meeting, voting at the shareholders' meeting and getting an equal share of profits / dividends including the right to receive equal treatment in the share repurchase by the company.
- 1.3 The right to vote, the company provides opportunities for shareholders who are unable to attend the meeting to give proxy in the form prescribed by the Department of Business Development, Ministry of Commerce and facilitate the shareholders to authorize independent directors who will perform their duties in accordance with the intent of the grantor. The company will attach the said independent director details together with the proxy form in the meeting invitation letter and published on the company's website.
- 1.4 The right to attend shareholders' meetings throughout the conference. In addition, the chairman of the meeting allows shareholders to express their opinions and asking questions at the meeting. In addition, questions and answers are recorded in the minutes of the meeting for the shareholders who do not attend the meeting.

- 1.5 The right to participate in deciding matters in the shareholders' meeting. In addition to the authorization of the Board of Directors to manage tasks such as certifying the minutes of the previous shareholders' meeting. The approval of annual financial statements, consideration of profit allocation and payment / omission of dividends, election of directors to replace those whose term expires, determination of meeting allowance, bonus / gratuity and other benefits of the Board of Directors, the appointment of the company's auditor and audit fees including the consideration of connected transactions and the acquisition and disposition of significant assets.
- 1.6 At shareholders meeting at all times, the company has provided independent auditors who have no interest in the company and / or institutional representatives who perform duty of examining shareholder documents, Quorum counting, counting for the votes to check the results of the resolutions and the results of the voting in order to make the meeting transparent, corresponding with laws and the Company's Articles of Association.
- 1.7 The company will not be added to the agenda or change important information without notifying shareholders in advance of the shareholders' meeting.
- 1.8 The company has provided facilities and having encouraged shareholders, including institutional investors, to attend the shareholders' meeting, whereby the company has set up a place where shareholders can travel to attend the meeting easily.

## **2. The Right to receive Information of a General Meeting of Shareholders.**

- 2.1 The company will provide notice of the meeting with details on each item for each agenda proposed in the notice of shareholders' meeting. The Board of Directors have clearly expressed their opinions including the rules and steps for attending the meeting by the notice of the meeting is delivered to shareholders at least 7 days in advance of the shareholders' meeting and published on the company's website.
- 2.2 The right to receive information, details on the agenda for election of directors the notice calling for the shareholders' meeting specifies the names and brief biography of each director who will be nominated for election, type of director proposed Information of meeting attendance in the past year, date of appointment as the company's director in which the company proposed the names of directors for the shareholders to vote one by one in order to give shareholders the opportunity to truly choose the directors they require.
- 2.3 The right to information, details in the remuneration agenda for directors by the invitation letter to the shareholders' meeting has established criteria and procedures for proposing compensation by clarifying the elements, monthly allowance, meeting allowance, annual remuneration and other benefits clearly.
- 2.4 The right to receive information, details of the agenda for the election of auditors and the determination of auditors' remuneration by the meeting invitation letter has set details about the auditor, affiliated company, experience and competence of the auditor including the independence of the auditor and the service fees of the auditors are clearly defined.
- 2.5 The right to be notified of the process of voting on the resolution, using the ballot and the vote count of each agenda item clearly before the shareholders' meeting.
- 2.6 For transparency and it can be checked, in the shareholders' meeting, the company will use ballot papers in every agenda and in order to increase speed and accuracy, the company has adopted a computerized system for registration as well as having resolution of the shareholders.

- 2.7 Right to acknowledge the Board of Directors with respect to the details of the meeting, the date of determining the names of shareholders entitled to attend the meeting and have the right to receive dividends and the agenda of the shareholders' meeting in advance, prior to the shareholders meeting by disclosing information through the company's website and the information system of the Stock Exchange of Thailand.
- 2.8 After the shareholders' meeting, the company has prepared the minutes of the shareholders' meeting according to the agenda together with the meeting resolutions and the number of votes of agreeing, disagreeing and abstaining and submit a copy of the full minutes of the meeting within 14 days from the date of the shareholders' meeting to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and disseminate information through the company's website as well as opportunities for shareholders to express opinions and inquiring questions at the meeting where the details are recorded in the minutes of the shareholders' meeting.

**3. The Right to propose Agenda for the Annual General Meeting of Shareholders and nominate Persons to be elected as the Company's Directors.**

: The Company encourages shareholders to propose matters to be included as meeting agenda and nominate persons to be elected as the company's directors the shareholders are also given an opportunity to express their opinions and inquire questions to the Board of Directors on matters related to the company at least 1 month prior to the annual general meeting of shareholders according to the criteria set by the company which published information through the company's website.

**4. Right to attend the Annual General Meeting of Shareholders of the Board and Sub-committees**

- 4.1 The company promotes and encourages the Chairman of the Board of Directors, Chief Executive Officer and the company's management attends every shareholder meeting to meet and answer shareholders' questions.
- 4.2 The company promotes and supports the president in all the committees to attend every shareholder meeting in order to answer shareholder questions on issues related to sub-committees.

**Operations in the year 2020**

1. The company had disclosed the information is accurate, complete and transparent for the performance of the company, the important information by period and important information according to events that the company had peeled revealing information through its website at <https://www.rbfoodsupply.co.th/>
2. Having provided opportunities for shareholders to vote in the meeting on the election of directors. The company had scheduled a vote as an individual by the nomination of directors and shareholders made a vote individually and receiving a share in profits / dividends equally.
3. The company allowed shareholders who could not attend the meeting as proxy by the Department of Business Development Ministry of Commerce and facilitate the shareholders to authorize independent directors in which would perform duties in accordance with the intent of the grantor. The company would attach the details of such independent directors along with the power of attorney in the meeting notice and by distributing through the company's website at <https://www.rbfoodsupply.co.th/>
- .

4. In the General Meeting of Shareholders for the year 2020, the company had set the agenda for the shareholders' meeting held on the subject clearly and no agenda was added or change important information without notifying the shareholders in advance and allowed the shareholders to express their opinions and inquiring questions at the meeting, details of which were recorded in the minutes of the shareholders' meeting.

5. The company had invited shareholders to be witnesses the vote counting that having no conflict of interest with the company and those who acted as quorum teller, verifying the vote count and voting results in order for the meeting to be transparent and correct in accordance with the law and regulations of the company to perform as an independent auditor from Inventech Systems (Thailand) Co., Ltd.

6. The company had provided facilitates and encouraged shareholders including institutional investors attended the meeting by organizing the meeting place in a location that was easy to travel by public transport.

7. The company would provide notice of the meeting with details on each item by each agenda proposed in the notice of shareholders' meeting, the Board of Directors had clearly expressed their opinions including the rules and procedures for attending the meeting by sending the notice of the meeting to shareholders by mail in advance of 16 days and having published on the company's website 31 days prior to the date of the General Meeting of Shareholders.

8. The company had announced a number and proportion of shareholders in attendance and proxies in attendance, procedures for voting and counting the votes before the shareholders' meeting and the company by using ballots.

9. The company had presented the rules and procedures on proposal to directors' remuneration by clarifying the elements and propose the directors' remuneration in all forms, separated into monthly compensation, meeting allowance, annual remuneration, and any other benefits for shareholders to consider in the notice of the meeting.

10. The company had just the meeting of shareholders first time, the Annual General Meeting of Shareholders for the year 2020 on 31 July 2020, with the total attendance of 7 persons and assigned the Securities Depository (Thailand). Limited, which was the company's share registrar, proceeding to deliver the meeting invitation letter in both Thai and English to the shareholders 16 days in advance together with having published the meeting invitation letter and supporting documents on the company's website in both Thai and English 16 days in advance for shareholders to study information before the meeting date.

11. The company had provided personnel and advanced technology to facilitate the verification of shareholder documents so that the registration, vote counting, display and meeting operations could be done quickly, accurately and precisely.

12. The company had disclosed the resolutions of the Board of Directors regarding meeting details, the date of determining the names of shareholders entitled to attend the meeting and having the right to receive dividends as well as the agenda of the shareholders' meeting in advance before the shareholders meeting by disclosing information through the company's website and the information system of the Stock Exchange of Thailand.

13. The company had prepared the minutes of the shareholders' meeting according to the agenda together with the meeting resolutions and the number of votes for approval, disagreement and abstention, and submitted a copy of the full minutes of the meeting within 14 days since the date of the shareholders' meeting to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and disseminating information through the company's website as well as giving opportunities for shareholders to express opinions and to ask questions at the meeting in which the details were recorded in the minutes of the shareholders' meeting.

14. Providing opportunities for shareholders to propose matters to be included in the meeting agenda and to nominate qualified persons to serve as directors between 24 January 2020 until 13 February 2020 by informing the shareholders through the news system of the Stock Exchange of Thailand including obvious procedures and procedures, providing in the company's web site at <https://www.rbfoodsupply.co.th/> under category of the Investor Relations, heading of Shareholder Information : Choose a topic for Shareholder Meeting.

15. Did not exclude or create barriers to allow shareholders to communicate with each other.

16. The General Meeting Shareholders for the year 2020, the Chairman of the Board of Directors, Directors, the Chairman of Sub-committee, Chief Executive Officer and company executives, had participated in the shareholders' meeting in order to meet and answer questions from shareholders.

## **Chapter 2 : Equitable Treatment of Shareholders**

The company had a policy of treating shareholders equally whether it was a major shareholder, retail shareholder, institutional investor, or a foreign shareholder by supervising the shareholders to have basic rights as required by law as well as from the convenience and encourages shareholders to attend and exercise their voting rights in the shareholders' meeting. Besides, the company treated shareholders equally as follows:

2.1 In the case of a report related to the acquisition must be approved by shareholders according to the regulations of the Stock Exchange before making the transaction. The company had disclosed details and reasons for the transaction. The company disclosed details and reasons for the transaction to the shareholders before every transaction.

2.2 The transaction between the companies, must act fairly according to the market price and in accordance with normal trade business.

2.3 The company had its facilities, so that shareholders who were inconvenient to attend the meeting by themselves could authorize independent directors or other persons to attend and vote on their behalf. The company had attached the Power of attorney; Form A and Form B along with the notice of the meeting and published on its website which was the form that shareholders could set the voting direction by themselves in each agenda.

2.4 The company established procedures for shareholders in the attached notice of meeting of shareholders in order for self-attending shareholders and / or proxies (In the case of proxy) could prepare documents / evidences to accurately identify themselves in the meeting according to the law and company regulations by the company did not set conditions which impeded or created undue burdens on the shareholders.

2.5 The company determined the voting rights of shareholders according to the number of shares holding equally.

2.6 The company had regulatory policy related to insider trading and the use of internal information.

There was company's policy not to let employees, management and those who knew the inside information of the operation results to trade the company's securities as from discovery date of the information until the information had already been made public and did not publish internal information that should not be disclosed in order to create a price for the securities especially in securities trading in the 1 month before the financial statements were released to the public.

The company also had a policy to govern the use of inside information by the directors, executives, staff of all levels and employees of the company were prohibited from using inside information of the company that had or may affect the price changes of the securities or information that had not yet been disclosed to the public or being intended for the sole purpose of the company and not for personal use including information from the financial statements that had not yet been submitted to the SET, dividend payment, merger, acquisition of an important commercial contract to benefit oneself or others in a wrong way, directly or indirectly from important information, regardless of whether acting on behalf of themselves or others or seeking information in bad faith, proceeding business in a competitive manner.

In the event that it could be proved that inside information was used for the benefit mentioned above or it could be proved that the use of such inside information may cause damage to the company, either directly or indirectly in which he/she/they, himself/herself/ themselves, had received any benefits or not, the company was considered a disciplinary offense in accordance with the company's work regulations that it would consider the

punishment as appropriate in the case of verbal admonition a warning in writing, probation, as well as termination of employment, as a result of deprivation, displacement or resigned, as the case may be.

In addition, the company had assigned directors, management to be responsible for the preparation and disclosure of the securities holding report and the change in securities holding every time that the company's securities were traded, transferred or accepted within 3 business days as from the date of trading, transfer or acceptance to the Securities and Exchange Commission.

In order to be good governance.

- The company required directors and high-level executives to notify the board of directors or the person designated by the board about the trading of their own company's shares at least 1 day before trading.
- The company secretary must collect securities holding reports and changes in securities holding reports which directors and executives had reported to the Securities and Exchange Commission by having informed the Board of Directors to acknowledge in the next board meeting.

#### **Operations in the Year 2020**

1. The company had to disclose the details and rationale of the transaction by the company with the details and rationale of the transaction to the shareholders before the transaction every time.

2. The company did not violate or fail to comply with the transactions.

3. The company had attached the Power of Attorney; Form B. together with the meeting notice so that shareholders who were inconvenient to attend the meeting by themselves could authorize independent directors or other persons to attend and vote on their behalf and could be published on the company's website.

4. The company had an agreement for the shareholders in the meeting of shareholders and published on the company's website in order for self-attending shareholders and / or proxies (In the case of proxy) could prepare documents / evidences to accurately identify themselves in the meeting according to the law and company regulations as the company did not set conditions which impeded or create undue burdens on the shareholders.

5. The company provided the right for shareholders to vote by equal one share one vote, based on the number of shares held.

6. The Company had led the regulatory policy of insider trading and the use of internal information which related primarily to treat shareholders equally attending to a meeting of the Board of Directors for approval.



### **Section 3 Considering the Role of Stakeholders**

Board of Directors committed to conducting business with honesty, fair and transparent, anti-corruption, complying with all relevant laws and regulations and taking into account the benefits and impacts from the operations of the organization towards stakeholders of the company, as well as overseeing the safety operation, occupational health and environment not to affect all stakeholders along with the strong social and local development.

#### **1. Policy on Treatment of Shareholders**

The company realizes that the shareholder is the owner of the business. The company is responsible for creating added value for shareholders in the long term. Therefore, the directors, executives and employees are required to comply with the following guidelines.

- 1.1 To perform duties with responsibility, prudence and integrity under reasonable decisions based on inadequate information is believed to be both direct and indirect benefits to do so in good faith for the best benefits of the company, having righteous and appropriate purpose, refraining from any action with conflict of interest with the company.
- 1.2 To follow the law objectives, articles of association, directors' resolutions, shareholders meeting resolution, operating in accordance with good corporate governance principles and business ethics as well as having treated all shareholders equally both major and minor shareholders, as the system's maximum benefit of shareholders.
- 1.3 To manage to prevent the company's assets from wrongful depreciation or loss, provide internal control system and risk management system productively.
- 1.4 To provide opportunities for shareholders to take part in corporate governance and give opinions on the business operations under the equal treatment of shareholders.
- 1.5 To regularly report on the status of the company, complete according to be realistic and timely
- 1.6 Providing accurate, factual and sufficient information, news and information of the company for every shareholder's decision equally and at the right time
- 1.7 Ensuring that directors, executives and employees do not seek benefits for themselves and related persons by providing any information of the company which has not yet been disclosed to the public disclosure of the company's confidential information to third parties and / or take any action that may cause a conflict of interest with the company.
- 1.8 To provide a channel for whistleblowing the dishonest or complaints covering a website and telecommunications and the protection of the complainant in response to complaints and inform the complainant to proceed in a systematic and fair.
- 1.9 To provide various channels of information dissemination including the creation of the company's website for shareholders to be able to access the information easily.

## **2. Treatment of Employees**

### **2.1. Employees Policy**

2.1.1 The company has taken measures to protect employees who provide information to support the case being made against the law or against the Securities and Exchange Act that they will be protected, the company could not be applied unfairly, whether to job change, job description, workplace, threats, disruption to work, termination of employment (Section 89/2) due to the cause of the report on illegal or unethical practices.

2.1.2 The company recognizes that employees are the key factor in creating quality products to the company. Therefore, the importance of treating employees fairly based on the principles of equality and equality without discrimination on sex, nationality and religion. In terms of employment, compensation, appointment, transfer and capacity development, along with moral development in order for employees to be able to be a good person of the society as well, therefore, the principles of treatment for employees have been established as follows:

(1) Strictly abide by labor laws and regulations related to employees, namely

- Do not employ child labor are not old enough to follow the law in the case of a business, employing workers, children over provisions must provide workers are covered by laws requiring all respects, including the development and promotion of quality life and work properly
- Do not allow female employees to work in a manner that may jeopardize health and safety in the case of a pregnant employee. It must provide protection and benefits as required by law.
- The employment of foreign workers must be carried out in accordance with the law.
- Do not use labor as slavery. This includes physical punishment, coercion, detention, threatening, harassment, trafficking or use violence, whether any other formats.

(2) To treat employees with courtesy, respect the individuality and human dignity in accordance with international human rights principles.

(3) To provide fair conditions of employment for employees and allow them to receive appropriate remuneration according to their potential.

(4) To maintain an environment and work system to ensure the safety of life and property, as well as good hygiene.

(5) To give importance to employee development for skills training and potential enhancement by providing opportunities for employees to have thorough and regular learning.

(6) To appoint, transfer, reward and punish employees in good faith and based on knowledge and abilities and suitability of employees .

(7) The company must provide a provident fund for its employees.

(8) To provide information about operation and status of the company and keep employees informed regularly.

(9) Listen to opinions and suggestions based on the professional knowledge of the staff.

- (10) To avoid any unfair conduct that may affect the employee's job security or threaten and put pressure on the employee's mental state.
- (11) To build good awareness of employees to be a giver and a good citizen of society.
- (12) To provide a channel for employees to file complaints in the event of unfairness or provide clues about matters that may be illegal and have corrective action including measures to protect employees who has filed systematically and fairly.
- (13) The company and its representatives must support the fair exercise of political rights of employees.
- (14) To promote the participation of employees in making recommendations and guidelines for the work and / or various agreements for the benefit of all parties and fostering good relationships in working together under a good corporate culture together as well as having unity within the organization.
- (15) To encourage employees to participate in activities both internal and external that benefit the organization and society in order to create participation and engagement with the organization as appropriate and at the discretion of the supervisor.

#### 2.1.3 Respect for Human Rights

The Board of Directors attaches great importance to and holds it as the core policy in conducting business towards sustainability, with respect to human rights and the human dignity of all employees, which is the foundation of conducting business with value.

The company realizes that employees are a very important factor in creating quality products, and therefore emphasizes fair treatment of employees in terms of compensation, appointment, transfer and potential development, along with moral development, providing employees to be capable and good people of the society, such as fair employment for employees and provide employees with appropriate compensation according to their potential, maintain the environment and organize working systems for employees to be safe in their lives and properties, good hygiene, having developed employees to practice skills and increasing their potential thoroughly and keep employees informed of company news on a regular basis.

#### ☐ Practice Guidelines

- (1) Prescribing measures to protect employees who provide information to the authorities in the event of an offense or violation of the Securities and Exchange Act to prevent unfair treatment whether it is a change of position, job description, work place, suspension order, threatening, interfering with work operation, termination of employment due to the cause of reporting a clue about illegal or unethical practices.
- (2) To establish policies for companies in the transaction group with the R & B Food Supply Company Limited (Public) that it does not take into account the human rights violations of fundamental rights, especially women, children, ethnic, disability and so on.
- (3) To establish a risk assessment from human rights offense regularly at least twice a year .

- (4) To establish an audit from the internal audit unit as the main audit process for annual audits and report to the Board of Directors accordingly.
- (5) To provide opportunities for employees and all stakeholders to express their opinions through E - mail of independent directors or the company secretary.
- (6) There are communication channels and whistleblowing channels to let employees or stakeholders acknowledge the progress of whistleblowing.
- (7) Providing a provident fund for employees. Besides, the company has strictly adhered to the relevant laws, regulations equally and fairly, by allowing employees to have independent channels for complaints and opinion as a guideline towards the sustainable development of the organization.

## 2.2 Policy, Remuneration and Benefits to Employees.

The company has set policies and guidelines on compensation and benefits for employees that are consistent with the performance of the company in the short and long term as follows:

- 2.2.1 The company is committed to the compensation that is fair to staff and provide welfare for employees with a fair value for the economy in accordance with the law and the remuneration of the company at a competitive level in the same industry.
- 2.2.2 The company allows all employees to fully express the appropriate rewards and incentives in the form of wage and overtime pay, annual bonus.
- 2.2.3 The company provides benefits to meet the basic needs of the employee, such as provident fund, diligence allowance, staff uniform, shuttle bus etc.

### ☐ Fair Remuneration

The company has set a minimum first-time wage rate for inexperienced general employees, according to the minimum wage stipulated by law, and the company has adjusted the employees' initial wages separated by qualification and field of work according to position-specific qualifications and adjust the effect to reduce the salary disparity from such minimum and initial wage adjustments between new and existing employees.

### ☐ Providing appropriate welfare to employees and providing other support.

Employees of the company also receive other benefits to reduce the burden of living as well as improve the quality of life of employees including employees' families in which this will affect the performance and livelihood of employees for the better as follows.

- Hospital room service and professional nurses providing examination and treatment services at the specified time.
- There is an annual medical check-up for employees.

☐ Provident Fund Establishment

As for the provident fund, the company pays contributions and benefits to employees to encourage employees to have savings for retirement and / or leave work as a benefit to employees.

### 2.3 Policy Development

The R&B Food Supply Public Company Limited ("the Company") realizes the importance of human resources as the most important asset in business operations and it is an important part of the company to achieve its goals, therefore, the Company has established a policy to focus on skills development and employees' ideas to continuously enhance the work efficiency in all aspects of employees at all levels, resulting in a creative concept to add innovative value to the company this is one of the important strategies of the company by the company has set policies and practices as follows:

- 2.3.1 The company encourages staff to develop the expertise of practitioners will provide an operational control (Supervisor) in each department to act in such work.
- 2.3.2 The company promotes and conducts a series of seminars and training both inside and outside the company continuously to the personnel of the company at all levels from the management level to the operational level in order to develop knowledge and abilities as well as working potential and applying the knowledge gained from the training to improve operations in the company to make it even better.
- 2.3.3 The company has evaluated the need and necessity of development of the company on all levels from management to operational level and set up a human resource development plan of the company to comply with the company's development plan and in preparation for the company's personnel In order to accept increased responsibility, career advancement and the ability to take open positions.
- 2.3.4 The company activities to create closeness, familiarity, and good relationships between executives and employees in all positions to enhance the quality of work.

### 3. Policies to treat Customers.

The company has a policy to focus on creating value and growing with customers as well as being trusted by customers, which is the factor that leads to the success of the company's business by treating customers with sincerity and courteousness and having Intention to seek ways to serve customers' needs more efficiently by setting up policies and procedures as follows:

- 3.1 To produce, design and deliver a product that is certified and meets the agreement with the customer at a price that are fair, do not trade undue profit.
- 3.2 To provide information and advice to customers timely and accurate enough to know about the service.

- 3.3 To comply with various condition strictly to customers in the event that the company has failed to follow any one of such conditions and it must notify customers to jointly find solutions.
- 3.4 To treat customers with courtesy and trust of customers.
- 3.5 Having system to store customers information, safety measures are taken to maintain the confidentiality of our customers do not pass on information without the consent of the customers and not the customers' information to use for their own benefit and / or those involved. Improperly
- 3.6 Providing warranty period under the Act and the Consumer Protection Act.
- 3.7 Having system / process customer complaints about the quality of security products and services, including rapid response, delivery and implementation utmost to ensure that customers get a fast response.
- 3.8 To be initiative and supported the implementation of the social responsibility of the customers.
- 3.9 To focus on developing products for the packaging and transport of goods that is environmentally friendly.
- 3.10 To create a channel to provide information about products and product developments to customers continuously.

#### **4. Policy on Treatment of Competitors**

The company has a policy to treat competitors within the framework of the law on the principles of trade competition. Does not violate secrets or know the trade secrets of competitors as well the fraudulent method as follows:

- 4.1 To abide by the rules of the competition, promote free trade and not use dumping methods.
- 4.2 Do not seek the confidential information of competitors by dishonest or improper means, such as bribery or hiring employees of a competitor to obtain competitor's confidential information.
- 4.3 Do not damage the reputation of competitors by the accused in the attacks.
- 4.4 Do not support the common practice to act or collusion in the bidding process was unfair to customers.
- 4.5 Do not violate the laws and intellectual property very seriously.
- 4.6 Do not support unfair competition cases.

#### **5. Conduct Policy to Suppliers and / or Creditors.**

The company has a policy to treat business partners including creditors equally and fairly taking into account the best interests of the company and based on fairness to both parties, avoid situations that may create conflicts of interest as well as abiding by the covenant , providing real information , accurate reports with the following guidelines:

- 5.1 The company provides an opportunity to do business with all partners and the process of selecting partners based on equality and fairness.
- 5.2 To use products and services with certified trademarks, copyrights and patents and not sponsored goods or behaviors that violate intellectual property rights.
- 5.3 Receiving of Goods or other Benefits.
  - 5.3.1 It is prohibited for the management and employees to receive or solicit gifts such as holding entertainment, providing financial support services or rewards from business partners and creditors who do business with the company.

- 5.3.2 Do not accept goods or other benefits from other persons whose duties or businesses are related to the organization, except in traditional occasions or festivals that people rely on to treat each other, and that such item or other benefit must have a value or value of receiving each opportunity not exceeding 2,000 baht must be promptly reported to his /her supervisor by accepting such items must not influence any decision making unfair to the performance of duties.
- 5.3.3 To obtain material or other benefits that are not in accordance with Clause 3.2, which is necessary to maintain a good relationship between the individual or organization, the recipient must report to his/her supervisor to acknowledge and hand on the item to the personnel department through the company secretary within 5 working days from the date of receiving the item or any other benefits.
- 5.4 Giving of any articles or other benefits: It is prohibited for executives and employees to offer benefits or incentives in the form of any kind against any other party an incentive to act in a way that is unlawful and cause conflict.
- 5.5 In the event that there has any information regarding the call or receiving or paying interest dishonest, happening, it must be disclosed to partners and jointly resolve problems fairly and quickly, finding out preventive measures and providing equal opportunity in selection based on qualifications as important.
- 5.6 To comply with the conditions agreed with suppliers and / or creditors strictly.
- 5.7 in the case of non-compliance with the conditions agreed with creditors, it must be informed creditors in advance to jointly solve the issue.
- 5.8 To provide an opportunity for business partners to legally comply with the standards of environmental and occupational health, safety and social responsibility.
- 5.9 To promote the implementation of socially responsible suppliers and provide opportunities for business partners to take part in the company's social activities.
- 5.10 The company will bring social and environmental issues such as human rights, employee care, labor and business ethics, compliance with environmental laws to be used in the conditions for consideration also inspect and / or evaluate partners.

## **6. Responsibility to Community and Society**

The company is committed to coexistence with the community and society happily. It also focuses on the process of working with communities and promoting activities of communities near and far in accordance with the company's policy and in accordance with the development direction of the government for sustainable development of the community's quality of life and economy.

6.1 The company operates its business activities, taking into account the benefits and sustainability of the community and society as well.

6.2 The company will promote the involvement of community and social agencies in a joint meeting to exchange ideas and cooperate with other agencies to improve the lives of the communities regularly.

6.3 The Company has approved the plans and measures to prevent adverse effects on the environment and communities caused by the operations of the Company.

6.4 Event to benefit society by engaging employees and encouraging employees to behave as a good citizen of society and volunteerism.

6.5 The company aims to develop the knowledge and education of youth as Thailand existing potential of the company.

6.6 Partnerships with other agencies. In the development of the infrastructure of educational institutions, religions, and the sanitation of youth and the disadvantaged, as well as the environment of the community.

6.7 Promotes preservation of religious and cultural customs and traditions of the locals.

6.8 Promotional operations to strengthen the local business community and the opportunity to partner with the company.

6.9 Monetize and promote economic community. By recruiting and supporting in hiring and community products As well as support activities that focus on providing knowledge to the community for occupation and to be able to apply knowledge to build or promote families and communities to generate additional income and to be able to live on their own.

6.10 To communicate with the community and society, as well as regular and transparent reporting and publishing results. Carry out social responsibility work to all stakeholders.

## **7. Safety, Health and Environment.**

The company is committed to conducting business on the basis of safety, occupational health and good environment where the company has processes that are friendly to employees and the environment with the following guidelines.

7.1 To comply with laws and regulations regarding the safety, health and environment.

7.2 To promote and support the use of resource-efficient and cost-effective energy efficiency measures and promoting the process of leading resource for reuse throughout the business processing.

7.3 To provide a system that focuses on the safety and sanitation at the workplace properly such as protection system of pollution that may occur during operation, preparing a clean and hygienic workplace in order to keep all personnel and visitors to the company safe from the danger of accidents and diseases.

7.4 To stipulate that management and employees need to be taken seriously on all activities to enhance the quality of safety, industrial hygiene and environmental, having performed with safety consciousness and environmental concern at all times.

7.5 To reveal information about the relationship of operations of the company and communicate activities related to the safety of occupational hygiene and environment for employees and related parties acknowledge ongoing.

7.6 To encourage and support education and training in environmental matters for its employees.



In addition, the company also has various important policies related to stakeholders by adhering to the following good governance principles:

☐ Human Rights Policy

The company respects and complies with the law on human rights. Including preventing and avoiding human rights violations of employees, business partner and local communities under the provisions stipulated by Thai law including various rules that contain the Constitution of the Kingdom of Thailand with details as follows:

( 1 ) The Company Group and Employees

Labor rights and employment conditions of the company's employees are in line with international labor standards and Thai laws covering the criteria specified in the corporate governance policy, business ethics and code of conduct, employment and staffing, performance appraisal policy, remuneration management policy, human resource development policy and the company's labor relations policy

( 2 ) Business Partners

The company aims for trade partners to respect human rights. The selection and operation of business with trading partners are based on equality and fairness and provide opportunities for business partners to participate in activities. In addition, the company urges its suppliers to identify the issues of prevention, mitigation, and the implementation of the code of conduct and responsibility for human rights impacts in the event of human rights violations

( 3 ) Social Group and Community

The company is engaged in all stages with respect to the surrounding community and environment to minimize the impact on the well-being and quality of life of the community, the company has also provided channels for the community in making complaints and giving advice by the company will immediately and appropriately deal with the complaint in the event of human rights violations.

☐ Whistleblowing Policy Management Guidelines and the Protection of Complainants

Board of Directors provide opportunities for employees and stakeholders to have channels for complaints, expressions, and whistleblowing of illegal acts or if the rights are violated by requiring the company secretary acts as a complaint unit for corporate governance and business ethics of the company as follows:

(1) Channels for reporting complaints and suggestions as follows:

- |                              |  |                             |
|------------------------------|--|-----------------------------|
| - Mr. Rut Dankul             | Independent Director / Chairman of the Audit Committee | rut@rbfoodsupply.co.th      |
| - Mrs. Benjawan Ratanaprayul | Independent Director / Audit Committee                 | benjawan@rbfoodsupply.co.th |
| - Mr. Suppasin Suriya        | Independent Director / Audit Committee                 | suppasin@rbfoodsupply.co.th |
| - Mr. Surachai Phartyanotai  | Company Secretary / Secretary of the Audit Committee   | comsec@rbsupply.co.th       |

Or contact the company secretary by post to the Company Secretary at No.3395, Lat Phrao 101, (Wat Bueng Thonglang), Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis 10240

(2) Process to take action when receiving complaints.

The company provides an opportunity for employees to have and express opinions independently to guide the development and create sustainability for the organization as follows:

- The recipient of the complaint collects the facts related to the violation or non-compliance with ethics
- The recipient of the complaint reports the facts to the independent directors, performing the duties of investigation to consider complaints by separating related matters into administrative issues, knowledge development, investigation, etc.
- Action measures that the recipient of the complaint presents an independent director to investigate the facts and set measures to stop the violation or non-compliance with the law.
- Reporting of results: The complaint recipient has a duty to notify the complainant if the complainant discloses himself. In case of important matters, report the results to the Chairman of the Board. and / or the Board of Directors for acknowledgment

(3) Measures for the protection of complainants

The company has set measures to protect the complainant according to the following criteria:

- Complainants can choose not to disclose themselves if disclosure is considered insecure but with self-disclosure, the organization will be able to report progress and clarify facts.
- The recipient of the complaint will keep all relevant information confidential / considerate of safety by establishing measures to protect employees who make complaints and / or those who provide information and / or cooperation in data verification, which will be prevented from unfair practices such as job change, job description, place of work, suspending work, threatening, interfering with work, termination of employment due to the cause of complaints.

☐ Policy on Non-Infringement of Intellectual Property, Copyright and Confidential Information

The company makes no infringement of intellectual property or copyright as an important policy that which the executive director and all employees must strictly comply with and require the information technology department to audit to prevent piracy in computer software.

- (1) Employees must not bring company information and secrets, such as information from ideas, knowledge, techniques. All related to the work business shall be regarded as the company's intellectual property. However, publishing is prohibited without permission from the company or those assigned in writing.
- (2) Any computer program which is a result of assignment of the staff or personnel responsible for the company developed, the company owns the copyright including the benefits obtained from that program.
- ( 3 ) Employees are responsible for the protection and supervision of the group's information system to be under their possession or responsibility, not to give unauthorized access to unauthorized information and to not disclose business-critical information to non-relevant parties.

- ( 4 ) Employees must have discipline in using the information system and communication equipment of the group of companies, not to have a negative impact on the group of companies and others, for example, use it as a tool to access information systems unlawfully damage reputation and property, disrupt or nuisance the operation of the information system, as well as not use it for business purposes or violate the laws.
- ( 5 ) Employees must not infringe on the software or intellectual property rights of others by using a computer program that has a valid license
- ( 6 ) Employees must not violate the information of the company or personal information of others unless only authorized by the data owner.
- ( 7 ) Employees are required to keep their passwords confidential, including not using the Internet to access unfamiliar websites, websites that do not have data security protection systems and may endanger the computer systems of the group.
- ( 8 ) If there is a doubt that any employee has improper use of the information and communication technology system or there is a reasonable ground to protect the security of the group's information and communication technology system. The assigned units will investigate, search, monitor, investigate and control the use of information and communication technology of the employees.

#### Operations in the year 2020

The company had developed the level of governance in the role of stakeholders in the year 2020, the company had brought the policy related to stakeholders to the board meeting for approval with details as follows:

1. Treatment of shareholders policy.
2. Treatment of employees
  - 2.1 Employee treatment policy
  - 2.2 Employee remuneration and benefits policy
  - 2.3 Human resource development policy
3. Customer Treatment Policy
4. Policy on treatment of competitors
5. Conduct Policy to suppliers and / or creditors.
6. Responsibility to the community and society.
7. Safety, occupational hygiene and environment
8. Human Rights Policy
9. Whistleblowing policy, guidelines for the management and protection of the complainant
10. Policy on non-Infringement of intellectual property, copyright and confidential information

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

The company pays attention to the disclosure of information as the Board of Directors ensures that the company discloses important information related to the company including financial and non-financial information correctly, completely, timely and transparently, which are disclosed through various channels that is easy to access information, equal and reliable, having complied with legal channels in which the key information that the company will disclose including financial reports and various non-financial information that may affect the price of the company's securities, which is in accordance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The company will ensure that the quality of the financial reports is accurate in accordance with generally accepted accounting standards and having been audited by an independent auditor certified by the Securities and Exchange Commission. In addition, the company will disclose information of directors to show transparency in business operations such as disclosure of information on the performance of duties of the Board of Directors and the Audit Committee, such as the number of meetings and the number of times that each director attended the meeting in the past year, disclosing the remuneration policy to directors and senior management, including the form and nature of remuneration and having reported on corporate governance policy and performance according to the policy. The above information is not disclosed to the public through the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand, the company will also be disclosed through the company's website as well.

#### **Operations in the year 2020**

4. 1 Delivery of the financial report quarterly and annually, which was certified by the auditor unconditionally to the Office of the Securities and Exchange Commission / The Stock Exchange of Thailand within the prescribed period, the company had no history of being told to solve financial statements from the Securities and Exchange Commission and the Stock Exchange of Thailand.

4. 2 Disclosure in the annual report and the company's website, such as the shareholding structure information of directors and management, vision and mission, nature of business, corporate governance policy, social responsibility policy, financial statements, annual reports and the annual registration statement (56 - 1), information of the shareholders' meeting, the list of major shareholders, Stock Exchange news as well as news from publications.

4.3 Disclosure policy guidelines for the remuneration of directors and executives.

4.4 Disclosure for the roles of the Board of Directors and Sub-Committees, number of meetings and the number of times that each director attended the meeting in the past year, including ongoing training and professional development of the Board of Directors in the annual report.

4.5 Disclosure of shareholding of directors and executive levels, both directly and indirectly and defining policies for directors and executives to report on the following matters:

1) Trading shares / holdings of securities: Determination of policies for directors and senior management level, required to report changes of the securities with the SEC, the SEC and must notify the company at least 1 day in advance before trading securities and the company secretary compiled a report on the holding of securities and reported on the change in securities holding in which directors and executives had completely reported to the Securities and Exchange Commission by informing the Board of Directors in the next board meeting.

2) Having reported on the interests of directors and company executives: Determination of policies for directors and executives to report the interests of directors and executives to prevent conflicts of interest of directors and executives through the company secretary department and reported to the Audit Committee every quarter by the Audit Committee would consider the related parties transaction and the gain-loss report as well as reporting to the Board of Directors every quarter.

4.6 The company set a policy for making important connected transactions to be considered and approved from the Board of Directors in the year 2020 without any transactions that may cause conflicts of interest significantly.

4.7 The company had appointed the auditor approved by the year 2020 shareholders meeting for the sixth year, which had considered the selection of the auditors by the auditor was not contrary to the rules of the Stock Exchange of Thailand and the remuneration of the auditors for the year 2020 (Audit fee) at amount of 9,890,000 baht, compared to year 2019, at amount of 9,840,000 baht and other remunerations for the year 2020 (Non. Audit Fee) at the amount of 403,000 baht, compared to the year 2019 at the amount of 906,000 baht. The auditor was independent. Besides, the auditor did not provide any other services to the company or having no relationship and / or stake with the company / subsidiaries / management / major shareholders or those related to such person.

4.8 Disclosure of directors and executive management on the company's website included the name, location and photos.

4.9 The Board of Directors stipulated rules for the directors of the company, subsidiaries and executives to report their interests and personal interests and related persons under the Section 89/ 14 of the Securities and Exchange Act 1992 and required to review the report quarterly and/or every time there was a change in information by sending a report to company's secretary department.

#### **Relations with Investors**

The company's senior executives gave great importance to the investor relations work to be hugged by participating in meetings, giving information and exchanging regular opinions with shareholders, investors, analysts and journalists. The information provided by the company would be accurate, complete, transparent information and kept up with the events especially important information that would influence the company's stock price. The person receiving the information could take that information to make effective investment decisions that would ultimately affect the true value of the company.

The company had disclosed information, information and news according to guidelines and rules defined by the Office of the Securities and Exchange of Thailand through various channels such as the channel of communication to disseminate various information of the Stock Exchange, providing opportunities for investors or analyst to visit the company (Site Visit) or having conversation to the management of the company (Company Visit) to allow journalists to various meetings and interviews issued. The company's performance news documents to the public regularly, arranging a meeting for communicating company information allowing investors to inquire about the company through investor relations both phone and e-mail including the dissemination of information via the company's website ([www.rbfoodsupply.co.th](http://www.rbfoodsupply.co.th)), which was updated information regularly in terms of financial statements, annual reports, Form 56-1, supporting documents for presentation of company information and others.

In the year 2020, the company had activities to present information both directly and indirectly as follows:

1. Presentation of information at a listed company event to meet investors, Opportunity Day of the Stock Exchange of Thailand quarterly at 4 times per year.
2. Providing information and questions of investor and media contacted by e-mail [suranart@rbsupply.co.th](mailto:suranart@rbsupply.co.th) and telephone. 02-946-6813 ext. 176 regularly

Besides, in the year 2020, the company was awarded the outstanding transactions in the financial elite of the capital market (Best Of The Deal Translate Years Award); which was awarded that the Stock Exchange had granted to the company.

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

The Board of Directors, as the shareholders' representative, were responsible for formulating the vision, mission, policies and decisions about the company's key policies and strategies, monitoring and verifying the management's performance in accordance with the policies and strategies laid out for the best interests of the shareholders including evaluating the business performance compared to the plans on schedule. Therefore, the Board of Directors hereby consisted of experts with diverse knowledge, abilities and experiences which could bring the experience to develop and set policies that would benefit the business operation of the company.

In addition, the company's Board of Directors attached great importance to the disclosure of information sufficiently to shareholders, investors and all related parties. Disclosed information must be accurate, complete, transparent, comprehensive and timely, including financial reports, operation results, other relevant information as well as information affecting the company's securities prices in accordance with good corporate governance principles by disseminating information and news for shareholders, investors and related persons to use in making investment decisions through various channels including delivery of documents by post as

disclosing information through the company's website and the information system of the Stock Exchange of Thailand as well.

#### **5.1 Code of Business Conduct.**

The Board of Directors had promoted the establishment of ethical standards in business for the board of directors, company executives and employees and took action as a burden, responsibility, honesty, fairness, confidentiality, virtue in the profession and compliance with rules and regulations in order to build confidence, trust and in the best interest of the company's stakeholders as well as building credibility in business operations that would enable the company to grow sustainably.

#### **5.2 The Board Structure**

The Board of Directors required that the board structure had a wide range of qualifications in terms of skills, useful and sufficient experience and abilities to perform their duties effectively. The Board of Directors consisted of at least 9 directors, three of whom were independent directors in order to balance the board. The qualifications of independent directors to comply with the Securities and Exchange Commission determined in accordance with Article 17 of the Capital Market Supervisory Board No. Thor Chor. 39 / 2559, as well as to resolve future. The Board of Directors had appointed a sub-committee, namely the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, Executive Committee. Besides, the company had prepared a charter for all 4 sub-committees to supervise each sub-committee.

#### **5.3 Diversity Policy in the Structure of the Board.**

The Board of Directors had established a policy on diversity in the structure of the nomination committee for who would come to serve as a director that was an important factor in enhancing the efficiency in decision-making and the performance of the Board of Directors. The Board of Directors considered the necessary skills that were still lacking in the Board of Directors without limitation on gender, age, educational history , professional experience, skills and knowledge to the table to serve as directors of the company to operate more effectively in line with the strategy of the business and encourage the composition of the Board of Directors to be complete, entire in knowledge, ability, experience and diversity dimensions that benefit the most efficient work .

#### **5.4 Criteria and Process for the Recruitment and Selection of New Directors.**

In the event that the company's directors were vacant, the Nomination and Remuneration Committee would be responsible for considering recruiting new directors by the criteria were based on qualifications, knowledge, abilities, work experience, essential skills that were still lacking on the Board of Directors In accordance with the business operations of the company to perform their duties fully Including having no prohibited characteristics under the law and corporate governance as well as to recruit and elect directors that there would consider from the director database where would create diversity in the board structure and creating a Board Skill Matrix to determine the qualifications of the directors to be nominated in accordance with the business operations of the company. In addition, the company had a policy to grant shareholders the right to nominate a suitable person to be the director by the Nomination and Remuneration Committee would screen the qualifications and suitability of applicants, nominees or directors of the company who were due to retire by

rotation, with the opinion to the Board of Directors for approval, to propose the shareholders' meeting to elect the company's directors by considering their qualifications.

Qualifications of a director: Person holding a position of director must have knowledge, ability and readiness to perform their duties and having at least the following properties:

( 1 ) Having qualifications and not having prohibited characteristics as stipulated in the law on public companies and must not have characteristics indicating a lack of appropriateness to be entrusted to manage the company from the shareholders according to the announcement of the Securities and Exchange Commission .

( 2 ) Having knowledge, professional skills, experience and expertise, especially related to business and according to the structure of diverse board by the selection and appointment of the company's directors would be based on their knowledge and ability and used the principles of diversity in consideration.

( 3 ) Be able to fully devote themselves, especially in making important decisions and in acting for the benefit of the company, attending the meeting of the Board of Directors and shareholders' meeting every time unless there was force majeure.

( 4 ) Being a person with morals and ethics and any additional qualifications according to the law or as appropriate by the Board of Directors.

#### **5.5 The Induction of New Board.**

For directors , the company provided basic information about the company, including organizational structure and management , operating characteristics, main products and services, company regulations and the laws relating to the company as well as related regulations of the SEC and the Stock Exchange of Thailand for new directors , so that such directors could understand the operations of the company including to acknowledge roles, duties and responsibilities of being a director or independent director (Depending on the case).

#### **5.6 Evaluation of the Performance of the Board of Directors.**

The Board of Directors conducted self-assessment of the performance of the entire board each year at least one time to review that there was adequate oversight in various operations and used it as supporting information for the management to improve and develop management services to be more efficient by using the Form that the company had adjusted from the self-assessment sample in accordance with the guidelines of the Stock Exchange of Thailand and suitability and in line with the characteristics of the Board of Directors by reporting the assessment results to the company's directors and having analyzed the evaluation results to improve operational efficiency, which were divided as follows:

(1) Self-assessment of the entire committee.

(2) Self-assessment of individual director.

( 3 ) Self- assessment of 3 sub- committees, namely the Audit Committee, Nomination and Remuneration Committee and the Risk Management Committee.

So that directors could jointly consider performance evaluation and solve problems together to lead to further improvement and development.



**Self-assessment Process for the Entire Committee**

Operational performance appraisal, the Board of Directors had divided the assessment into 4 main topics according to the Stock Exchange of Thailand guidelines as follows:

1. Structure and qualifications of the Board: Consisted of a variety of directors, proportion of directors qualifications of each sub-committee.
2. Roles, duties and responsibilities of the committee: It consisted of sufficient time spent considering important matters, transactions with conflicts of interest internal control system, risk management.
3. Board meetings consisted of meeting schedules in advance for the whole year, quality documents and sufficient information for decision making.
4. Relationship with the management: included the opportunity to discuss together, having announced to participate in problem solving and including self-development of directors and development of executives. It consisted of an understanding of the roles and duties of knowledge in the company business, having encouraged the directors to practice succession plans, etc.

**The Criteria for Self-assessment of the Entire Committee are as follows:**

1. The Board of Directors was authorized and reviewed the evaluation form to achieve accuracy, completeness and in accordance with the rules set by the regulatory agency.
2. The company secretary summarized and analyzed the performance assessment results of the Board of Directors and reported the results of the assessment to the Board of Directors.
3. The company secretary led the analysis results and additional comments from the Board of Directors to make plans to continue for improvement.

**Self-assessment process for Individual Committee**

Assessment of the performance of the Company's Board of Directors individually divided into 3 main topics as follows:

1. Qualifications of the Board: Diversity of the Board, opinion on the performance of duties of the Board of Directors.
2. Meeting: attendance, comment in meeting, education in advance.
3. Roles, duties and responsibilities: Independent director, sufficient opinion and attendance, internal control and risk management system, disclosure of Information.
4. Expressing other comments that were beneficial to the management of the organization.

#### With the Following Criteria for Self-assessment of Individual Director:

1. The Board of Directors approved and reviewed and evaluates the results in order to be accurate, complete and in accordance with the criteria set by the regulator.
2. Individual director was self-evaluator to express opinions on the roles and duties of the directors, the independence of the management, the development of knowledge and opinions on organizational management.
3. Company secretary was the person who summarized and analyzed the evaluation results and reported to the Board of Directors in order to develop an individual director development plan.

The evaluation criteria would be calculated as the average score from the full score in each item as follows.

Rating equal to	4.00	=	Excellent
The average rating	3.01 – 3.99	=	Very good
The average rating	2.01 – 3.00	=	Good
The average rating	1.01 – 2.00	=	Fair
The average rating	0.00 – 1.00	=	Need to be improved

#### 5.7 Criteria and Process for Selecting the Chief Executive Officer and Senior Management

The Board of Directors had established criteria and procedures for nominating the Chief Executive Officer and Senior Management by assigning the Nomination and Remuneration Committee to be responsible for recruiting, selecting and nominating persons with appropriate qualifications, knowledge, qualifications to propose to the Board of Directors for appointment with the following criteria:

- (1) To consider the suitability of knowledge, experience, specific skills that benefited the company or involved in the main business or industry in which the company operated that it was in line with the company's business strategy and direction.
- (2) To consider the diversity of gender, age, race, nationality, proficiency, skills and experience, academic competence and factors supporting sustainability, having a good image, having leadership and acting in accordance with good corporate governance principles to acquire high-level executives who could perform their duties efficiently.

#### 5.8 Guidelines for Remuneration and Chief Executive Officer

The company had a clear and transparent compensation process by the Nomination and Remuneration Committee was responsible for determining the remuneration of the committee and Chief Executive Officer to propose for approval from the Board of Directors meeting and seeking approval at the Annual General Meeting of Shareholders for the remuneration of the Board of Directors by the guidelines for determining the remuneration for directors and the Chief Executive Officer would consider the appropriateness of remuneration for directors based on the company's financial status, scope of duty, director's responsibility or Chief Executive Officer to be at the level that could motivate and retain competent directors to perform their duties with the company and it could be comparable with directors' remuneration in the same or similar industry where all directors of the company understood the duties and responsibilities of the Board of Directors and ready to express their opinions independently and

to keep yourself up to date all the time including performing duties with honesty be carefulness and discretion by taking into account the best interests of the company and fairness to all shareholders. In addition, all company directors dedicated their time to perform their duties fully and adequately including practice in meeting the board unless there was a reason necessary.

### 5.9 Remuneration of the CEO. Both Short and Long Term

The Board of Directors would evaluate the performance of the Executive Officers by the performance of the Chief Executive Officer would be assessed every year-end as the Board of Directors assesses for approval. Besides, the Executive Officers' assessment results were considered as confidential information and could not be disclosed by having the Chief Executive Officer's evaluation criteria to pay compensation for both the short and long term by annual assessment by there were evaluation topics as follows:

1. Leadership
2. Strategy
3. Strategy implementation
4. Planning and financial performance
5. Relationship with the Board
6. External relations
7. Administration and personnel relations
8. Succession
9. Knowledge of products and services
10. Personal feature

#### **The Remuneration for Long-term Work**

From time to time, the Board may approve compensation to the CEO based on long-term performance such remuneration was a major incentive for the Chief Executive Officer to meet its set financial goals in which the company considered that it was consistent with the company's business strategy plan and being an important factor in adding long-term shareholder value.

### 5.10 Development of Directors and Executives.

The Board of Directors required an orientation for new directors. This was to provide directors with knowledge and understanding of the company's business and related regulations. The Board of Directors also had a policy to encourage all directors to senior management including the company secretary regularly received training on corporate governance, both from internal training and from other external institutions such as the Stock Exchange of Thailand, the SEC or the Thai Institute of Directors Association (IOD).

### 5.11 internal Control and Internal Audit.

The company paid attention to the internal control system and internal audit, therefore assigned the Audit Committee supervises the system of internal control and internal audit, reviewing of the adequacy of the internal control system, analysis and management Internal control including the development of internal audit systems and internal control management and internal audit to be efficient and suitable for the company along with important policy formulation and monitoring for implementation as well as directing conflict of interest, preventing fraud or misconduct, so that the business of the company could operate efficiently including to act as a support unit for the company to operate in accordance with the good corporate governance policy, business ethics, regulations and related laws. In addition, the company had established a mechanism for inspection and balance by having an internal audit unit which was directly to the Audit Committee to ensure that there was independence in performing audit duties and assessed the efficiency and sufficiency of the internal control system.

### 5.12 The Risk Management.

The company realized the importance of risk management that may arise in its business operations regardless of internal factors or external factors because it was an important mechanism that led the company to achieve its goals and missions according to the defined strategies. For that reason, the Board of Directors had assigned the Risk Management Committee to supervise the risk management of the company to meet the target, set a policy and measure for risk management for the executives, employees of all levels adhered to evaluate and manage the risks arising from the company's business operations, whether strategic risks, operational risk, financial risk, information technology system risks, political risks and natural disasters and report to the Board of Directors in order to find guidelines and methods for risk management in order to improve their efficiency with the following important policies.

#### - Risk Management Policy

The Board of Directors had established a risk policy covering the entire organization by starting with the risk identification process, risk assessment, monitoring and controlling risks as well as establishing risk standards for effective and consistent risk management.

### 5.13 Prevention of Conflicts of Interest.

The Board of Directors had measures to prevent transactions that may lead to conflicts of interest by setting a policy, procedures, the process of considering and approving transactions or the transactions must comply with the internal control system about the related parties transaction and requirements of the agency, regulating for the listed company and related laws as follows

#### - Policy on Conflicts of Interest

The company had a policy that directors, executives and employees were prohibited from taking opportunities from being directors, executives or employees of the company, seeking personal gain and / or those involved, the following guidelines are prescribed.

( 1 ) To avoid making any transactions that were connected with oneself and / or related persons who may cause a conflict of interest with the company.

( 2 ) In the event that such transactions were necessary for the benefit of the company. The transaction should be made as if it was a transaction with a third party who had a commercial agreement in the same manner as the saints would do with the general contract, with commercial bargaining power without influence in being a director, executive or the person involved and must not participate in the approval and have a duty to comply with the regulations of the SET and the Securities and Exchange Commission regarding the disclosure of connected transactions.

( 3 ) In the event that any director, executive or employee was a director, partner or advisor in other organizations, such position must not contradict the interests of the company and performing duties directly in the company.

( 4 ) In considering transactions that contain or may have a conflict of interest between shareholders, directors, executives and other persons who may have conflicts, this was clearly used as a guideline and could be confident that to enter into such transactions with fairness, transparency, rationale, and correct and complete disclosure of information, including a form of report on disclosure of suspected transactions that may be of conflict of interest to the company including the Corporate Governance Manual.

( 5 ) Any person performing any act which had conflicts of interest with the company's business operations , either directly or indirectly, there must be a duty to report conflicts of interest as follows:

- Director and Executive must have a duty to report a list of conflicts of interest as soon as they arose and ensured that the company conducted regular audits and the company secretary had the duty to survey the list of conflicts of interest annually and the Chairman's report and reports of the Chairman of the Audit Committee acknowledged at least once a year.

- Management level from department manager to general manager to comply with the policy of good corporate governance. Therefore requiring all management level and employees involved in the operation having the duty to report items of conflicts of interest as soon as the transaction occurred and / or report a list of conflicts of interest annually by reporting to the Chief Executive Officer In which the Chief Officer had the duty to survey and report to the Chief Executive Officer regularly or at least once a year.

( 6 ) Directors, executives and employees who had knowledge of inside information, having the duty to report securities holding according to the regulations of the Securities and Exchange Commission to the Board on a regular basis.

( 7 ) For the benefit of monitoring the conflict of interest of the company's directors and executives or related persons in which having any conflict of interest with the management of the company and its subsidiaries according to the Securities and Exchange Act by the company directors having set to report information of connected transactions every quarter and according to the specified criteria.

( 8 ) In the case of related persons taking part or holding shares in a business that competes with the company's business that may cause a conflict of interest with the company must be proceeded as follows :

- Executives and relevant persons must notify the Board of Directors to acknowledge in writing.
- Employees must notify the supervisor or chief officer to acknowledge in writing.

#### 5.14 Succession Plan

The company realized the importance of operating its business efficiently and continuously, therefore, having established policies and criteria for selecting executives and succession policy with a transparent process which was determined by knowledge and ability Including experience and ethics.

#### Operations in year 2020

1. The Board of Directors considered and approved the vision, mission and strategy of the company, so that executives and employees had the same operational objectives in the same direction.

2. The Board had monitored compliance with the company's strategy into practice. In the Board of Directors' meetings every quarter, the Board of Directors had monitored the performance of the management in which the results were reported its operations and business results of the company.

3. To contribute to the operational aspects of corporate governance effectively, the Board of Directors had established a policy regarding the number of companies in which each director could hold a director position, as follows:

( 1 ) Number of listed companies where a director who previously held director positions in no more than 3 companies

Performance: Year 2020, each director held the position of director in no more than 3 listed companies.

( 2 ) Directorship in other companies of the company's directors and senior executives had held director positions in other companies that it must be approved by the Board of Directors.

4. The company had no record of violating the regulations of the Securities and Exchange Commission / The Stock Exchange of Thailand.

5. Having defined the term of office of the Director by no more than nine years without any conditions.

6. No member of the executive serving as a director in other listed companies outside the group over second place.

7. The Board of Directors currently consists of all nine people with non- executive directors of 5 people ( Among these are 3 independent directors. ) , directors who are executives of the four people who have reached the committee structure and the company. There are no directors holding positions in more than 3 listed companies.

8. Having determined the minimum quorum of the Board of Directors to vote at the meeting by it must have at least 2 directors in 3 of the total number of directors.

9. The Board of Directors had appointed the following sub-committees:

(1) Audit Committee

(2) Nomination and Remuneration Committee

(3) Risk Management Committee

( 4 ) the Corporate Social Responsibility and Sustainable Development Committee ( Principle approval)

11. Having set the chairman of the board to be a different person from the Chief Executive Officer with roles, powers and duties clearly separated from each other and appoint an independent director as the chairman of the board.

11. The Board of Directors had supervised the operations of the subsidiary companies by having a supervisory mechanism that could supervise the management and be responsible for the operations of the subsidiaries to maintain the interests of the company's investments by sending a person to represent the company to become a director, executive or a controlling person, which was approved by the Board of Directors meeting.

12. The Board of Directors set a schedule for the Board of Directors' meetings in advance for the whole year including special meetings as necessary by each meeting had set clear agendas for both acknowledgment and approval with complete and sufficient documents for the meeting and delivered to the directors at least 7 days in advance to allow the directors to have sufficient time to study information before attending the meeting. In year 2020, the company had set a meeting schedule for The Board of Directors as follows:

Detail	Meeting date
Board of Directors Meeting No. 1 / 2564.	On Thursday of 25 February 2021.
Board of Directors Meeting No. 2 / 2564.	On Friday of 14 May 2021.
Board of Directors Meeting No.3 / 2021	On Friday of 13 August 2021.
Board of Directors Meeting No. 4 / 2564.	On Friday of 12 November 2021.
Board of Directors Meeting No. 5 / 2564.	On Thursday of 9 December 2021.

Incidentally, the president had allocated time, so that all directors could freely discuss and express their opinions and the chairman would compile the opinions and summarize the issues raised from the meeting. The minutes of the meeting were prepared in writing by Secretary of the Board of Directors after having been certified by the meeting would be stored at the document storage room, 3<sup>rd</sup> floor, building 1, at its headquarters.

13. Directors and executives of the company had never been an employee or partner of an external audit firm that the company had served in the past 2 years.

14. The Board of Directors had evaluated the work of the committee to review that there was adequate supervision of various operation and to use it as information to support the management to improve and develop the management to be more efficient by using the Form that the company adjusted from the self-assessment sample in accordance with the guidelines of the Stock Exchange of Thailand and suitability and in line with the characteristics of the Board of Directors by reporting the assessment results to the company's directors and analyzed the evaluation results to improve operational efficiency, which were divided as follows:

- (1) Self-assessment of the entire committee.
- (2) Self-assessment of individual director.
- (3) Self- assessment of 3 sub- committees, namely the Audit Committee. Nomination and Remuneration Committee and the Risk Management Committee.

So that directors could jointly consider performance evaluation and solved problems together to lead to further improvement and development with the following assessment results:

1. Self-assessment results of company directors as a Board of Directors (Summary) of the year 2020

The average was at rate of 3.81, considered as Very Good Level

Assessment topic

- Structure and properties of the Board	Average	3.83
- The Board of Directors' meeting	Average	3.83
- Roles and Responsibilities of the Board	Average	3.81
- Relationship between the Board and the Management		
and Self-development of directors and executives development	Average	3.78

## 2. Results of self-assessment of individual director for the year 2020

The average was at rate of 3.84, considered as Very Good Level

Assessment topic

- Structure and properties of the Board      Average 3.78
- The Board of Directors' meeting      Average 3.89
- Roles and responsibilities of the Board      Average 3.87

## 3. Results of the self-assessment of the sub-committees for the year 2020

### 3.1 Audit Committee

The average was at rate of **3.95**, considered as Very Good Level

Assessment topic

- Structure and properties of the Board      Average 3.95
- The Board of Directors' meeting      Average 3.89
- Roles and responsibilities of the Board      Average 4.00

### 3.2 The Nomination and Remuneration Committee.

- The average was at rate of 3.89 , considered as Very Good Level
- Assessment topic
- Structure and properties of the Board      Average 3.94
- The Board of Directors' meeting      Average 3.80
- Roles and responsibilities of the Board      Average 3.93

### 3.3 Risk Management Committee.

- The average is at rate of 3.51 , considered as Very Good Level
- Assessment topic
- Structure and properties of the Board      Average 3.69
- The Board of Directors' meeting      Average 3.61
- Roles and responsibilities of the Board      Average 3.23

15. The Board of Directors assessed and considered the remuneration of the Chief Executive Officers for the short-term and long-term for the year 2020, which the Chief Executive Officer assessment results were considered as confidential information for individuals, having not be disclosed, by there were criteria for evaluating the Chief Executive Officer for both short-term and long-term remuneration. The annual assessment includes the following assessment topics:

11. Leadership
12. Strategy determination
13. Strategy implementation
14. Financial planning and performance



15. Relationship with the Board
16. External relations
17. Administration and personnel relations
18. Succession
19. Knowledge of products and services
20. Personal feature

#### The Remuneration for Long-term Work

From time to time, the Board may approve remuneration to the Chief Executive Officer. It was an important incentive to enable the Chief Executive Officer to meet the set financial goals which the company considers that it was consistent with the company's business strategy plan and being an important factor in adding long-term shareholder value.

16. Knowledge development of directors and executives by the company encouraged directors and executives to attend course seminars that were beneficial to the performance of their duties by company secretary would coordinate with the company's directors to attend director training courses of Thai Institute of Directors and other institutions.

In the year 2020, the company had directors and senior executives to attend the following courses:

Contacts	Course
1. Mrs. Benjawan Ratanaprayul	Certificate, Board Matters & Trends (BMT) Class 9/2020, Thai Institute of Directors Association
2. Mr. Somchai Ratanapoompinyo	Certificate, Financial Statements for Directors (FSD) Class 43/2020, Thai Institute of Directors Association
3. Mrs. Petchara Ratanapoompinyo	Certificate, Financial Statements for Directors (FSD) Class 43/2020, Thai Institute of Directors Association

17. The Board of Directors provided the internal control system covering all aspects of the job. The practical work performed in accordance with the laws, rules and regulations as well as preparing an appropriate and adequate risk management as well as providing a mechanism for checking and balancing that was sufficiently effective in the work under the supervision of IVL Auditing Company Limited and report directly to the Audit Committee and preparing the Audit Committee Report in which revealed the number of meetings of the Audit Committee in that year and there was an assessment, reviewing of the internal control system, making related parties transaction, consideration of proposing to appoint an auditor to review financial reports, defining the risk management policies, supervising compliance of rules, regulations and policies and the conclusions and opinions of the Audit Committee towards operations in various areas as a whole.

18. The Board of Directors promotes and upholds, code of business conduct in which this year the company has no violate the code of conduct

19. The Board of Directors establishes a policy on conflicts of interest in the good corporate governance manual to prevent the use of opportunities for personal interests.

20. The Board of Directors had set a policy to report the crime, guidelines for recording and the complaint protection measure, which had channels for reporting complaints and suggestions on various matters including violations of criminal law by allowing staff and stakeholders with channels to express their opinions freely to lead to improvements in the management system and to follow up and submit complaints via email of independent directors directly or sending a complaint letter through the company secretary as follows:

Channels for Reporting Complaints and Suggestions

1) Mr. Rut Dankul	Independent Director / Chairman of the Audit Committee	rut@rbfoodsupply.co.th
2) Mrs. Benjawan Ratanaprayul	Independent Director / Audit Committee	benjawan@rbfoodsupply.co.th
3) Mr. Suppasin Suriya	Independent Director / Audit Committee	suppasin@rbfoodsupply.co.th
4) Mr. Surachai Phartyanotai	Company Secretary / Secretary of the Audit Committee	comsec@rbsupply.co.th

or contact the company secretary by post to the company secretary at No. 3395, Lat Phrao 101 Alley (Wat Bueng Thonglang), Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis 10240.

19. The Board of Directors established a policy on conflicts of interest in the good corporate governance manual to prevent the use of opportunities for personal interests.

## 9.2 Sub-committee

The Board of Directors of the Company had 4 committees, consisted of the Audit Committee, the Nomination Committee and Remuneration Committee (Nomination and the Compensation Committee), Board Risk Management (Risk's Management Committee) and the Executive Committee which it was specified in the organizational structure, item No.8, by the management structure with scope of authority and attendance statistics of the sub-committees as follows:

### 1. Audit Committee (Audit Committee).

Members of the Board of Directors as at 31 December 2020, consisted of 3 persons as follows.

Sequence	Name	Position
1.	Mr. Rut Dankul	Independent Director / Chairman of the Audit Committee
2.	Mrs. Benjawan Ratanaprayul	Independent Director / Audit Committee
3.	Asst. Prof. Suppasin Suriya	Independent Director / Audit Committee

**Remark:** - The Audit Committee Meeting No. 2 / 2563 on 15 May 2020, having resolved to acknowledge the resignation of the former secretary of the Audit Committee, namely: Mr. Peerasak Unhachok and resolved to appoint a new Audit Committee's Secretary, namely : Mr. Surachai Phartyanotai

### Statistics of Meeting Attendance of the Audit Committee in year 2020

Unit : Times

Sequence	Name	Position	Attendance / All meetings (Times)
1.	Mr. Rut Dankul	Independent Director / Chairman of the Audit Committee	5/5
2.	Mrs. Benjawan Ratanaprayul	Independent Director / Audit Committee	5/5
3.	Asst. Prof. Suppasin Suriya	Independent Director / Audit Committee	5/5

Source : Information from the company

### Composition of the Audit Committee

1. The Audit Committee was composed of independent directors on the board of at least 3 people.
2. At least one member of the Audit Committee must have knowledge, understanding or having accounting / financial experience and continued knowledge of the events that may affect changes in financial reports.
3. The audit committee must have appropriate skills and expertise in accordance with the assigned mission.
4. The audit committee would elect an audit committee member to be the chairman of the audit committee.
5. Audit committee members must be appointed by the board of directors and having qualifications as required by the securities and having exchanged laws including the regulations and / or the regulations of the SET.

### Qualifications of the Audit Committee

1. Appointed by the Board of Directors of the company.
2. Had qualifications as required by public law Securities and Exchange Law and the requirements of the SET, compared with the qualifications of independent directors as follows:
  - 2.1 Having held not more than 0.5 of the shares with voting rights of the company, its subsidiaries, associated companies, major shareholders or a person who had control of the company, including the shareholding of related persons of that independent director.
  - 2.2 Not being or having been a director who took part in managing work, employees, staff, advisors who received regular salary or controlling person of the company, parent company, subsidiary companies, affiliate companies, same level subsidiaries, major shareholders or of the person controlling the company unless they had retired from the aforementioned characteristics for at least 2 years before taking office. However, such prohibited characteristics did not include cases where the independent directors used to be government officials or advisor to the government agency which was a major shareholder or a company controlling person.

2.3 Not being a person with blood ties or by legal registration in the manner of parent, spouse, sibling and child, including the spouse of children of other directors, executives, major shareholders, controlling person or a person who would be nominated as a director, management or controlling person of the company or its subsidiaries.

2.4 Did not have or used to have a business relationship with the company, parent company, subsidiaries, associated companies, major shareholders or a company controlling person in a manner that may impede one's independent exercise of judgment including not being or having been a significant shareholder or controlling persons of persons having a business relationship with the company, parent company, subsidiary company, associated company, major shareholder or a company controlling person unless it had been removed from the aforementioned characteristics for at least 2 years before taking the position.

Business relationship under paragraph one including normal trade transactions for business operation, renting or leasing real estate, transactions relating to assets or services, or the provision of or receiving financial assistance by accepting or lending, guaranteeing assets as collateral for liabilities including other similar circumstances as a result, the applicant or counterparty had an obligation to pay installments to the other party as from 3% of the net tangible assets of the company or from 20 million baht or more whichever was lower, the said debt load calculation should be in accordance with the method for calculating the value of connected transactions under the Notification of the Capital Market Supervisory Board on Rules on related parties transaction mutatis mutandis, but in considering the debt burden including the debt incurred during one year prior to the date of having a business relationship with the same person.

2.5 Not being or having been an auditor of the company, parent company, subsidiaries, associated companies, major shareholders or a company controlling person and not a significant shareholder controlling person or partner of the audit firm where had auditors of the company, parent companies, subsidiaries, associated companies, major shareholders or the person who had control of the company, unless it had been removed from the aforementioned characteristics for at least 2 years before taking office.

2.6 Not be or had ever been a service provider of any kind. This included services as a legal advisor or financial advisor which received service fees in excess of 2 million baht per year from the company, parent company, subsidiary companies, associated companies, major shareholders or a company controlling person and not a significant shareholder controlling person or a partner of that professional service provider unless it had been removed from the aforementioned characteristics for at least 2 years before taking the position.

2.7 Not being a director who had been appointed to represent the company's directors, major shareholders or shareholders who were related to the major shareholders.

2.8 No engagement of business that had the same nature and being in significant competition with the company's business or subsidiaries or not being a significant partner in a partnership or being a director who took part in managing work, employees, employees,

advisors who received regular salary or holding shares exceeding 1 % of the total number of shares with voting rights of other companies which operated a business that had the same nature and being in significant competition with the company's business or subsidiaries.

2. 9 Not having any other characteristics that prevented him/ her/ them from expressing independent opinions with regard to the company's operations.
2. 10 Independent directors according to the above qualifications may be assigned by the Board of Directors to make a decision on the business operation of the company, parent company, subsidiary companies, associated companies, same level subsidiaries, major shareholders or a controlling person with decisions in the form of a corporation (Collective Decision).

**In Addition to the Qualifications of Independent Directors mentioned above the Audit Committee Members must have Additional Qualifications as follows:**

2. 11 Appointed by the Board of Directors or at the shareholders' meeting as an audit committee.
2. 12 Not being a director who had been assigned by the board to make operational decisions of the company, parent company, subsidiary companies, associated companies, same level subsidiaries, major shareholders or a company controlling person.
- 2.13 Not being a director of the parent company, subsidiaries or subsidiaries of the same level, only for listed companies.
- 2.14 Having duties in the same manner as specified in the notification of the Stock Exchange of Thailand on qualifications and scope of work of the Audit Committee.
2. 15 Having sufficient knowledge and experience to be able to act as an audit committee member, there must be at least one audit committee member with sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of the financial statements.

**Duties and Responsibilities of the Audit Committee (Audit Committee).**

1. Reviewed the financial reports to ensure that it was accurate and reliable. Including adequate disclosure of information by coordinating with external auditors and executives responsible for preparing financial reports, both quarterly and annual
2. Reviewed the company's internal control system (Name Internal the Control) and internal audit (Name Internal in Audit) to be appropriate and effective and to consider the independence of the internal audit department as well as to approve the appointment, transfer and termination of the head of the internal audit unit or any other department responsible for internal auditing. They may suggest a review or audit of any items that they deemed necessary and important. In addition, recommendations on the improvement of the internal control system were important and necessary to the Board of Directors by reviewing together with external auditors and internal system audit department manager.
3. Reviewed compliance with the law on securities and exchange or the requirements of the SET, policies, rules, regulations and other laws relating to the company's business.
4. Considered selection and proposed appointment and offering termination an independent person to act as an auditor including to consider the auditors' remuneration of the company to the board of

directors including attending meetings with the external auditors without management in attendance at least a year, one at a time.

5. Reviewed the company's internal audit plan according to generally accepted methods and standards.
6. Considered the related parties transaction or items that may have conflicts of interest in accordance with the law and the requirements of the Stock Exchange as well as disclosing the company's information in such matters to be accurate and complete including to ensure that such transactions were reasonable and in the best interest of the company.
7. Reviewed to ensure that the company having an appropriate and efficient risk management system.
8. Reported the performance of the Audit Committee to the Board of Directors at the Board of Directors' meeting.
9. Prepared the Audit Committee's report and disclosed it in the company's annual report where the said report must be signed by the Chairman of the Audit Committee and must contain at least the following information:
  - 9.1 Opinions on the accuracy, completeness and reliability of the company's financial reports.
  - 9.2 Opinions on the adequacy of the Company's internal control system.
  - 9.3 Opinions on the compliance with the law on Securities and Exchange, Stock Exchange's Requirements or laws relating to the company's business.
  - 9.4 Comments on the suitability of the auditor.
  - 9.5 Opinion on the connected transaction or items that may have conflicts of interest.
  - 9.6 The number of the Audit Committee Meetings and the attendance of each audit committee's meeting.
  - 9.7 Opinions or overall observation that the Audit Committee had the duty under the Charter (Charter).
  - 9.8 Other items that the shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.
10. Participated in the review of the appointment, dismissal, and evaluation of the internal audit unit.
11. In the performance of duties according to the scope of duties, the Audit Committee had the power to invite the management or employees of related companies to give opinions, attend meetings or sending documents that were relevant or necessary.
12. Had the power to hire consultants or third parties according to the company's regulations to give opinions or giving advice if necessary.
13. The Audit Committee must assess its performance by self-assessment and report the results of the assessment as well as problems and obstacles in the work that may cause the operation to fail to achieve the objectives of setting up the Audit Committee to the Board of Directors every year.
14. The Audit Committee had the power to request information from various departments of the company and its subsidiaries for further consideration on various matters. If it was found or in doubt that there were transactions or actions which may have a material impact on the financial position and operating results of the Company, the Audit Committee should report to the Board of Directors for rectification within time which the Audit Committee deemed appropriate, the types of transactions or actions to be reported were subject to the following topics:
  - 14.1 Transactions that led to conflicts of interest.
  - 14.2 Fraud or anomalies or having significant deficiencies in the internal control system.

14.3 Violation of the law on securities and exchange Stock Exchange's Requirements or laws relating to the Company's business.

14.4 Something that had a material effect on the financial position, results of operations.

15. Performing other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee

#### **Term of Office of the Audit Committee**

1. The Audit Committee should hold office for a term of 3 years (1 year herein referred to the period between the date of the Annual General Meeting of Shareholders of the year appointed until the next Annual General Meeting of Shareholders) and the Audit Committee who retired by rotation that may be re-appointed In addition to the termination of office as mentioned above The Audit Committee members vacated their office when
  - ☐ Deceased
  - ☐ Resigned
  - ☐ Lack of qualifications as an audit committee member under this charter or in accordance with the regulations of the Stock Exchange of Thailand.
  - ☐ Retirement from being a director of the company.
2. Any audit committee member who would resign from office must submit a resignation letter to the Chairman of the Board of Directors by they should notify in writing at least 1 month in advance, including reasons, and having notified the Board of Directors for acknowledgment. The company would inform the resignation with a copy of the resignation letter to the SET in the event that the audit committee members vacated their positions as a whole. The Audit Committee who vacated office should be in charge of the position for further action until the new Audit Committee took over such position.
3. In the event that the position of the audit committee was vacant due to reasons other than the expiration of the term, the board of directors of the company should appoint a qualified person as a replacement committee within 90 days in order for the audit committee to have the number completely as specified by the Board of Directors by the person who replaced the member of the audit committee could hold office only for the remaining term of the member of the audit committee that he/she replaced.

#### **2. Nomination and Remuneration Committee (Nomination and Compensation Committee)**

Members of the Board Nomination and Remuneration Committee as at 31 December 2020 amounted to 5 as follows.

Sequence	Name	Position
1	Mr. Rut Dankul	Chairman of the Nominating Committee And consider compensation
2	Mrs. Petchara Ratanapoompinyo	Member of the Nomination and Remuneration Committee
3.	Mrs. Benjawan Ratanaprayul	Member of the Nomination and Remuneration Committee
4.	Asst. Prof. Suppasin Suriya	Member of the Nomination and Remuneration Committee
5.	Mr. Suranart Kittirattanadetch	Member of the Nomination and Remuneration Committee

**Note :** Secretary to the Board Nomination and remuneration is Mr. Suranart Kittirattanadetch

### Statistics meeting of the Board Nomination and Remuneration Committee in the year 2020

Unit : times

Sequence	Name	Position	Attendance / All meetings (times)
1	Mr. Rut Dankul	Chairman of the Nominating Committee And consider compensation	1/1
2	Mrs. Petchara Ratanapoompinyo	Member of the Nomination and Remuneration Committee	1/1
3.	Mrs. Benjawan Ratanaprayul	Member of the Nomination and Remuneration Committee	1/1
4.	Asst. Prof. Suppasin Suriya	Member of the Nomination and Remuneration Committee	1/1
5.	Mr. Suranart Kittirattanadetch	Member of the Nomination and Remuneration Committee	1/1

Source : Information from the company

### Composition and selection of the Nomination and Remuneration Committee

1. The Nomination and Remuneration Committee was appointed by the Board of Directors. It consisted of company directors and / or executives at least 3 persons and at least 1 person must be independent director and the Chairman of the Nomination and Remuneration Committee should be an independent director.
2. The Nomination and Remuneration Committee the term of office was 3 years from the date of appointment of the Board of Directors by the Nomination and Remuneration Committee who retired by rotation that may be reappointed by the Board of Directors.

### Qualifications of the Nomination and Remuneration Committee

1. Nomination and Remuneration Committee must be a person with knowledge and experience that would benefit the company's business operations as well as being honest, ethical in business and having sufficient time to devote time, knowledge, ability and perform their duties for the company to the fullest.
2. The Nomination and Remuneration Committee must have qualifications and must not have any prohibited characteristics under the Public Limited Company Law, Securities and Exchange Law and any other relevant laws.



**Scope of Powers, Duties and Responsibilities of the Nomination and Remuneration Committee****Recruitment**

1. Determined the method of recruiting suitable persons to hold the position of director to suit the nature and business operations of the organization by defining properties and the knowledge and expertise in each area that it was required to have.
2. Nominating of Directors when the agenda was required to nominate directors to the Board of Directors for consideration by the selection may consider from existing directors to continue their positions or open to receive nominations from shareholders or using an outside company to help recruit or considering people from the Office of Thai Institute of Directors or having each director nominate a suitable person, etc.
3. Considered the names of the nominated persons and selected those who met the established eligibility criteria.
4. Verified that the person to be nominated to meet the applicable law and agency requirements.
5. Approached the person who was qualified to meet the specified eligibility criteria to ensure that such person was willing to take up the position of director of the company if appointed by shareholders.
6. Proposed names to the Board of Directors for consideration and included their names in the notice of the Annual General Meeting of Shareholders in order for the general meeting of shareholders to appoint them.
7. Considered recruiting the Chief Executive Officer as assigned by the Board of Directors.

**Consideration of Remuneration**

8. Considered criteria for the remuneration of Directors and Chief Executive Officer to be appropriate by reviewing the suitability of the current criteria Compare with other companies' compensation data in the same industry as the company and set appropriate criteria to achieve the expected results to be fair and in return for the person who helped make the work of the company successful.
9. Reviewed all types of remunerations such as regular compensation, remuneration based on performance and meeting allowances, taking into account the practices used by the same industry, company performance and business size as well as the responsibilities, knowledge, capabilities and experiences of the directors and the CEO that the company was needed.
10. Considered the evaluation criteria for the Chief Executive Officer as assigned by the Board of Directors.
11. Determined the annual remuneration of Directors and Chief Executive Officer according to the payment criteria consideration and presented to the Board of Directors to approve the remuneration of the Chief Executive Officer by the Board of Directors should propose in the part of the directors to the shareholders' meeting for approval.
12. Considered suitability and giving approval in the event that new securities were offered to directors and employees by adhering to the principle of fairness to the shareholders and creating incentives for directors and employees to perform their duties in order to create long-term added value for shareholders and to retain truly qualified personnel.

**Term of Office of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee had a term of office for a term of 3 years from the date of appointment of the Board of Directors and members of the Nomination and Remuneration Committee who retired by rotation that may be nominated and reappointed as another position.

Nomination and Remuneration Committee would retire when

- ☐ Deceased
- ☐ Resigned
- ☐ Disqualified and prohibited by law.
- ☐ The meeting of the Board of Directors passed a resolution to issue.

Any one of Member of the Nomination and Remuneration Committee who would resign from his/her position, must submit a resignation letter to the company. The resignation would be effective from the date of resignation to the company.

### **3.Risk Management Committee**

List of the Risk Management Committee as of 31 December 2020, there were 5 persons as follows:

Sequence	Name	Position
1.	Dr. Somchai Ratanapoompinyo	Chairman of the Risk Management Committee
2.	Mr. Suranart Kittirattanadetch	Risk Management Committee
3.	Mr. Teerapat Yanatornkul	Risk Management Committee
4.	Mrs. Benjawan Ratanaprayul	Risk Management Committee
5.	Mr. Surachai Phartyanotai	Risk Management Committee

Note : The Board Risk Management Committee No. 1 / 2563 on 15 May 2020.

Resolved to acknowledge the resignation of the former Secretary of the Risk Management Committee, namely Mr. Peerasak Unhachok and resolved to appoint a new secretary of the Risk Management Committee, namely Mr. Teerapat Yanatornkul

### **Statistics Meeting of the Board of Management in the year 2020**

Sequence	Name	Position	Unit/ Times
			Attendance / All meetings (times)
1	Dr. Somchai Ratanapoompinyo	Chairman of the Risk Management Committee	1/1
2	Mr. Suranart Kittirattanadetch	Risk Management Committee	1/1
3.	Mr. Teerapat Yanatornkul	Risk Management Committee	1/1
4.	Mrs. Benjawan Ratanaprayul	Risk Management Committee	1/1
5.	Mr. Surachai Phartyanotai	Risk Management Committee	1/1

**Source :** Information from the company.

### **Composition and Selection of the Risk Management Committee**

- The Risk Management Committee was appointed by the Board of Directors by the Risk Management Committee consisted of the company's directors and / or executives at least 3 persons and at least 1 person must be independent director and the Risk Management Committee meeting to approve the appointment of the Chairman of the Risk Management Committee.

2. They had business understanding and having direct experience in business to formulate a risk management policy to cover the entire organization including supervising the inclusion of a risk management system or process to reduce the impact on the business of the company appropriately.
3. The Risk Management Committee was required to appoint a secretary of the Risk Management Committee by it may be a head of business support or a person that the Risk Management Committee deems appropriate where such person must support and assist the Risk Management Committee's duties as well as preparation of the agenda of the meeting and to record the minutes of meetings of the Risk Management Committee.

#### **Risk Management Committee's Qualifications**

1. The Risk Management Committee must be a person with knowledge and experience that would benefit the company's business operations as well as being honest and ethical in business and there was enough time to devote time, knowledge, ability and perform their duties to the company fully.
2. The Risk Management Committee must be qualified, and no prohibition under the law on public companies, Securities and Exchange Law and any other relevant laws.

#### **Scope of Duties and Responsibilities of the Risk Management Committee**

1. Set and reviewed the policy and framework for organizational risk management.
2. Supervised and supported the implementation of corporate risk management to be consistent with business strategy and goals including the changing circumstances.
3. Considered the report on the results of corporate risk management and providing comment on the risks that may arise including guidelines for determining control or mitigation measures, and developing an organization's risk management system to be continuously efficient.
4. Reported the results of corporate risk management to the Board for acknowledgment and in case of or important events which may have an impact on the company significantly that they must be reported to the Board of Directors for their acknowledgment and consideration as soon as possible.
5. Having the Risk Management Committee's meeting 1 time / year
6. Performed any other duties as assigned by the Board of Directors.

#### **Term of Office of the Risk Management Committee**

The Risk Management Committee had a term of office for a term of 3 years from the date of appointment of the Board of Directors and the Risk Management Committee who retired by rotation may be nominated and reappointed as another position.

Risk Management Committee would retire when

- ☐ Deceased
- ☐ Resigned
- ☐ Disqualified and prohibited by law.
- ☐ The meeting of the Board of Directors passed a resolution to issue.

Any one of the Risk Management Committee who would resign from his position, must submit a resignation letter to the company. The resignation should be effective from the date of resignation to the company.

### 9.3 Overseeing the operations of its subsidiaries.

The Board of Directors had established a mechanism to regulate subsidiaries to protect the interests of the company's investments by sending a person to represent the company to be the director, management and controlling persons in its subsidiaries including determining the scope of authority and responsibility to be used as a guideline for the management of the work as well as setting a regulatory mechanism through the disclosure of financial report information including related transactions with the said subsidiary by using the criteria related to information disclosure and transactions in accordance with the criteria and requirements of the relevant departments, there was also a strict assessment and audit through the internal control system that was adequate and appropriate in order to operate the business of the subsidiary companies to maximize the benefits of the company.

### 9.4 Remuneration for the auditors.

#### 9.4.1 Audit Fee

The Company had paid audit and / or review of financial statements for the accounting period 2018 to 2020 to the auditors as follows

(Unit : Baht)

	Year 2018	Year 2019	Year 2020
1. Annual audit fee	6,920,000	6,980,000	6,730,000
2. Fee for reviewing interim financial statements	3,350,000	2,860,000	3,160,000
<b>Total</b>	<b>10,270,000</b>	<b>9,840,000</b>	<b>9,890,000</b>

#### 9.4.2 Non Audit Fee

(Unit : Baht)

	Year 2018	Year 2019	Year 2020
1. Other service fee <sup>/1</sup>	2,228,000	906,000	403,000
<b>Total</b>	<b>2,228,000</b>	<b>906,000</b>	<b>403,000</b>

Note : / 1 Other service fees consisted of corporate income tax review reporting fees, audit fee for deferred tax preparation and auditor overtime fee.

## 10. Social Responsibility

The company had the intention and determination in the issues of social responsibility, environment and stakeholders including the development of a good corporate governance system In order to operate the business with sustainability

In addition, the development of good governance as discussed in Section 3, considering the role of stakeholders and Section 5, responsibilities of the Board of Directors in Article 9 on corporate governance, the company was committed to conducting business to grow up with continuous expansion, having financial wealth along with operating with social and environmental responsibility under the principles of corporate governance at the Board of Directors Meeting No. 8/2563, it passed a resolution approving the establishment of the Corporate Governance Committee.

As the situation of the coronavirus (COVID-19) epidemic affected people in many ways, whether it was a form of life, work, as well as economic status in order to lighten the burden of people, the company was established and therefore established "The Uncle Bar's Fight against Covid" to overcome this crisis together, led by Lt. Col. Jan Jida Ratanaphumpinyo, the Company Director, along with employees of the company, to support and help the community and to give 1,000 boxes of sticky rice, chicken and Coro Coro Jelly for Anansuksan Village 18 and Baan Eua Arthorn Huamark Community



## 11. Internal Control and Risk Management

At the Board of Directors Meeting No. 1 / 2563, on 25 February 2021, by the Board of Directors. as independent directors of the company, total of 3 persons attended the meeting. The Board of Directors has assessed the adequacy of the company's internal control system for five issues namely: 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communication, 5. Monitoring assessment result. The Board of Directors agrees that the company has an internal control system which is sufficient and suitable for the business operations of the company.

As the operation of the internal control system, the company having Audit Committee to audit and review the internal control system and the operating system of the company in which coordination with the auditor, internal control system auditor and company's management regarding the review of financial reports to be adequate and reliable disclosure of information in order to operate the company in accordance with the law on securities and exchange, the Stock Exchange's requirements, rules, announcements and laws related to the company's business operations. The performance report of the Audit Committee will be prepared to be presented to the Board of Directors and reported in the company's annual report. In which the report is signed by the Chairman of the Audit Committee.

By the year 2020, the company has appointed an internal auditor to perform as an auditor of the company and its subsidiaries include the TFF BO PFC, which having appointed the IVL Accounting Audit Co., Ltd. by Miss Waldee Sibunruang, holding position of Audit Partner as the main responsible person for performing the duties of the company's internal auditors to conduct an audit and assess the sufficiency of the internal control system among Domestic Group in Thailand, having appointed the A&C Auditing and Consulting Co., LTD, by Mr. Nguyen Ngoc Thanh as an internal auditor of the RBVN, a subsidiary in Vietnam, having appointed a Registered Public Accountants Paul Hadiwinata Hidajat Arsono Retno Palilingan Dan Rekan by Mr. Saur, Sitanggang as an internal auditors of the RBINT and RBINM subsidiaries in Indonesia and the appointment of Baker Tilly China CPAS by Miss Wang Wei as an internal auditor of the RBCH, its subsidiaries in the People Republic of China, which the Audit Committee has determined the qualifications that are adequately suitable for the performance of such duties because they are independent and gaining experience in performing internal auditing.

In addition, the company has defined the scope of authority to the Board of Directors subsequently appointed to be responsible for reviewing the company's internal control system (Internal Control) and internal audit ( Internal Audit) to be appropriate and effective and to consider the independence of the internal audit department as well as to approve for considering of the appointment, transferring, and termination of the head of the internal audit unit or any other department responsible for internal auditing as well as they may suggest a review or audit of any items that they deem necessary and important and suggesting improvements including revisions of the internal control system that are important and necessary.

In the internal audit which goes directly to the Audit Committee. There is a summary of the audit results to the Audit Committee on a quarterly basis in the past year 2020 and the Internal auditor has reported to the Meeting Board of the Audit Committee that it could not find any significant defects related to the internal control system. Besides, the Audit Committee has made report to the Board of Directors for acknowledgment on a quarterly basis, where it is jointly reviewed with the external auditors and the manager of the internal system audit department.



## 12. Related Party Transactions

<u>Contact person and related parties</u>	<u>Relationship</u>
Mrs. Petchara Ratanapoompinyo	Director/ Deputy Chief Executive Officer Director authorized to sign and major shareholder of the company
Dr. Somchai Ratanapoompinyo	Director /Chief Executive Officer Director authorized to sign and major shareholder of the company
Dr. Janjida Ratanapoompinyo	Director, director authorized to sign / major shareholder of the company
Dr. Sanathorn Ratanapoompinyo	Director / director authorized to sign and major shareholder of the company
Petch Permsin Co., Ltd.	Related parties
<u>Terms and Conditions</u>	
Finance Lease Liabilities	The contract price is obtained from an independent appraisal close to the market price
Land and Factory Rental	The contract price is obtained from an independent appraisal close to the market price

### Important Contracts with Related Persons

#### Land Lease Agreement

On 1 October 2018, the company and its subsidiaries had made a total of 39 Land Lease Agreement with Mrs. Petchara Ratanapoompinyo, Dr. Somchai Ratanapoompinyo, Dr. Janjida Ratanapoompinyo and Dr. Sanathorn Ratanapoompinyo, who were major shareholders of the company. The lease agreement had a period of 20 years, starting from 1 October 2018 to 30 September 2038, whereby the company was obligated to pay rental fees at the rates stipulated in the agreement. The rental price was based on the appraised price in which it was appraised by an appraiser approved by the SEC.

#### Building Lease Agreement

On 1 October 2018, the company and its subsidiaries had made a building lease agreement with Mrs. Petchara Ratanapoompinyo, Dr. Janjida Ratanapoompinyo and Dr. Sanathorn Ratanapoompinyo, who were major shareholders of the company. The lease agreement was available for both short term and long term. The lease agreement had a period of 3 years, starting from 1 October 2018 to 30 September 2021 and the lease agreement was for a period of 20 years, starting from 1 October 2018 to 30 September 2038 whereby the company was obligated to pay rental fees at the rates stipulated in the agreement. The rental price is based on the appraised price in which it was appraised by an appraiser approved by the SEC.

**Long-term Loan Agreement**

On 14 December 2018, the Thai Flavor and Fragrance Co., Ltd. had borrowed a long-term loan from Dr. Somchai Ratanapoompinyo who was a shareholder of the company for group structure, by the interest is charged at 1.97 % per annum, based on the 24-month average fixed deposit rate of 3 financial institutions and as of 31 January 2020, the subsidiary companies had fully paid the principal and interest.

**Service Agreement**

In March 2020, the company had used the service of the Petch Permsin Co., Ltd. to add and renovate factory buildings for 1.55 million baht by considering the selection of contractors by comparing prices and conditions with at least 2 other contractors, totaling 3 companies before considering selection every time.

Later, the connected person had passed away on 2 April 2020, having registered the change of shareholders on 6 May 2020 by the Ministry of Commerce having allowed to change the shareholders in effect on the date of the Annual General Meeting of Shareholders No. at 1 / 2563 dated 30 April 2020, caused the Petch Permsin Co., Ltd., having not been considered to be a related juristic person.