

Corporate Governance Policy

The Company's Board of Directors recognized the good corporate governance is the best practice to generate the high beneficence to shareholders and stakeholders. Also, it can bring the achievement of business operation and sustainable development organization. Therefore, the Board of Directors had defined and approved the policy of corporate governance and code of conducts under good governance principle regarding the practice of The Stock Exchange of Thailand. The Board of Directors has reviewed the good corporate governance policy in accordance with the principles of good corporate governance for listed companies 2017 (CG Code) to ensure that the policies can be deployed according to the business context of the Company and the Board of Directors, executives as well as employees have accepted and applied strictly.

Compliance with the Principles of Good Corporate Governance

In 2019, the Company complied with the principles of good corporate governance in various matters as follows:

Section 1

Rights of Shareholders

The Board of Directors recognizes the importance of fundamental rights of shareholders and makes every effort to treat the shareholders equally and legally. The basic legitimated rights of shareholders include the rights to buy, sell, or transfer shares, rights on eligibility to receive dividend payment, the right to receive sufficient information in a timely manner to participate in shareholders' meetings, the right to vote on various businesses agenda, the right to appoint a proxy to participate, the right to vote on the annual appointment of directors and independent auditors, the right to give opinions and enquiry of business matters of the Company during the shareholders' meetings, the right to set up in advance on agenda and nominate any external candidate for director position. The Company has control corporate governance on shareholder right tasks and avoids any action that violated of any right of shareholders.

Organizing the Shareholders' meeting

The Company held the Annual General Meeting of Shareholders for the year 2019 in accordance with the regulations of the Stock Exchange of Thailand, guidelines for organizing the shareholders' meeting of the Securities and Exchange Commission (SEC) as well as using the Annual General Meeting Checklist, which is a project for assessing the quality of ordinary shareholders' meetings of listed companies. In the 2019 Annual General Meeting of Shareholders, the Thai Investors Association evaluated the general meeting of shareholders of the Company, which received 96 points from the full score of 100 points, higher than the average score of 93.70 points.

Meeting venue

Along with the Company's Articles, the Company is required to have an annual general meeting of shareholders within a period of 4 months from the end of the fiscal year. In 2019, the Company had held the Annual General Meeting of Shareholders on 24 April 2019 at 02.00 p.m., on the 7th floor at Forth Smart Service Office Building, 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok.

Before the meeting date

To allow shareholders to have sufficient time to study the information, The Company had assigned the Thailand Securities Depository Co., Ltd. as the share registrar of the Company to be the delivery of the meeting invitation including supporting documents, the meeting agenda and documents for attending the meeting at least 7 days prior to the meeting date. Such documents aim to help shareholders have sufficient information to consider and vote on each agenda item and facilitate shareholders to exercise fully their rights. The documents contained:

- Facts and reasons along, with the opinion of the Board of Directors for each agenda.
- Important information such as the history of individual directors and the definition of independent directors for consideration in the agenda regarding the election of directors to replace those retiring by rotation and details of remuneration for directors and sub-committees for proposing to consider and approve the directors' remuneration.
- Details of the meeting procedure and proxy of the shareholders, which shareholders can appoint independent directors to be proxy and shareholders can specify their opinion on voting in the proxy form.
- The Company gives importance to respecting the rights of shareholders. In the 2019 Annual General Meeting of Shareholders, the Company did not add any agenda or change important information at the meeting all of a sudden.
- The Company has published the invitation letter and documents for the shareholders' meeting on the Company's website. (www.forth.co.th) before the meeting and notifying such announcement to the Stock Exchange of Thailand to allow shareholders to have sufficient time to study the information in advance before receiving the information in the form of printed documents.

Meeting date

The Company arranged and facilitated the registration of meeting attendance for shareholders to with transparency and convenient. Especially, the Company granted an opportunity to shareholders to ask questions and make any suggestion in the following topics.

- Encourage directors, senior manager, the auditor attended the shareholders' meeting to answer questions and acknowledge the opinions of the shareholders. In the year 2019, there were 8 directors attending the meeting from 10 persons, representing 80 percent of the total number of directors.
- Conducting the shareholders 'meeting in accordance with the agenda set out in the notice of the shareholders' meeting.
- Provide equal opportunities to express opinions, asking questions to the meeting on each agenda according to the agenda. The chairman of the meeting concentrated and answered questions in every issue by recording the meeting completely
- The Chairman of the Board of Directors at the meeting had allocated sufficient time and conducted the meeting appropriately and transparently by voting and summarizing the resolution of each agenda.
- Arrange to use ballots in every agenda for transparency and verification by counting votes. The Company will count 1 share to 1 vote and hold a majority vote as a resolution of the normal agenda. If the votes are equal, the chairman of the meeting will cast his vote in addition to voting as a shareholder. The voting on special occasions would be complied with the company's regulations or laws and regulations of relevant agencies.
- The shareholders, which have special benefits from any agenda, are not permitted to vote on that agenda.
- The Company hired outsource law advisor as inspector to review agenda resolution and voting results.

After the date of meeting

In 2019, the Company publicized the resolutions of the Annual General Meeting of Shareholders through the Stock Exchange of Thailand a day after meeting concerning the voting results on each agenda and submitted the minutes of Annual General Meeting of Shareholders which identified name of directors and executives attended the meeting, and the voting result of agree, disagree, or abstain the vote right on each agenda and informed the key issue on question and answer from shareholders including an explanation in detail from executives to The Stock Exchange of Thailand and related regulators within 14 days as well as post all information in the Company's website (www.forth.co.th).

Section 2

Equitable Treatment of Shareholders

The Company has a policy to support equitable treatment of shareholders by giving priority to the basic rights of shareholders as follows:

a) Right to appoint proxies to attend and vote in the shareholders' meeting

Shareholders unable to participate in the meeting had the right to appoint proxies to the meeting. Proxies could be external person or independent directors nominated by the Company appointed to participate in voting on behalf of the shareholders. The assigned shareholder must submit proxy forms with voting right detail and attach ID card or passport or other identification document to the Company before the day of Annual General Meeting of Shareholders. The Company sent a notice to call the Annual General Meeting of Shareholders including proxy forms as an attachment with the notice or the shareholders can download from the Company's website (www.forth.co.th).

b) Rights to propose additional agenda

The Company gives shareholders the opportunity to propose additional agenda items in addition to the annual general meeting agenda. In proposing additional agenda items, can be proposed by the processes as follows:

1. Shareholders who need to propose any additional issue to be included in the agenda items have to attach the information and the reason supporting, facts, and necessary document in proposed the Annual General Meeting agenda form, which can be download on the Company's website (www.forth.co.th) or contact the Company directly to get the form.

2. The Company will verify the shareholders' rights of the proposer who want to add the additional agenda of the meeting and who were registered as shareholders at the closing date of the shareholders register book. The criteria for considering the agenda proposed by the person to be added as an additional agenda is that it must relate to the business operation or may have a significant impact on the operation of the Company. If the Board of Directors has approved the proposed agenda, it will be included as a meeting agenda and stated that it was the agenda proposed by the shareholders. However, the matters that do not pass the approval of the Board of Directors, the Company will inform shareholders via the Company's website.

c) Right to propose qualified persons to be elected as directors

The shareholders have right to propose qualified persons for the director nomination. The persons, who are proposed must have qualifications according to the criteria as follows:

1. Having the qualification according to the Public Company Act, Securities and Exchange Act and the Good Corporate Governance.
2. Having educational qualifications, working experience, or other properties as specified by the Company

3. Must devote sufficient time and fully devoting their ability for the best benefit of the Company which is considered a duty, and ready to regularly attend the Company meeting.
4. Should not serve board positions of more than 5 listed companies.

The Board of Directors will consider those qualified persons to propose in the Annual General Meeting of Shareholders for the resolution. However, if the Board of Directors do not select those persons to propose in the meeting, those candidates will be proposed in the Annual General Meeting of Shareholders without opinion of directors for final resolution. The documents, which must be attached for the proposal, are (1) the form of director nomination's proposal and (2) the personal information of the person who are proposed to be elected as directors or confirmation agreement from securities/agencies which the data owner must sign off and certify the accuracy of documents. Those documents must be submitted and delivered to the Company within issued date by registered mail.

d) Usage of inside information

The Company has policy to limit the use of inside information to only the directors, executive directors or higher executives within the Company. Financial statements that went through the validation would be kept with the Vice President of Accounting and Finance. The other confidential information would be used for consulting in the management level only. The Company set penalties to the related person for the use of inside information which causes damage to the Company.

Furthermore, the directors and the executives must report the change of Company's security holding to the Securities and Exchange Commission which based on the regulation of the Securities and Exchange Commission and the Stock Exchange of Thailand under Section 59 of the Act on Securities and Stock Exchange B.E. 2535. They acknowledged the punishment pursuant, also required to be disclosed is the change in ownership of assets by a spouse and immature children within 3 days from the change. They have to inform the Company's Corporate Secretary to make the record of the change and summarize the number of securities of each director and executive individually for presenting to the Board of Directors in the next Board of Directors' meeting.

e) The governance concerning securities trading of insiders

The Company has a policy not to allow employees, executives and those who know internal performance information, financial statements or other information that affect the securities price of the Company, disclose to outsiders or those who are not involved and prohibiting trading of securities during 1 month period before financial statements or other information that affect the price of the Company's securities will be made public. The Company has penalties with related persons in case of using the internal information to create price for the Company's securities.

Section 3

Roles of Stakeholders

The Company has given the rights and importance to stakeholders in all groups, including shareholders, customers, employees, partners, creditors as well as environment and society by focusing on treating various groups of stakeholders as follows:

Shareholders

The Company takes into account the interests of shareholders at the highest level by striving to operate the business for sustainable and stable growth with increased competitiveness and risk management to add value to the Company in the long term.

Employees

The Company considers human resources as the most valuable asset who have personal rights and have the right to be protected from violating personal rights including the right to be treated and get equal opportunities. The Company pays attention to the determination of compensation welfare care as well as the safety of employees according to the following details:

- Compensation of Employees

The Company determines the employee' compensation to be in accordance with the Company's operating results, both in the short and long-term period, and it also reflects the employee's knowledge and competency based on Key Performance Indicator (KPI) as a remuneration management tool. This includes other welfares and payment schedule that is appropriate and comparable to other companies in the industry, in order to maintain and motivate the employees for the Company's achievement.

- Welfare and fringe benefit of employees

1. Accident insurance
2. Life and health insurance
3. Provident Fund and Social Security Fund
4. Subsidy money for the death of employee and their parents, spouse and children
5. Employee's uniform and sport field for employee activities
6. Annual New Year Party, Outing Trip and Sport Day
7. The employee reward for whom has completed 10 and 20 years of work
8. Medical check every year and vaccination against influenza

- Employee Development Policy

The Company has a policy to develop the organization as Learning Organization, in order to support the business growth and keep up with the economic and social changing. Therefore, the Company encourages employees to improve their knowledge and competency for the jobs by focusing on in-house knowledge transfer by skilled and knowledgeable personnel, together with external learning for developing knowledge base and best practices through continuous learning at individual, division and department levels. The learning is to be developed by practices, and the knowledge will be transferred through on-the-job teaching and teamwork, including external learning consisting of personal development training and seminars in general as well as a specific training to improve the employee's potentiality.

In 2019, the employees of the Company group had an average of 12.74 training hours per each per year.

- Employee Safety Policy

The Company is committed to process of occupational health and safety management system or OHSAS 18001 (version 2007) which emphasizes on the safety and health of employees through a design of systems and tools for the maximum safety according to the API Standard. For instance, the employees in the production department are required to wear gloves, ground wires and shoes to relieve static electricity buildup. This includes installation of fire protective and extinguishing equipment such as water spray, fire alarm, smoke detector, etc. This consists of risk estimation for all operating locations and provision of fire evacuation and protection drills for the employees annually.

In 2019, there were no incidents of occupational accidents, according to the occupational accident statistic of the Group.

Customers

The Company aims to promote customer satisfaction by offering high quality products and full integrated services through ISO 9001 standard (version 2008). The Company pays attention and holds itself accountable to customers, and more importantly, provides high significance to the protection of their confidential information.

Moreover, the Company provides Forth Service Call Center to take care of customer's problems both pre and post sales. The customers can complain, consult, use service of installation and fix products of business communication system. The customers can contact as below address:

Forth Service Call Center

226/25, 26 Phaholyothin Road Samsennai, Phayathai, Bangkok, 10400

Tel: 0-2615-0606

Fax: 0-2615-0606 ext. 2199

Email: service@forth.co.th

Competitors

The Company has policy on fair business operation and will not distort any fact or information, commit a swindle, or use any other improper approaches for the competition. The Company performs business under the proper rules of competition. The Company does not seek to obtain the competitors' confidential information by dishonest or inappropriate means such as bribing the competitors' employees including not competing with slandering, bullying or distorting facts of competitors.

Business Partners

The Company respects to provide goods and services with standard, and aims to create and keep long-term relationship with counter party and contract party with clear objectives in quality of product and services; therefore, the Company has procedure to deal the business with counter parties as follows:

- Selection of partners based on price and quality with competition by information that is received fairly and transparently
- In business negotiations, directors, executives and employees of the Company must refrain from accepting money, gifts, assets or dishonest benefits from business partners or contractors.
- Payment to partners and contractors on time according to the terms of payment agreed strictly
- Protect information and keep it confidential between the business partners and contractor
- Practice with integrity, reliability and inform partners and contractor of the relevant laws, regulations and policies.

Lenders

The Company strictly complies with the loan agreement by repaying the loan according to the schedule and cooperated with financial institutions in disclosing financial reports and other information as required correctly and completely as well as supervising the collateral and cooperate in solving problems together if there is a case that the contract cannot be fulfilled.

Government agencies

The Company is committed and ready to follow the principles of corporate governance, legal penalties and standards of conduct of related state agencies.

Copyright and Intellectual Property Policy and Procedures

The Company has defined policies and guidelines on non-infringement of intellectual property and operates businesses lawfully according to any agreements about intellectual property, trade secret and respect for other persons' intellectual property. This covers requirement of authentic computer programs and strict prohibition on illegal computer software uses and installations.

Policy and Procedures for Effective Use of Resources

The Company has policy and procedures for effective use of resources by energy saving and recycle such as controlling air-conditioner's temperature properly, turning off air-conditioner and lights during lunch break, changing the office's lights to LED, Installation of solar power generation systems, turning on lights as necessary for working, using stairs instead of elevators, using reused paper, etc.

Social Responsibility

The Company focuses on business operations together with social responsibility. Procedures for the social responsibility are determined such as good governance, fair business operation, human rights respect, fair treatment of labor, consumer responsibilities, collaboration for community or social development, and environment protection, with details stated in the "Social Responsibility".

Measurement for Environment care

The Company gives consideration to environment and takes special precautions to prevent any adverse effects on the environment and its surrounding communities. The Company's plant is certified by the ISO 14001 (2004) for the environmental management system by the SGS. The certification is under both UKAS and NAC for the compliance with the environmental laws, and this ensures that the Company's plant will not release any industrial waste into the environment. This is started from the plant's design by providing waste management, electronic waste sorting systems as well as Wet Scrubber system for treatment of dust and smoke caused by the production process, and purification of air before being released into the environment. This includes continuous improvement of the environmental management works.

In addition, the Company has defined policies and guidelines for environmental preservation through promotion of education and training employees in the organization to be aware of the responsibility towards the environment and the standard of safety management on duty, including campaigning to use resources in the most cost-effective and efficient manner under relevant laws and regulations.

The mechanism of stakeholders' complaint

- Complaint

The Company develops communication channel to deal with appeal from all stakeholders mention above. Stakeholder who possesses appeal must submit documentary appeal to the Company secretary as mentioned address below, and then the Company secretary will review and process their appeal to the audit committee, the Board of Directors or executive director for improvement by:

- 1) In the case of complaints from shareholders, they will be forwarded to the Audit Committee and / or the Board of Directors. In this case, the shareholder may contact the Chairman of the Audit Committee directly or at the Company address specified.
- 2) In the case of complaints of customers, general public partners, they will be sent to the management team to find a solution and report to the Board of Directors

- 3) In the case of complaints from creditors, the complaints will be sent to the management team. or the management may consider submitting such complaints to the Board of Directors for further consideration

The stakeholders can make complaint and suggestion the Company's directors and audit committees through the following detail of contact person and address:

Corporate Secretary

Forth Corporation Public Company Limited
1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok, 10400
Tel: 0-2265-6700
Fax: 0-2265-6799

- Whistleblower Protection

Whistleblower's personal information will be kept confidential. The Company will give priority to security and safety of the whistleblower. The whistleblower will disclose a source of information or related persons only as necessary. In case of any troubles suffered by the whistleblower resulting from it, the Company will determine a protection measure followed by an appropriate and fair process.

Section 4

Disclosure and Transparency

Realizing the importance of transparent information disclosure, the Company has set up and supervised clear policies concerning communication with external parties timely and accuracy. The objective of these policies is to ensure that the disclosures of Company's financial information and operating performance, and non-financial by download financial reports, annual report, annual filing (Form 56-1) from related agency website e.g. the Stock Exchange of Thailand, the Securities and Exchange Commission or the Company's website (www.forth.co.th) that has been periodically update.

During the year, the Company provided opportunity for group or groups of individuals such as shareholders, reporters, financial institutions, customers or educational institutes to visit the factory. In addition, the Company is aware of the important of information to investors and stakeholders. The Company has a policy to disclose information in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission in the annual report and AGM invitation letter of shareholders' meeting about the roles and duties of the Board of Directors and audit committee, the number of meetings and number of directors attending the board meeting in the past year as well as comments from the duties of the Audit Committee and presented the report on the responsibility of the Board of Directors to the financial report together with the auditor's report.

The Investor Relations

The Company has established the Investor Relations Department with the specific purpose of being responsible for investor relations with the responsibility for preparing the action plan, activities and disseminating the Company's information to shareholders, investors, securities analysts and the media in order to promote the image and reliability in the operation of the Company. The investor relations ethics prescribed by the Company are as follows:

The investor relations ethics

1. Conduct duties with integrity

2. Disclose necessary information completely and fairly to all relevant groups equally
3. Allow all relevant groups to access and enquire the information
4. Perform duties by mainly adhering to benefits of the shareholders and the stakeholders
5. Preserve confidential information of the Company and must not use inside information for personal gain
6. Perform duties at his/her best and professionally
7. Keep on studying to develop efficiency of the work

Related parties can contact the IR of the Company as follows:

Investor Relations Department

1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok, 10400

Tel : 0-2265-6700, Fax : 0-2265-6799

Website : <http://www.forth.co.th/investor>

Email : investor@forth.co.th

The Company has specified a period of non-communication with analysts and investors (quite periods) with respect to financial results, including not holding press conferences or disclosing financial information publicly by executive and/or investor relation officers, at least fourteen (14) days prior to the quarterly and yearly result release so as to avoid any unfair treatment and possibly affecting the Company's share price.

Section 5

Responsibilities of The Board of Directors

The Board of Directors has an important role in corporate governance. For the best benefit of the Company, shareholders and stakeholders, the Company has a policy regarding to committees as follows:

The Board of Directors' structure

The Board of Directors consists of 10 directors who are 4 independent directors, representing 40% of total members to counterbalance the Board. The qualifications of the Company's independent directors are equivalent to the regulations of the Securities and Exchange Commission. Qualifications of independent director, name list and responsibility of the Board of Directors and selection process have been disclosed in section of "**Management structure**".

The Board of Directors' structure

The Company established the policy that defied the term of service of each director and managing director is able to hold the position in the Board of Directors not more than 5 listed companies. However, the Company has not defied the term of service of directors yet but the Company considers the knowledgeable competency of directors to retain their term of services instead.

The Company has a policy to separate the persons who hold the position of chairman and executive chairman to be different persons for clarity and transparency in administration by clearly defining the scope of authority and responsibility of the Executive chairman including disclosure of qualifications and term of office of each director in the annual registration statement (Form 56-1).

The Performance of Board of Directors

Policy and Business Direction

The Board of Directors has clearly defined the vision and mission by disclosing them in the topic "Vision and Mission". The Board reviews and approves the policy and direction of business operations on a yearly basis to provide the Company with a strategic plan to achieve effectively, efficiently, and in line with its vision, mission and compliance with the annual strategic plan for the business operation.

Conflicts of interest policy

The Board of Directors has set policy on conflict of interest by taking into account the maximum benefit of the Company. Directors, executives and employees are prohibited from engaging in any business that competes with the Company and they have to avoid acts that create conflicts of interest. The persons who are involved or have interest in the transaction must report to the Company about their relationship or interest in the transaction and do not participate in the decision making as well as do not have authority to approve such transaction. If the Company considers it to be an important transaction, the persons need to report to the Board for consideration and approval as appropriate.

Risk management policy

The Company determined risk management policy by risk assessment of the incident both inside and outside the Company as follows:

1. Determining the risk management plan of each unit within the Company according to the Company's master plan and the risks of business operations that may occur so that the risk management plan is in line with the business plan and goals.
2. Risk management according to the risk management plan mentioned above, each responsible unit will prioritize the risks from assessing opportunities and the impact that such risks will have on the organization. Then determine the measures to manage risks as appropriate with an internal audit unit to coordinate and participate in reviewing risks according to such risk reduction measures.
3. The above risk management measures will be monitored and reviewed by the Risk Management Committee which consists of management from all relevant departments. The meeting will be held every quarter to monitor and review the results of such risk management. The internal audit unit will monitor and review the risk management of each company or unit in order to achieve the objectives set by the Company.

Quorum and Meeting

The Company set prior annual meeting schedule and will inform the schedule to each director for preparation and arrangement for meeting participation. The Company has a policy for the minimum quorum; two-thirds of the directors are required to attend a meeting to be regarded as constituted quorum and details of directors' attendance for 2019 with total 7 meetings were disclosed in section of "Management structure".

The Company delivers meeting invitation letter including the meeting agenda and enclosure documents to the directors at least 7 days in advance, except special sessions if necessary.

The Meeting of Non-Executive Directors

The Company provides the meeting of non-executive directors appropriately in order to give opportunity to non-executive directors to discuss problems and suggestion for company operation development.

Code of conduct

The Board of Directors encourages the preparation of business ethics for directors, executives and employees which is considered a general burden and responsibility of all for the maximum benefit of the stakeholders of the Company as well as creating credibility in the business that will make the Company grow sustainably.

The policy of internal information usage

The Company established a policy to prohibit employees and management from gaining access to internal information relating to the Company's operation, as well as the buying and selling of the Company's securities from the date information is known until the date the information is made public, especially trading within 1 month before financial statement public announcement. Information that should not be disclosed cannot be circulated for the purpose of increasing the value of the Company's securities.

In addition, directors and executives must report the ownership of the Company's securities to the Securities and Exchange Commission regarding the Statement Act B.E. 2535, as well as they acknowledged the punishment pursuant, also required to be disclosed when the change emerged in ownership of securities by a spouse and immature children. The directors and executives must submit a copy of the notification to the Company on the same date the notification is submitted to the Securities and Exchange Commission. The notification is required to be submitted within 3 working days.

Guide for remuneration of the directors and top executives

Remuneration for directors is determined by duties and responsibilities of directors including the performance of the directors as well as the operating results of the Company in accordance with the compensation rate in the market or industry. Directors' remuneration is approved by the Nomination and Remuneration Committee and presented to the Board of Directors to consider before presenting to the shareholders' meeting for approval.

Remuneration of the top executives shall be in accordance with principles and policies specified by the Nomination and Remuneration Committee. Such remuneration is in the appropriated level and can be comparable with the rate of the same industry by taking into consideration duties, responsibilities and performance of the Company as well as performance of each top management. In addition, it must be able to motivate and retain the qualified and capable personnel. Annual remuneration and bonus of the top executives shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and individual performance.

Development of directors and managers

The Board of Directors requires the orientation of new directors in order for that they have knowledge and understanding of the business of the Company and related regulation operation and related law and regulation. Besides, the board has a policy to encourage all directors, executives and company secretaries to participate in training relating to management of the Company's operation. Such training shall be consistently help both internally

and by outside institutions such as the Stock Exchange of Thailand, the Securities and Exchange Commission or Thai Institute of Directors (IOD).

Self-Assessment of the Board of Directors

The Company has evaluated the performance of directors at least once a year on an annual basis to help the Board of Directors review the results, issues and obstacles during the past year.

In the evaluation of the Board and sub-committees by individual and group assessment will be conducted. The Corporate Secretary will submit the evaluation form to all committee members. After that the evaluation form will be returned to the Corporate Secretary to summarize the results of the evaluation and summarize the performance of the Board of Directors for the year and report to the Board of Directors for further consideration.

Criteria for self-assessment of the Board and sub-committees are as follows:

- 1) Structure and qualifications of the Board of Directors
- 2) Roles, duties and responsibilities of the Board of Directors
- 3) The Board of Directors' meetings
- 4) Performance of the directors
- 5) Relationship with the management
- 6) Self-development of the directors and development of the management team

From the 2019 assessment which been completed were as follows:

- The assessment which been completed by the Board members, the Board of Directors of the Company has a very good evaluation by obtaining average score 87.06%
- The assessment which been completed by the Board members individually, the Board of Directors of the Company has an excellent evaluation by obtaining average score 96.35%
- The assessment which been completed by the sub-committees, the sub-committees has excellent evaluation by obtaining average score 96.30%

Sub-committees

The Company has established 4 sub-committees; the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee. The qualification and duty of these sub-committees have been described in “**the management structure**” section.

Term of positions

In every year, one-third or approximately one-third of the Board of Directors must retire from the position. Directors who retire from the position may be reappointed for another term and the chosen one will be in position from the nominated date until the next Annual General Meeting of Shareholders.

Succession Plan

The Board of Directors established the policy, basic of the selection of executives and succession plan for emergency case or retirement of the executives with transparent process. The board considers the person from education and competency including experience and business ethnic.

The orientation of new directors

For the new directors and executives, the Company would supply basic company information such as the organization structure, management structure, nature of business, main products, rules and regulation and laws relevant to the Company including the Securities and Exchange Commission and the Stock Exchange of Thailand's regulation and law. This will facilitate the new director's understanding of the Company's operation and the duties and responsibilities associated with being a director or independent director.

Corporate management and the management of subsidiaries and associates

The Board of Directors uses its authority to oversee and manage the Company's subsidiaries and associates according to the Company's objectives and Articles of Association, as well as in compliance to any resolutions passed at shareholders' meeting. The management and oversight is performed through the appointment of the Board of Directors, or by authorizing any other persons if necessary, to perform the business operations in compliance with the directions set by the Board of Directors to ensure good corporate governance and maximum benefits for the Company and its shareholders.

The Company's Board of Directors will assign Chief Executive Officer to select and appoint eligible persons for the member of the Board of Directors of the subsidiaries and associates. Those persons are to be the member of the Company's Board of Directors. Selection criteria of the director position and management position included qualification, skill and working experiences. The nominated persons shall operate and/or oversee the activities of the subsidiaries and associates in accordance with the Company's policies and good corporate governance. Furthermore, they have to comply with regulations regarding connected transactions and the acquisition and disposals of assets, preparing correct and reliable financial information and financial statements, and maintaining sufficient and adequate internal control systems.