

## Charter of the Board of Directors

### Accomplishment of vision

The Board of Directors of PROEN Corp Public Company Limited (the “**Board**”) is confident that the good governance process will improve the performance of the Company and will become the essence of accomplishment of the ultimate goal of the Company, that is, maximum value added for the shareholders.

The Board of Directors is legally responsible for supervision of the business operation of the Company and take responsibility for all stakeholders consisting of customers, shareholders employees, service providers and the society.

### Compositions and Qualifications

1. The Board of Directors shall consist of not less than five persons and not less than one half of the total number of Directors shall have residence within the Kingdom. The Board is to comprise of:
  - Executive Directors
  - Non-Executive Directors
  - Independent Directors, for not less than one-third of all Directors but no less than three Directors
2. All Directors shall have the qualifications and not have the prohibited characteristics under the Public Limited Company Act, law on Securities and Exchange and other relevant laws, and do not have the characteristics that reflect untrustworthiness for managing the business in which the public limited companies are the shareholders as determined by Securities and Exchange Act.
3. Directors shall be knowledgeable, competent, honest, act in good faith, ethical of doing business operations and have sufficient time to contribute their knowledge, competency and perform for the Company.
4. Directors may hold directorship in other companies but shall not hinder the performance of duties of the Company’s directors and in compliance with the rules of Securities and Exchange Commission (SEC) and Stock Exchange of Thailand.
5. Independent Directors are the persons with qualification in accordance the Notification of the Capital Supervision Commission, including suitable experience and proper judgment without any prejudice and equitable to conduct the work.
6. The Chairman of the Board of Directors shall not be the same person with Chief Executive Officer.

### Appointment and Term of Office

1. Appointment of the Board of Directors shall be in accordance with the articles of association of the Company and the relevant legal provisions which shall be transparent and clear in the recruitment process. The candidates shall be considered in terms of knowledge, skill and experience with sufficient details to support the



decision making of the Board of Directors and the shareholders. In addition, the Company also provided opportunities to nominate a list of persons for being a director at the Annual General Meeting of Shareholders each year according to the rules and conditions prescribed by the Board of Directors.

2. For the term of directorship, when the Annual General Meeting of the Company is held, one-third of the total directors shall vacate office. If the number of directors could not be divided by three, the number closest to one-third shall be applicable and the director who has stayed in the term longest shall vacate first. If the resignation cannot be agreed, a drawing lot shall be used. The leaving director may be re-elected.

Apart from vacating office by rotation, directors shall vacate office upon:

- 1) Death
  - 2) Resignation
  - 3) Lack of qualifications for being the Board of Directors follow the articles of association of the Company or the law and Notification of the Securities and Exchange Commission
  - 4) The meeting of shareholders may pass a resolution removing any director from the office prior to the retirement by the votes of not less than three-fourths (3/4) of the number of shareholders present at the meeting with voting rights and representing the total shares of not less than half of the number of shares held by the shareholders present at the meeting with voting rights
  - 5) Removal by the court order
3. Any Director wishing to resign from the position shall submit his or her resignation letter to the Company. The resignation shall be effective from the date on which the resignation letter reaches the Company
  4. In case of vacancies other than by rotation, the Board of Directors shall elect one person who is qualified and possesses no prohibited attributes under the law of Public Limited Companies and/or Securities and Exchange as a replacement director at the next Board of Directors meeting, except in the case where the remaining term of office of such director is less than two months. The replacement director shall hold the office only for the remaining term of the director whom he/she replaces. The resolution of the Board of Directors shall be passed by a vote of not less than three-fourths of the number of the remaining directors.
  5. The quorum shall consist of directors attending the meeting is not less than half of the total number of directors.
  6. The term of office of independent directors, from the date of the first appointment, shall not exceed nine years consecutively, unless the Board of Directors' meeting or the shareholders' meeting deems it appropriate to hold office for more than nine years. In this case the reasons shall be stated.

### **Authorities, Duties and Responsibilities**

The Board of Directors has duties and responsibilities to manage the Company in accordance with the laws, objectives and articles of association of the Company, as well as the legitimate resolution



of the meeting of shareholders with integrity, honesty and care to look after the interest of the Company. The major duties and responsibilities are concluded as follows.

1. To arrange a meeting of shareholders which is the Annual General Meeting within four months since the ending date of the accounting period of the Company.
2. To arrange the meeting of the Board of Directors at least once every three months and every director is required to attend the meeting of the Board of Directors and the additional meeting may be arranged as deemed suitable.
3. To prepare the annual report of the Board of Directors and to take responsibility on the preparation and disclosure in the financial statements examined by the Auditor to present the financial position and the operating results in the preceding year and to submit them to the meeting of shareholders for consideration and approval.
4. To authorize and take responsibility on the duties performed in accordance with the laws, objectives and articles of association of the Company, as well as the resolutions of the meeting of shareholders with integrity, honesty and care to look after the interest of the company and to consistently take responsibility on the shareholders.
5. To determine targets, guideline, policies, plans and budgets of the Company, to supervise the management and administration of the Board of Directors in accordance with the policies assigned to add the maximum economic value to the Company and the maximum profit to the shareholders.
6. To examine and approve the policies, guideline and plans to undertake the large investment project of the Company as proposed by the Sub-Committee and/or the Executives.
7. The Board of Directors is required to supervise the Company to ensure compliance with the law on the Securities and Exchange and the requirements of the Stock Exchange such as the Connected Transactions and the purchasing or selling of key assets in accordance with the rules and criteria of the Capital Market Commission or the Stock Exchange of Thailand or laws related to the business of the Company.
8. To determine the risk management policy throughout the organization and supervising that there is system or process for managing the risk, has standard and controlling methods to appropriately reduce the impact on the Company's business.
9. To consider the management structure, including appointment authority, assignment or introduction to the sub-committee, working group or other person to perform some work under the control of the Board or may delegate sub power of attorney to such person under the scope of period that deemed suitable, the Board may revoke, terminate, change or amend such delegation if deemed suitable.

In this regard, the delegation of authority shall not be the delegation that enables such persons to consider and approve the transactions that themselves or persons may have any conflict, loss or gain any benefits or have any other conflicts of interest against the Company or its subsidiary companies (as defined in the announcement of the Capital Market Supervisory Board and/or the Securities and Exchange and/or other related announcement) except in case of any transaction approval according to the policy and criteria that the Board of Directors already considered and approved.



10. To continuously monitor the performance in accordance with the plan and budget and to monitor the business and work undertaken of the Sub-Committee and/or the Executives consistently to ensure efficiency of the business of the Company.
11. Directors are not allowed to undertake any business similar to and in competition with the business of the Company or to become a partner of an ordinary partnership or the unlimited liability partner of an limited partnership or the Director of a private company or the other company undertaking the business similar to and in competition with the business of the Company whether it is for the benefit of themselves or the other person unless has been informed of such matter in the meeting of shareholders before the resolution on the appointment is made.
12. Directors shall inform the Company without delay if have the interest, both directly or indirectly, in the contract made with the company or bond- or share-holding proportion in the company or the affiliates has increased or decreased.
13. To consistently take responsibility on the shareholders and to undertake the work with care to the maximum interest of the shareholders and correct, complete, standard and transparent disclosure of information to the investors.
14. To undertake the work to ensure that the company has implemented the internal control measures to keep the internal control system efficient, including to manage the risk and reliability of the financial report through monitoring by the internal auditor and joint operation and coordination with the Audit Committee.
15. To authorize and approve any matter necessary and related to the Company or as deemed suitable and for the interest of the Company.

## Meetings

1. Meetings of the Board of Directors shall be held not less than six times a year. The meeting dates shall be scheduled in advance and special meetings may be called to consider if necessary.
2. The Chairman will be determining the meeting's agenda.
3. The Secretary of Company shall send invitation letter with agenda and any document that related for the meeting to the directors not less than seven days prior to the date of the meeting in order to the directors have time to study in advance before attending the meeting. except in case of urgency, for the benefits of the Company, a meeting notice may be made otherwise, with an earlier date.
4. At a meeting of the Board of Directors, there shall be not less than one half of the total number of directors present in order to constitute a quorum.
5. The Chairman of the Board of Directors shall serve as the Chair of the meeting, with a duty to allocate adequate time in each agenda item for the directors to freely discuss important matters, taking into consideration the fair benefits of the shareholders and related parties.

In case that the Chairman of the Board is absent or is unable to discharge his duties, the Vice-Chairman shall take the chair, and if there is no Vice-Chairman or if there is



one but he or she is not able to discharge his or her duties, the directors present at the meeting shall elect one among themselves to be the Chairman of that meeting.

6. At a meeting of the Board of Directors, a director that have significant interests in a matter under consideration, cannot attend the meeting and vote on such matter.
7. The decisions made by the Board of Directors meeting shall be based on a majority vote. Each director shall have one vote, except that a director having a personal interest in any matter shall have no right to vote on that particular matter. In the case of tie votes, the presiding Chairman is entitled to the casting vote.
8. The Board members may request the management to attend the meeting for clarification of additional information.
9. The Company Secretary shall take and prepare the minutes of meeting within fourteen days, keep the minutes of meeting and the meeting documents.

### **The Sub-Committee**

The Board of Directors shall appoint Sub-Committees to support the Board of Directors under its responsibility, including Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Executive Committee.

The Board of Directors will approve the membership of Sub-Committee and the Charter of Sub-Committee of which the key content is related to the component, responsibility, management and any other matters related to the Sub-Committee as the Board of Directors deemed suitable.

### **Performance Assessment**

The Board of Directors have duty to assess annual performance of the Board of Directors by comparison with the requirements in the Charter and take the result of assessment into consideration to improve the Charter.

### **Consultant**

The Board of Directors may look for professional advice from the external consultant at the expenses of the Company.

### **Effective Date**

This Charter of the Board of Directors has been approved by the Board of Directors at the Board of Directors Meeting No. 5/2019 on 14 August 2019. It will be effective from 15 August 2019 onwards.

Dr. Satit Putthachaiyong

Chairman

