

## **Governance Policy for the Management of Subsidiaries and Associates Engaging in Core Businesses**

In alignment with good corporate governance principles, particularly in establishing appropriate frameworks and mechanisms for overseeing policies and operations of subsidiaries and other entities in which the Company has made significant investments, the Board of Directors' Meeting No. 1/2023 (the first meeting following the Company's conversion) held on 17 March 2023 resolved to establish and review the governance policy for the management of subsidiaries and associates engaging in core businesses. The objective of this Policy is to provide a framework and mechanisms for overseeing policies and operations of subsidiaries and associates at an appropriate level, in order to effectively safeguard the Company's investment interests and enhance confidence among the Company's shareholders. The details are as follows:

For the purpose of this Policy, the terms "Subsidiary" and "Associate" shall refer to subsidiaries or associates engaging in core businesses as defined under the Notification of the Capital Market Supervisory Board No. TorJor. 39/2016 Re: Application for and Approval of Offering of Newly Issued Shares (including any amendments thereto), together with the definitions prescribed under the Notification of the Securities and Exchange Commission No. KorJor. 17/2008 Re: Definitions in Notifications relating to the Issuance and Offering of Securities (including any amendments thereto).

### **1. Appointment or Nomination of Directors or Executives in Subsidiaries and Joint Ventures**

1.1 The appointment of individuals to serve as directors or executives in subsidiaries and associates to oversee and manage their operations is a key governance mechanism to ensure that subsidiaries comply with the Company's policies, as well as its objectives, vision, business plans, and growth strategies effectively. Therefore, the Company should appoint individuals as directors or executives in subsidiaries and associates at least in proportion to its shareholding in such entities, unless the Board of Directors determines that a board and management structure with fewer representatives than the Company's shareholding proportion does not affect the Company's authority to determine policies and significant matters impacting the financial position and operating results of such subsidiaries or associates, or that appropriate checks and balances are in place within such entities.

1.2 The Board of Directors delegates the Chief Executive Officer to consider the appointment and rotation of individuals to act as the Company's representatives serving as directors or executives in subsidiaries and associates, and to report such actions to the Board of Directors in accordance with the delegation of authority manual. Persons to be appointed or nominated as directors or executives in subsidiaries and associates must possess the following qualifications:

- (a) Fully qualified and not subject to any prohibitions under applicable laws or regulations;
- (b) Possess knowledge, capabilities, and experience beneficial to business operations, and appropriate to their roles and responsibilities;
- (c) Demonstrate leadership, broad perspectives, and the ability to drive and achieve the objectives of the subsidiaries or associates;
- (d) Possess sound judgment in accordance with corporate governance principles and the Company's code of conduct.

1.3 Directors and executives appointed or nominated by the Company shall have the following duties and responsibilities:

(a) Oversee that subsidiaries and associates comply with applicable laws, regulations, rules, and requirements, maintain good management practices, and adhere to corporate governance principles, the Company's code of conduct, anti-corruption policy, and other relevant Company policies;

(b) Provide guidance on strategic direction, policies, and business plans to ensure alignment with the Company's direction, including promoting innovation and the adoption of technology to enhance the competitiveness of subsidiaries;

(c) Report performance and disclose information of subsidiaries to the Company accurately, completely, and in a timely manner, in accordance with this Policy;

(d) Supervise business operations of subsidiaries to ensure efficiency and appropriately manage the Company's returns and investments in such subsidiaries.

1.4 Unless otherwise specified in this Policy or determined by the Board of Directors, directors and executives appointed or nominated by the Company shall have the discretion to vote in board meetings of subsidiaries and associates on matters relating to general management and normal business operations, as they deem appropriate for the best interests of the Company and the relevant subsidiary or associate (as the case may be).

## **2. Matters Requiring Prior Approval from the Board of Directors or Shareholders' Meeting of the Company**

Directors and executives of subsidiaries or associates who are appointed or nominated by the Company shall have the duty to ensure that, prior to any subsidiary or associate entering into any transaction or undertaking any action that is significant or has an impact on its financial position and operating results, as specified in the delegation of authority manual and the articles of association of such subsidiary or associate, such matter must first obtain approval or consent from the Board of Directors or the shareholders' meeting of the Company (as the case may be), before the subsidiary or associate convenes its own board of directors' meeting and/or shareholders' meeting to consider and approve such transaction or action.

Any transaction or action of a subsidiary in the following cases must be approved by the Board of Directors or the shareholders' meeting of the Company (as the case may be):

2.1 The following matters require approval from the Board of Directors of the Company:

(1) The appointment or nomination of persons as directors in subsidiaries or associates at least in proportion to the Company's shareholding in such entities, unless otherwise specified in this Policy or determined by the Board of Directors. Directors appointed or nominated by the Company shall have the discretion to vote in board meetings of subsidiaries and/or associates on matters relating to general management and normal business operations, as they deem appropriate for the best interests of the Company and the relevant subsidiary or associate (as the case may be).

Such appointed or nominated directors must possess qualifications, roles, duties, and responsibilities as prescribed by applicable laws, and must not have any characteristics indicating lack of trustworthiness as defined in the notifications of the Securities and Exchange Commission regarding prohibited characteristics of company directors.

(2) Capital increase through the issuance of new shares of a subsidiary and allocation thereof, including any reduction of registered capital and/or paid-up capital of a subsidiary, which is not in proportion to the existing shareholding of shareholders, or any action that results in the Company's direct or indirect voting rights in the shareholders' meeting of the subsidiary being reduced by more than ten percent (10) of the total voting rights or

paid-up capital of such subsidiary (as the case may be), unless such action is in accordance with the business plan or annual budget of the subsidiary already approved by the Board of Directors.

(3) Consideration and approval of annual dividend payments and interim dividend payments (if any) of a subsidiary, unless the total dividend payment for the year is not less than that specified in the annual budget of each company or in accordance with the dividend policy of the subsidiary already approved by the Board of Directors.

(4) Amendment of the articles of association of a subsidiary (except for amendments relating to significant matters under Clause 2.2 (5), which require approval from the shareholders' meeting of the Company).

(5) Consideration and approval of the consolidated annual budget of the Company and all its subsidiaries, unless otherwise specified in the Company's Delegation of Authority.

(6) Appointment of the auditor of a subsidiary, in cases where such auditor is not affiliated with an audit firm that is a full member of the same network as the Company's auditor, which would be inconsistent with the Company's auditor appointment policy requiring that auditors of subsidiaries be affiliated with audit firms within the same network as the Company's auditor.

Items (7) to (10) below are considered significant transactions that may materially impact the financial position and operating results of a subsidiary. Therefore, prior to any meeting of the subsidiary's board of directors and before any director appointed by the Company casts a vote on the following matters, such director must obtain prior approval from the Company's Board of Directors. This requirement applies where the transaction size, when calculated by comparing the subsidiary's transaction with the nature and/or size of the Company (by applying, mutatis mutandis, the criteria for calculating transaction size as prescribed under the relevant notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand (as the case may be)), falls within the threshold requiring approval from the Company's Board of Directors. The relevant transactions are as follows:

(7) Where a subsidiary enters into a transaction with a connected person of the Company, or a transaction relating to the acquisition or disposal of assets of the subsidiary, or any material transaction of the subsidiary, including but not limited to the following cases:

(a) Transfer or waiver of benefits, including the waiver of claims against persons causing damage to the subsidiary;

(b) Sale or transfer of the whole or a significant part of the subsidiary's business to other persons;

(c) Purchase or acceptance of transfer of another company's business by the subsidiary;

(d) Entering into, amending, or terminating agreements relating to the lease of the whole or a significant part of the subsidiary's business, assigning other persons to manage the subsidiary's business, or amalgamation of the subsidiary with other persons for the purpose of sharing profits and losses;

(e) Leasing or hire-purchase of the whole or a significant part of the subsidiary's business or assets.

(8) Borrowing, lending, granting credit, providing guarantees, entering into obligations that impose additional financial burdens on the subsidiary, or providing other forms of financial assistance to other persons in significant amounts and not in the ordinary course of business of the subsidiary, except for intercompany loans between the Company and its subsidiaries or among subsidiaries within the Company's group.

(9) Dissolution of the subsidiary.

(10) Any other transaction that is not in the ordinary course of business of the subsidiary and may have a material impact on the subsidiary.

2.2 Prior to a subsidiary entering into the following transactions, approval must be obtained from the shareholders' meeting of the Company by a vote of not less than three-fourths (3/4) of the total votes of shareholders present and entitled to vote:

(1) Where a subsidiary enters into a transaction with a connected person of the Company, or a transaction relating to the acquisition or disposal of assets of the subsidiary, or any material transaction of the subsidiary, provided that the transaction size, when calculated by comparing the nature and/or size of the transaction with that of the Company (by applying, mutatis mutandis, the criteria prescribed under the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand), falls within the threshold requiring approval from the shareholders' meeting of the Company.

(2) Capital increase through the issuance of new shares of a subsidiary and allocation thereof, including any reduction of registered capital and/or paid-up capital of the subsidiary, which is not in proportion to the existing shareholding of shareholders, or any action resulting in the Company's shareholding and/or voting rights, whether directly or indirectly, in the subsidiary's shareholders' meeting being reduced below the level required under applicable laws, thereby causing the Company to lose control over such subsidiary, provided that the transaction size, when calculated in comparison with the Company (by applying, mutatis mutandis, the relevant regulatory criteria), falls within the threshold requiring approval from the shareholders' meeting of the Company.

(3) Dissolution of the subsidiary, provided that the size of the subsidiary to be dissolved, when compared with the size of the Company (by applying, mutatis mutandis, the relevant regulatory criteria), falls within the threshold requiring approval from the shareholders' meeting of the Company.

(4) Any other transaction that is not in the ordinary course of business of the subsidiary and may have a material impact on the subsidiary, provided that the transaction size, when calculated in comparison with the Company (by applying, mutatis mutandis, the relevant regulatory criteria), falls within the threshold requiring approval from the shareholders' meeting of the Company.

(5) Amendment of the articles of association of the subsidiary in matters that may materially affect the financial position and operating results of the subsidiary, including but not limited to amendments that may affect the Company's rights to nominate or appoint directors in the subsidiary in proportion to its shareholding, the voting rights of directors nominated and/or appointed by the Company in the subsidiary's board of directors' meeting, the Company's voting rights in the subsidiary's shareholders' meeting, or the dividend payment of the subsidiary.

### **3. Disclosure of Information of Subsidiaries**

3.1 Subsidiaries shall disclose information regarding their financial position and operating results, connected transactions, acquisition or disposal of assets, and/or other material transactions to the Company completely, accurately, and within an appropriate timeframe as prescribed by the Company. In considering connected transactions or acquisition or disposal of assets that are material, the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand shall be applied mutatis mutandis.

3.2 Directors and executives of subsidiaries shall avoid entering into transactions that may give rise to significant conflicts of interest with the subsidiary. In cases where such transactions may occur, the relevant information must be disclosed to the board of directors of the subsidiary, and the board of the subsidiary shall notify the Board of Directors of the Company within the timeframe specified by the Company, for consideration and approval, taking into account the overall best interests of the subsidiary and the Company.

In this regard, directors of the subsidiary must not participate in approving any matter in which they have a direct and/or indirect interest or conflict of interest.

The following actions, which result in directors or related persons of the subsidiary receiving financial benefits beyond those normally entitled, or causing damage to the Company or the subsidiary, shall be presumed to constitute significant conflicts of interest:

(1) Transactions between the subsidiary and directors or related persons that are not in compliance with the criteria for connected transactions and/or applicable notifications;

(2) Use of information of the Company or the subsidiary that has not been publicly disclosed;

(3) Use of assets or business opportunities of the Company or the subsidiary in a manner similar to the Company's operations, in violation of applicable rules or practices as prescribed by the Capital Market Supervisory Board.

3.3 Subsidiaries shall report business plans, business expansion plans, and approved major investment projects, as well as participation in joint investments with other operators, to the Company through monthly or quarterly performance reports as prescribed by the Company, and shall provide clarification and/or submit supporting documents upon request, unless such actions fall within the delegated authority of the subsidiary and are not required by law or the subsidiary's regulations to obtain approval from the Company.

3.4 Subsidiaries shall provide clarification and/or submit relevant information or documents to the Company upon request, as appropriate.

3.5 Subsidiaries shall provide clarification and/or submit relevant information or documents to the Company in cases where the Company identifies any material issues.

3.6 Directors and executives of subsidiaries shall be responsible for ensuring that appropriate, effective, and adequate internal control systems, risk management systems, and anti-fraud systems are in place to ensure that the subsidiary's operations comply with the Company's policies, applicable laws, and regulations, as well as the corporate governance requirements for listed companies, including relevant notifications, regulations, and rules issued by the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand, on a continuous basis.

Such systems shall also include clear procedures demonstrating that the subsidiary has adequate mechanisms for information disclosure, and channels enabling the Company's directors to monitor the subsidiary's disclosure of financial position, operating results, connected transactions, acquisition or disposal of assets, transactions with potential conflicts of interest, and/or other material transactions effectively.

In addition, mechanisms must be in place to audit such systems, allowing the internal audit team and the Company's directors to have direct access to relevant information, and requiring audit results to be reported to the Company's directors and executives to ensure consistent compliance with the established systems.

#### **4. Use of Inside Information of Subsidiaries**

Directors, executives, employees, staff, or authorized persons of subsidiaries, including their spouses and minor children, are prohibited from using inside information of the Company or its subsidiaries, whether obtained through the performance of duties or otherwise, which has or may have a material impact on the Company's securities price, for the benefit of themselves or others, whether directly or indirectly, and regardless of whether any compensation is received.

#### **5. Transactions of Directors, Executives, or Related Persons of Subsidiaries**

Directors, executives, or related persons of subsidiaries may enter into transactions with subsidiaries only when such transactions have been approved by the board of directors of the subsidiary and/or the Board of Directors of the Company and/or the shareholders' meeting of the subsidiary and/or the shareholders' meeting of the Company (as the case may be), based on the calculated transaction size (by applying, mutatis mutandis, the criteria prescribed in the notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding connected transactions and/or any applicable amendments).

This shall not apply to transactions that are commercial agreements made on an arm's length basis, comparable to those that a reasonable person would enter into with a general counterparty under similar circumstances, without influence arising from the person's status as a director, executive, or related person (as the case may be), and which have been approved by the Board of Directors of the Company or are in accordance with principles already approved by the Board of Directors of the Company.

Effective from 15 March 2025 onwards.