

# REPORT ON CORPORATE GOVERNANCE PERFORMANCE

## SUMMARY OF BOARD OF DIRECTORS' PERFORMANCE IN THE PAST YEAR

In 2021, the Board of Directors reviewed Vision and Mission to ensure that all matters are up-to-date and comply with the Company's long-term business directions, approved the business plan and annual budget, as well as approved the policies and reviewed the Company's policies in order to be in line with the Company's business direction, and reviewed the adequacy of internal control system and appropriate risk management framework. The Board of Directors also supervised and monitored management in effectively carrying out actions that were in line with the designated policies, corporate strategy and business plans and were in accordance with the laws, regulatory requirements, and the resolutions of shareholders meeting by requiring the management to report the operating results to the Board of Directors meeting as appropriate.

### Nomination, Development and Performance Assessment of the Board of Directors

#### Composition, Qualifications and Appointment of the Board

The Board of Directors consist of not less than 9 directors, consist of executive directors and non-executive directors which have been appointed from the shareholders' meeting, and not less than half of the directors shall reside in Thailand, as stated in the Company's Articles of Association, with full qualification required under the Public Limited Companies Act, without any prohibited characteristics, for election as directors of the Company, under the criteria of the Securities and Exchange Commission, the Stock Exchange of Thailand and other regulatory agencies. They have also never been an employee or partner of the external audit office appointed by the Company within the past 2 years, without discrimination based on gender or any other factor, as well as being able to adequate devoting their time and effort in performing the duties.

- The Board of Directors consists of 5 independent directors out of 12, more than one-third of the total, complying with the requirements of the Securities and Exchange Commission.
- The Board of Directors consists of qualified persons, who have expertise and experience in real estate development business, engineering, accounting, finance, banking, economics, risk management, international business, information technology, natural resources and environment, legal, and human resource management. The Board is able to devote sufficient time to the Company and pay attention to the performance of duties in accordance with the responsibilities and possess leadership. At least 1 director has knowledge and expertise in accounting and finance as well as at least 1 non-executive director has experience in the core business in which the Company operates.
- The Chairman of the Board is not being the same person as the Chief Executive Officer and/or the President in view of clear segregation of responsibilities and duties. The Chairman of the Board is not an independent director, therefore an Independent Director must be appointed to jointly decide the Board agenda to ensure the balance of power and authority of the Board and between the Board and management.
- An orientation of the new director: all new directors must attend an orientation session in order to inform such directors of their roles, duties, and responsibilities, together with goals, vision, strategy, nature, principles of business operation, and to promote understanding in business and operation in various aspects of the Company, including applicable laws and regulations, Corporate Governance and Code of Ethics Handbook, and other information necessary and useful for efficiently performing the duties of directors through presentation of the director manual, documents and information necessary for performing the duties of new directors, e.g. the Articles of Association of the Company, the structure of share capital, the shareholder structure, Annual Report, Form 56-1, business performance, laws, guidelines, regulations, and other information in relation to the business operation of the Company, with the Company Secretary being the coordinator.

## Independent Director

Out of the 12 directors on the Board of Directors, 5 are independent, more than one-third of the total, in line with the requirements of the Securities and Exchange Commission. All independent directors have accomplished the Company's independent qualifications and are capable of performing their duties as independent directors with efficiency and effectiveness, as well as in accordance with the principles of good corporate governance and practices of the Securities and Exchange Commission.

### Selection of Independent Director

The Company specifies the qualification of its independent director in accordance with the requirements of The Securities and Exchange Commission and The Stock Exchange of Thailand, as follows;

- (1) Holds shares not exceeding 1 percent of total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the Company, provided that shares held by related parties of an independent director shall be included
- (2) Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling party of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, and not related to any controlling parties of the Company
- (3) Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, sibling, and children. The prohibitive persons also include spouses of daughters and sons of the Management, major shareholders, controlling party or the person who is in the process of nomination as the Management, or controlling party of the Company or its subsidiaries
- (4) Does not have or never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company in respect of controlling which may harm an independent decision-making, including not being or never been a significant shareholder, or controlling party of any persons having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company
- (5) Is not or has never been an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company, and is not a significant shareholder, controlling party, or partner of the auditing firm which employs an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company
- (6) Is not or has never been the professional service provider, including but not limited to legal consultant or financial advisor who received the service fee more than 2 Million Baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not a significant shareholder, controlling party, or partner of the aforementioned service firms
- (7) Is not a director who is nominated as the representative of directors of the Company, major shareholders, or any other shareholders related to major shareholders
- (8) Does not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares exceeding 1 percent of total voting shares of any other companies which operate the same and competitive business with the business of the Company, or its subsidiaries
- (9) Does not have any quality causing the disability to give an independent opinion regarding the business operation of the Company.

After being appointed as an independent director in accordance with the conditions under the Article (1)-(9), the independent director may be assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the Company.

The definition of the independent director of the Company is equal to the minimum requirement of The Securities and Exchange Commission and The Stock Exchange of Thailand.

## Nomination of Directors

The Board of Directors plays an important role in creating value and sustainability of the Company. In nominating, selecting, and proposing appropriate persons to replace directors of the Company that will retire by rotation and/or to act as director of the vacant position and/or be additional directors, the Board of Directors appoints the Nomination and Compensation Committee to determine the structure and composition of the Board of Directors in respect of qualifications of each director. The nomination process for the directors considers the benefits of the diversity of the Board of Directors in various fields.

The Nomination and Compensation Committee will consider competencies, experience, expertise, sound career history, and visionary leadership, being virtuous and ethical, and must be able to dedicate enough time to the Company's business and pay attention to the role of duties in accordance with responsibilities, which is beneficial to the Company's operation to achieve goals and objectives. In addition, the Committee also considers independence and Board diversity and develops a Board skills matrix to define the desired qualifications, taking into consideration needed skills and due qualifications in line with the Board composition and Board structure, and aligned with the Company's strategic plans with non-discrimination of gender, age, race, religious, or other qualifications, with the belief that diversity fosters ideas from a variety of viewpoints, which is one of the fundamental aspects that support the Company's ability to fulfill its goals and grow sustainably.

The Company allowed the shareholders to propose any person to be nominated as director at the Annual General Meeting for Year 2021 in advance by announcing the criteria through its website from 1 December 2020 to 31 January 2021. It appeared that no shareholders propose any matter for consideration at the meeting nor any person to be nominated as director. Later, the Company will convene a meeting considering the nomination of directors with required qualifications and reviewing and examining the list of persons that are nominated to be directors with relevant agency (if any) as to whether they are not in the black list or removed from the list prepared by such agency, before proposing such names to the Board of Directors for further proposal to the shareholders' meeting for consideration and approval on appointment under the relevant criteria.

In this connection, the Board of Directors will ensure that the notice of shareholders' meeting will include sufficient information in relation to such nominated persons for shareholders' consideration, which include name, last name, biography, type of director to be nominated, the number of terms / years previously served by that director, shareholding in the Company, the number of attendance of Board meetings / meetings of Sub-Committee in the previous year, position in other listed companies or other non-listed companies, the fact whether such persons were directors or executives in other companies with the business in competition with the Company, etc. The Company's articles of associations require that directors be elected by majority vote of the shareholders who attend the meeting and cast their votes and that each shareholder shall have the number of votes as the shares held.

The Board of Directors has appropriate qualifications with consistency relevant to the Company's business operations as well as a variety of knowledge, abilities, skills, experience, and expertise as follows;

Name	Knowledge / Skills / Expertise / Experience															
	Real Estate Business / Knowledge related to the Company's Business	Accounting / Finance / Banking	Economics	Business Administration and Management	Marketing and Competitive Strategies	International Business	Trading / Investment	Risk Management	Engineering	Legal	Land / Estate	Human Resource Management	Natural Resources and Environment / Sustainable Development	Corporate Governance	Information Technology	Political Science / Social Science
1. Mr. Apichart Chutrakul	•	•	•	•	•	•	•				•				•	
2. Mr. Jesadavat Priebjrivat	•	•		•	•			•	•					•		
3. Mr. Srettha Thavisin	•	•		•	•	•	•				•					
4. Mr. Porntat Amatavivadhana	•	•	•	•	•	•	•		•	•	•	•	•	•		•
5. Mr. Supanit Chaiyawat	•		•	•	•		•	•	•					•		
6. Mr. Kittichai Raktakanit	•	•		•	•	•	•						•	•	•	
7. Mr. Weeranant Chuensuan		•		•							•	•				•
8. Mr. Thongchai Jira-alongkorn	•			•	•		•									
9. Mr. Vichaya Chatikavanit	•			•	•		•							•		
10. Mr. Wanchak Buranasiri	•	•	•	•	•		•	•	•		•	•		•		
11. Mr. Uthai Uthaisangsuk	•		•	•	•	•	•	•	•		•		•	•		
12. Mr. Supakorn Vejajiva	•		•	•	•	•	•							•		•

## Independence of the Board

Each director represents all shareholders and takes part in supervisory and regulatory functions in the Company's operations, in an independent and impartial manner, for the benefit of all shareholders and other stakeholders. The Board shall perform duties, consider, resolve, express opinions on, suggest and vote for activities under their authority with independence, prudence, and integrity, and shall not bring personal interests to conflict with the interests of the Company's Group.

## Roles of the Chairman of the Board of Directors and the President

The Chairman and the President of the Company are not the same person in order to explicitly separate the roles and comply with the check and balance principle. In spite of being representatives of the shareholders and not independent directors, based on the deliberation of the Nomination and Compensation Committee and the approval of the Board, the current structure is appropriate for the Company's business and, in fact, is a forte supporting the Company's constant success and business growth, since the Chairman is knowledgeable, experienced, skillful in the property development industries, able to allocate sufficient time to the Company and conforms to the principles of good governance, taking into consideration the benefits of all stakeholders.

The Chairman is the leader of the Board of Directors with responsibilities and duties as director under the laws, the Articles of Association of the Company and other applicable regulations, in promoting ethics and the corporate governance policy to set a role model to other directors, executives, and employees of the Company.

The Chairman has responsibilities to (i) supervise, follow up, and monitor the performance of the Board of Directors, Sub-Committees, and each director to ensure the efficient performance to achieve the objectives and goals of the Company, (ii) determine agenda for Board meetings by consulting with the Management Team, be the Chairman of the Board meetings and the shareholders' meeting, monitor and ensure the smooth meetings, allow directors and shareholders to express their views or offer any suggestions in full capacity and creativity under the relevant regulations and in an independent manner, (iii) ensure that all directors participate in promoting the organisational culture with ethics and good corporate governance as well as being a good role model, (iv) devote and allocate his/her time sufficiently for the benefits towards the Company's operation, (v) promote and support the directors in giving independent opinions, and (vi) promote the good relationship between the executive directors and the non-executive directors, and between the Board of Directors and the Management Team.

The President is responsible for effectively managing and administering the Company as part of executing the strategic plan, vision and mission formulated. The scope of authority has been specified under the laws, objectives, the Company's regulations as well as resolutions from the Board of Directors' meeting and shareholder's meeting.

## **Evaluation of the Performance of the Board**

The Company has assigned the Nomination and Compensation Committee to determine the criteria for performance evaluation for the Board of Directors as a group on an annual basis. The objective of the annual performance evaluation is to enhance the Board of Directors' effectiveness and to figure out ways to improve evaluation criteria for the next evaluation period.

The Board of Directors has prepared a form of evaluation on performance of the Board of Directors, using the guideline of the Stock Exchange of Thailand, by procuring the annual performance evaluation of the Board of Directors. Such performance evaluation is a self-evaluation, which the Company Secretary will send the evaluation form, collect the forms and provide summary to the Board of Directors for mutual consideration, taking into accounts the achievements and problems, for further solutions seeking. The evaluation marks are made from the full score of 100, namely more than 85 means excellent, more than 75 means very good, more than 65 means good, more than 50 means fair, and 50 or below means poor.

The Board of Directors prepared a form of performance evaluation for 2021, the summary of which is as follows;

### 1. The Board of Directors

#### 1.1 Evaluation of the Board of Directors on each Director

The criteria for evaluation covering the structure and qualifications of the Board of Directors, the meetings of the Board of Directors, roles, duties, and responsibilities of the Board of Directors, the average score is 98.83 percent, falling in the level of excellent.

#### 1.2 Evaluation of the Board of Directors

The criteria for evaluation covering the structure and qualifications of the Board of Directors, the meetings of the Board of Directors, roles, duties, and responsibilities of the Board of Directors, and other matters, e.g. relationship between the Board of Directors and the Management Team, self-development of the directors and the executives, the average score is 99.27 percent, falling in the level of excellent.

### 2. Sub-Committee

#### 2.1 Audit Committee

##### (1) Evaluation of the Audit Committee on each Director

The criteria for evaluation covering the structure and qualifications of the Audit Committee, the meetings of the Audit Committee, roles, duties, and responsibilities of the Audit Committee, the average score is 99.5 percent, falling in the level of excellent.

##### (2) Evaluation of the Audit Committee

The criteria for evaluation covering the structure and qualifications of the Audit Committee, the meetings of the Audit Committee, roles, duties, and responsibilities of the Audit Committee, the average score is 99.5 percent, falling in the level of excellent.

#### 2.2 Nomination and Compensation Committee

##### (1) Evaluation of the Nomination and Compensation Committee on each Director

The criteria for evaluation covering the structure and qualifications of the Nomination and Compensation Committee, the meetings of the Nomination and Compensation Committee, roles, duties, and responsibilities of the Nomination and Compensation Committee, the average score is 100 percent, falling in the level of excellent.

## (2) Evaluation of the Nomination and Compensation Committee

The criteria for evaluation covering the structure and qualifications of the Nomination and Compensation Committee, the meetings of the Nomination and Compensation Committee, roles, duties, and responsibilities of the Nomination and Compensation Committee, the average score is 100 percent, falling in the level of excellent.

## 2.3 Corporate Governance Committee

### (1) Evaluation of the Corporate Governance Committee on each Director

The criteria for evaluation covering the structure and qualifications of the Corporate Governance Committee, the meetings of the Corporate Governance Committee, roles, duties, and responsibilities of the Corporate Governance Committee, the average score is 99.5 percent, falling in the level of excellent.

### (2) Evaluation of the Corporate Governance Committee

The criteria for evaluation covering the structure and qualifications of the Corporate Governance Committee, the meetings of the Corporate Governance Committee, roles, duties, and responsibilities of the Corporate Governance Committee, the average score is 99.5 percent, falling in the level of excellent.

## 2.4 Risk Management Committee

### (1) Evaluation of the Risk Management Committee on each Director

The criteria for evaluation covering the structure and qualifications of the Risk Management Committee, the meetings of the Risk Management Committee, roles, duties, and responsibilities of the Risk Management Committee, the average score is 100 percent, falling in the level of excellent.

### (2) Evaluation of the Risk Management Committee

The criteria for evaluation covering the structure and qualifications of the Risk Management Committee, the meetings of the Risk Management Committee, roles, duties, and responsibilities of the Risk Management Committee, the average score is 100 percent, falling in the level of excellent.

## 2.5 Corporate Social Responsibility Committee (CSR Committee)

### (1) Evaluation of the CSR Committee on each Director

The criteria for evaluation covering the structure and qualifications of the CSR Committee, the meetings of the CSR Committee, roles, duties, and responsibilities of the CSR Committee, the average score is 100 percent, falling in the level of excellent.

### (2) Evaluation of the CSR Committee

The criteria for evaluation covering the structure and qualifications of the CSR Committee, the meetings of the CSR Committee, roles, duties, and responsibilities of the CSR Committee, the average score is 99 percent, falling in the level of excellent.

## 2.6 Investment Committee

### (1) Evaluation of the Investment Committee on each Director

The criteria for evaluation covering the structure and qualifications of the Investment Committee, the meetings of the Investment Committee, roles, duties, and responsibilities of the Investment Committee, the average score is 93.8 percent, falling in the level of excellent.

### (2) Evaluation of the Investment Committee

The criteria for evaluation covering the structure and qualifications of the Investment Committee, the meetings of the Investment Committee, roles, duties, and responsibilities of the Investment Committee, the average score is 94.4 percent, falling in the level of excellent.

The Nomination and Compensation Committee has taken into account such evaluation result, in addition to the business performance and other criteria, for the consideration of determining the annual compensation for directors.

## Board of Directors Meetings and Remuneration to Directors

### Board of Directors Meeting

The Company set meeting agendas and meeting dates for the Board of Directors Meetings and shareholders' meeting for 2021 in advance. This allowed all its directors to be well informed in advance and be able to properly allocate their time to attend all the meetings. The Company sets at least 6 Board meetings per year. The schedule is flexible and allows possible adjustments as necessary; additional meetings can also be added if needed.

During each of the Board meetings, the Company Secretary shall take notes and prepare the minutes of the meeting. The minutes shall be submitted within 14 days from the meeting date to each Board Member for their consideration. All directors can always request copies of any past minutes from the Company's Secretary for further review.

The Chairman of each meeting allocates adequate time for the Management to present documents and supplementary information for review and discussion of important issues. Each director is entitled to express independent opinions and to present any concerned agenda items.

It is responsibility of the Company Secretary to determine the meeting date, prepare adequate supplementary documents and send notice of Board of Directors meeting to all directors at least 7 days prior to the date of meeting to ensure that all directors will have sufficient time to understand all matters unless there was an emergency or urgent matter. The Company Secretary shall also record all agendas of the meetings and carry out minutes of the meeting. The minute of Board of Directors Meeting which has been approved by the Board shall be kept by the Company Secretary in conventional form for reference in the future.

Meeting attendance of the Board of Directors and other Sub-Committees' meeting, and the Annual General Meeting of Shareholders in 2021 are as follows;

Name of Directors		Meeting Attendance 2021							
		Board of Directors	Audit Committee	CSR Committee	Nomination and Compensation Committee	Risk Management Committee	Corporate Governance Committee	Investment Committee	The General Meeting of Shareholders
1.	Mr. Apichart Chutrakul	11/11	-	-	-	-	-	1/1	1/1
2.	Mr. Jesadavat Priebjrivat	10/11	4/5	-	2/2	2/2	-	-	1/1
3.	Mr. Srettha Thavisin	11/11	-	3/3	-	-	-	1/1	1/1
4.	Mr. Porntat Amatavivadhana	10/11	-	3/3	2/2	-	2/2	-	1/1
5.	Mr. Supanit Chaiyawat	11/11	5/5	-	-	2/2	-	-	1/1
6.	Mr. Kittichai Raktakanit	9/11	3/5	-	2/2	2/2	2/2	-	1/1
7.	Mr. Weeranant Chuensuwan	11/11	5/5	-	-	-	-	-	1/1
8.	Mr. Thongchai Jira-alongkorn	11/11	-	-	-	-	-	-	1/1
9.	Mr. Vichaya Chatikavanit	11/11	-	-	2/2	-	2/2	-	1/1
10.	Mr. Wanchak Buranasiri	9/11	-	-	-	2/2	-	1/1	1/1
11.	Mr. Uthai Uthaisangsuk	11/11	-	-	-	2/2	2/2	1/1	1/1
12.	Mr. Supakorn Vejajiva	11/11	-	3/3	-	-	-	1/1	1/1

### Non-Executive Directors Meeting

For the non-executive directors to have the opportunity to have a meeting among themselves and discuss various issues related to the Company's business operations independently without the attendance of executive directors or the Management, The Company schedules a meeting for non-executive directors at least once a year. The suggestions or comments from the meeting will be proposed to the Management for consideration. In 2021, 2 meetings were held on 30 June 2021 and 16 December 2021, respectively.



## Remuneration of Directors and Management

The Company's policy on remuneration of directors and management is straightforward and transparent, and also aligns with the Company's strategies and goals. Remuneration is comparable to an industry standard and is high enough to attract and retain qualified directors. The policy has been approved by the shareholders' meeting. The details of remuneration of directors and management are reported under Section 2: Corporate Governance 'Corporate governance structure and significant information on board of directors, sub-committee, employees, and others', Sub-section 'Remuneration of Directors and Management'.

## Director Development

The Company recognises the importance of directors who play important roles in determining the Company's policy and business plan to achieve corporate goal as well as maximising business benefits of all shareholders who trust and appoint directors to set the policy and supervise the management on business operations. Therefore, the Company has aimed to continuously and consistently developing directors to be knowledgeable in all matters necessary and related to their scopes of works and the Company's business. This includes support in terms of time allocation and any related expenses for directors, the Audit Committee, the management, and employees in charge of corporate secretarial tasks, to attend or participate in training courses and seminars with various institutions such as The Stock Exchange of Thailand, The Securities and Exchange Commission, Thai Institute of Directors, and Thai Listed Companies Association. The purpose of attending training courses and seminars is to gain knowledge and understanding, as well as to be informed of any laws, rules, responsibilities, and any useful information which could be utilised and be beneficial for the business in the future.

In 2021, Mr. Weeranant Chuensuwan, Independent Director attended Director Accreditation Programme (DAP) 180/2021 organised by the Thai Institute of Directors (IOD).

## Management Development and Succession Plan

The Company determines to develop the management from middle-level to top level for continuing business succession plan. For planning and business operations in various functions including product development, sales and marketing, finance, and other supporting functions, the Company sets up working team consisting of the top management, and the management of each strategic business unit as deemed appropriate, to hold meetings and to set the working plan and coordination procedures. The working teams vary by the business function, such as the working team for the new project that responsible for considering and making decisions on land acquisition or other investments, the working team responsible for the Company's financial matters, and the working team for product development and marketing. These working teams comprise of Chief Executive Officer, President, Chief Financial Officer, and Chief Operating Officer as core members, with the management of relevant strategic business units as members of each working team. The Company believes that this working structure is an approach to develop the potential of the management as they have an opportunity to participate and be part of the team to set plan and business operational process, and also to closely work with the management from other strategic business units. Furthermore, it is a good opportunity to study and learn from the experiences of the higher level management in actual business operations. Apart from developing the potential of the management, the working structure also enables the continuity of business and the flexibility in succession and transfer of responsibility among the management of the same level in different strategic business units or from the management of higher level. This is due to the fact that the working structure does not rely on an individual, but on teamwork. The coordination of each individual in a team working together synchronously has enabled the succession of works gradually in forms of learning and knowledge transmission, together with significant responsibility.

## High-level Executives Succession Plan

The Board of Directors assigns the Nomination and Compensation Committee to study and determine the scope of arrangement and implementation as well as to prepare a succession plan for high-level executives and the development plan for directors and high-level executives, for the purpose of smooth and continuous management of the Company to be consistent with the Company's strategy and for the preparation of the successors, in accordance with the following guidelines:

In case the position of the President or the Managing Director becomes vacant or the person in such position cannot perform their duties, the Company may procure the executives in similar levels or assistant level to act temporarily in such position until the nomination of qualified persons in accordance with the Company's criteria, taking into account their skills, knowledge, special expertise, visions, and expertise which involve or are consistent with the Company's business.



The Company has determined the succession plan for high-level executives with the process in accordance with the successor development programme as follows;

1. Analyse the circumstances in respect of the business operation of the Company regarding the strategy, policy, and investment plan, including the business expansion plan;
2. Determine the main position in the succession plan, taking into account 3 aspects, i.e. (1) core business, (2) critical task, and (3) specialised leadership;
3. Determine the requirement of the successor profile, e.g. knowledge and necessary skills for such position, essential competency, qualifications of the person holding such position, educational background, culture competency, work experience, and roles and responsibilities in the current and future positions;
4. Nominate the successor candidate;
5. Evaluate the readiness of the successor candidate; and
6. Develop the successor candidate by preparing the individual development plan.

For the middle management, the Company also has development and succession plans. The top-level management of each respective strategic business unit will consider and support their middle management and staff of their strategic business units who have high potential to develop and become their successors. The names of middle management will be proposed and selected to participate in the SLP (Sansiri Leadership Programme) which is a training programme to support and enhance the potential of the middle management in preparation to be executives. Employees will learn about procedures and strategies of the modern management theories, including how to become a good and effective management in the future. Furthermore, this is the building of networks for coordination among different strategic business units as employees who participate in the programme will attend classes and join the activities together. The Company also provides a training course for lower level employees of a high calibre. The top level management from different but related strategic business units will be discussing and selecting skilled employees with positive attitude to participate in on-the-job training to enable them to grow and become the middle management respectively.

Furthermore, the Company also supports seminars and excursions both domestic and international to help employees gaining knowledge, improving skills, and exploring new visions in order to apply these skills and knowledge to their works. Every middle management will have an opportunity to attend these training courses and seminars to enhance their potentials in being leaders and managing business.

## **Supervision of Subsidiaries and Associated Companies**

The Company runs its businesses through subsidiaries, associated companies, joint ventures, and others business units. To safeguard the interests of the Company's investment capital, the Board of Directors commands a framework and mechanism for the Management to supervise the policies and operation of subsidiaries, associated companies, joint ventures, and other business units in which the Company has a significant investment as appropriate, as well as supervises the enforcement of significant policies to be in line with the Company's direction.

The Board of Directors has appointed Chief Executive Officer, President, Chief Financial Officer, Chief Operating Officer and/or other senior executives to serve as members on the Boards in the subsidiaries that the Company held 100 percent of the shares. The policy states that those individuals have duties and responsibilities to act in the best interest of the company they serve as a director, which before casting any votes on important issues, such person must obtain approval from the Company including supervising in respect of connected transactions and to supervise such subsidiaries to appropriately retain information and record accounting transactions in order to facilitate the Company in the reviewing and gathering of subsidiaries' financial statements to be consolidated with the financial statements of the group in an appropriate timeframe, and also controlling that important policies set by its subsidiaries will be performed in the same direction with the Company.

In this regard, the Company has audited and reviewed operations of its subsidiaries in accordance with the business plans and in compliance with the relevant laws every year also having appropriate, stringent, and sufficient internal controls. Moreover, they are required to report financial information to the Company for the preparation and disclosure of consolidated financial statements. In 2021, the result of audits showed that there were no significant operational issues that affected businesses of the Company.

## Ensuring Compliance with Corporate Governance Policies and Guidelines

### 1) Conflict of Interest Prevention

Any business activities must be fair, transparent, prudent, reliable and must be free from doubts, including building credibility and the maximum benefits to the organisation by considering of all stakeholders, in order to not allow personal interests to affect the performance of duties or decisions that may lead to conflict of interest or gain or loss to the Company. Managing conflict of interest is the duty and responsibility of the Board of Directors, executives, and all employees which must be understood, adhered to, and acted correctly.

The Company has therefore established policies and guidelines on managing conflict of interest that all the Board of Directors, executives, and employees must not engage in any business in competition with the Company or undertake any connected transaction related to themselves or persons/juristic persons, which could pose any conflict of interest to the Company. The Board of Directors must ensure strict conformance to the regulations and procedures for the disclosure of connected transactions specified by the law and the regulators. Management is responsible for taking appropriate actions to keep all employees informed and to follow such policy, as well as compile and report the performance of the policies and guidelines to the Board of Directors for recommendations and guidelines development to improve efficiency on implementation.

If a connected transaction is unavoidable, such transaction must follow the general business provisions, at the market price and as specified and approved by the Board of Directors, based on transparency and fairness in the same way as ordinary transactions undertaken with outsiders, considering the best interests of the Company. Any party involved in a conflict of interest transaction must not take part in the consideration of such transaction. In the event that there is a connected transaction that is subject to disclosure or approval from the shareholders according to the regulations of the Stock Exchange of Thailand prior to the transaction, the Company has a policy to disclose at least (1) names and relationships of connected persons, (2) pricing, (3) total value of the transaction, and (4) opinions of the Board of Directors regarding the transaction to clearly inform the shareholders.

In 2021, the Company did not receive any complaint regarding misuse of inside information nor conflict of interest committed by any director or executive.

### 2) Supervising the Use of Inside Information

The Board of Directors ensures that a policy is put in place to control the use of inside information and transactions on the Company's shares, to ensure equitable treatment of all shareholders and assure them that relevant directors and executives are prohibited from undertaking unethical stock trading transactions for their own benefit or the benefit of others, by setting policies, principles, and guidelines in Corporate Governance and Code of Ethics Handbook, Section 15. Prevention of Insider Trading, with the following key points;

Control of inside information: Directors, executives, and all employees must not use the Company's inside information, significant and undisclosed, for their own benefit or the benefit of others and must strictly comply with the policy on the safeguarding and use of inside information.

Securities Holding and Reporting: The Company's Directors, executives, and employees may invest in the Company's securities. However, to prevent conflict of interest, the Board of Directors, the Management and employees, along with relevant department heads who may have significant inside information that would affect the Company's share price, are prohibited to sell or buy the Company's securities during 1 month prior to the release of financial statements or the announcement of inside information to the public. Moreover, the Company determines the Management and directors who are obliged to report their holdings of the securities according to the definition of Securities and Exchange Commission regulations, have signed an acknowledgement to report any change to their shareholding in the Company within 3 working days after any transaction. This responsibility is assumed upon their appointment to their position.

### 3) Policy and Practices on Anti-corruption

The Company adheres to operate the business with integrity, good faith, ethics, transparency, social responsibility, awareness of benefits of all stakeholders, and compliance with the good corporate governance, including disapproval of any kind of corruption, whether directly or indirectly. Because of operating business with integrity and fairness to all parties, upholding business ethics, being responsible to society and all groups of stakeholders in accordance with good corporate governance principles will support the Company to be a sustainable organisation along with goal achievement.

In 2017, the Company declared its intention to participate in the Collective Action Coalition (CAC) and in 2018, the CAC passed its resolution certifying Sansiri Public Company Limited to be the member of the CAC in Thai private sector against corruption, effective from 12 February 2018. In 2020 the Company has applied for an extension of certification as a Private Sector Collective Action Coalition against Corruption and has been recertified since 30 September 2020. The certification is expiring 3 years and, ended on 30 September 2023.

## Anti-Corruption Policy

The Company is aware of the importance of implementing policy, principles, and guidelines to the work processes, and promotes integrity among employees, and encourages transparency in working processes to be complied with rules and regulations. It also procures an appropriate and transparent system for conducting any financing transactions and approvals as well as an anti-corruption examination procedure, which provides a channel for whistleblowing, and protection for the whistleblowers, as well as monitor and evaluate the implementation of the Anti-Corruption Policy to find more effective prevention.

The Company requires all directors, executives and employees to acknowledge, understand and follow guidelines, practice and conditions about the Anti-Corruption Policy stated in Corporate Governance and Business Code of Conduct in order to guide the operations and decisions in the business operations of the directors, executives and employees. The Company also prohibits the directors, executives and employees of the Company or its subsidiaries, to commit or take or support any act which involve corruptions, whether directly or indirectly.

Furthermore, the Company has raised awareness for employees to acknowledge and comply with, giving rise to the organisational culture of integrity, where the Company promises not to punish or cause negative effects against the employees who oppose the corruption even though such opposition would have the Company lose its business opportunities. More details can be found in <https://www.sansiri.com/eng/corporate-governance>.

## Training and Communication

The Company gives an important to anti-corruption; therefore, knowledge and understanding are being provided to employees continuously. By orientation, all new employees will be informed about Code of Conduct and Business Code of Ethics Handbook and the Company's anti-corruption policy. Moreover, online training (e-learning) and is provided after training for a test is required executives and general employees annually.

Consistently communicating to all employees and executives, about Code of Conduct and Business Code of Ethics Handbook and anti-corruption practices such as, No Gift Policy, Procedures in case it is unavoidable to accept gifts from business partners via various channels such as e-mail, the Company's website, intranet systems within the Company, etc.

Informing business partners about Code of Conduct and Business Code of Ethics Handbook and anti-corruption such as Anti-Corruption Policy, No Gifts Policy, Letter of Cooperation of No Gifts Policy to directors, executives and employees, which will be emphasised during the New Year season via various channels such as e-mail, The Company's website, online media, social media, etc.

## Whistleblowing

The Company procures the channels for submission of complaint, notification of trace or expression of opinions so that the employees and stakeholders may submit complaint, notify of trace or express their opinions for further development of personnel and improvement of management, including investigation of facts. The Company will keep the information of whistleblowers confidential. This is limited to only the responsible person for conducting the investigation to have access to such information, through the following channels:

**E-mail:** CG@sansiri.com

**Post:** Specify on the cover with attention to any of the following recipients:

- Chairman of the Corporate Governance Committee (Independent Director)
- Chairman of the Audit Committee (Independent Director)
- Company Secretary (Legal Office and Company Secretary Office)

Address: Sansiri Public Company Limited, 59 Soi Rim Khlong Phra Khanong,  
Phra Khanong Nuea Sub-district, Vadhana District, Bangkok 10110

**Website:** <https://www.sansiri.com/eng/corporate-governance>

The Board of Directors has monitored to ensure that there is mechanism and process handling the complaint of stakeholders, by assigning the management team to be responsible through internal units, namely the Investigation Committee to follow up on progress and solve problems under the principle that the Company will grant protection to informers, complainers or other relevant persons for the protection and keeping the confidential information and evidence in all respects.

In 2021, there were no complaints about fraud or corruption or violations of corporate governance policies and practices.