

Board of Directors Charter

AEON Thana Sinsap (Thailand) Public Company Limited

1. Objective

To define the roles, duties, and responsibilities of the Board of Directors in accordance with fiduciary duties, ensuring the Company's operations are governed under the principles of good corporate governance. The aim is to promote efficient and transparent operations that take into account the interests of shareholders and all stakeholders. Beyond financial performance, the Board of Directors shall also emphasize ethical conduct, social and environmental responsibility particularly in areas such as climate change, customer responsibility, human rights and community, labor standards, anti-corruption, corporate governance, and risk management.

2. Board Composition

- The Board of Directors comprises individuals with knowledge, competence and relevant experience necessary for the effective management of the Company. They exercise sound judgement, act without bias, and perform their duties with fairness and integrity.
- The Company's directors must be elected by the shareholders' meeting or the Board of Directors' meeting, as the case may be, in accordance with the criteria and procedures specified in the Company's Articles of Association and in compliance with applicable laws and regulations.
- Directors must possess the legally required qualifications and must not have any prohibited characteristics as specified by applicable laws, the Company's Articles of Association, and the regulations of relevant regulatory authorities.
- The Board of Directors of the Company shall comprise not less than five (5) directors, and not less than half of whom shall reside within Thailand.
- The Company's Board of Directors comprises executive directors, non-executive directors, and independent directors.
- At least one third (1/3) of the directors shall be independent directors, and shall not be less than three (3), except for the exemption period granted by law.
- The Board of Directors must consist of at least one (1) director having IT knowledge or experience.
- The position of the Chairman of the Board and the Managing Director (or Chief Executive Officer) shall be held by distinct individuals, except in necessary circumstances where a vacancy of any of these positions arises and any such individual is required to temporarily assume the other position in an acting capacity.
- The Board of Directors must take full responsibility and allocate sufficient time to properly perform their duties.

3. Independent Director

The Company defines the qualifications of an “Independent Director” in accordance with the criteria prescribed by the Capital Market Supervisory Board, as follows:

- Hold no more than one (1) percent of the total number of all shares with voting rights of the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company. This is inclusive of the shares held by any related person of such independent director.
- Is not or was not involved in the management, employee, staff, advisor with regular salary, or controlling person of the Company, the parent company, a subsidiary company, an associated company, a subsidiary company in the same level, a major shareholder or a controlling person of the Company unless the foregoing status has ended no less than two (2) years prior to the date of his/her appointment. Such status excludes where the independent director used to be a governmental officer or an advisor of the government authority, which is major shareholder or controlling person of the Company.
- Is not related by blood or legal registration as a father, mother, spouse, sibling or child, including spouse of a child, other directors, executives, major shareholder, controlling person or person to be nominated as director, executive or controlling person of the Company or a subsidiary company.
- Have no or never had business relationship with the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company which may impede his/her independent judgment, and is not or never be a significant shareholder or controlling person of any person having a business relationship with the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company unless the foregoing relationship has ended no less than two (2) years prior to the date of his/her appointment.

The “business relationship” mentioned above includes any normal business transaction, rent or lease of immovable property, transaction relating to assets or services, or granting or receipt of financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar actions which result in the Company or the counterparty being obligated to pay to the other party no less than three (3) percent of the net tangible assets of the Company or Baht twenty (20) million, whichever is lower. The value of the business relationship shall be determined using the calculation method for determining the value of connected transactions stipulated by the Capital Market Supervisory Board mutatis mutandis. The value of obligation shall include any obligations occurred during the period of one (1) year preceding the date of the business relationship with the same entity or person.

- Is not or never been an auditor of the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company, and not being a significant shareholder, a controlling person, or a partner of an audit firm which employs auditors of the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company unless the foregoing status has ended no less than two (2) years prior to the date of his/her appointment.
- Is not or never been a professional service provider, including legal advisor or financial advisor who receives service fee exceeding Baht 2 million from the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company, and not being a significant shareholder, a controlling person or a partner of the said professional service provider unless the foregoing status has ended no less than two (2) years prior to the date of his/her appointment.
- Is not a director appointed as a representative of the director of the Company, a major shareholder, or a shareholder related to major shareholder.
- Not operate a business of the same nature and in competition with the Company or a subsidiary company and not being a significant partner of a partnership, or executive director, employee, staff, advisor with regular salary, or hold shares more than one (1) percent of the total number of all shares with voting rights of any other companies operating the business of the same nature and in competition with the Company or a subsidiary company.
- Have no other characteristics that prohibit the expression of independent opinion towards the Company's business operation.

4. Roles and Responsibilities of the Board of Directors

The Board of Directors is vested with the authority, roles, and responsibilities to oversee the Company's operations in accordance with good corporate governance principles and to ensure accountability to shareholders and stakeholders. The key duties and responsibilities include the following:

- Oversee the Company's organizational culture, and regularly review and approve the Company's vision, strategy, goals, and code of business ethics to ensure their continued relevance and appropriateness.
- Perform duties with responsibility, due care and integrity, ensuring compliance with relevant laws, the Company's Articles of Association, and shareholders' resolutions. The Board of Directors must act in the best interests of the Company and its shareholders above personal interests, and ensure that management upholds these same principles.
- Consider and deliberate on strategic directions, business plans, and budgets proposed by management, while assessing their potential to create value for the Company and ensuring alignment with the overall strategic direction.

- Review and approve the annual business plan, investment budget, and operational targets as proposed by management.
- Monitor the Company's liquidity and debt servicing capability on a regular basis.
- Oversee the Company's operations to ensure compliance with applicable laws, the Company's Articles of Association, and resolutions of the shareholders' meetings.
- Appoint and oversee the performance of board members in accordance with the policies of the Board of Directors.
- Establish an Audit Committee that functions effectively and independently in accordance with applicable laws and regulations.
- Establish a Risk Management Committee to oversee the Company's risk management and internal control systems to ensure standard compliant and lawful operations.
- Appoint authorized directors to represent and legally bind the Company.
- Arrange the Annual General Meeting of Shareholders within four (4) months from the end of the Company's fiscal year and actively promote shareholders' rights and full participation.
- Ensure the disclosure of financial information, corporate information, and other material information to shareholders in a complete, accurate, and adequate manner, and confirm the verification and certification of the reported information.
- Oversee the establishment of effective and efficient systems for internal control, internal audit, and internal risk management framework, including measures for managing conflicts of interest, regulatory compliance, anti-corruption and anti-bribery practices, and implementing whistleblower protection mechanisms. The Board of Directors shall ensure that management is responsible for implementing these policies, regularly reviewing the systems, and assessing risks to align with the Company's strategies, business goals, and changing circumstances. The Board of Directors shall also monitor the progress and effectiveness of such measures on an ongoing basis.
- Support sustainable business practices with due consideration for environmental and climate change impacts, social responsibility, and good corporate governance (ESG).
- Ensure that management establishes and implements policies concerning responsibilities to employees, customers, business partners, communities, and the environment, in compliance with relevant laws and regulations.
- Ensure that management established an investor relations function to communicate effectively with investors and other stakeholders.

5. Authority, Duties, and Responsibilities of the Chairman of the Board

- Serve as the leader of the Board of Directors, providing guidance and oversight to ensure the Board of Directors functions effectively.
- Call meetings of the Board of Directors or delegate the authority to another person to do so on his/her behalf.
- Act as the chairman at meetings of the Board of Directors and shareholders' meetings, unless circumstances require otherwise in accordance with the Company's Articles of Association.
- Set agendas for Board of Directors' meetings in collaboration with the Managing Director, ensuring that matters under the Board of Directors's responsibility are duly considered and allocated adequate time.
- Oversee the effectiveness of Board of Directors meetings to ensure they are conducted in compliance with the Company's Articles of Association.
- Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
- Ensure effective communication between the Board of Directors and shareholders.

6. Board of Directors' Meeting

- A quorum of the Board of Directors' meeting shall consist of not less than one-half (1/2) of the total number of directors.
- The Board of Directors' meetings are scheduled in advance for the entire year to enable directors to allocate their time and attend all meetings.
- The Board of Directors shall hold a meeting at least once every three (3) months.
- The Chairman of the Board shall be the Chairman of the Board of Directors' meeting. If the Chairman of the Board is not present at a meeting or cannot perform his/her duty, if there is a Vice Chairman of the Board, the Vice Chairman of the Board present at the meeting shall be the chairman of the meeting. If there is no Vice Chairman of the Board or there is a Vice Chairman of the Board who is not present at the meeting or cannot perform his/her duty, the directors present at the meeting shall elect one (1) director to be the chairman of the meeting.
- The Chairman of the Board may conduct the meeting of the Board of Directors via electronic media. The meeting via electronic media shall comply with all related laws and announcements.
- In calling a meeting of the Board of Directors, the Chairman of the Board or the person assigned by the Chairman of the Board shall serve written notice calling for such meeting to the directors not less than three (3) days prior to the date of the meeting. Where it is necessary or urgent to preserve the rights or benefits of the Company, the meeting may be called by electronic means under the criteria stipulated by law or other means and an earlier meeting date may be chosen.

7. Voting

- Decisions at the meeting shall be made by the majority vote. Each director is entitled to one (1) vote, but a director who has interests in any matter shall not be entitled to vote on such matter.
- Resolution of the Board of Directors shall be passed when more than half of directors, who are eligible to be involved in the resolution, attend the meeting and vote in favor. In the event of a tie vote, the chairman of the meeting shall have a casting vote.

8. Company Secretary

Qualifications of Company Secretary

1. Possess fundamental knowledge of accounting, law and corporate-related regulations.
2. Has knowledge and understanding of good corporate governance principles and best practices in governance.
3. Has completed training courses relevant to the duties of a company secretary.

Duties and Responsibilities of Company Secretary

1. Prepare and maintain the Company's documents, including:
 - The register of directors
 - Notices of Board of Directors' meetings, minutes of the Board of Directors' meetings and an annual report of the Company.
 - Notices of shareholders' meetings and minutes of shareholders' meetings
2. Maintain records of interest disclosures reported by directors or executives, and submit them to the Chairman of the Board and the Chairman of the Audit Committee.
3. Perform other duties as assigned by the Board of Directors or as required by law. The Company Secretary must perform his/her duties with responsibility, due care, and integrity, and must act in compliance with applicable laws, the Company's Objectives, Articles of Association, resolutions of the Board of Directors, and resolutions of the shareholders' meetings.

9. Charter Review

The Board of Directors shall regularly review and assess the adequacy and appropriateness of the charter. In the event of any material amendments, the management shall present the revised charter to the Board of Directors for consideration and approval.