

# Corporate Governance Policy

## 6.1 Overview of Corporate Governance Policy and Guidelines

The Board of Directors places great importance on and commitment to operating the business to be in compliance with the principles of good corporate governance and based on the Code of Conduct policy of the TPI Polene Group, which has been continuously reviewed, updated, and delivered to The Board of Directors. The Group's corporate governance policies and business ethics are presented on the Company's website to guide corporate governance at all levels throughout the organization to create a good corporate culture, as well as for investors to understand and to be able to serve to further monitor the group's business direction. Recently, the Company announced a guidelines policy for employees in accordance with the way of Four Noble Truths and Four Sublime States of Mind, as detailed below:



Announcement

Issue no. 1/2022

Subject: Principles of Employee Duties

For success in creating the sustainable business growth of the Company, TPI Polene Group adheres to Environmental, Social and Governance (ESG) criteria, by embracing the Bio Circular Green Economy as a sustainable business model under the standards of good corporate governance. In carrying out duties and responsibilities, all employees are required to work under the Four Bodhippada: Basic For Success 4, which consists of the following:

1. Chanda: (Aspiration): Intention or purpose or desire or zeal. The need to do and always be willing to do what is assigned and aspire to make it work even better.
2. Viriya: (Effort) or energy or will,
3. Citta: (Concentration) Consciousness or mind or thoughts, concentrate on work
4. Vimansa: Planning, Result Checking, Good Governance, Research and Development

With a committed heart to create a balanced happiness with a better quality of life in a sustainable manner pursuant to Four Sublime States of Mind, which consist of the following:

Metta: Mercy

Karuna: Kindness

Mudita: Sympathetic Joy

Upekkha: Equanimity

Announced on January 5, 2022.

Prachai Leophairatana

Chief Executive Officer

Note: This principle of living follows the metaphysical concept of the Four Noble Truths.

## **Brahma-vihara**

### **(FOUR SUBLIME STATES OF MIND)**

Metta (Mercy): Love, desire for others to be happy.

Karuna (Kindness): Desire to get others out of their sufferings

Mudita (Sympathetic joy): Pleasure that come from delighting in other people's well-being, even if one did not contribute to it.

Upekkha (Equanimity): Even-mindedness and serenity, treating everyone impartially

## **Iddhipada 4**

### **BASIS FOR SUCCESS 4**

Chanda (Aspiration)	To be content and happy in doing good deeds with enthusiasm and strong intention.
Viriya (Efforts)	Diligence, patience, commitment, endurance, willingness to work hard and to never give up; having the courage to tackle any obstacle and having the courage to make changes.
Citta (Concentration)	Consciousness of the senses, Subconscious mind, and Intellect, is of immense power
Vimamsa (R&D)	Involves conducting an investigation or discrimination, a plan, a measure, an invention of a solution.

**The Principles of Iddhipada 4** : Path of accomplishment in work, which consists of the following:

**Chanda** (Aspiration): Satisfaction with the work we're performing.

First, we need to explore ourselves for what kind of job we like or what areas of work we have faith in, and then go down that path. We can start easily by questioning ourselves what we work for and whether we are happy if such job is not a loving job. In case we have time to find and adjust ourselves or adapt our faith to our work.

**Viriya** (Effort) – Diligence in work

All work can be done requires diligence. Viriya is another tool that can lead to success. The more we work hard, the rewards received are even more. More importantly, Viriya can be achieved with the love of work, not just dedicated the work to life but virility is a self-training one.

#### **Citta** (Concentration)

The mind that focuses on the work is completely good for the work that is done. Chitta is Thamma that represents conscious, prudence, and responsibility and helps us to work without distractions. Once we have both Chanda and Viriya, Chitta can be considered as the fence of a path that does not distract us from success.

#### **Vimansa**- Contemplation and use of wisdom to monitor work

The best way of getting the job done is in this last element of basis for success 4. Vimansa means contemplate, working with wisdom and brain thinking, not just working on it. Probably, reconsidering ourselves steadily of what we have done all day, summarizing the reasons why we have done all things today and we can be encouraged in the following days to not repeat our mistakes, and we can see a way to see which paths will actually lead to success.

Therefore, if Iddhipada 4 (Basis for Success 4) is applied at work, if we love the work, work hard, and take responsibility for the work and know to how to contemplate carefully. The way of success is not beyond the reach (Source: Division of Planning, Office of the President, Maha Sarakham University), which is the main principle of Iddhipada 4 and is the way toward success at work, a commitment to creating balanced happiness with a sustainable quality of life.

## **(Catvari Aryasatyani)**

### **FOUR NOBLE TRUTHS**

#### **Heart of Buddhism (Ariyatham to the Cessation or Extinction of Suffering)**

The basic doctrine of Buddhism is a noble path leading to the complete destruction of suffering.

1. Dukkha: Suffering
2. Samudaya: The Cause or Origin of Suffering
3. Nirodha: The Cessation or Extinction of Suffering can be attained by the renouncement or letting go of Tanha
4. Marga: The Path leading to the Cessation or Extinction of Suffering

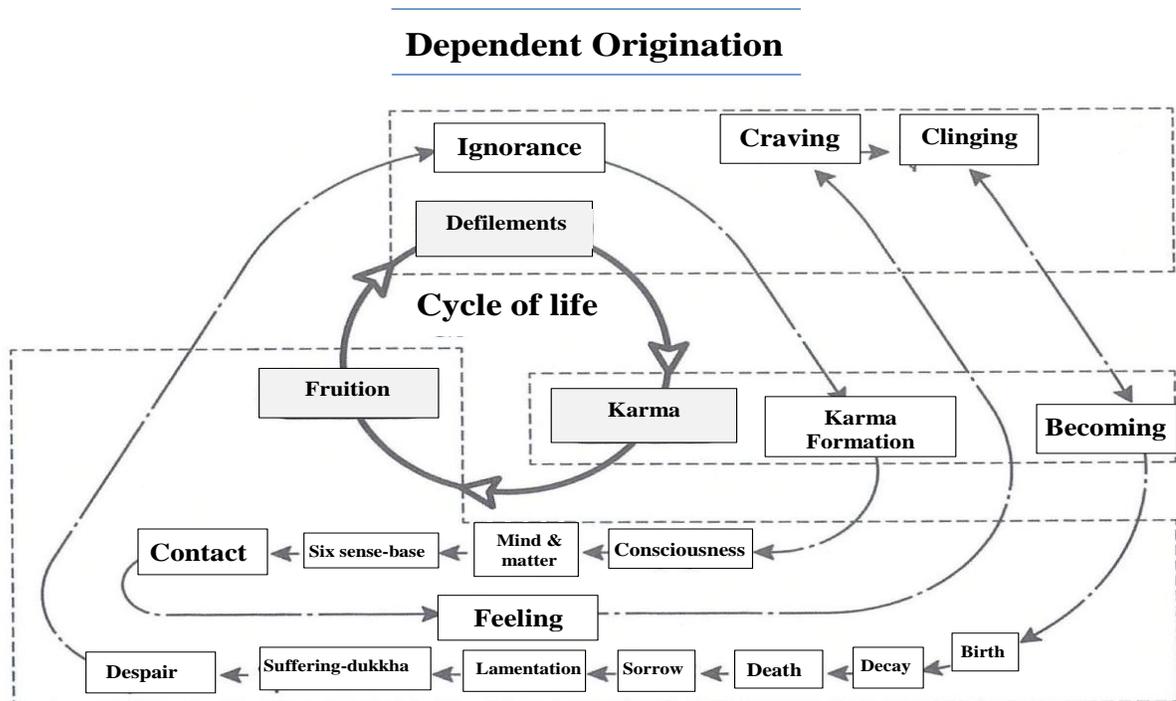
## 1. Dukkha:

The word suffering in the Heart of Buddhism does not just mean suffering in Thai as it is understood. It also means difficult conditions to endure in the same condition and clinging to impermanent states and things or stress conditions.

## 2. Samudaya:

The origin or arising of Dukkha

**Consideration of Paticca-samuppada: Cause of Suffering.** Paticca-samuppada or the Law of Dependant Origination is the Dhamma or natural law



## 3. Nirodha:

The Cessation or Extinction of Suffering can be attained by the renouncement or letting go of Tanha

## 4. Marga: The Noble Eightfold Paths

The Path leading to the Cessation or Extinction of Suffering

1. Right view
2. Right intention

3. Right speech
4. Right action
5. Right livelihood
6. Right effort
7. Right mindfulness
8. Right concentration

### **Chants conquering the Evil: Panmare Chino Na Tho**

Panmare Chino Natou Patto Sampothimuttaman  
Chatur Satjung Pakasti Thammajakang Pawattayi  
Etena Sajjavajchena Hotu Me Chayamankalang  
Devil 5 (What Kills a Person to Die from Goodness)

THE EVIL ONE, THE TEMPER, THE DESTROYER

1. The MARA of Defilement
2. The MARA of Aggregates<sup>2</sup>
3. The MARA of Karma Formations<sup>3</sup>
4. The MARA of Deity
5. The MARA of Death

After conquered the five devils,  
the Buddha enlightened Four Noble Truths

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#### **Note**

1. MARA (The Destroyer) is something that depletes one from his virtues or noble results or something that consumes virtues or prevents one from attaining good results .

1.1 MARA of Defilement is love, greed, anger, delusion, evil spirit.

1.2 MARA of Aggregates is something that destroys one's Aggregates, makes him pain, sick, crippled, depriving one of the opportunities to do good deeds.

- 1.3 The MARA of Karma Formations is the thought, emotion, and karma cultivator that prevents one from avoiding the suffering in samsara or rebirth of one in 31 places of existence.
  - 1.4 The MARA of Death is death that deprives one of the opportunities to do good deeds.
  - 1.5 The MARA of Deity is an evil deity who is powerful and inspires one not to do the good deeds.
2. Five Khandha (Five Groups of Existence or Five Aggregates) are the five aggregates of form and abstract that make up the collective units which are ordinarily called animals, persons, beings, he, we, etc. The five components incorporated into life.
- 2.1 The corporeality group (rūpa-kkhandha) is the aggregate of form which is the mixture of earth, water, air, and fire elements such as hair, skin, bone, and blood.
  - 2.2 The feeling group (vedanā-kkhandha) is the aggregate of processing feelings such as happiness, suffering, or indifference.
  - 2.3 The perception group (saññā-kkhandha) is the aggregate that remembers what one received or felt. It is the part that defines or perceives the meaning of what have known (Arrom 6) such as white, green, black, red, etc.
  - 2.4 The mental-formation group (sankhāra-kkhandha) is the aggregate of thought to identify what you feel and remember whether it good or bad or indifferent, neither good nor bad. The mind was led by intention to be good or bad or upyakrit (neither good nor bad) such as kaya-sankhara (physical intent), vajee-sankhara (verbal intent), and mano-sakhara (mind intention).
  - 2.5 The consciousness-group (viññāna-kkhandha) is the aggregate of cognition or knowing of things through the six senses including eyes, ears, nose, tongue, body, and mind.

The Five Aggregates are abbreviated into two groups, namely the abstract and the form (Rupa Khandha).

3. Apisankhara 3 is the thought, emotion, and karma cultivator, comprising of:
- 3.1 Punyaphisangkara is a thought that enhances good karma (merit).
  - 3.2 Apunyaphisangkara is a thought that enhances evil karma (sin).
  - 3.3 Anenchaphisangkhan is a thought that is calm, unable to be upset or excited.
4. Fetter is the defilement that binds the animals to suffering or defilement that binds the mind to the cycle of defilement, karma, and the result of karma. There are 10 fetters, i.e.
- 4.1 Sakkaya-ditthi: One has the view that the five aggregates are self.
  - 4.2 Wichikitcha: One has doubts about the virtues of the Three Jewels, namely the Buddha, the Dharma, and the Sangha
  - 4.3 Silappatapramas: One adheres to the sacred things or customs by believing in magic which is not Buddhism or adheres to the wrong practices, which is not the aim of Buddhism.
  - 4.4 Kamaraka: One has contentment in sensual pleasures or lust.

4.5 Vengeance: One adheres with anger.

Udhamphakiasayojana or the Five Higher Fetters are:

4.6 Rupa-raka: One has greed for material existence or attachment to realms of form.

4.7 Arupa-raka: One has greed for immaterial existence or attachment to formless or abstract realms.

4.8 Mana: One had conceit or pride with the feeling of being better, worse, or equal with others.

4.9 Uttacca: One is distracted or restless.

4.10 Avijja One has ignorance of the Four Noble Truths

Phra Sodaban is the one who puts an end to all first 3 fetters, namely Sakkaya Ditthi, Vicikiccha, and Silabbat Pramas.

Sakathakami is the one who puts an end to all first 3 fetters and reduces lust and anger. Anakami is the one who puts an end to the 5 lower fetters. Arahant is the one who puts an end to all 10 fetters.

5. Sankhara is Body and Mental Formations, together with Volitional Formations and Volitional Activities. Sankhara also means "formations" or "that which has been put together" of all including ingredients, decorations, parts of the body, mind, life, spirit, all things that made up. (Volitional Formation is what our brains think. The more we think, the more formations follow like a shadow following our body. What is in the brain will be expressed through words and actions, which is karma. Since our minds are endlessly concerned or embellished, we commit karma endlessly, resulting in us being reborn indefinitely). In the Trinity (Trilak), sankhara is the thing being formed or improvised, which is all the the mind and forms.

Paticca-samuppada (the Dependent Origination; conditioned arising) Sankhara 3 is

5.1 Kayasangkhara: bodily formation, bodily volition

5.2 Vajisangkhara: verbal formation, verbal volition

5.3 Manosangkhara: mental formation, mental volition

Sankhara has three qualities known as trilak (three marks of existence) as follows:

1. Anicca: Impermanence
2. Duhkha: State of suffering or being oppressed, state which cannot stand it in its original condition, state that will deteriorate because of being oppressed by Anicca.
3. Anatta: No real self, incapable of being in power

The opposite of Sangkhara is Wisangkhara

Wisangkhara is Nirvana, which is eternal. It leads to nicca, sukhang, anatta (dharma).

As a listed company on the Stock Exchange of Thailand TPI Polene Group recognizes its important mission in the field of good management, transparency, and equality for all stakeholders, ensuring investment and creating long-term value for shareholders, building trust with all stakeholders, as well as ensuring the organization has the right management, and is most effective in promoting the competitiveness of the organization to grow sustainably to raise corporate governance standards.

However, having good corporate governance and business ethics will be able to lead the TPI Polene Group. The Company wants to achieve stable, sustainable, and elegant growth goals to build confidence for shareholders and all stakeholders to be able to develop operational standards to be international. Performance monitoring is followed to ensure effective implementation, which covers investments, which are planned jointly. The Company has defined a clear roadmap with follow-up reports on the progress of operations on a regular basis, and formulated long-term strategies and goals for sustainable growth development. The Board recognizes its role as a leader of the organization and understands the benefits and implementation of good corporate governance principles and business ethics in the organization. The Company continuously aims to be internationally recognized.

TPI Polene Group has reviewed its CG policies and manuals to comply with the law, best practices for business operations, changing socioeconomic and environmental conditions. The Company requires directors, the management, and employees at all levels to acknowledge and adhere to these policies and conditions as part of their work – this is a commitment to take concrete action. The Board of Directors has established the following good corporate governance policies for TPI Polene as follows:

1. The Board of Directors, the management, and employees are committed to implementing the core principles of good corporate governance in the implementation of the management structure that is related to The Board of Directors, the management, and shareholders, including fair practices to the stakeholders.
2. The Board of Directors must perform its duties with dedication and responsibility, to be independent with roles and duties between the Chairman and the Managing Director and the President are clearly separated.
3. The Board of Directors plays an important role in determining the Company's vision, strategy, policies and plans by considering risk factors and laying out management guidelines, managing appropriately,

and taking necessary steps to ensure that the accounting system, financial reports and audits are reliable.

4. The Board of Directors must be a leader in ethics as an example of the implementation of regulatory guidelines under good corporate governance and monitor the management of conflict of interest and connected transactions.

5. The Board of Directors may appoint a specific committee as appropriate to help carefully verify important tasks.

6. The Board of Directors must provide an annual self-assessment as a framework for monitoring the duties of The Board of Directors.

7. The Board of Directors determines the ethical standards and ethics of the Company in order to provide the management, employees, and all staff with guidelines for conduct, along with the Company's rules and regulations.

8. The Board of Directors must provide adequate disclosure of the Company's information both financially and non-financially – these must be adequate, reliable, and timely to ensure that shareholders and stakeholders of the Company receive information equally, as well as to provide privatization agencies and investor relations agencies to be responsible for providing information to investors and the general public.

9. The Board of Directors Shareholders must be treated equally and have the right access to information to communicate with the Company.

10. The Board of Directors must provide a system for selecting personnel to be responsible for important administrative positions at all levels appropriately under a transparent and fair recruitment process.

11. The Board of Directors must provide a system that supports effective anti-corruption in order to confirm that the administration recognizes and focuses on the importance of, as well as following anti-corruption measurement policy.

### **6.1.1 Policies and Guidelines relating to The Board of Directors**

The Board of Directors intends to promote the Company as an effective organization to conduct its business effectively with good corporate governance and excellent management. It focuses on creating good benefits for shareholders, employees, customers, and takes into account stakeholders and all related parties as a whole under good governance principles in business. This makes work processes of the Company's management and employees transparent and auditable, and therefore establishes topics related to policies and practices related to The Board of Directors as follows:

**1. The Board of Directors, the Management and all employees adhering to the adoption of six key principles of good corporate governance** with a structure of management that is associated with The Board of Directors, the management, and shareholders as follows:

- Accountability, responsibility for decisions and their own actions
- Responsibility for performing the duties with sufficient competence and efficiency
- Equitable Treatment and fair treatment of stakeholders
- Auditable operational transparency and transparent disclosure to those involved
- Vision to create long-term, value-added for the organization
- Integrity and Ethics for Business Operation

**2. The Board of Directors and the management of the Company play an important role in determining the Company's vision, strategy, policies, and plans**, considering risk factors and setting out appropriate management practices, being responsible for the performance of duties to shareholders, determining the direction of growth to make important decisions of the Company with caution and integrity, as well as ensuring that the accounting system is implemented, financial reports and audits are reliable, and shareholders are treated equally.

- The Board of Directors must be a leader in ethics, and the implementation of regulatory guidelines, taking good care of business operations and monitoring conflicts of interest and connected transactions.

- The Board of Directors is responsible for determining the ethical standards and principles of the Company for The Board of Directors, the management and all employees, as a guideline for their conduct in conjunction with the Company's rules and regulations.

- The Board of Directors must provide adequate disclosure of the Company's information, both financial and non-financial, in a reliable and timely manner to ensure that shareholders and stakeholders of the Company receive equal information. The Board of Directors must provide information to public relations agencies and investor relations agencies responsible for providing information to investors and the public.

- The Board of Directors must ensure that shareholders are treated equally, have access to information, and have appropriate channels to communicate with the Company.

3. **The Board of Directors and the Management are leaders in ethics**, as a good model to operate in accordance with the Company's good corporate governance guidelines and to monitor the management of conflicts of interest and connected transactions.

4. **The Board of Directors acts with dedication, responsibility, and independence** with clearly separate roles between the Chairman of The Board of Directors and the Chief Executive Officer and the President.

#### 5. **Roles of the Chairman**

It is essential to ensure that the separation of authority in terms of policymaking and management of the Company is clearly separate. Therefore, the Company requires that the Chairman of The Board of Director, the Chairman of the Executive Committee, and the President be separate persons, with the Chairman playing an important role (as shown on the Company's website <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/roles-of-the-chairman>). The Chairman of The Board of Directors is an independent director in another role, with the freedom to comment, ensuring that the Company's director structure is properly balanced as follows:

1. Calls The Board of Directors' Meetings, serves as Chairman of The Board of Directors' meeting and the Shareholders' Meeting, as well as playing a role in setting the agenda with the Chief Executive.
2. Plays a role in controlling meetings effectively in accordance with regulations and the Articles of Association of the Company and allows the directors to express their opinions independently.
3. Supports and encourages The Board of Directors to perform duties to the best ability in accordance with the scope of authority, duties, responsibilities and in accordance with good corporate governance principles.

4. Monitors the management of The Board of Directors and other sub-committees to achieve planned objectives.

5. Acts as the decisive voter in the event that a Board of Directors' meetings has the same vote and votes on both sides are equal.

**6. The Board of Directors provides self-evaluation** and annual evaluation of other directors to serve as a framework for reviewing the duties of The Board of Directors and considering, reviewing, and analyzing performance for work improvement.

**7. Succession Plan:** The Board of Directors and management must take steps to ensure that the Company has a system of personnel selection that will be properly responsible for key management positions at all levels. Personnel preparation is required to plan succession, especially in executive positions, by setting policies, the management policy and development approach, including individual development plans to be ready to take higher positions with vacancies.

**8. Establishment of a specific committee:** The Board of Directors may appoint a specific committee as appropriate to help carefully review sensitive work; The Board of Directors has appointed a qualified and appropriate director to serve as an important member of The Board of directors, the Company's sub-committee consists of: Executive Committee and Audit Committee.

**The Executive Directors** consists of nine directors who have knowledge, competence, ethics, and experience in business operations.

**The Audit Committee** consists of three independent directors who are fully qualified as announced by the Securities and Exchange Commission, including the Stock Exchange of Thailand, to perform the duties of auditing, and balancing the management of the Company's business to be accurate, fair, and in the best interests of shareholders.

In addition, at The Board of Directors' Meeting No. 10/2564, on October 29, 2021, the nomination and remuneration committees were considered at the meeting and therefore approved all directors as the Nomination and Remuneration Committees of the Company.

**9. The Board of Directors and the management have recommended and determined the Company's business ethics** for The Board of Directors, and administrators, including all employees; these business ethics are to be used as a guideline for conducting operations in conjunction with the Company's rules

and regulations as shown on the Company's website  
<http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>

**10. The Board of Directors and the management will provide adequate disclosure of the Company's information, both financial and non-financial, adequately, reliably, and in a timely manner** to ensure that shareholders and stakeholders of the Company receive equal information, as well as to provide information to public relations agencies and investor relations agencies which are responsible for providing information to investors and the public.

**11. The Board of Directors and the management provide effective anti-corruption support** to ensure that management is aware of and focused on anti-corruption, as well as to implement anti-corruption measures, which are shown on the Company's website

<http://www.tpipolenepower.co.th/index.php/en/en-investment/social-responsibility>

<http://www.tpipolenepower.co.th/index.php/en/en-aboutus/anti-corruption>

**12. Director Development:** the Company requires the orientation of new directors and provides a manual of directors, documents, and useful information for directors by encouraging directors to continue to consider training with the Thai Institute of Directors and other related institutions throughout the year to promote understanding of their work under the principles of good corporate governance of listed companies, in order to increase knowledge of the roles of directors that will contribute to continuous and modern improvements in operations.

**13. The meetings of The Boards and receipt of information:** All board members should attend The Board meeting. The Office of the Directors is responsible for preparing documents and setting and coordinating meetings. Each director must be informed of the date of the meeting, the agenda, and receive meeting information to reasonably study in advance. The Company holds regular board meetings, on average at least once a month. Additional meetings may be held as appropriate so that The Board of Directors can continuously supervise the management's operations as detailed on the Company's website <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/board-meeting>

In every meeting, time is allocated appropriately and adequately so that the directors can consider the agenda generally. The Chairman and Chief Executive Officer are the agenda coordinators and consider the agenda of The Board of Directors to ensure that all important issues in business operations are considered by The Board of Directors in full. Each director is free to propose agenda items for

consideration at the meeting and has an open and free expression of opinion. They are encouraged to exercise discretion on all issues discussed during the meetings.

**14. The agendas of The Board of Directors** must be voted on by at least two-thirds of the directors who attended the meeting.

**15. The Board of Directors meetings may be subject to all or part of electronic meetings, and the Company shall properly comply with the Public Limited Companies Act** and related legal regulations regarding The Board of Directors meetings; Minutes of meetings are written and certified and are stored systematically and securely kept by The Board of Directors.

**16. At The Board of Directors' Meeting, the Company properly complies with the Public Limited Companies Act** regarding board meetings. The meeting notes are written, and The Board of Directors keeps the minutes of the certified minutes systematically and with good security.

#### **17. Remuneration of Directors and The Management**

Determination of remuneration of The Board of Directors is fair and reasonable, by considering the appropriateness and compliance with the responsibilities of the directors and the performance of the Company. Remuneration of directors has also been approved by the Shareholders' Meeting in terms of executive remuneration. The Company determines the compensation appropriately based on responsibilities of the Company's performance and the practices of listed companies in the same industry.

**18. Corporate Secretary:** The Board of Directors appoints a Corporate Secretary to supervise The Board of Directors' meetings and shareholders' meetings in a smooth and transparent manner, in accordance with the rules and legal regulations and to keep track of compliance correctly and regularly. In addition, the Corporate Secretary performs its duties to oversee the activities of The Board of Directors, including coordinating compliance with The Board's resolutions and complying with the Company's good corporate governance principles.

#### **19. Principles of other positions of TPI Polene Group's management**

Details shown in Section 8 Important Corporate Governance Performance Report Subsection 8.1.3 Supervision of subsidiary and associate companies.

## **6.1.2 Policies and Guidelines relating to shareholders and stakeholders**

The Company has given importance to build a corporate governance culture in a concrete manner under the Code of Conduct which has been published on the Company's website. The Company has a policy to update its business ethics according to the changing situation regularly. In addition, The Board of Directors acknowledged best practice for directors of a listed company as their principal guideline. The Board of Directors, executives, and employees at all levels have performed their duties with a conscience of adhering to honesty, morality, ethics, and awareness of the reputation and honor of the Company as a leading company with credibility, stability, and reputation for more than 20 years. The Company's corporate governance is in accordance with good corporate governance rules and best practices of the Stock Exchange of Thailand. In summary, the key activities of corporate governance are divided into 5 sections as follows:

### **Section 1. Shareholder Rights**

The Company realizes and respects the importance of the rights of all shareholders. The Company has policies to protect shareholders fundamental rights and ensure equitable treatment under the related governing laws as follows:

#### **1. Shareholders' Meeting**

The Company schedules an annual general meeting of the shareholders ("AGM") within 4 months of the annual closing date of its accounting books. In case there are emergency issues that might affect the interest of the shareholders and/or are related to the terms and regulations or any legal issues, to be proposed for approval in the meeting, the extraordinary shareholders' meeting will be held as the case may be. The Annual General Shareholders' meeting was held on April 21, 2021, at the Conference Room on the 9th floor of TPI Tower, 26/56 Chan Tat Mai Rd, Thungmahamek, Sathorn, Bangkok.

#### **Delivering Meeting Notices**

In 2021, The Board of Directors No. 2/21, dated February 26, 2021, resolved to hold the Annual General Meeting of Shareholders on April 21, 2021, by revealing the meeting resolutions, meeting date and agenda and making an announcement on the website of the Stock Exchange of Thailand to inform shareholders in advance of the date of The Board's resolution before the delivery of the meeting invitation letter by Thailand Securities Depository Co., Ltd. The securities registrar of the Company will be the one to deliver the meeting invitation letter with

details of the meeting agenda, important and necessary supplementary information for decision making/committee opinions, minutes of past meetings with complete details, annual report and meeting documents, documents required for proxy which clearly specify how to use them as specified by the Company, and sends it to the shareholders more than 14 days in advance before the date of the shareholders' meeting. The invitation letter for the meeting was sent out on April 6, 2021, and was announced in the daily newspaper for three consecutive days, three days prior to the meeting date (30, 31 March and 1 April 2021) in order to notify the shareholders of the meeting in advance for sufficient preparation before attending the meeting.

In this regard, at the Annual General Meeting of Shareholders for the year 2021, the Company disclosed the information of the shareholders' meeting invitation and supporting documents, including the proxy form on the company's website on March 24, 2021, which was 29 days prior to the meeting date.

Before the start of each shareholder meeting, the Chairman of the meeting will assign the MC to conduct the meeting and to introduce the attendees, which consists of The Board of Directors, the management team, the Company's auditors, and legal advisors. who act as a mediator and witness to the meeting. The MC then explains all the rules of the meeting including the method of counting the votes of the shareholders who must vote for each agenda item according to the Company's Articles of Association, including the exercise of voting rights for each agenda item clearly by using separate ballots for each agenda item and when information has been provided according to the meeting agenda.

The Chairman gives all attendees an opportunity to express their opinions, suggestions, and ask questions about each agenda item. The Company has prepared a paper and a questionnaire for the attendees to ask instead of using a microphone for good hygiene and safety. The president and executives answer questions clearly and focus on every question, then let the meeting vote on each agenda.

The Chairman only conducts the meeting according to the agenda listed in the Invitation of the Annual General Meeting of Shareholders for the year 2021 and there are no additional meeting agenda items without prior notice to the shareholders, unless the meeting resolves to change the order of agenda items with a vote of not less than two-thirds of the number of shareholders attending the meeting; or shareholders holding shares in aggregate not less than one-third of the total number of shares sold may request the meeting to consider matters other than those

specified in the invitation letter. When the meeting has considered that the agenda already set as stipulated in the Company's Articles of Association, in the 2021 Annual General Meeting of Shareholders, there is no change in the order of the agenda and no requests for the meeting to consider other matters that are not set in the meeting.

In addition, at every meeting the minutes of the meeting are recorded accurately and completely, and it concludes with a resolution and vote counting. In this regard, the 2021 Annual General Meeting of Shareholders was scheduled at 4:30 p.m. with registration starting at 3:00 p.m. The Company registered a total of 25,481 shareholders holding 8,400,000,000 shares, with 47 shareholders attending the meeting in person holding 208,592,321 shares, and 73 shareholders appointing others to attend the meeting holding 6,275,536,523 shares, totaling 120 registered shareholders, counting the total number of shares 6,484,128,844 shares, representing 77.19% of the total number of shares sold of the Company, forming a quorum. The meeting attendees and clarified information consisted of:

- A total of 15 members attended the meeting, with the Chairman of the Company acting as the Chairman of the meeting. The chairmen of all specific committees, the CEO and President, along with executives at the level of Executive Vice President, Vice President, and other executives were in front of the stage to clarify and provide information in case of any inquiries. The independent directors were also proxy holders from the minority shareholders.

- Auditors from KPMG Phoomchai Audit Limited:

1. Mr. Bunyarit Thanormcharoen
2. Mr. Chutsorn Likitpipattanakul
3. Ms. Petcharat Promsuwan

- Legal Advisor from SCL Nishimura & Asahi Limited (acting as a witness to review and test the voting in case there are arguments throughout the meeting).

1. Mr. Vira Kammee
2. Ms. Nilobon Tangprasit

#### **Practices Guideline for Conflict of interest**

The Guidelines of Good Corporate Governance specifies that the Executive Directors and all employees prepare a conflict-of-interest report in both the annual and new reports during the year in case of changes. In any meeting, any stakeholders who have conflicting interests with the Company should be

notified in the meeting and should not participate in or abstain in that agenda item. At the Shareholders' Meeting, if any directors have any interest in or are involved in any agenda item, the director will notify the meeting attendees to request not to attend the meeting and abstain from voting on such an agenda item.

## **Disclosure of the results of the vote in the Shareholders' Meeting**

In 2021, TPI Polene Power Public Company Limited delivered a summary report on the results of the vote at the shareholders' meeting to the SET and the SEC by the evening after the completion of the meeting (April 21, 2021) and delivered the minutes of the shareholders' meeting (the minutes of the meeting, with a clear agenda and specifying the number of directors attending the meeting/ absent from meeting, shareholder inquiries and clarifications of The Board of Directors, voting count and the results of the votes in complete) to the SET and the SEC within the 14-day.

## **2. Equitable treatment of shareholders**

The Company treats each shareholder equally (even if holding unequal shares and having different voting rights according to the number of shares held). All shareholders have equal rights as shareholders regardless of gender, age, race, nationality, religion, belief, social status, disability or political views. The invitation letter for the Annual General Meeting of Shareholders of the Company is sent at least 14 days in advance of the meeting date. An invitation letter for the Annual General Meeting of Shareholders, both in Thai, is prepared for Thai shareholders, and in English for foreign shareholders. In addition, the information of the meeting invitation was published in both Thai language and English on the company's website.

## **3. Facilitating Shareholders**

The Company treats all shareholders in a fair manner. The Company always allows registration of shareholders up until one hour before each meeting. A barcode system summarizing details of each shareholder is printed on the registration form, or the proxy form, to facilitate registration and save time. A suitable reception is also extended to all shareholders.

## Section 2. Equitable Treatment of Shareholders

The Company values and treats all shareholders equally and fairly through the following actions:

1. Conducting the meeting in the sequence of agenda items as specified in the invitation and not adding agenda items without notifying shareholders in advance, to ensure they have enough time to investigate before making their decisions.
2. Appointing proxies to maintain the rights of those shareholders who cannot attend in person: they are able to appoint proxies, or to delegate their votes to any independent director in attendance.

In addition, the Company also discloses the format of the proxies (as per the format set by the Ministry of Commerce) together with all details and procedures on the Company's website <http://www.tpipolenepower.co.th> in advance of the meeting.

3. In order to encourage shareholders to use ballots for every agenda item, voting tickets are provided for each separate agenda item.
4. All groups of shareholders can access the Company information completely, accurately, transparently, and in a timely manner. The Company has established an Investor Relations Office to take responsibility for providing information in both Thai and English to all shareholders, equally and completely, to ensure that shareholders can make appropriate investment decisions. Corporate information is disclosed on the Company's website, as well as on the websites of the SET, to facilitate access by shareholders and other interested investors.
5. Ensuring strict supervision of the use of inside information by explicitly defining in writing the misuse of inside information as part of the Code of Conduct. In addition, in order to prevent any conflicts of interest, or misuse of inside information by The Board and Management, the Company has put in place internal information controls to supervise the use of inside information as follows:

1. Directors and Management will be regularly informed of related laws and regulations pertaining to misuse of inside information, through various communication channels.
2. The Company discloses in the TPIPL Annual Report the shareholdings of Directors, Management (and the holdings of management equivalents in Finance and Accounting

Division) in compliance with the regulations of the Office of Securities and Exchange Commission.

3. The Directors and Management of the Company are fully responsible for submitting a report of their shareholdings in the Company, and those of their spouses and minors, in accordance with provisions contained in the Securities and Exchange Act.
4. Any misuse of internal information shall be subject to disciplinary action, including dismissal, as announced in the Company's rules and regulations.

6. Devising practical guidelines for potential conflicts of interest in its Good Corporate Governance and Code of Conduct for the Directors. Management and employees must strictly comply with these guidelines.

### **Section 3. Stakeholder Roles**

The Company is well aware of the roles of all stakeholders. The Company sets precise responsibilities to be prudent, fair, and respect the rights of all stakeholders in operating its business. Hence, the Company has established a Code of Business Conduct emphasizing the balanced consideration of all stakeholders, which has been disclosed via the Company's website.

TPI Polene has embraced the Code of Conduct as a policy for Directors, management and all employees to put the Code into practice and to abide by strict moral guidelines.

All management levels must strictly follow the Code of Conduct as best practice principles, and it is a strict policy to ensure that all employees under each relevant organization will acknowledge, understand, and follow the Code of Conduct.

The Company has a strict policy to treat all stakeholders fairly, as follows:

- 1. Shareholders:** The Company concentrates on establishing the greatest benefit to shareholders. The accounting and financial systems are in place to ensure that any mistakes and irregularities will be identified in due course and that financial reports are accurate, adequate, and reliable. The Company's continuously strong financial potential is demonstrated in its ability to make appropriate dividend payments to shareholders.
- 2. Customers:** The Company places great emphasis on customer satisfaction through the quality of its products and services, provided at reasonable prices. The Company's power plants have also been awarded ISO 9001:2015 certifications from the International Organization for Standardization.

In addition, the Company holds seminars for customers to enhance relationships and to educate them about the products offered. We welcome all customer suggestions about our products and services, as these lead to higher efficiency of product development, and maintain customer with brand loyalty.

**3. Management and Employees:** The Company realizes the importance of human resources in the organization, regardless of the work, without discrimination, with a policy to continuously improve the potential of the Management and employees. It provides training both inside and outside the Company. In addition, the Company has an effective recruitment and hiring process, as well as consideration of equal and appropriate returns and benefits. This can be compared to companies in the same industry. In addition, the Company also focuses on the safety of its human resources by adopting Health and Safety Management standards. The system focuses on reducing the risk of harm and accident of employees and stakeholders. Details shown in Section 3: Driving Sustainable Business Sub-topic 3.4.1 Sustainability management in social dimensions and 3.4.2 Social Performance.

**4. Trade partners:** The Company ethically sets its business operation strategies, thus enhancing relationships with all trade partners through transparent and fair practices. The Company has a policy of benefit sharing and equitable treatment for trade partners and strictly adheres to contractual agreements and does have any business commitments that favor or has strong involvement with any trade partners. Details are disclosed on the Company's website, <http://www.tpipolenepower.co.th/index.php/th/th-aboutus/supplier-code-of-conduct-th>

**5. Community and Society:** The Company, as a Thai Company, continues to be determined to discharge its responsibilities towards the nation, society, and communities. Accordingly, the Company is continuously committed to promoting and supporting beneficial activities towards society, religion, education, and youth by establishing a full-scale foundation under the name, “the Environment for Better Life Foundation” as detailed in Section 3: Driving Sustainable Business Sub-topic 3.4.1 Sustainability management in social dimensions and 3.4.2 Social Performance.

**6. Environmental Responsibility:** The Company acts as a good citizen, conscious and aware of being one part of this society. It continues to be determined to discharge its responsibilities towards relevant rules and regulations and support the community surrounding its facilities by eliminating

problems and protecting the environment, thus providing better living standards for the communities near its plants. As reflected in its full support for environmental enhancement, the Company has received ISO 14001 certification for Environmental Management System Details shown in Section 3: Driving Sustainable Business Sub-topic 3.4.1 Sustainability Management in social dimensions and 3.4.2 Social Performance.

The Company also has Anti-Corruption operational guidelines in its Code of Conduct and Business Ethics regarding giving and/or accepts Gifts as follows:

**Gift giving or receiving**

(1) The Directors, the management, and employees can give and receive gifts, assets or other benefits for the benefit of the Company's business and must avoid receiving gifts in a way that exceeds normal relationships from other parties concerning the Company or soon-to-be future partners; such receipts or giving must be done with transparency. It must be done in an open place.

(2) Avoid receiving gifts either in monetary or non-monetary terms from partners or those related to the Company's business, except in festivals or according to traditions.

(3) The Company does not have a policy of offering money, incentives, or gifts. Special benefits in any form to customers, partners, external agencies, or individuals to obtain business, except for traditional business certification, trade discounts, and company promotions.

(4) The Directors, the management, and employees are responsible for reporting the receipt of gifts, assets or other benefits from partners, contractors. customers or stakeholders of the Company's business. In any case, it may affect decisions to perform duties in a biased or embarrassing way or cause a conflict of interest.

(5) The Directors, the management, and employees are responsible for reporting the receipt of gifts, property, or other benefits by the Company to promote to partners, contractors. Customers or stakeholders of the Company's business and know the policy of receiving gifts, property, or other benefits regularly.

(6) Gifts, property, or any other benefit accepted or provided shall not be illegal.

(7) The Company does not prohibit the preparation of gifts with the Company's emblem, as long as the gifts to the person are reasonable and consistent with business

operations. Details are shown on the Company's website:

<http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>

### **Provision in Implementation**

#### **Implementation of Anti-Corruption Policy (to interact properly with business partners and the related parties who have conflicts of interest)**

All levels of employees will be responsible for the anti-corruption policy in connection with customers, suppliers, and all parties concerned. (Hereafter called "related parties who have conflicts of interest" who have a direct impact on business operations)

1. The employees must comply with the anti-corruption policy and measures, the Company's corporate governance principles, and the code of business conduct and hospitality activities from other persons in business dealings with the Company.
2. Employees must not accept gifts, entertainment and hospitality offerings, gifts or entertainment and hospitality activities from other persons in business dealings with the Company, whether directly or indirectly.
3. Employees must not be corrupt or accept corruption in any form in any circumstance related to the business, without otherwise getting prior approval from their direct supervisors. Any acceptance thereof as above from other persons must comply with the Anti-Corruption policy and measures, the Company's corporate governance principles, and code of business conduct and must not have any impact in the business decisions of said employee.
4. Employees must not perform any act to acquire or keep benefits from their positions in the Company or to accept gifts, entertainment and hospitality offerings, gifts or entertainment and hospitality activities from other persons in business dealings with the Company.
5. Whenever the employees advise the personnel of the Company, those actions must not go against the benefits and/or recruitment of the Company or refrain from doing any act to acquire or keep benefits that are against related laws and regulations.
6. There are to be no close relationships between supervisors and those under their supervision within the same departments such as: married couples, parents or offspring that may impose conflicts of interest.

7. Business relations and procurement processes with the public sector or all types of bribery or illegal payments are prohibited in all business transactions, operations, and connections to the government.
8. Corrupt persons who violate or fail to comply with the anti-corruption measures must face punishment under the Company's rules and may also face prosecution if the action violates the law.
9. Employees must be granted approval from their supervisors before offering all types of gifts (such as the Company's products) or entertainment and hospitality activities to other persons or to a business and need to be in compliance with the anti-corruption policy and measures, the Company's corporate governance principles, and code of business conduct. In case of emergency that in any circumstances, employees have not been granted approval from their supervisors in advance, such employees are deemed to get an approval from their supervisors after offering all types of gifts (such as the Company's products) or all forms in any circumstances, to other persons covering the business.
10. The employees must not acquire or take benefits from their positions in the Company to engage in inappropriate relationships, sexual harassment, and other verbal or physical harassment of a sexual nature, any kinds of treatment or consideration of, or making a distinction in favor of or against (such discrimination based on race, sex, disabilities or religious). This also includes burglary, threats, force. or any other kind of action that violates the law.
11. Employees should ask or use request forms to get opinions from their supervisors or responsible persons when the employees face or doubt any act that is considered corruption in order to avoid any arguments.

#### **Dissemination of anti-corruption policies**

In order for everyone in the organization to be aware of the anti-corruption policy, the Company will take the following actions:

1. The Company will post an anti-corruption policy to employees.
2. The Company will publish its anti-corruption policy through its communication channels such as electronic letters, company websites, annual reports, etc.

3. The Company will conduct a regular review of its anti-corruption policy.

#### **Additional practices regarding prevention of corruption**

The Group has an anti-corruption policy focused on promoting morality, ethics, and transparency in business practices in accordance with the Company's business ethics, as well as conducting business with an effective management system, transparent, and verifiable. In addition, the Company encourages its personnel at all levels not to be directly or indirectly involved in corruption and promotes the participation of employees at all levels in preventing and combating corruption related to the Company's business.

The Group has a policy about giving or receiving gifts, gifts, as well as other benefits from individuals or companies engaged in business with the Company so as not to cause conflicts of interest. Any special compensation or incentives of value from third parties with business relevance with employees of the Company must first be approved by direct supervisors. However, receiving such gifts must be in accordance with the rules, business traditions, or business etiquette and must not influence employee business decisions.

In addition, the Group has a policy of not authorizing or encouraging unlawful payments or bribing government agencies, and clearly determines how to report whistleblowers or complaints in cases where unlawful acts are witnessed. The Company also sets out guidelines for conducting investigations and penalties in the Company's anti-corruption policy.

#### **Section 4. Information Disclosure and Transparency**

The Company is aware of its duty to conduct business in conformity with relevant rules and regulations set by the SEC and the SET as follows:

1. Disclosure of Company information including financial reports is executed accurately, completely and in a timely fashion as reflected in the Annual Report 2021 (Form 56-1 One Report) and other reports, which are carried out in compliance with the guidelines set by the SEC and the SET.
2. A plant visit is provided for interested institutional investors, shareholders, and analysts to access information and have meetings with the management of the Company. In addition, the Investor Relations Unit has been established to be responsible for communicating information to

institutional investors, shareholders, analysts, and relevant authorities in an equitably and fair manner.

In 2020-21, the Company held important activities of the Company as follows:.

Activities	2020	2021
Analyst Meeting	2	The meeting was not held due to the COVID-19 pandemic.
Via e-mail/ Telephone	12 times/month	15 times/month
Plant Visit	-	1
Opportunity Day organized by SET (visit to see VDO on <a href="http://www.tpipolenepower.co.th/index.php/th/th-investment/oppday-th">http://www.tpipolenepower.co.th/index.php/th/th-investment/oppday-th</a> )	4	4

If investors and stakeholders require additional information, please contact the Investor Relations at 02-213-1039 ext. 12983 and 12988 or <http://www.tpipolenepower.co.th>.

Activities can be summarized as follows

Activities	2020	2021
News release / news photo	132	115
Press release/interview - Video Interview	3  1. New Normal is Now /Mr. Pakkapol Leopairut and Dr. Porakrit Leophairatana “Invest in infrastructure” in the program "Newsroom: Economic Newsroom" Thursday September 3,2020 time 11.15-12.20 on Channel 22  <a href="https://youtu.be/aC388AhkCGY">https://youtu.be/aC388AhkCGY</a>  2. MONEY TALK Special - TPIPP, “waste power plant, good profit, low P/E” – September 11, 2020 <a href="https://youtu.be/XBzs7-Nk0K8">https://youtu.be/XBzs7-Nk0K8</a>  3. Money Talk Special – “Keep an eye on TPIPP for long-term growth: Southern Seaboard project” – October 9, 2020 <a href="https://youtu.be/CFPy-61HTK0">https://youtu.be/CFPy-61HTK0</a>	5  1. “TPIPP moves forward with clean energy” /Than Talk /shown in Thansettakij on January 28, 2021, <a href="https://youtu.be/lm7pkQ_j7Fg">https://youtu.be/lm7pkQ_j7Fg</a>  2. Business direction of TPIPP in 2021 “Mr.Pakkapol Leopairut, 3rd generation executives of TPI Polene” /MoneyClub Talk via BIZCONNECT Ruthanhun / February 1, 2021 <a href="https://youtu.be/jPqISIRfY90">https://youtu.be/jPqISIRfY90</a>  3. Money Talk Special –“TPIPP, operating results in 2020, forecast for the year 2021” – March 17,2021(interview with Mr.Pakkapol Leopairut)  <a href="https://youtu.be/K3C3IDyRilU">https://youtu.be/K3C3IDyRilU</a>  4. New Mission of New 3 rd Generation TPIPP "Waste Energy" Driving Sustainable

		<p>Organization /Biz Journey Program on PostToday / April 7, 2021</p> <p><a href="https://youtu.be/qRD1tot_cN8">https://youtu.be/qRD1tot_cN8</a></p> <p>5. Thai Energy Plentiful on Monday, 4 October 2021 (live interview with Mr.Pakkapol Leopairut via the program ZOOM)</p>
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3. Disclosure of Company information is made through approved communication channels via the SET and the Company's website in Thai and in English.
4. The Company pays close attention to the quality of the financial information it provides particularly in its accuracy and adequacy. In addition, all financial information conforms to generally accepted accounting principles and is audited by independent auditors. Hence, the Company will provide a report of The Board of Director's responsibility for financial statements in its Annual Report.
5. The Company disclosed the functions and responsibilities of The Board and Sub-Committees including the number of meetings and meeting attendance of each member in the Annual Report 2021 (Form 56-1 One Report) or other reports.
6. The Company will disclose the remuneration of directors and senior management by considering the Company's annual performance assessment. This reflects the duties and responsibilities of The Board of Directors and senior management fairly and reasonably towards the Company. The said returns are at an appropriate level that can be compared to that of the company in the same business group.

## **Section 5. Responsibility of The Board**

The Board plays a key role in supervising corporate governance to create maximum benefits for the Company. Each director represents all shareholders and takes part in promoting good corporate governance within the Company, and in maintaining the rights of, and creating benefits for, all shareholders and other stakeholders. Details as follows:

## **1. Structure of The Board**

### **(1) Composition**

The Company's Board of Directors comprises at least five directors, of whom three are independent directors. This exceeds one-third of The Board. The Board of Directors of at least half of a total number of directors must have permanent residence in Thailand and those directors may or may not hold shares in the Company.

### **(2) Qualifications of the Company's Directors**

The Company's Board of Directors comprises qualified members who have skills, experience, honesty, ethics, and independence. They have capabilities in diverse fields, pertinent to the Company's businesses and, accordingly, can safeguard the interests of all shareholders.

In addition, all Directors are aware of their duties, responsibilities, and nature of the Company's businesses. They perform their duties with honesty and prudence, and regularly update themselves on new knowledge. Directors attend each Board meeting with full responsibilities.

### **(3) Definition of the Independent Director Qualification**

The Board of Directors has defined the qualification of Independent Directors in line with the requirements of the Thai Capital Markets Supervisory Board and SET.

### **(4) Segregation of the Power of the Chairman of The Board and the President**

The Company's Board is well organized to ensure there is clear distinction between supervision, policy-making, and day-to-day business administrative roles. The positions of the Chairman of The Board and the President are separated. This ensures separation between governing and managing duties.

### **(5) Chairman of The Board**

In addition, the Chairman's leadership plays a key role in ensuring The Board's efficiency and the Shareholder's meeting promotion to be in compliance with good corporate governance as the listed Company.

## **(6) Corporate Secretary**

A knowledgeable and experienced Corporate Secretary to The Board serves as an advisor to The Board regarding pertinent laws, relevant rules and regulations, and monitors compliance of The Board's actions on a regular basis. In addition, the Secretary is also responsible for assisting in Board activities and coordinating with other relevant functions to comply with The Board's resolutions and good corporate governance principles.

## **2. Sub-Committee:**

The Board of Directors has appointed Directors who have knowledge and skills suitable to be members of Sub-Committee to assist in important matters. The Sub-Committee consists of the Management Committee and the Audit Committee.

The Management Committee is composed of members who are knowledgeable, capable, ethical, and experienced in the business. They manage functions and undertake acts in relation to the day-to-day management of the Company.

The Audit Committee consists of three Independent Directors. Members' qualifications meet the requirements stipulated in the relevant Thai Capital Markets Supervisory Board and SET announcements. The Committee is assigned to perform checks on management and secure the balance of power in various business activities to ensure reliability and integrity and serving the best interests of all stakeholders at all times.

In addition, at the meeting of The Board of Directors on October 29, 2021, they considered the establishment of the Nomination Committee and the Company's Remuneration Committee by unanimous approval that all directors shall perform the duties of the Nomination Committee and the Remuneration Committee together.

## **3. Roles, Duties and Responsibilities of The Board**

**(1) Good Corporate Governance and the Code of Business Conduct.** The Board of Directors values good corporate governance and maintains high standards of integrity and ethics. All Directors have responsibilities in carrying out their duties and are held accountable to the Company and its stakeholders. They perform their duties with integrity, in compliance with the governing laws and regulations of the Company and based on professional standards. The Company conducts business in a transparent, honest, and fair manner for the interests of all groups of stakeholders.

The Company also issued a Code of Business Conduct for its Board, Management, staff, and all employees. These principles are strictly followed, together with the Company's rules and regulations, as detailed in Section 3: Stakeholder Roles.

- (2) Conflict of Interest:** The Board has a clear policy to execute transactions which have potential conflicts of interest in a manner that is in the best interests of the Company and its shareholders. Transactions between the Company and anyone with which a possible conflict of interest might require approval under the rules and regulations imposed by the Thai Capital Markets Supervisory Board, the SEC and the SET concerning information disclosure and undertaking of the listed Company regarding connected transactions. In addition, such transactions are subject to an approval process in which only unconnected persons may participate.

Details of connected transactions that may involve conflicts of interest (according to criteria of the Thai Capital Markets Supervisory Board, the SET, and the SEC) must be disclosed in the Company's Annual Report; in the Annual Report form (Form 56-1) or declared in other reports (as the case may be). This also includes disclosure of information on connected transactions according to the general accepted accounting standard criteria. Details of connected transactions are disclosed in the section "Inter-Company Transactions".

In addition, pursuant to the Articles of Association, Directors shall notify the Company without delay of their interests in any contract executed with the Company or affiliated companies, and of their holding, and its increase or decrease, of shares or debentures of the Company.

**(3) Internal Control and Internal Audit:**

The Board employs an appropriate, and effective, internal control system to ensure Management prevents and mitigates business risks and produces accurate and reliable financial statements.

To protect the assets of the Company and shareholders' investments from potential loss, an internal audit unit has been set up as a separate division, responsible for auditing and monitoring the Company's operations for efficiency and effectiveness under a sufficient and appropriate internal audit system. The internal audit unit is independent and able to report its resultant audit openly. This allows management to be notified of problems and irregularities in

a timely manner and to be able to establish measures to safeguard the Company's assets and shareholders' investments against fraud in the Company or its subsidiaries. This can also be applied to improve and develop the efficiency and effectiveness of the Company's operations.

In addition, an Audit Committee has been appointed to review and evaluate internal control systems, to examine disclosure and assessment of all relevant information for investors, and to ensure that the Company performs in compliance with regulations and governing laws.

Five aspects of the sufficiency of the internal control systems of the Company and its subsidiaries were evaluated. These were: the organization and environmental control system; the risk management system; management control system; the information and communication system; and the monitoring system.

In addition, the Company and its subsidiaries have policies and measures in place to regulate business transactions with major shareholders, directors, and management or connected persons so as to avoid conflicts of interest, in order to pursue the best interests of all parties concerned.

#### **4. Meetings of The Board:**

The Company arranges regular meetings of The Board at least once a month, and may hold special meetings as deemed appropriate, to continuously supervise management operations. The time allowed for each meeting is sufficient for The Board to consider all related matters. The Chairman and the President jointly establish and approve meeting agendas to ensure that all material issues are fully considered by The Board. Each Director may independently propose agenda items and freely expresses opinions. At meetings, Directors are encouraged to use discretion to consider all raised issues.

The Company convenes each meeting in compliance with the provisions of the Public Company Act. The minutes of each meeting are properly documented, are certified by The Board and are systematically filed under tight security.

#### **5. Remuneration of Directors and Management**

The Company rewards its directors fairly and reasonably, taking into account directors' responsibilities and the Company's operating results. Directors' remuneration has been approved at the shareholders meeting.

The Company fairly remunerates its Management, considering their responsibilities, performance, the operating results of the Company, and comparability within the same field of business.

## **6. Training of Directors and the Executive**

The Company continuously builds the corporate governance knowledge of its directors and management so they may carry out their business operations in compliance with good corporate governance principles. The Company supports all directors to participate in training courses organized by the Thai Institute of Directors Association (“IOD”), to add to their knowledge concerning their roles in the Company and apply such learning to their job performance.

## **6.2 Code of Conduct**

The Company aims to conduct business according to the Corporate Governance Policy and Code of Conduct of the Company and is determined to promote the firm to be an organization that does business with transparency, ethics, and responsibility for shareholders and stakeholders.

The Board of Directors is determined to conduct business according to good corporate governance practices, focusing on justice, transparency, fairness, responsibility for society, culture, and the environment, together with building sustainable development for all staff, customers, the community, and all stakeholders.

**“Transparent Thailand where all citizens live happily”**

The Company’s Board of Directors specifies principles of good corporate governance for The Board, management, and all employees of the company as follows:

- (1) Directors hold on to the principles of universal corporate governance and are determined to continuously improve good corporate governance i.e., shareholders rights, equitable treatment of shareholders, shareholder roles, information disclosure and transparency, and responsibilities of The Board.

- (2) Directors, management, and staff concentrate to apply the Principles of Corporate Governance i.e., creation of shared value, responsibility, equitable treatment, accountability, transparency, and ethics (C.R.E.A.T.E.) to use as a guideline to conduct business and to strictly abide by laws and related regulations of invested countries.
  
- (3) Directors establish the management structure to treat directors, management, and shareholders with fairness, and consider policy, vision, work plans and key strategies, and supervise and monitor business operations, and ensure appropriate risk management. They are independent and responsible for business operations to conform to good corporate governance by being an ethical leader and a good example to follow the Corporate Governance and Code of Conduct as well as promote the culture of corporate governance. They are responsible for all related stakeholders and to promote human rights, consumer rights, and fair labor as well as to establish a system to follow up, evaluate, and review for all employees to practice corporate governance in a complete and sustainable manner.

In addition, the Company makes a written announcement of a Code of Conduct for all stakeholders with shared values principles between the Company and stakeholders. Top management is responsible for the participation of all stakeholders and improves communication channels to continuously allow for the expression of opinions to the responsible business units. The Company has a strict policy to treat all stakeholders fairly including shareholders, customers, employees, trade partners, competitors, communities, and society. The management and employees put the Code of Conduct into practice, so they clearly understand how to fairly treat shareholders, trade partners, and customers, etc.

### **Code of Conduct**

TPI Polene Power Public Company Limited is committed to operating the business to prosper, based on a Code of Conduct and being responsible to all stakeholders. Therefore, the Company has prepared this Code of Conduct Manual which is a collection of policies, responsibilities and treatment of stakeholders as well as principles of business operations of companies that adhere to international standards. It is distributed to the directors, executives and employees of the Company so they are aware of the guidelines set forth in this Code of Conduct for the operation of the Company and to achieve business goals while reflecting corporate values and culture at the same time. The Company also hopes other companies that do business with the Company and all relevant stakeholders have been informed and adhere to the same principles for sustainable growth together.

Code of Conduct of the Company covers the following topics:

1. Respecting and complying with relevant laws, rules, and regulations
2. Anti-Corruption Practices
3. Conflict of Interest and conflicts of interest business ethics
4. Use of inside information and data retention secret
5. Internal Control / Internal Audit /risk management and accounting/financial reports
6. Receiving and giving gifts, assets, or any other benefits
7. Procurement and treatment of partners
8. Intellectual Property use of information technology and communication
9. Political Rights and Neutrality
10. Employee Code of Conduct
11. Receiving complaints/complaints/suggestions/channels for whistleblowing causing damage to the company and protection of the rights of whistleblowers
12. Responsibility to Stakeholders
  - 12.1 Treatment of Shareholders
  - 12.2 Treatment of customers
  - 12.3 Treatment of partners
  - 12.4 Treatment of Competitors
  - 12.5 Treatment of creditors
  - 12.6 Treatment of the Government Sector
  - 12.7 Treatment of employees
  - 12.8 Treatment of community, society, and environment
  - 12.9 Quality Priority
13. Compensation practices if stakeholders are damaged from infringement

### **Compliance with the Code of Business Conduct**

In case of doubt or having difficulty making decisions or following the Code of Conduct not specified, please use primary judgment by asking questions about the action with yourself before termination of the operation as follows:

1. Is the action against the law?
2. Is the action against the policy and corporate culture?
3. Is the action acceptable and can it be disclosed to society or not?

4. Does the action cause the damage to the reputation and the image of the company or not?
5. Does the action seriously harm the stakeholders of the Company or not?

\*\* or ask the supervisors in the hierarchy which is responsible for giving advice at the beginning or asking directly to the agency responsible for that matter

Details and guidelines for compliance with the Company's Code of Conduct (Code of Conduct) were published on the company's website for stakeholders and the public to be informed at <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>

### **6.3 Significant changes and developments of policies of Best Corporate Governance**

#### **Practices and Systems in the previous year**

**6.3.1 Significant changes and developments regarding policy review Guidelines and Good Corporate Governance System or Charter of The Board of Directors in 2021 are as follows:**

1) Define and review policies and practices in 2021 as follows:

- Issue compliance policies for applicable legal regulations, including complaints and protection policies.

- Publish the CG & Code of Conduct guide on the Company's

<http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>

- The Board of Directors shall be the nomination committee and the remuneration committee as convened the meeting on October 29, 2021.

2) Compliance

Issue relevant legal and regulatory policies, including fair competition support and antitrust trade policy, by handing out manuals, partner ethics for procurement (details and compliance with the Partner Code of Conduct for

procurement, and ethics). The Company has published on its website to inform stakeholders and the public on

<http://www.tpipolenepower.co.th/index.php/th/th-aboutus/supplier-code-of-conduct-th>

- Privacy Policy to support the enforcement of the Personal Data Protection Act B.E. 2562 (2019) and providing training to the Management and media via email to employees and planning operations with other relevant agencies to manage the Company's personal data, to support fair competition and antitrust trade.

The Company has published this policy on its website to keep stakeholders and the public informed at

<http://www.tpipolenepower.co.th/index.php/th/th-aboutus/pdpa>

- Provide educational materials to employees via email / LINE application and in-house posts

### **1.3.2 Adoption of good corporate governance principles for 2017 listed companies (CG Code) of the SEC**

The Company reviewed the Corporate Governance Policy by referring to the Corporate Governance Principles (CG Code) for Listed Companies 2012 of the Stock Exchange of Thailand and the CG Code 2017 of the Securities and Exchange Commission whose most of the practices the company has adhered to.

At present, The Board of Directors has considered applying CG Code 2017 issued by the SEC with consideration and awareness to the role of the leader of the organization (Governing Board). The Company takes into account the Code of Conduct thoroughly and understands the benefits and importance of implementing the CG Code, which emphasizes the integration of social, environmental and corporate governance issues to create value for businesses for sustainable development. It consists of 8 main categories as follows:



## Principle 1

Establish Clear Leadership Role and Responsibilities of The Board

### Principle 1.1

The Board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including:

- (1) defining objectives.
- (2) determining means to attain the objectives; and
- (3) monitoring, evaluating, and reporting on performance.

### Principle 1.2

To achieve sustainable value creation, The Board should exercise its leadership role and pursue the following governance outcomes:

- (1) competitiveness and performance with long-term perspective.
- (2) ethical and responsible business.
- (3) good corporate citizenship; and
- (4) corporate resilience

### Principle 1.3

The Board should ensure that all directors and executives perform their responsibilities in compliance with their duty of care and duty of loyalty, and that the company operates in accordance with applicable law and standards.

### Principle 1.4

The Board should demonstrate a thorough understanding of the division of board and management responsibilities. The Board should clearly define the roles and responsibilities of management and monitor management's proper performance of its duties.

## **Principle 2**

Define Objectives and Central Ideas that Promote Sustainable Value Creation

### **Principle 2.1**

The Board should define objectives that promote sustainable value creation for the business, customers, stakeholders, and society as a whole, and governance outcomes as a framework for the operation of the company

### **Principle 2.2**

The Board should ensure that the Company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilising innovation and technology effectively.

## **Principle 3**

Strengthen effective board members (Effectiveness)

### **Principle 3.1**

The Board should be responsible for determining and reviewing The Board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the company's objectives.

### **Principle 3.2**

The Board should select an appropriate person as the chairman and ensure that the Board composition serves the best interest of the company, enabling the Board to make its decisions as a result of exercising independent judgement on corporate affairs.

### **Principle 3.3**

The Board should ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the Board.

### **Principle 3.4**

When proposing director remuneration to the shareholders' meeting for approval, the Board should consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and company performance, and provide incentives for the Board to lead the company in meeting its objectives, both in the short and long term.

### **Principle 3.5**

The Board should ensure that all directors are properly accountable for their duties, responsibilities and (in-) actions, and allocate sufficient time to discharge their duties and responsibilities effectively.

### **Principle 3.6**

The Board should ensure that the company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.

### **Principle 3.7**

The Board should conduct a formal annual performance evaluation of the Board, its committees, and each individual director. The evaluation results should be used to strengthen the effectiveness of the Board.

### **Principle 3.8**

The Board should ensure that the Board and each individual director understand their roles and responsibilities, the nature of the business, the company's operations, relevant law and standards, and other applicable obligations. The Board should support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the Board and board committees.

### **Principle 3.9**

The Board should ensure that it can perform its duties effectively and have access to accurate, relevant,

and timely information. The Board should appoint a company secretary with necessary qualifications, knowledge, skills, and experience to support the Board in performing its duties.

## **Principle 4**

Ensure Effective CEO and People Management

### **Principle 4.1**

The Board should ensure that a proper mechanism is in place for the nomination and development of the chief executive officer and key executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the company to achieve its objectives.

### **Principle 4.2**

The Board should ensure that an appropriate compensation structure and performance evaluation are in place.

### **Principle 4.3**

The Board should consider its responsibilities in the context of the company's shareholder structure and relationships, which may impact the management and operation of the company.

### **Principle 4.4**

The Board should ensure the company has effective human resources management and development programmes to ensure that the company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.

## **Principle 5**

Nurture Innovation and Responsible Business

### **Principle 5.1**

The Board should prioritise and promote innovation that creates value for the company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the company.

### **Principle 5.2**

The Board should encourage management to adopt responsible operations and incorporate them into the company's operations plan. This is to ensure that every department and function in the company adopts the company's objectives, goals, and strategies, applying high ethical, environmental, and social standards, and contributes to the sustainable growth of the company.

### **Principle 5.3**

The Board should ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the company to meet its objectives.

### **Principle 5.4**

The Board should establish a framework for governance of enterprise IT that is aligned with the company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the company's objectives.

## **Principle 6**

Strengthen Effective Risk Management and Internal Control

**Principle 6.1**

The Board should ensure that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, goals, and strategies, and comply with applicable law and standards.

**Principle 6.2**

The Board shall establish an audit committee that can act effectively and independently.

**Principle 6.3**

The Board should manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders. The Board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

**Principle 6.4**

The Board should establish a clear anti-corruption policy and practices (including communication and staff training) and strive to extend its anti-corruption efforts to stakeholders.

**Principle 6.5**

The Board should establish a mechanism for handling complaints and whistleblowing.

**Principle 7**

Ensure Disclosure and Financial Integrity

**Principle 7.1**

The Board must ensure the integrity of the company's financial reporting system and that timely and accurate disclosure of all material information regarding the company is made consistent with applicable requirements.

**Principle 7.2**

The Board should monitor the company's financial liquidity and solvency.

**Principle 7.3**

The Board should ensure that risks to the financial position of the company or financial difficulties are promptly identified, managed and mitigated, and that the company's governance framework provides for the consideration of stakeholder rights.

**Principle 7.4**

The Board should ensure sustainability reporting, as appropriate.

**Principle 7.5**

The Board should ensure the establishment of a dedicated Investor Relations function responsible for regular, effective, and fair communication with shareholders and other stakeholders (such as analysts and potential investors).

**Principle 7.6**

The Board should ensure the effective use by the company of information technology in disseminating information.

**Principle 8**

Ensure Engagement and Communication with Shareholders

**Principle 8.1**

The Board should ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters.

**Principle 8.2**

The Board should ensure that the shareholders' meetings are held as scheduled and conducted properly,

with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights.

**Principle 8.3**

The Board should ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

In 2021, there was a matter under consideration to determine appropriate replacement measures as follows:

The Board of Directors has not set a policy limiting the number of years in the tenure of independent directors because the Company has considered knowledge, competence, and experience. The duties of each independent director that benefit all stakeholders and benefit the Company's business operations, based on the performance of each Independent Director' position, can be independent and without conflicts of interest, and considering the Company's current business structure, continuing to hold positions should be beneficial to the Company's business operations.

However, the Company acts in accordance with non-legal practices and in accordance with the corporate culture of the Company and the Company has determined that such actions do not affect the qualifications of the director's independence.

**6.3.3 Conducting good corporate governance principles in other matters**

In June 2021, the Company submitted the assessment information and CGR Checklist 2021 to the Thai Institute of Directors Association (IOD).

The Company's Corporate Governance Survey of the Thai Institute of Directors Association (IOD), based on the 2021 Survey and Supervision of Listed Companies as a whole, the Company was appraised at "good" level and received an overall average score and category of 73% based on a total survey of 716 companies and the survey was based on data disclosed by the Company in 2021. The Company has a good practice in accordance with the criteria for the survey of the Thai Registered Corporate Governance Program for the year 2021.