



MEDEZE

Charter: Board of Director

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Charter
Board of Directors

1. Introduction

In accordance with the resolution of the Board of Directors of Medeze Group Public Company Limited ("the Company"), this announcement establishes the principles and guidelines regarding the charter, authority, duties, and responsibilities of the Company's directors, executives, and employees as follows.

The Board of Directors, as representatives of the shareholders, plays a crucial role in creating value for the business and generating returns on investment for the shareholders. Generally, the Board delegates operational tasks to management. Therefore, the main duties of the Board of Directors are divided into two aspects:

- 1.1 Defining the vision, policies, and business strategies of the Company to ensure that the Company operates in the best interests of the Company, its subsidiaries, and its shareholders.
- 1.2 Monitoring the performance of management to review, balance, and hold management accountable for the Company's performance to the shareholders. The Board of Directors also has the power and responsibility as stipulated in the laws, the Company's articles of association, and resolutions of the shareholders' meetings. The important details are shown in section 5, "Scope of Authority, Duties, and Responsibilities."

2. Composition and Appointment of the Board of Directors

The shareholders are responsible for approving the appointment of the company directors. Details are as follows:

- 2.1 The Board of Directors shall consist of a Chairman of the Board, a Vice Chairman of the Board (if any), and other directors.
- 2.2 The number of directors should be appropriate for the size of the company's business and operational efficiency, with a minimum total of 5 directors.
- 2.3 At least half of the total number of directors must be residing in the Kingdom of Thailand.

2.4 There must be at least one-third of the total number of directors, with a minimum of 3, who are genuinely independent from the management and free from any business or other relationships that may influence their independent judgment.

2.5 The directors do not necessarily need to be shareholders of the company.

2.6 The Vice Chairman of the Board has duties as per the articles of association and as assigned by the Chairman of the Board.

The appointment of the directors must be in accordance with the articles of association and the relevant legal requirements. The process must be transparent and clear, with consideration of the candidate's educational background and professional experience. Sufficient information must be provided for the benefit of the Board of Directors and the shareholders' decision-making.

3. Qualifications of Directors

3.1 Directors must be knowledgeable, capable, honest, ethical in business conduct, and have sufficient time to dedicate their knowledge, capabilities, and duties to the Company.

3.2 They must possess the qualifications and not have any disqualifications as per the Public Limited Companies Act and other related laws, including no characteristics that indicate unsuitability to be entrusted with managing the affairs of a public company according to the regulations set by the Capital Market Supervisory Board

3.3 Directors may hold directorships in other companies, provided such directorships do not hinder their duties as a director of the Company and must comply with the guidelines of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET").

3.4 Directors must not engage in businesses that are of the same nature as and compete with the Company's business, or be partners in a general partnership, or limited partners in a limited partnership, or be directors of a private company or other company that conducts business of the same nature as and competes with the Company, whether for their own benefit or for the benefit of others, unless prior notice is given to the shareholders' meeting before a resolution for appointment is made.

3.5 Independent directors must possess independence as prescribed by the Capital Market Supervisory Board and in line with the qualifications of audit committee members as stipulated by the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand's announcement regarding the qualifications and scope of operations of independent directors and audit committees. Furthermore, they must be able to protect the interests of all shareholders equally and avoid conflicts of interest.

In addition, they must be able to participate in Board of Directors' meetings and provide independent opinions.

4. Term of Office

- 4.1 The Board of Directors shall nominate candidates who meet the qualifications stipulated in this charter for the position of directors. Such candidates will be presented to the Board of Directors meeting and/or the shareholders' meeting (as appropriate) for consideration and election by the shareholders.
- 4.2 Directors shall hold office for a term of 3 years. Upon completion of the term, they may be considered for re-election.
- 4.3 In the case of appointing a director to fill a vacancy caused by reasons other than the expiration of the term, the Board of Directors shall nominate a person who meets the qualifications stipulated in this charter and does not have any legal disqualifications. The nominated person will then be presented to the Board of Directors meeting for appointment as a director and to take the position at the next Board meeting, unless the remaining term of the former director is less than 2 months. In such a case, the newly appointed director shall hold office for the remaining term of the director they replace.
- 4.4 At each Annual General Meeting of Shareholders, one-third (1/3) of the directors in office at that time shall retire. If the number of directors cannot be divided into three equal parts, the number closest to one-third shall retire. Retiring directors may be eligible for re-election. For the first and second years after the company's registration, retiring directors shall be chosen by drawing lots. In subsequent years, the directors who have served the longest shall retire.
- 4.5 Independent directors will have a consecutive term of not more than 9 years, unless the Board of Directors deems that the individual should continue to serve as an independent director of the company for the best interests of the company.
- 4.6 In addition to retirement according to the term of office, a director may be relieved of their position if:
 - (1) Death
 - (2) Resignation
 - (3) They lack the qualifications to be a director or have legal disqualifications as per the Public Limited Companies Act or demonstrate a lack of suitability to be entrusted with managing the affairs of a public company as defined by the Securities and Exchange Act (and amendments) and the relevant announcements of the Securities and Exchange Commission.

- (4) They lack the qualifications to be a director under this Charter.
- (5) The shareholders' meeting passes a resolution for their removal (with a vote of at least three-fourths (3/4) of the attending shareholders who have the right to vote and who together hold at least half of the shares held by the attending shareholders with voting rights.)
- (6) A court orders their removal

4.7 Any director wishing to resign shall submit a resignation letter to the Company. The resignation shall take effect from the date that the resignation letter reaches the Company.

5. Scope of Authority, Duties, and Responsibilities

In addition to the main duties as representatives of the shareholders mentioned above, the authority, duties, and responsibilities of the Board of Directors are also as stipulated by law, the Company's articles of association, and the shareholders' meeting resolutions. The company will hold an Annual General Meeting of Shareholders within four (4) months from the end of the company's accounting period, which includes the following actions:

- 5.1 To perform duties with responsibility, due care, and honesty, considering the best interests of the Company, and in compliance with laws, the Company's objectives, its articles of association, and the resolutions of the shareholders' meeting. Matters requiring prior approval from the shareholders' meeting, such as those specified by law, related-party transactions, and acquisition or disposal of significant assets must adhere to this.
- 5.2 To define and approve the vision, mission, goals, approaches, policies, strategies, and business plans, including the budget of the company and its subsidiaries. Further, to monitor and supervise the management, implementation, and performance of the management of the company and its subsidiaries, to ensure they align with the defined policies, plans, and budget, and are implemented efficiently and effectively according to the business policies.
- 5.3 To consider and approve the appointment of individuals who meet the qualifications and do not have any disqualifications as specified in the Public Limited Companies Act B.E. 2535 and the laws governing securities and exchanges, as well as related announcements, regulations and/or rules to fill a vacant director position caused by reasons other than expiration of the term, except where the remaining term of the director is less than 2 months.
- 5.4 To consider the appointment of independent directors by evaluating their qualifications and characteristics according to the laws concerning securities and exchange, announcements of the Capital Market Supervisory Board, and relevant announcements, regulations, and/or rules of the

Stock Exchange of Thailand, or to propose to the shareholders' meeting for consideration to appoint them as independent directors of the Company.

- 5.5 To consider the appointment of the Audit Committee, with qualifications as specified by the laws concerning securities and exchange, the announcements of the Capital Market Supervisory Board, and related announcements, regulations, and/or rules of the Stock Exchange of Thailand, or to propose to the shareholders' meeting for consideration to appoint them as the Audit Committee of the Company.
- 5.6 To consider the appointment of an Executive Committee (if any), selected from directors and/or executives of the company or subsidiaries, including defining the scope, authority, duties, and responsibilities of the Executive Committee (if any).
- 5.7 To consider the appointment of other subcommittees (if any), and define their scope, authority, duties, and responsibilities to assist in the performance of the Board's responsibilities.
- 5.8 To consider the appointment of a Chief Executive Officer (CEO) who meets the qualifications required by law, including determining the compensation of the CEO.
- 5.9 To consider the appointment of a Company Secretary, including defining the scope, authority, duties, and responsibilities of the Company Secretary.
- 5.10 To consider and amend the list of authorized company signatories.
- 5.11 To appoint other persons to conduct the business of the company under the supervision of the Board of Directors or may delegate authority to such persons within the timeframe deemed appropriate by the Board. The Board of Directors may revoke, withdraw, amend, or modify the delegated authority. Any delegation of authority must be done by a resolution of the Board of Directors in the meeting minutes with a clear scope of the delegate's authority. The delegate cannot re-delegate their authority to another person.
- 5.12 To consider the approval of the acquisition or disposal of assets and/or related-party transactions, except for such transactions that need approval by the shareholders' meeting. This approval will be based on the announcements of the Capital Market Supervisory Board and/or announcements, regulations, and/or rules of the Stock Exchange of Thailand
- 5.13 To consider and approve the payment of interim dividends to shareholders if the company has a sufficient net profit from its separate financial statements after deducting income tax and reserves, as required by law. The payment of such interim dividends must be reported to the shareholders' meeting at the next meeting.
- 5.14 To prepare the Board of Directors' annual report, the consolidated financial statements, and the company's separate financial statements for the end of the accounting period. These financial

statements, after being audited, will be presented to the shareholders' meeting for consideration and approval to represent the financial position and performance for the past year.

- 5.15 To consider selecting and approving the proposed list of the company and subsidiary auditors and/or associate company auditors, including determining appropriate compensation as proposed by the Audit Committee, before presenting it to the annual general shareholders' meeting for consideration and approval.
- 5.16 To ensure that the company and subsidiaries and/or associates use appropriate and effective accounting systems, including establishing efficient internal control and internal audit systems.
- 5.17 To determine and implement a comprehensive risk management policy covering the entire organization, and to ensure that there are systems or processes for managing risks with appropriate measures to reduce impacts on the company and its subsidiaries' business.
- 5.18 To establish a policy on good corporate governance and a policy on anti-corruption in all forms for the company and its subsidiaries and/or associated companies, based on written corporate governance principles and at a minimum in accordance with the guidelines established by the Stock Exchange and/or the SEC, and ensure that these policies are implemented effectively. This will provide assurance that the company and subsidiaries are responsible to all stakeholders with fairness.
- 5.19 To be aware of the principles of good corporate governance, to recognize their roles as leaders in creating value for the business, and to evaluate its application at least once a year.
- 5.20 To report their interests and the interests of related parties to the company, including requiring the reporting of the interests of executives and related parties, as well as directors and executives of subsidiaries and their related parties.
- 5.21 To authorize one or more directors or other persons to act on behalf of the Board of Directors, under the supervision of the Board of Directors, or may grant authority to such person as deemed appropriate and within a time period deemed appropriate by the Board of Directors. The Board of Directors may revoke, withdraw, amend, or modify such authorization when deemed necessary. However, this authorization shall not be delegated to any person allowing that person to consider and approve any matters in which they, or a party that may have a conflict of interest, may have an interest, or may have any conflict of interest with the company, subsidiary or associate as defined by the Capital Market Supervisory Board and/or the Stock Exchange of Thailand, and/or any other announcement of relevant agencies. Unless it is approval of a transaction consistent with the policy and criteria already considered and approved by the Board of Directors.

- 5.22 To ensure the disclosure of the roles and duties of the Board of Directors and subcommittees, the number of meetings held, and the number of meetings attended by each director in the past year, and report the results of operations of all subcommittees.
- 5.23 To encourage directors and executives of the company and its subsidiaries to participate in various training courses offered by the Thai Institute of Directors Association, related to the duties and responsibilities of directors and executives.
- 5.24 To monitor and supervise the management and operations of the company, its subsidiaries, and/or associated companies (allow to grant) in accordance with company policies, relevant business laws, and laws concerning securities and exchanges, and the announcements of the Capital Market Supervisory Board and requirements of the Stock Exchange of Thailand, as far as it does not conflict with other laws.
- 5.25 To consider the appointment of representatives to serve as directors and executives in subsidiaries and/or associated companies, at least in proportion to the company's shareholding in the subsidiary and/or associated company that is its core business, unless there are legal limitations or conditions on joint ventures with the government, or any other cases specified in the law concerning securities and exchange, or announcements of the Capital Market Supervisory Board, or the requirements of the Stock Exchange of Thailand. The directors and executives of the aforementioned subsidiaries who are appointed or nominated must possess qualifications, roles, duties, and responsibilities as specified in relevant laws, and must not lack trustworthiness as per the announcements of the SEC regarding the determination of untrustworthiness of directors and executives of companies.
- 5.26 In cases where the subsidiary and/or associated company intends to take actions that may have an impact on the financial position and performance of the company or any other benefits that the company should receive as a shareholder of the subsidiary and/or associate, the subsidiary and/or associated company must obtain consideration and approval from the shareholders' meeting and/or Board of Directors meeting as deemed appropriate by the company's Board of Directors. The Board of Directors of the company will define these details, including the following issues that must be considered and approved by the shareholders' meeting or the Board of Directors meeting before the subsidiary and/or associated company takes action:
- 5.27 To determine policies, criteria, and methods for the recruitment, compensation, and other benefits of directors, subcommittees, the company secretary, and the top executive (Chief Executive Officer), and to consider the recruitment, selection, and nomination of qualified individuals with appropriate knowledge and expertise for such positions, with consideration of the suitability of the number, structure, and composition of the Board of Directors and definition of the qualifications of directors,

to present to the Board of Directors and/or to request approval from the shareholders' meeting, as the case may be.

- 5.28 To consider defining policies for succession planning for critical executive positions
- 5.29 To assign a working group to review the criteria and methods for director recruitment, compensation and other benefits to be presented to the Board of Directors and/or to request approval from the shareholders' meeting, as the case may be.
- 5.30 To determine necessary and appropriate compensation, both monetary and non-monetary, for individual directors each year, considering suitability with experience, role, responsibilities, performance, the company and subsidiary performance, and comparison with companies in the same industry, as well as the benefits expected to be received from the directors. This will also align with the company's strategy, long-term goals, and value created for the shareholders. This proposal will be presented to the shareholders' meeting for approval.
- 5.31 To establish guidelines for evaluating the performance of the Board, subcommittees, the company secretary, and the highest executive (Chief Executive Officer) for consideration of annual compensation.
- 5.32 To disclose the policy regarding compensation and disclose compensation in various forms and include this in the company's annual report.
- 5.33 To determine bonuses and annual salary increases for executives, considering the company's performance, and also to review the salary structure and other compensation benefits of the organization.
- 5.34 To consider and approve guidelines, measures, action plans, and the risk management framework that is aligned with the objectives, goals, and strategies to manage risks of the company and its subsidiaries. These must align with the risk management policies and frameworks approved by the Board of Directors, including reviewing and commenting on the results of the risk assessment.
- 5.35 To review the adequacy of policies, strategies, and processes, and to supervise and monitor compliance with the risk management policy approved by the Board of Directors, as well as to develop approaches and systems for continuous risk management so that the company and its subsidiaries have an efficient risk management system and continuous compliance.
- 5.36 To recommend ways to prevent and reduce risks to an acceptable level, review risk management reports, including monitoring the risk reduction plan continuously to ensure that the risks are managed adequately and appropriately
- 5.37 To communicate, exchange information, and coordinate regularly with the Audit Committee regarding risks and internal controls that have or may have an impact on the company and its subsidiaries, with

the internal audit function being responsible for the review, to ensure that the company and its subsidiaries have appropriate internal controls for risk management.

5.38 To oversee and encourage executives and employees of the company and its subsidiaries to understand their duties in risk management of the company and its subsidiaries, including providing advice and consultations to those involved in risk management.

Matters that must be considered and approved by the shareholders' meeting of the Company

- (1) Increases or decreases in capital that do not maintain the shareholding ratio, or any action that reduces the company's direct or indirect shareholding ratio in any subsidiary by more than 10% of the subsidiary's paid-up registered capital, or reduces the company's shareholding ratio in a subsidiary, directly or indirectly in any tier, to less than 50% of the subsidiary's paid-up registered capital, or results in the company losing control of the subsidiary.
- (2) The liquidation of a subsidiary, when the transaction size is calculated by comparing the size of the business of the subsidiary or associated company that is being liquidated in proportion to the company's shareholding with the size of the company's business, according to the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand regarding the acquisition or disposal of significant assets by mutatis mutandis, is of a size that requires approval from the company's shareholders' meeting.
- (3) Undertaking any transaction that is not a normal business transaction of the subsidiary and is a transaction that will have a significant impact on the subsidiary. When the transaction size is calculated by comparing the transaction size in proportion to the company's shareholding in the subsidiary with the size of the company's business according to the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand regarding the acquisition or disposal of significant assets by mutatis mutandis, the transaction size requires approval from the company's shareholders' meeting.
- (4) Amending the articles of association of a subsidiary in a matter that may have a significant impact on the financial position and performance of the subsidiary, including, but not limited to, amending the articles of association of the subsidiary that affects the company's voting rights at the subsidiary's board meetings and/or shareholders' meeting.

Matters that must be considered and approved by the Board of Directors meeting

- (1) Approval of the annual budget of the company and/or its subsidiaries.
- (2) Approval of the Delegation of Authorities of the Company.
- (3) Borrowing money, excluding borrowing plans included in the annual budget, or borrowing to conduct the company's/subsidiary's normal business.
- (4) Lending money, providing credit, guarantees, pledges, mortgages, or providing security for business or creating a commitment for the subsidiary to incur significant additional financial obligations, or providing financial assistance in any other form to another person that is not the normal business activity of the company and/or subsidiary.
- (5) Amendments to the articles of association of the subsidiary, except for amendments that require approval from the company's shareholders' meeting.
- (6) Payment of annual dividends or interim dividends (if any) of the company.
- (7) Before the company and/or its subsidiary enters into the following transactions, approval must be obtained from the Board of Directors meeting, by applying the criteria set in the announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding related party transactions and/or acquisition or disposal of assets (as the case may be) allowing to grant, and the transaction size requires approval from the company's board of directors.
 - Transferring or waiving rights and benefits, including waiving claims against parties that cause damages to the company and/or its subsidiaries.
 - Selling or transferring all or a significant portion of the business to another party.
 - Buying or transferring the business of another company, all or a significant portion, to become the company's and/or its subsidiaries' business.
 - Entering into, amending or terminating contracts related to the leasing of all or a significant portion of the business of the company and/or its subsidiaries, assigning another person to manage the business of the company and/or its subsidiaries, or merging with another party with the objective of sharing profits and losses.
 - Leasing or hire purchasing the business or assets of the company and/or its subsidiaries, all or a significant portion.
 - Liquidation of the company and/or its subsidiaries.

- Any other transactions that are not normal business operations of the company and/or its subsidiaries, and are transactions that have a significant impact on the company and/or its subsidiaries.

(8) In the event that a subsidiary agrees to enter into related-party transactions with related parties of the subsidiary, or transactions related to the acquisition or disposal of assets of the subsidiary according to the rules specified in the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand (as the case may be), the company and its subsidiaries must comply with the principles and procedures specified in such announcements before entering into such transactions by *mutatis mutandis*. The subsidiary must follow the same criteria and procedures specified in such announcement as if the company were the one doing such transaction.

These types of transactions require approval from the Board of Directors meeting and/or the company's shareholders' meeting according to the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand. The company and its subsidiaries must consider the size of the transaction compared to the consolidated financial statements of the company.

(9) To oversee and monitor that the subsidiaries and/or associated companies disclose important information, such as financial position and operating results, related-party transactions, and transactions that may have conflicts of interest, significant acquisitions or disposals of assets, and other significant transactions that are not part of the normal business of the subsidiary or associated company, etc. This disclosure must provide sufficient, complete, and accurate information within the time specified by the company and in accordance with the principles of the relevant agencies.

(10) The Board of Directors must ensure that the company and/or its subsidiaries and/or associated companies that are conducting core business have adequate and robust internal control systems to prevent fraud that may occur to the company and/or its subsidiaries and/or associated companies. The company and/or subsidiaries and/or associated companies must also have clear systems that can demonstrate that they have sufficient systems to disclose information regarding significant transactions, according to defined criteria consistently and reliably. These systems will also provide channels for directors and executives to access data of the company and/or its subsidiaries and/or associated companies to monitor the results of operations, financial position, transactions between the company and/or subsidiaries and directors and/or executives of the company and/or subsidiaries and/or associated companies, and significant transactions of the

company and/or subsidiaries and/or associated companies effectively. In addition, the Board of Directors must ensure that the company and/or subsidiaries have mechanisms for reviewing the aforementioned systems by an internal audit team and the company's independent directors, with direct access to information and with the reporting of the results of the system review to the Audit Committee and the Board of Directors to ensure that the company and/or its subsidiaries and/or associated companies are complying with the systems that have been established efficiently and consistently.

6. Quorum

At a meeting of the Board of Directors, a quorum must be present which is no less than half of the total number of directors. If the Chairman of the Board is not present or unable to perform their duties, the Vice Chairman of the Board will chair the meeting if they are present. If there is no Vice Chairman of the Board or if the Vice Chairman is present but is unable to perform their duties, the attending directors must elect one of the directors to chair the meeting. Decisions of the meeting shall be unanimous among the participating and voting directors.

Each director has one vote, except for a director who has a conflict of interest in a particular matter who has no right to vote in that matter. If the votes are tied, the chairman of the meeting will have the deciding vote. Directors who have a conflict of interest in a matter have no right to vote on that matter and must leave the meeting during the consideration of that matter to allow the meeting to discuss the matter freely.

7. Meetings

- 7.1 There should be at least one meeting every three (3) months, with meeting dates scheduled in advance for the entire year. Additional special meetings may be held as needed.
- 7.2 The Chairman of the Board will be responsible for approving the meeting agenda.
- 7.3 The Company Secretary is responsible for sending out notices of the meeting along with the meeting agenda and supporting documents to the directors at least 7 days in advance to provide sufficient time for the directors to study the materials prior to the meeting, unless it is an urgent matter for the protection of the company's rights or benefits. In such cases, a meeting may be called by other methods or with a shorter notice.

7.4 The Chairman of the Board will preside over the meeting and is responsible for allocating sufficient time for each agenda item to allow the directors to discuss and express their opinions freely on important issues, considering the interests of the shareholders and stakeholders fairly.

7.5 Voting will be based on a majority vote, and if any director objects to the resolution, their objection must be recorded in the meeting minutes.

7.6 In the consideration of any matter, directors have the right to request to see or inspect related documents and to request relevant executives to attend the meeting to explain the details.

7.7 The Company Secretary is responsible for taking minutes and preparing meeting reports within 14 days, storing the meeting minutes and supporting documents, and supporting the Board of Directors so they can perform their duties in accordance with laws, regulations, and the resolutions of the shareholders' meeting, including coordinating with relevant parties.

7.8 In the event of meetings through electronic media (Conference Call Meeting), the chair of the meeting may organize meetings through electronic media, but the person in charge of organizing the meeting must follow these criteria:

- (1) Participants must be in the Kingdom of Thailand during the meeting, and at least one-third of the quorum must be physically present at the same location.
- (2) Participants must identify themselves through electronic media before the meeting.
- (3) Meeting minutes must be recorded in writing.
- (4) A voice recording or both voice and video recordings of all participants must be made during the entire meeting in electronic data format and this should be considered a part of the meeting minutes.

7.9 The Company Secretary is responsible for preparing the meeting minutes. The meeting minutes must be fully approved by the Board of Directors before they can be used as a reference document for the results of each meeting.

8. Reporting of the Board of Directors

The Board of Directors will prepare a performance evaluation report for reference for the Board of Directors' opinion and report to the shareholders when considering the election of directors who are retiring according to their term.

9. Performance Evaluation

A performance evaluation of the Board of Directors will be conducted annually. The evaluation will be divided into two (2) types: the performance evaluation of individual directors and the performance evaluation of the Board of Directors as a whole.

10. Review and Revision of the Charter

The Board of Directors will review this charter at least once a year and will recommend revisions as deemed necessary, for consideration and approval by the Board of Directors.

Announced on February 24, 2023

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(Dr. Watcharee Thintanee)

Chairman of the Board

Medeze Group Public Company Limited

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