

Policy: Good Corporate Governance (CG)

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Company Policy

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1. Introduction

Medeze Group Public Company Limited (the "Company") believes that effective corporate governance processes are essential for efficient management, transparency, and accountability and for enhancing the Company's overall performance. This approach fosters confidence and trust among shareholders, stakeholders, and all related parties, which in turn helps the Company achieve its primary objective of maximizing shareholder value. Consequently, the Company has established corporate governance policy as a framework and operational guideline in accordance with the recommendations of relevant regulatory authorities.

2. Corporate Governance Policy

The Company acknowledges that strong corporate governance benefits the Company, shareholders, and other stakeholders. Therefore, the Company has decided to implement the Corporate Governance Code for Listed Companies 2017 ("CG Code 2017"), which is based on eight key principles:

- (1) Establish clear leadership roles and responsibilities of the board in creating sustainable value for the Company
- (2) Define objectives and main goals for sustainable value creation
- (3) Strengthen board effectiveness
- (4) Ensure effective Chief Executive Officer and people management
- (5) Nurture innovation and responsible business
- (6) Strengthen effective risk management and internal control
- (7) Ensure disclosure and financial integrity
- (8) Ensure engagement and communication with shareholders

The Company's Good Corporate Governance principles have been established in accordance with the CG Code 2017. These guidelines are intended by the Board of Directors, who are the leaders and bear ultimate responsibility for the Company. The principles outline the roles, duties, and responsibilities of the Board in creating sustainable long-term value for the business. This value creation benefits the Company, shareholders, stakeholders, capital markets, and society. The Board of Directors has established the following Good Corporate Governance principles for acknowledgment and compliance:

Principle 1: Establish Clear Leadership Roles and Responsibilities of the Board in Creating Sustainable Value for the Company

1.1 The Board of Directors understands role and recognizes leadership responsibilities in ensuring effective corporate governance. This includes setting objectives and goals, determining strategies and operational policies, allocating key resources to achieve those objectives and monitoring, evaluating, and overseeing performance reporting.

1.2 To create sustainable value for the Company, the Board of Directors oversee the Company's operations to achieve the following outcomes:

- a. Competitiveness and strong performance with a long-term perspective
- b. Ethical business conduct, with respect for the rights and responsibilities of shareholders and stakeholders
- c. Benefits to society and efforts to mitigate negative environmental impacts
- d. Adaptability in response to changing factors

1.2.1 The Board of Directors evaluates the Company's performance using both financial and non-financial metrics, including ethical performance and the impacts on shareholders, society, and the environment.

1.2.2 The Board of Directors is essential in promoting an organizational culture that adheres to ethical standards by serving as role models in corporate governance leadership.

1.2.3 The Board of Directors ensures that written policies and guidelines are established for all company directors, executives, and employees.

1.2.4 The Board of Directors effectively communicates the company's policies and guidelines to all directors, executives, and employees.

1.2.5 The Board of Directors ensures adequate mechanisms are in place for monitoring, reviewing, and reporting compliance with company policies and guidelines.

1.3 The Board of Directors ensures that all directors and executives perform their duties with responsibility, prudence, and loyalty to the organization while also ensuring that operations comply with relevant laws, regulations, and shareholder resolutions.

1.3.1 When evaluating whether directors and executives have fulfilled their duties with responsibility, prudence, and loyalty, reference will be made to applicable laws, rules, and regulations, including the Securities and Exchange Act B.E. 2535 (as amended).

1.3.2 The Board of Directors is responsible for establishing adequate systems and controls to ensure the Company complies with all applicable laws, rules, and regulations. This includes setting up approval processes for significant actions such as Significant investment, related party transactions, asset acquisitions and disposals, and dividend payments.

1.3.3 Directors, executives including those in management-level positions in accounting or finance at the department manager level or equivalent employees in departments that handle inside information, as well as their spouses, de facto partners, and minor children who have access to inside information, are prohibited from trading securities or entering into futures contracts related to the Company's securities, its subsidiaries, or its listed associated companies. They must also refrain from trading related to other listed companies for which they possess inside information during the Blackout Period, which spans one month before the disclosure of quarterly and annual financial statements and the 24 hours following the disclosure of those financial statements.

1.3.4 In situations where directors, executives including those in management-level positions in accounting or finance at the department manager level or equivalent employees in departments dealing with inside information, their spouses or de facto partners, and minor children become aware of undisclosed information that could affect the securities price of the Company, its subsidiaries, its listed associated companies, or other related listed companies, they must not trade the securities of these companies until 24 hours have passed after the complete public disclosure of such information (Blackout Period).

1.4 The Board of Directors has a comprehensive understanding of its scope, duties, and responsibilities, as well as those of management. It ensures that the roles, duties, and responsibilities of the Chief Executive Officer and management are clearly defined, and it monitors their performance in fulfilling these duties.

1.4.1 The Board of Directors establishes written policies, including various charters, that outline the roles and responsibilities of the Board, its subcommittees, and management. It also ensures that these policies are reviewed regularly.

1.4.2 The Board of Directors is responsible for overseeing the overall business operations and delegates management duties to the management team.

Principle 2: Define Objectives and Main Goals for Sustainable Value Creation

2.1 The Board of Directors is responsible for establishing and overseeing clear and appropriate objectives and main goals that promote sustainable value creation and good corporate governance. This creates an operational framework that aligns with the interests of the business, customers, stakeholders, and society.

2.1.1 The Board defines the company's vision, mission, and values to shape its business model. They also ensure that this information is effectively communicated throughout the organization using online learning management systems, noticeboards, and slides displayed in various locations within office buildings.

2.1.2 When developing a business model for sustainable value creation, the Board of Directors takes into account the following factors:

- a. The company's environment, including changing factors, business opportunities, and the efficient implementation of innovation and technology
- b. The needs and expectations of customers and other stakeholders
- c. The available resources and the company's competitive capabilities.

2.2 The Board of Directors ensures that the company's objectives, goals, strategies, and both medium-term and annual plans are aligned with the main business objectives. This alignment efficiently incorporates innovation and technology.

2.2.1 The Board of Directors ensures that the company's annual and medium-term goals (e.g., 3-5 years), strategies, and plans are in sync with its long-term objectives. Additionally, the Board conducts annual reviews of the company's medium-term objectives, goals, strategies, and plans as needed.

2.2.2 The Board of Directors considers all relevant factors that influence the value chain, including the business environment, risks, resources, competition, and stakeholders when establishing the company's strategies and plans.

2.2.3 In developing strategies and plans, the Board of Directors encourages the adoption of innovation and technology to enhance competitive capability and address the needs and expectations of stakeholders, considering social and environmental responsibilities.

2.2.4 When approving the company's targets, both financial and non-financial, the Board of Directors ensures that these targets are suitable for the company's business environment and do not lead to illegal or unethical behavior.

2.2.5 The Board of Directors ensures effective company-wide communication of the Company's objectives, goals, strategies, plans, and targets.

2.2.6 The Board of Directors ensures appropriate resource allocation and operational control, including monitoring of the implementation of the Company's strategies and plans.

Principle 3: Strengthen Board Effectiveness

3.1 The Board of Directors is responsible for determining and reviewing the Board structure regarding size, composition, and proportion of independent directors to ensure leadership effectiveness in achieving company objectives. At least one-third of the total directors must be non-executive independent directors, meeting the following characteristics:

3.1.1 The Board of Directors comprises directors with diverse qualifications in knowledge, skills, experience, and specific attributes, including appropriate gender and age diversity, to achieve company objectives and meet stakeholder needs. At least one non-executive director must have experience and capability in the Company's core industry.

3.1.2 The Board of Directors consists of at least 5 directors, including at least 3 non-executive independent directors.

3.1.3 The proportion of executive directors to non-executive independent directors is appropriate for checks and balances, preventing decision-making and operational authority from being concentrated in any individual. The number and qualifications of non-executive independent directors are appropriate for the business. The Board comprises at least 3 independent directors, or one-third of the total directors (whichever is higher), in compliance with relevant rules and regulations.

3.1.4 The Board of Directors provides detailed information about members, including their age, gender, qualifications, experience, shareholding percentages, tenure as directors, and positions held in other listed companies. This information is included in the annual report and is also available on the company's website.

3.2 The Chairman of the Board and the Chief Executive Officer must be different individuals to ensure that the Board's composition serves the company's best interests. This separation allows the Board to make independent decisions and exercise sound judgment. The Board will appoint a suitable person as Chairman and ensure that its composition and operations support independent decision-making.

3.2.1 The Chairman of the Board must be an independent director.

3.2.2 The roles and responsibilities of the Chairman of the Board and the Chief Executive Officer must be distinct. The Board of Directors will clearly define the roles and responsibilities of both positions, ensuring that separate individuals hold them. The Chairman is responsible for overseeing the effective performance of the Board, while the CEO is responsible for managing the company's operations.

3.2.3 The Chairman of the Board serves as the leader of the Board of Directors. The Chairman's responsibilities include the following:

- a. Oversee, monitor, and ensure that the Board performs its duties effectively to achieve the company's objectives.
- b. Ensure that all directors foster an ethical corporate culture and promote good corporate governance.
- c. Set the agenda for Board meetings in consultation with the Chief Executive Officer, including significant matters such as meeting agenda items.
- d. Allocate sufficient time for management to present topics and for directors to discuss key issues thoroughly, encouraging them to exercise independent judgment in the company's best interests.
- e. Promote a culture of open discussion and mutual exchange of ideas by fostering strong relationships among executives, non-executive directors, and management.

3.2.4 The roles of Chairman of the Board and Chief Executive Officer must be held by separate individuals. Each person is responsible for fulfilling their respective duties as outlined.

3.2.5 Independent directors may serve continuously for a maximum of 9 years from their initial appointment. If an independent director has served beyond this 9-year period, the Board of Directors must conduct a thorough evaluation of the director's independence.

3.2.6 The Board of Directors establishes subcommittees to address specific issues, review information, and provide recommendations for the Board's consideration before they are presented for approval. However, the Board maintains ultimate responsibility for all decisions and actions.

3.2.7 The Board of Directors discloses the roles and responsibilities of both the Board and its subcommittees, the number of meetings held, the attendance of directors over the past year, and performance reports for the Board and all subcommittees.

3.3 The Board of Directors is responsible for overseeing its directors' nomination and selection process, ensuring clarity and transparency, which helps create a Board composed of individuals with appropriate qualifications.

3.3.1 The Board will form a working group known as the Nomination and Remuneration Committee, which must include at least three directors. This committee will handle the nomination and selection of directors.

3.3.2 The Nomination and Remuneration Committee will establish the criteria and methods for the nomination process. After identifying suitable candidates, the committee will present them to the Board of Directors for approval. Once the Board approves the shortlisted candidates, they will be proposed to the shareholders' meeting for final selection and appointment as directors. Shareholders will receive adequate information about the candidates beforehand, including in the shareholders' meeting invitation.

3.3.3 The Nomination and Remuneration Committee will present details regarding the criteria, nomination process, roles, and responsibilities for the Board of Directors' consideration before nominating directors whose terms are expiring. If the committee recommends reappointing an existing director, the director's past performance will be considered.

3.3.4 If the Nomination and Remuneration Committee designates an individual as an advisor, all relevant information about the advisor, including their independence and potential conflicts of interest, must be disclosed in the annual report.

3.4 When proposing remuneration for the Board of Directors for shareholder approval, the Board ensures that the structure and rates are appropriate to their responsibilities and serve as an incentive to achieve the company's short-term and long-term goals.

3.4.1 The Board of Directors has established a Nomination and Remuneration Committee, which includes the company's executive directors. This committee is responsible for proposing remuneration policies and rates for the Board's consideration

3.4.2 Directors' remuneration must align with the company's long-term strategy and goals. It should consider their experience, accountability and responsibility, and the expected benefits from each director.

3.4.3 Shareholders have the authority to approve the structure and rates of directors' remuneration, which includes both monetary and non-monetary compensation. The Board evaluates the appropriateness of each type of remuneration, including fixed rates such as retainers and meeting allowances. The Nomination and Remuneration Committee, along with the Board, oversees this process to ensure that remuneration reflects the value the company creates for shareholders through long-term performance, while avoiding levels that focus excessively on short-term results.

3.4.4 The Board of Directors will disclose the policy and criteria used to determine directors' remuneration, clearly outlining the duties and responsibilities of each individual. This disclosure will detail the types and amounts of remuneration each director receives, including any payments they receive from their roles in the company's subsidiaries.

3.4.5 If the Board of Directors appoints an individual as an advisor to the Nomination and Remuneration Committee, information about the advisor will be included in the annual report. This information will cover the advisor's independence and confirm no conflicts of interest.

3.5 The Board of Directors ensures that all directors understand their duties and allocate sufficient time to fulfill their roles effectively.

3.5.1 The Board establishes mechanisms to assist directors in understanding their roles, responsibilities, and expected time commitment.

3.5.2 The Board has set criteria for directors holding positions in other listed companies, limiting each director's total number of directorships to no more than five (5) listed companies.

3.5.3 The Board ensures that information regarding directors' positions in other companies or their roles in other entities is reported and disclosed.

3.5.4 The Board has implemented a policy on related-party transactions to prevent and prohibit conflicts of interest. This policy ensures that directors do not use company assets, information, or opportunities for personal gain, directly or indirectly, through their roles as directors, executives, or stakeholders in competing businesses. Information about directors' roles or other positions in external entities must be disclosed to shareholders in the annual report or as deemed appropriate.

3.5.5 Each director is required to attend at least 75% of Board meetings held during the fiscal year.

3.6 The Board of Directors is responsible for ensuring that the governance framework and mechanisms for managing the policies and operations of subsidiaries and other significant investments are appropriate for each entity. Additionally, it is essential that subsidiaries and other invested entities have a mutual understanding of these frameworks.

3.6.1 The Board of Directors oversees and ensures that the governance framework and mechanisms for subsidiaries include the following:

- a. The authority to appoint individuals to serve as directors, executives, or controllers of subsidiaries lies primarily with the Board of Directors. This authority may be delegated to the Chief Executive Officer in the case of small operating entities.
- b. The duties and responsibilities of subsidiary directors, executives, and other controllers include supervising the subsidiary's operations to ensure compliance with all applicable laws, regulations, and policies. If the subsidiary has joint venture partners, the representatives appointed by the company are required to act in the best interests of the subsidiary while aligning with the company's governance framework and policies.
- c. The subsidiary must maintain an effective and robust internal control system to ensure that all transactions are conducted legally and in accordance with relevant regulations.
- d. The subsidiary must provide complete and timely disclosure of material information. This includes financial data, intercompany transactions, acquisitions and disposals of assets, other significant transactions, changes in capital structure, and decisions regarding the dissolution of the subsidiary.

3.6.2 For businesses where the company has made or plans to make significant investments (for example, holding between 20% and 50% of voting shares) outside of subsidiaries, the Board of Directors ensures that shareholder agreements or other arrangements are established. These agreements are designed to facilitate monitoring the company's performance, involvement in business management, approval of significant transactions, and decision-making for ongoing operations. This arrangement ensures that the company receives sufficient, accurate, and timely information necessary for preparing financial statements in accordance with relevant standards.

3.7 The Board of Directors conducts annual performance evaluations of the Board itself, its sub-committees, and individual directors. The results of these evaluations are used to enhance the effectiveness of the Board's performance.

3.7.1 Performance evaluations of the Board, sub-committees, and individual directors are conducted at least once a year. This allows the Board to review its achievements and challenges, identify areas for improvement, and establish a collective understanding of performance. The evaluations are carried out using clear and standardized benchmarks for comparison.

3.7.2 The annual performance evaluation of the Board of Directors and its sub-committees, both collectively and individually, may be conducted through either self-evaluation or, together with cross-evaluation. The Board will disclose the evaluation criteria, procedures, and the results in the annual report.

3.7.3 If the company engages external consultants to provide guidance and recommendations for the Board's performance evaluation process, this information will also be included in the annual report.

3.7.4 The results of the Board's performance evaluation will be used to assess the appropriateness of the Board's composition in terms of knowledge, skills, and experience.

3.8 The Board of Directors shall ensure that each director understands their roles, duties, business operations, relevant laws, regulations, and other obligations. The Board will support all directors in regularly enhancing their skills and essential knowledge to perform their duties effectively.

3.8.1 The Board of Directors will ensure newly appointed directors receive orientation and valuable information to help them understand the company's objectives, main goals, vision, mission, corporate values, business characteristics, and operational approaches.

3.8.2 The Board of Directors will guarantee that directors will receive ongoing training and opportunities for knowledge development.

3.8.3 The Board will ensure that directors have a comprehensive understanding of relevant laws, regulations, standards, risks, and the business environment of operations. Furthermore, the Board will receive accurate, up-to-date, and clear information regularly.

3.8.4 The Board of Directors will disclose information regarding the continuous training and knowledge development of the Board in the annual report.

3.9 The Board of Directors ensures the smooth operation of board activities, access to necessary information, and support from a Company Secretary with appropriate knowledge and experience to support Board operations.

3.9.1 Board meeting schedules and agendas are set in advance, with appropriate advance notice given to each director.

3.9.2 The Board of Directors ensures that the frequency of board meetings is appropriate for the Board's duties and responsibilities and the Company's business nature, with no fewer than 6 (six) meetings per year. The Executive Committee, all Board members, is assigned to evaluate the Company's monthly performance to enable the Board to continuously and timely supervise and monitor management's performance.

3.9.3 The Board of Directors has mechanisms allowing each director and management to propose independent matters beneficial to the Company for inclusion in meeting agendas.

3.9.4 Meeting documents must be sent to directors at least 7 (seven) days before the meeting date

3.9.5 The Board of Directors encourages the Chief Executive Officer to invite senior executives to board meetings. This invitation allows senior executives to provide detailed information on relevant matters and offers the Board an opportunity to get to know these executives, which is important for succession planning.

3.9.6 The Board of Directors can access accurate and clear information, as well as additional perspectives, from the Chief Executive Officer, Company Secretary, or other designated executives. If necessary for fulfilling their duties, the Board may also seek opinions from independent consultants or experts at the Company's expense.

3.9.7 Non-executive directors have the ability to arrange meetings to discuss various matters of interest without management present. They will report the results of these meetings to the Chief Executive Officer.

3.9.8 The Board of Directors has appointed a Company Secretary who possesses the appropriate qualifications, knowledge, skills, and experience. This individual is responsible for advising on legal and regulatory requirements, managing board meeting documentation, handling important documents, and ensuring the implementation of board resolutions. The Board must disclose the Company Secretary's qualifications and experience in the annual report and on the Company's website.

3.9.9 The Board of Directors ensures that the Company Secretary receives continuous training and opportunities for knowledge development that are beneficial to their responsibilities. If certified programs are available, the Company Secretary is required to attend these programs.

Principle 4: Recruitment and Development of Senior Executives and Personnel Management

4.1 The Board of Directors ensures that the Chief Executive Officer and senior executives are recruited and developed with the necessary knowledge, skills, experience, and attributes to guide the organization toward its goals.

4.1.1 The Board of Directors designates the Nomination and Remuneration Working Group to establish the criteria and procedures for recruiting qualified candidates for the Chief Executive Officer position.

4.1.2 The Board of Directors ensures that the Chief Executive Officer appoints individuals to senior executive roles based on appropriate knowledge, skills, and experience. In collaboration with the CEO, the Board of Directors and/or the Nomination and Remuneration Working Group will develop criteria and procedures for recruiting and appointing individuals to these senior executive positions.

4.1.3 To ensure business continuity, the Board of Directors will oversee the establishment of a Succession Plan for the Chief Executive Officer and other senior executive positions. The Chief Executive Officer must report to the Board on implementing the succession plan at least once a year.

4.1.4 The Board of Directors actively promotes and supports training and development opportunities for the CEO and senior executives. These opportunities aim to enhance their knowledge and experience, benefiting their overall performance.

4.1.5 The Board of Directors has established clear policies and practices regarding directorship positions in other companies for the Chief Executive Officer and senior executives. These policies outline the types of directorships allowed and specify the maximum number of companies in which they can simultaneously hold directorships.

4.2 The Board of Directors is responsible for establishing appropriate compensation structures and evaluation processes.

4.2.1 The Board of Directors, along with the Nomination and Remuneration Working Group, ensures that compensation structures are designed to motivate the Chief Executive Officer, senior executives, and employees at all levels to align their efforts with the organization's objectives and key goals, as well as to support long-term business interests. This includes:

- a. Considering suitable proportions of compensation that consist of salary, short-term performance incentives (such as bonuses), and long-term performance incentives (such as Employee Stock Ownership Plans).
- b. Establish compensation policies that consider various factors, such as maintaining compensation levels at or above industry averages based on overall business performance.
- c. Developing policies regarding evaluation criteria and ensuring that these criteria are communicated effectively.

4.2.2 The Nomination and Remuneration Working Group is responsible for determining the Chief Executive Officer's compensation and performance evaluation criteria. The group carries out the following duties:

- a. Ensure that the Chief Executive Officer's performance evaluation is conducted based on predetermined criteria that have been communicated in advance. These criteria should motivate the Chief Executive Officer to perform duties that align with the company's objectives, values, and long-term interests.
- b. Conduct annual performance evaluations of the Chief Executive Officer. The Nomination and Remuneration Working Group will communicate the evaluation results and areas for development to the Chief Executive Officer.
- c. Approve the Chief Executive Officer's annual compensation by considering the performance evaluation results and other relevant factors.

4.2.3 The Board of Directors, along with the Nomination and Remuneration Working Group, approves the performance evaluation criteria and factors and the compensation structure for senior executives. They also ensure that the Chief Executive Officer evaluates the performance of senior executives based on clearly defined criteria.

4.2.4 The Board is responsible for ensuring the Company has established clear performance evaluation criteria for employees at all levels.

4.3 The Board of Directors recognizes the importance of understanding the shareholder structure and relationships that may influence company management and operations.

4.3.1 The Board is aware of the Company's shareholder structure and relationships, including any written documents, shareholder agreements, or group company policies that may affect business management control.

4.3.2 The Board ensures that the Company's shareholder structure and relationships do not interfere with its duties, including succession planning, and that these factors serve the company's best interests.

4.3.3 The Board of Directors guarantees the disclosure of any agreements that affect control over the Company.

4.4 The Board of Directors shall ensure that the Company has effective human resource management and development plans to maintain a sufficient workforce with the appropriate knowledge, skills, motivation, and experience.

4.4.1 The Board of Directors is responsible for ensuring that the Company's human resource management aligns with the organization's overall direction and strategy. This includes ensuring that employees at all levels possess the necessary knowledge, capabilities, and motivation and that they are treated fairly to retain valuable personnel.

4.4.2 The Company has established a provident fund and other retirement plans. Additionally, management has developed training and development programs for employees that enhance their understanding of financial management and help them select investment policies suitable for their age and risk tolerance.

Principle 5: Promote Innovation and Responsible Business Practices

5.1 The Board of Directors emphasizes and supports innovation that generates value for the business and shareholders while benefiting customers, stakeholders, and the broader community. The Board is committed to responsible practices that contribute to sustainable growth for the Company.

5.1.1 The Board fosters an organizational culture that encourages innovation and ensures management integrates it into strategy reviews, operational development plans, and performance monitoring.

5.1.2 The Board promotes innovation to enhance business value in response to the constantly changing environmental landscape. This includes developing new business models, refining creative thinking methods, reimagining product and service design, conducting research, improving production and work processes, and collaborating with business partners.

5.2 The Board of Directors monitors management to ensure that business is conducted with social and environmental responsibility. This accountability is reflected in operational plans, aligning all organizational units with the Company's objectives and strategies.

5.2.1 The Board ensures that management conducts business ethically and responsibly, protecting stakeholder rights and guiding all organizational units toward sustainable objectives and main goals. This is achieved through policies or practices that encompass at least the following areas:

a. Employee and Worker Responsibility: Comply with applicable laws and standards, treating employees and workers fairly and with respect for human rights. This includes providing fair compensation and benefits, welfare provisions that meet or exceed legal requirements, healthcare, non-discrimination, workplace safety, training, potential development, career advancement, and opportunities for skill development.

b. Customer Responsibility: Comply with applicable laws and standards, prioritizing product and service health and safety, customer data protection, responsible sales operations, lifetime service support, and customer satisfaction monitoring for product and service improvement. Conduct advertising, public relations, and sales promotions responsibly to avoid misunderstandings and not exploit customer misconceptions.

c. Business Partner Responsibility: Ensure fair procurement processes and contract terms, promote knowledge sharing, develop capabilities, enhance production and service standards, respect human rights and fair labor practices, and encourage social and environmental responsibility. Regularly monitor, evaluate, and examine partners for sustainable business development.

d. Community Responsibility: Use business expertise to initiate concrete community benefit projects with a focus on long-term progress and success monitoring.

e. Environmental Responsibility: Prevent, reduce, manage, and ensure that the Company minimizes negative environmental impacts. This includes considerations for raw material usage, energy consumption (for production, transport, or office operations), water usage, renewable resource utilization, biodiversity protection and restoration affected by business operations, waste management, and greenhouse gas emissions.

f. Fair Competition: Conduct business openly and transparently to avoid creating unfair competitive advantages.

g. Anti-Corruption: Comply with applicable laws and standards by establishing and publicly announcing anti-corruption policies. Encourage other companies and business partners to adopt and announce similar policies and participate in anti-corruption networks.

5.3 The Board of Directors ensures management allocates and manages resources efficiently and effectively. This involves considering the impacts and development of resources throughout the value chain to achieve the Company's objectives and primary goals sustainably.

5.3.1 The Board of Directors ensures that the members recognize the necessity of the required resources and understand how different types of resources can impact one another.

5.3.2 The Board of Directors ensures that members comprehend that various business models create different resource impacts. Therefore, decisions regarding business model selection must consider the impacts and value of resources while upholding ethical standards, responsibility, and sustainable value creation for the Company.

5.3.3 The Board of Directors ensures that, in pursuit of the Company's objectives and primary goals, management reviews, develops, and oversees resource utilization efficiently and effectively, consistently considering changes in both internal and external factors.

5.4 The Board of Directors establishes a corporate-level framework for information technology governance and management that aligns with the business' needs. This framework ensures that information technology is utilized to enhance business opportunities, improve operations, and manage risks, all to achieve the Company's objectives and goals.

5.4.1 The Board ensures that the Company has policies in place for allocating and managing information technology resources. These policies should ensure sufficient resource allocation for business operations and provide guidelines for situations in which resources cannot be allocated as planned.

5.4.2 The Board has appointed a Risk Management Working Group, which meets at least twice a year. This group oversees risk management, develops impact mitigation plans, and manages the Company's information technology risks.

5.4.3 The Board ensures that the Company has robust information system security policies and measures.

Principle 6: Ensure Appropriate Risk Management and Internal Control Systems

6.1 The Board of Directors ensures that the Company has effective risk management and internal control systems to achieve its objectives and comply with relevant laws and standards.

6.1.1 The Board of Directors acknowledges and understands the nature and scope of the Company's principles and significant risks. The Board will approve risk management actions based on the Company's risk characteristics.

6.1.2 The Board of Directors has established a Risk Management Working Group composed of its members. This group is responsible for developing and implementing risk management policies that align with the Company's goals, objectives, strategies, risk appetite, and overall risk management framework. Additionally, it promotes the early identification and prioritization of warning signs for material risks. Risk management policies are reviewed annually.

6.1.3 The Risk Management Working Group is tasked with identifying the Company's principal and significant risks by considering both internal and external factors. It reports its findings to the Board of Directors.

6.1.4 The Risk Management Working Group also assesses and prioritizes the impacts and probabilities of identified risks. It establishes appropriate risk mitigation strategies and plans and reports the results to the Board of Directors.

6.1.5 The Risk Management Working Group examines the Company's risk management effectiveness and reports results to the Board of Directors.

6.1.6 The Risk Management Working Group oversees and monitors the Company's compliance with applicable laws and standards, both domestic and international, and reports its results to the Board of Directors.

6.1.7 In assessing the effectiveness of the Company's internal control and risk management, the Board of Directors must consider internal control and risk management outcomes in subsidiaries and significant investments.

6.1.8 When events involving inside information that may affect securities prices occur, the Company will prepare an Insider List and establish a Blackout Period for securities trading of the Company and/or subsidiaries and/or associated companies. Those with inside information must not trade such securities until 24 hours after the complete public disclosure of such information.

6.2 The Board of Directors has appointed an Audit Committee that can perform duties effectively and independently.

6.2.1 The Board of Directors must establish an Audit Committee consisting of at least 3 (three) members selected from independent directors who possess qualifications and duties in accordance with Securities and Exchange Commission and Stock Exchange of Thailand regulations.

6.2.2 The Board of Directors establishes the Audit Committee's duties in writing, with at least the following responsibilities:

- a. Review financial reports to ensure they are accurate and complete.
- b. Evaluate the effectiveness of internal controls and internal audit systems.
- c. Ensure compliance with relevant laws and standards.
- d. Assess the independence of internal auditors and approve their appointment, transfer, or dismissal, as well as any other units responsible for internal audits.
- e. Consider, select, and recommend to the Board of Directors the appointment of independent auditors for shareholder approval. Propose auditor remuneration and meet with external auditors at least once a year without management present.
- f. Review-related party transactions and potential conflicts of interest to ensure compliance with laws, reasonableness, and maximum benefit to MEDEZE GROUP PUBLIC COMPANY LIMITED.

g. Review the accuracy of reference documents and conduct self-assessments regarding the Company's anti-corruption measures under the Thailand Private Sector Collective Action Coalition Against Corruption (CAC) program.

6.3 The Board of Directors ensures that the Company has mechanisms and tools in place to enable the Audit Committee to access the necessary information required to perform its duties. This includes facilitating the Audit Committee's ability to summon relevant individuals for information, consult with auditors, and seek independent opinions from other professional consultants to support their evaluations.

6.3.1 The Board of Directors guarantees the presence of independent internal auditors who are responsible for developing and assessing the effectiveness of risk management and internal control systems. These auditors report to the Audit Committee and disclose their review findings in the annual report.

6.3.2 The Audit Committee provides opinions on the adequacy of risk management and internal control systems and includes these evaluations in the annual report.

6.4 The Board of Directors monitors and manages potential conflicts of interest between the Company, management, the Board of Directors, or shareholders, including preventing improper use of assets, information, company opportunities and inappropriate transactions with related parties.

6.4.1 The Board of Directors has established an information security system, including policies and practices for maintaining confidentiality, integrity, and availability of information and managing market-sensitive information. The Board also ensures that directors, senior executives, employees, and related external parties, such as legal and financial advisors, comply with the system.

6.4.2 The Board of Directors oversees managing and monitoring potential conflicts of interest. The Board has established related party transaction policies in accordance with laws and practices (including fiduciary duties) and set clear guidelines and procedures for disclosure and decision-making in conflict of interest situations, such as requiring parties with vested interests in transactions to disclose such interests and not participate in decision-making.

6.4.3 The Board of Directors requires directors to report conflicts of interest at least before considering meeting agenda items and record these in meeting minutes. Directors with significant conflicts of interest that prevent them from providing independent opinions must abstain from participating in the discussion of such agenda items

6.5 The Board of Directors has established clear anti-corruption policies and practices, including employee communication and training. The Board of Directors strive to extend these anti-corruption efforts to stakeholders by communicating effectively at all organizational levels and externally to ensure practical implementation.

6.5.1 The Board of Directors guarantees the existence of anti-corruption programs and guidelines, which include support for activities that promote adherence to relevant laws and regulations among all employees.

6.6 The Board of Directors has put in place mechanisms for receiving complaints and managing whistleblowing cases.

6.6.1 The Board oversees mechanisms and processes for recording, monitoring progress, resolving issues, and reporting stakeholder complaints. They ensure that multiple convenient channels are available for receiving complaints and disclose these channels on the company website or in the annual report.

6.6.2 The Board has established whistleblowing policies and clear guidelines for handling whistleblowing cases. They provide channels for reporting through the company's website or designated independent directors/audit committee members, along with processes for verifying information, taking action, and reporting back to the Board.

6.6.3 The Board ensures that appropriate protection measures are in place for whistleblowers who report in good faith.

Principle 7: Ensure Financial Credibility and Information Disclosure

7.1 The Board of Directors is responsible for ensuring that financial reporting systems and the disclosure of important information are accurate, adequate, timely, and compliant with relevant standards, rules, and practices.

7.1.1 The Board of Directors must ensure that the personnel involved in preparing and disclosing information possess the appropriate knowledge, skills, and experience necessary for their responsibilities and are sufficient in number. This personnel includes the highest-ranking accounting and finance executives, accountants, company secretaries, and investor relations officers.

7.1.2 When approving information disclosure, the Board of Directors must consider relevant factors. For financial reports, they should at least consider the following:

- a. Results of the assessment of the adequacy of the internal control system
- b. The auditor's opinion on the financial reports and any observations regarding internal control systems, including those communicated through other channels
- c. The opinion of the Audit Committee
- d. Alignment with the company's objectives, main goals, strategies, and policies

7.1.3 The Board of Directors ensures that all information disclosures, including financial statements, annual reports, and Form 56-1, accurately reflect the Company's financial position and operating performance. The Board also supports the preparation of the Management Discussion and Analysis (MD&A) to accompany quarterly financial statement disclosures. This helps investors better understand changes in the Company's financial position and operational performance beyond just numerical financial data.

7.1.4 When information disclosure pertains to a specific director, that director is responsible for ensuring that their personal information is complete and accurate. This includes information about their group's shareholdings and any disclosures related to their group's shareholder agreements.

7.1.5 Directors and executives, including those in management-level positions in accounting or finance (at department manager level or equivalent), employees in departments that handle inside information, as well as their spouses, de facto partners, and minor children who have access to inside information, are prohibited from trading securities or entering into futures contracts related to the Company's securities, its subsidiaries, or its listed associated companies, during a blackout period. This period lasts from one month before the disclosure of quarterly and annual financial statements until 24 hours after the financial statements are disclosed (Blackout Period).

7.1.6 If directors, executives, management-level positions in accounting or finance, or employees in departments dealing with inside information—along with their spouses, de facto partners, and minor children—become aware of undisclosed information that could influence the securities prices of the Company, its subsidiaries, its listed associated companies, or other related listed companies, they must refrain from trading those securities until 24 hours have passed after the complete public disclosure of that information (Blackout Period).

7.2 The Board of Directors monitors financial liquidity and debt servicing ability adequacy.

7.2.1 The Board of Directors ensures that management monitors and evaluates the Company's financial position and reports regularly to the Board. The Board and management shall work together to find prompt solutions if signs indicate problems with financial liquidity and debt servicing ability.

7.2.2 The Board of Directors must ensure that any transactions or opinions proposed for shareholder approval do not affect business continuity, financial liquidity, or debt servicing ability.

7.3 When the Company faces or tends to face financial difficulties, the Board of Directors will ensure that a problem-solving plan or other mechanisms are in place to address these financial issues within the corporate governance framework, while considering the rights of stakeholders.

7.3.1 If the Company shows signs of potential debt default or other financial problems, the Board of Directors will closely monitor the situation and ensure that the Company conducts its business with caution and complies with all disclosure requirements.

7.3.2 The Board of Directors will ensure that the Company develops financial problem-solving plans that are fair to all stakeholders, including creditors, and will monitor the progress of these solutions through regular management status reports.

7.3.3 The Board of Directors will ensure that any decisions made regarding the resolution of the Company's financial problems, regardless of the method used, are reasonable.

7.4 The Board of Directors oversees the preparation of sustainability reports as deemed appropriate.

7.4.1 The Board of Directors will ensure that information regarding legal compliance, ethical conduct, anti-corruption policies, treatment of employees and stakeholders (including fair treatment and respect for human rights), and social and environmental responsibility is disclosed appropriately, following accepted domestic or international reporting frameworks. This information will be included in the annual report.

7.4.2 The Board of Directors will ensure that the disclosed information is material and reflects practices that lead to sustainable value creation for the Company.

7.5 The Board of Directors is responsible for establishing an Investor Relations unit or assigning a designated person to communicate effectively with shareholders and other stakeholders, including investors and analysts, in an appropriate, equitable, and timely manner.

7.5.1 The Board of Directors will establish a Communications and Disclosure Department to ensure that communication and disclosure to shareholders and external parties are handled appropriately, equally, and promptly. This department will utilize suitable channels to protect confidential and price-sensitive information and ensure that the organization understands and complies with these policies.

7.5.2 The Board of Directors will designate individuals responsible for providing information to external parties. These individuals must be well-suited for their roles, clearly understand the Company's business, objectives, goals, and core values, and communicate effectively with investors. Potential candidates include the Chief Executive Officer, Chief Financial Officer, and Investor Relations Manager.

7.5.3 The Board of Directors will ensure management provides direction and support for investor relations activities. This includes establishing information disclosure practices and policies for managing price-sensitive information and clearly defining the duties and responsibilities of the investor relations team to facilitate efficient communication and disclosure.

7.6 The Board of Directors will ensure the effective use of information technology for disseminating information. This includes regular disclosure of information in both Thai and English through the Company's website and other channels, presenting current information that goes beyond the required disclosures and those mandated by the Stock Exchange of Thailand.

Principle 8: Support Shareholder Engagement and Communication

8.1 The Board of Directors ensures that shareholders participate in making important decisions for the Company.

8.1.1 The Board guarantees that significant Company decisions are considered and approved by shareholders in accordance with applicable legal requirements. Matters that require shareholder approval will be included in the agenda for shareholder meetings and adequately disclosed to shareholders.

8.1.2 The Board of Directors encourages participation from all shareholders through appropriate measures, including:

a. Establishing criteria for minority shareholders to propose additional agenda items before the shareholder meeting date. The Board will consider including these shareholder-proposed matters in the meeting agenda. If any proposals are rejected, the Board must explain them to the shareholders.

b. Setting criteria for minority shareholders to nominate director candidates, ensuring that these criteria are disclosed to shareholders in advance.

8.1.3 The Board of Directors ensures that notices for shareholder meetings contain accurate, complete, and sufficient information for shareholders to exercise their rights.

8.1.4 The Board ensures that notices for shareholder meetings and related documents are sent and published on the Company's website at least seven (7) days before regular agenda meetings for agenda items that require a vote of at least three-fourths (3/4) of total shareholder votes, notices and related documents must be sent and published at least fourteen (14) days before the meeting.

8.1.5 The Board of Directors allows shareholders to submit questions before the shareholder meeting date by establishing and publishing guidelines for advance question submissions on the Company's website.

8.1.6 All notices and related documents for shareholder meetings shall be prepared in Thai.

8.2 The Board of Directors ensures that shareholder meetings are held as scheduled, conducted appropriately, orderly, transparently, and efficiently, and facilitate shareholders' exercise of rights.

8.2.1 The Board of Directors selects meeting dates, times, and locations with shareholders' convenience in mind, ensuring adequate time for discussion and that venues are easily accessible.

8.2.2 The Board of Directors guarantees that no action will limit attendance at meetings or impose undue burdens on shareholders, such as requiring identification documents beyond what is legally mandated.

8.2.3 The Board of Directors promotes technology in shareholder meetings for registration, vote counting, and displaying results to ensure quick and accurate proceedings.

8.2.4 The Chairman of the Board leads the shareholder meetings, ensuring compliance with laws, relevant regulations, and the Company's articles of association. The Chairman allocates appropriate time for each agenda item specified in the meeting notice and allows shareholders to express their opinions and ask questions about Company matters.

8.2.5 To encourage shareholder participation in important decisions, directors and shareholders as meeting attendees do not support the unnecessary addition of unofficial agenda items, particularly those significant matters that require shareholders to have adequate time to study before making decisions.

8.2.6 All directors and relevant executives are required to attend the meeting, which allows shareholders to ask questions on related issues.

8.2.7 Before the meeting starts, shareholders are informed about the number and proportion of attendees present in person and by proxy and the meeting procedures, voting methods, and vote-counting processes.

8.2.8 For agenda items that involve multiple matters, the meeting chairman will arrange for separate voting on each item. For instance, shareholders have the right to appoint directors individually during the director appointment agenda.

8.2.9 The Board of Directors endorses the use of ballots for significant agenda items and supports having independent individuals as voting counters or inspectors. The results of the votes—approve, disapprove, and abstain—will be disclosed to the meeting for each item and recorded in the meeting minutes.

8.3 The Board of Directors is responsible for ensuring the accurate and complete disclosure of meeting resolutions and the preparation of minutes for shareholder meetings.

8.3.1 The Board of Directors ensures that the Company discloses shareholder meeting resolutions along with the voting results by the next business day through the Stock Exchange of Thailand's news system and on the Company's website.

8.3.2 The Board is also responsible for submitting copies of the shareholder meeting minutes to the Stock Exchange of Thailand within 14 (fourteen) days from the meeting date.

8.3.3 The Board ensures that the shareholder meeting minutes include at least the following information:

- a. Names of attending directors and executives, along with the proportion of directors present.
- b. Voting methods, vote counting procedures, meeting resolutions, and voting results (approve, disapprove, abstain) for each agenda item.
- c. A record of questions and answers from the meeting, including the first and last names of both the questioners and the respondents.