



# **Board of Directors Charter**

*(As approved by the Board of Directors Meeting No.5/2009 dated August 28, 2009)*

*Revision 6*

*(As approved by the Board of Directors Meeting No.1/2019 dated February 26, 2019)*

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# Board of Directors Charter

## 1. Composition

- 1.1. The Company's Board of Directors shall consist of at least five (5) directors and not less than half of all directors shall be resident within the Kingdom of Thailand.
- 1.2. The Company's Board of Directors shall consist of at least three (3) independent directors. Not less than one-third of the Board's total composition shall be independent directors.

## 2. Qualifications

### 2.1. Executive and Non-Executive Directors

- 2.1.1. Meet the stipulations under the different regulations and those prescribed by the Company's Articles of Association.
- 2.1.2. Have at least a Bachelor's Degree in any field.
- 2.1.3. Be knowledgeable of the Company's business and provide adequate time and inputs to the benefit of the Company.
- 2.1.4. Be honest, with integrity and high moral standing.
- 2.1.5. The Non-Executive Director shall not take a position as a director in more than four (4) other listed companies.

The Executive Directors shall not take a position as a director in more than two (2) other listed companies or in any company having a conflict of interest with IVL. However, the Executive Directors can take up any number of Directorships in IVL Group companies including joint ventures.

In the event that a director takes a position in excess of the criteria, the Board of Directors shall consider the effectiveness of the director's duties and performance, and shall report the reasons for the appointment in the corporate governance report in the annual registration statement (Form 56-1) and the annual report (Form 56-2).

### 2.2. Independent Directors

- 2.2.1. Meet the stipulations under the different regulations and those prescribed by the Company's Articles of Association.
- 2.2.2. Have at least a Bachelor's Degree in any field.
- 2.2.3. Be knowledgeable of the Company's business and provide adequate time and inputs to the benefit of the Company.
- 2.2.4. Be honest, with integrity and high moral standing.
- 2.2.5. On attaining the age of 72 ("Mandatory Retirement Age"), they shall not be eligible for election, re-election, appointment, or reappointment as a member of the Board of Directors; provided however that in case such director has been elected, re-elected, appointed or reappointed prior to the Mandatory Retirement Age, he/she shall continue to complete his/her current term of directorship.

- 2.2.6. The directors shall not take on a position in more than four (4) other listed companies.

In the event that a director takes a position in excess of the criteria, the Board of Directors shall consider the effectiveness of the director's duties and performance, and shall report the reasons for the appointment in the corporate governance report in the annual registration statement (Form 56-1) and the annual report (Form 56-2).

- 2.2.7. Other Qualifications of Independent Directors

The Independent Director of the Company shall also meet the qualifications as specified in the Notification of the Capital Markets Supervisory Board including its future amendments.

### **3. Roles and Responsibilities**

- 3.1. To conduct their duties in compliance with the laws, objectives, articles of association and resolutions of shareholders' meetings with duty of care and duty of loyalty.
- 3.2. To formulate and approve the vision, strategies<sup>1</sup>, business directions, policies, targets, guidelines, plans of work and budget of the Company and its subsidiaries as prepared by management and oversee the administration and the performance of management or any persons assigned to do such work to ensure compliance with the policies set out by the Board of Directors.
- 3.3. To communicate and oversee, with management, to ensure that all entities have mechanisms for stakeholder engagement with the relevant policies and procedures to identify groups of stakeholders and to assess their impact on the business based on their respective concerns and expectations.
- 3.4. To follow-up on the outcome of work to ensure compliance with the Company's plan and budget on an ongoing basis.
- 3.5. To ensure that the Company and its subsidiaries adopt and set in place an appropriate, strong and effective accounting system including an internal control and internal audit system.
- 3.6. To review the risk management procedures and policies, and also follow up on results to ensure compliance with all applicable laws and standards, and that proper resources (including IT systems) are allocated for risk management plans.
- 3.7. To put in place the corporate governance policy and its effective implementation.
- 3.8. To appoint the sub-committees, such as Audit Committee, Nomination, Remuneration and Corporate Governance Committee, or any other sub-committees in order to assist the Board of Directors.
- 3.9. To appoint one of the independent directors as "the Lead Independent Director," in the event that the Chairman of the Board is not an independent director.

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<sup>1</sup> The board should work with management to ensure that the Company has strategies which will lead to its annual, medium-term and long-term objectives. In addition to financial factors, the Company's strategies and plans should take into account relevant factors influencing the value chain, including the Company's ecosystem, risks, resources, innovation creation, the use of technology, IT, competitiveness, and stakeholders.

- 3.10. To appoint senior executive positions at the Company such as the Chairman of the Executive Committee, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer and any other senior officer deemed necessary; ensure that they receive continuous development and relevant training to effectively perform their duties.
- 3.11. To appoint the Company Secretary to assist the Board of Directors in its various activities to run the business in-line with the related laws and regulations.
- 3.12. To seek professional opinions from external agencies, if required, in order to take appropriate decisions.
- 3.13. To encourage directors and executives to attend the seminar offered by the Thai Institute of Directors Association (Thai-IOD) which is related to their duties and responsibilities.

In any case, the authorization of duties and responsibilities of the Company's Board of Directors shall not constitute an authorization or sub-authorization which may cause the Board or its authorized person(s) to be able to approve any transaction that such person or any person who may have a conflict of interest (as defined in the notification of the Securities and Exchange Commission or the notification of the Capital Markets Supervisory Board) may have an interest or may benefit in any manner or may have any other conflict of interest with the Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the shareholders meeting or the Board of Directors meeting.

#### **4. Vacating Office**

Aside from retirement by rotation, directors shall vacate office upon:

- 4.1. Death
- 4.2. Resignation
- 4.3. Loss of qualifications or disqualification under regulations and notifications of laws or the Articles of Association of the Company
- 4.4. Removal by a resolution passed by the meeting of shareholders
- 4.5. Removal by a court order

#### **5. Term of Service**

At every annual ordinary meeting of shareholders, one-third of the directors of the Company shall retire from office. If the number of directors cannot be divided into a multiple of three, the number of directors nearest to one-third shall retire. The retiring directors shall be entitled to be re-elected.

#### **6. Meetings**

The Board of Directors shall hold a meeting at least once every quarter for which the date of meeting shall be planned in advance and an extraordinary meeting shall be held if necessary.

##### **6.1. Agenda**

An agenda of each meeting will be determined in advance by the Company

Secretary in consultation with the Chairman of the Board. Documents supporting the meeting will be delivered to members of the Board of Directors at least seven days in advance in order to provide sufficient time for consideration of the matters raised or to request additional supporting information. When it is necessary to urgently preserve the Company's rights or benefits, a meeting may be called by other methods, and documents supporting the meeting can be delivered to members of the Board of Directors less than seven days in advance.

## **6.2. Frequency of Meetings**

6.2.1. Meetings of the Board of Directors should be held at least four times a year.

6.2.2. The Chairman of the Board may convene a special meeting on its own or if there is a request from a member of the Board.

## **6.3. Attendance, Quorum and Voting**

A meeting schedule, including dates for the Board of Directors meetings for the coming year, will be circulated prior to the end of each year in order to ensure the maximum participation of all directors.

Directors are expected to attend at least 75% of the total Board of Directors' meetings.

The quorum for a meeting requires the attendance of more than 50% of the total number of the members of the Board of Directors. Voting during a meeting is made by a simple majority of those directors in attendance. A director who has interests in any matter shall not be entitled to vote on such matter.

## **6.4. Independent Directors Meetings**

The Lead Independent Director may call for a meeting attended only by independent directors at least once a year.

## **7. Sub-Committee**

The Board of Directors may appoint one or several sub-committees to take charge of reviewing specific and important points in order to assist the Board. The Board shall approve the sub-committee members, sub-committee charter setting out matters relevant to their composition, duties and responsibilities, and other matters relating to the sub-committee as the Board may consider appropriate. On an annual basis, the Board shall review the charter for each sub-committee.

## **8. Remuneration**

The Board of Directors provides authority to the Nomination, Compensation and Corporate Governance Committee to design and set up the policy for both monetary and non-monetary remuneration packages. The process for remuneration will be transparent, responsible and appropriate, and comparable with industry standards.

The Board shall undertake this responsibility in the absence of a Nomination and Remuneration Committee.

## **9. Self-Assessment**

The Board shall undertake an annual self-assessment of the Board performance with the requirements of the Charter. The Board will consider the results of the assessment for future improvements.