



Charter of the Board of Directors

Nirvana Daii Public Company Limited

Issued 1 dated August 10, 2017

## Table of Contents

	Page
1. Definition	1
2. Objectives	1
3. Composition	1
4. Qualifications	1
5. Appointment, Terms of Office, and Expiration	3
6. Scope of Authority, Duties, and Responsibilities	5
7. Meetings	6
8. Reporting	7
9. Performance Assessment	7
10. Remuneration	7

## 1. Definition

“the Company”	means Nirvana Daii Public Company Limited
“Board of Directors”	means Board of Directors of Nirvana Daii Public Company Limited
“Director”	means Director of Nirvana Daii Public Company Limited
“Chairman”	means Chairman of Nirvana Daii Public Company Limited
“Chief Executive Officer”	means Chief Executive Officer of Nirvana Daii Public Company Limited

## 2. Objectives

The Board of Directors, being the representative of the shareholders, has important roles in determining direction, policies, goals, and strategies on the business operation in order to generate the returns on investment and maximum benefit to the shareholders, including a significant role in supervising and monitoring the operation of the Management to ensure that the operation complies with the policies, goals, and strategies. In addition, the Board of Directors also has authority and responsibility as stipulated in the laws, the Company’s Articles of Association, and resolutions of the shareholders’ meetings.

## 3. Composition

- 3.1 The Board of Directors consists of the number of directors which shall be in accordance with that stipulated by the shareholders’ meeting in which not less than 3 persons or one third of the total number of directors (whichever is higher) must be independent directors and the number of directors of not less than 3 persons is representatives from the major shareholder. Not less than half of the directors must have a residence in the Kingdom.
- 3.2 The Board of Directors shall elect one of the directors to serve as the Chairman of the Board of Directors and may also elect among themselves to serve as the Vice Chairman of the Board of Directors and other positions as deemed appropriate.
- 3.3 The Chairman of the Board of Directors must not be the same person as the Chairman of the Executive Committee and the Chief Executive Officer to create a clear separation of roles and the balance of power in operation.
- 3.4 The Chief Executive Officer is appointed as an ex officio director of the Board of Directors.

## 4. Qualifications

### 4.1 Director

- 1) Having of the qualifications and possesses no prohibited characteristics under Public Limited Companies Act, the Securities and Exchange Act, and relevant laws.
- 2) Having knowledge, capabilities, integrity and business ethics and sufficient time dedicated to the Company.
- 3) Having a capacity of leadership and be able to supervise the administration of the Management efficiently and effectively.

- 4) Every director must not hold directorship of more than 5 listed companies. In addition, directors who are executives shall not hold directorship of other listed companies apart from the group company more than 3 listed companies.

**4.2 Independent directors** in addition to qualifications according to 4.1, independent directors must have the qualifications required by the Capital Market Supervisory Board as follows;

- 1) Hold shares not exceeding 1 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate, major shareholders or controller persons of the Company, including the shares held by related persons of the Independent Director.
- 2) Neither being nor having been an Executive Director, employee, or advisor who receives salary or controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or controller persons of the Company, except they have ended the foregoing relationship not less than two years before the date of application to the Securities and Exchange Commission. The aforementioned prohibition does not include cases where the Independent Director used to be a public servant or consultant of government agencies which is a major shareholder or controlling persons of the Company.
- 3) Not being a person related by blood or registration under laws, such as in the manner of father, mother, spouse, sibling, and child, including spouse of children, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its subsidiary.
- 4) Not having any business relationship with the Company, its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, in any manner that may interfere with his or her independent judgment, and not be, or used to be, a substantial shareholder or controlling person in its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, except they have ended the foregoing relationship not less than two years before being appointed. The business relationship in paragraph one includes normal business transactions for the purpose of business operations, rental or lease of immovable property, transaction related to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions *mutatis mutandis*. The

consideration of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

- 5) Neither being nor having been an auditor of the Company, its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, and not having been a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, except they have ended the foregoing relationship not less than two years before being appointed.
- 6) Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiaries, affiliates, major shareholders or controller persons of the Company, and not having been a substantial shareholder, controlling person or partner of the professional advisor, except they have ended the foregoing relationship not less than two years before being appointed.
- 7) Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder.
- 8) Not conduct any business of the same nature as the Company's or its subsidiaries' businesses and is in competition with them in any material respect, nor being a substantial partner, shareholder holding more than one (1) percent of the voting shares of any company whose business is of the same nature as the Company's or its subsidiaries' businesses, and is in competition with them in any material respect.
- 9) Not having any other manners, which may render him or her incapable of expressing independent opinions with regard to the Company's business affairs.

## 5. Appointment, Terms of Office, and Expiration

### 5.1 Appointment

- 1) The appointment of directors shall be in line with the laws, the Company's Articles of Association, and relevant laws with transparency and clarity.
- 2) In case of a vacancy in the Board of Directors from a reason of the expiration of the directors' terms of office, the meeting of shareholders shall consider an appointment of directors in which the resolution of appointment must be approved by a majority vote of the shareholders who are present and voting.
- 3) In case of a vacancy in the Board of Directors for any reason other than the expiration of the director's term of office, the Board of Directors shall elect a person who has the qualifications

and possesses no prohibited characteristics under law as a replacing director at the next meeting of the Board of Directors, unless the remaining term of office of such director is less than 2 months. The replacing director shall hold office only for the remaining term of office of the replaced director. The resolution of appointment of the replaced director must be supported by votes of not less than three-fourths of the number of remaining directors.

- 4) Nomination and Remuneration Committee shall select and nominate a qualified person by considering the Board diversity, which considers a variety of professional skills, specialization, gender, race, religion, age for a director to the Board of Directors. The Board of Directors shall consider and appoint a director to replace the vacancy or nominate to the shareholders' meeting for an appointment.

## 5.2 Terms of Office

- 1) At the annual general meeting of shareholders, one third of the directors, or if their number is not multiple of three, then the number nearest to one-third must retire from the office.
- 2) The directors who shall retire from office in the first and second years after the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office longest shall retire. However, a retiring director is eligible for re-election.
- 3) Each of the independent directors has terms of the office not more than 3 consecutive terms or not more than 9 years.

## 5.3 Expiration

- 1) Apart from retirement from the office upon the expiry of his/her term in office, a director shall vacate office upon:
  - 1.1) Death
  - 1.2) Resignation
  - 1.3) Disqualified or being prohibited characteristics under Public Limited Companies Act, the Securities and Exchange Act, and relevant laws.
  - 1.4) Removal by a resolution of a shareholder meeting
  - 1.5) Removal by a court order
- 2) Any director intending to resign shall submit a resignation letter to the Company. The resignation takes effect as from the date on which the resignation letter reaches the Company. The director having resigned under paragraph one may also notify the Registrar of his resignation.
- 3) In the case where directors vacate office en masse, the outgoing Board of Directors shall remain in office to serve as the acting Board of Directors in furtherance of the operation of the business of the Company to the extent necessary until the new Board of Directors takes office, unless otherwise ordered by the Court in the case where the Board of Directors vacates office in accordance with the Court's order.

The outgoing Board of Directors must cause to be held a meeting of shareholders for electing a new Board of Directors within 1 month as from the date of the vacation of office and, for this purpose, send shareholders a written notice summoning a meeting not less than 14 days prior to the date of the meeting and advertise the meeting invitation in newspaper not less than 3 days prior to the meeting in which the advertisement must be done for 3 consecutive days.

- 4) A meeting of shareholders may pass a resolution removing any director from office prior to the expiration of the term, with the votes of not less than three-fourths of the number of shareholders present at the meeting and entitled to vote and also with the aggregate number of shares of not less than one half of the number of shares held by the shareholders present at the meeting and entitled to vote.

## **6. Scope of Authority, Duties, and Responsibilities**

- 6.1 Performing duties within the scope of the laws, the Company's Articles of Association, as well as the resolutions of the shareholders' meeting with duty of loyalty, duty of care, accountability, and ethic by taking interests of all shareholders into account equally.
- 6.2 Setting vision, missions, policies, strategies, and goals of the Company, including the approval of operation policies and direction proposed by the Management and the supervision of the Management's administration to be in accordance with vision, missions, policies, strategies, and goals with the aim to increase economic value and wealth of shareholders by taking all stakeholders into account.
- 6.3 Formulating structures and determining procedures in order to ensure that the proceedings will be done in compliance with regulatory requirements, the articles of association, the resolutions of the Board and shareholders' meetings and ethical standards, in good faith and with due care.
- 6.4 Supervising to prevent the issue of conflict of interests between the stakeholders of the Company.
- 6.5 Supervising the administration and operating performance of the Management or any other person assigned to execute to be in accordance with the policies set by the Board of Directors of the Company.
- 6.6 Monitoring and evaluating the performance of the Management in order to achieve the strategies and be in line with budgets approved by the Board of Directors of the Company.
- 6.7 Providing the disclosure of information to all shareholders and all groups of stakeholders accurately, completely, reliably, timely, transparently, and equally.
- 6.8 Providing a policy of good corporate governance based on the principles of good governance in writing and encouraging the communication to everyone in the Company to realize and comply with seriously. Policy on corporate governance shall be reviewed consistently in order to ensure that the operation of the Company must follow the principles of good corporate governance and be

responsible for all stakeholders fairly. In addition, procedures of connected transaction shall be clear and transparent pursuant to the laws, regulations, and relevant requirements.

- 6.9 Reviewing and revising policies and important plans to be up-to-date and appropriate for business conditions on a regular basis.
- 6.10 Providing accounting system, financial reporting, and supervising the evaluating process of internal control and internal audit to be efficient and effective.
- 6.11 Providing appropriate and effective risk management procedures which can be measurable, monitored and managed significant risks.
- 6.12 Preparing succession plans for the succession of senior executives of the Company.
- 6.13 Considering the approval of the acquisition or the disposal of assets, investment, and any operation to be in compliance with the laws, notifications, requirements, and related regulations.
- 6.14 Considering the approval of connected transactions of the Company to be in accordance with the laws, notifications, requirements, and related regulations.
- 6.15 Seeking professional opinions regarding business operation, if necessary, by hiring external consultants with the expenses of the Company for appropriate decision making.
- 6.16 Appointing sub-committee members and having the power to appoint the chairman of sub-committee to support the performance of the Board of Directors as appropriate and necessary by tracking the performance of the sub-committee members on a regular basis.
- 6.17 Appointing a qualified person to hold the position of Chief Executive Officer in case of a vacancy in Chief Executive Officer position.
- 6.18 Appointing a Company Secretary to supervise activities of the Board of Directors and help the Board of Directors and the Company to be in compliance with the laws and relevant regulations.

## 7. Meetings

- 7.1 The Board shall hold regular meetings every 3 months. The annual meeting schedule shall be established in advance. There may be extraordinary meetings as deem appropriate.
- 7.2 Meetings of the Board of Directors shall be summoned by the chairman of the Board of Directors. If a request is made by at least 2 directors for a summons of a meeting of the Board of Directors, the Chairman of the Board of Directors shall fix the date of the meeting within 14 days as from the date of the request.
- 7.3 In summoning a meeting of the Board of Directors, the chairman of the Board of Directors or the person entrusted shall send a written notice summoning a meeting to directors not less than 7 days prior to the date of the meeting except that, in the case of necessity or urgency for the purpose of protecting rights or benefits of the company, a summons of a meeting may be notified by other means and an earlier date of the meeting may be fixed.

- 7.4 At a meeting of the Board of Directors, the presence of not less than one half of the total number of directors is required to constitute a quorum. In the case where the Chairman of the Board of Directors is not present at the meeting or is unable to perform the duty, a Vice Chairman, if any, shall preside over the meeting. If there is no Vice Chairman or there is a Vice Chairman but the Vice Chairman is unable to perform the duty, the directors present at the meeting shall elect one amongst themselves to preside over the meeting.
- 7.5 In casting votes, each director shall have one vote, provided that any director who has any interest in a particular matter may not vote on such matter. In the case of an equality of votes, the person presiding over the meeting shall have an additional vote as a casting vote.
- 7.6 In considering a matter, the directors have the right to see or check related documents and ask relevant executives to attend the meeting to provide additional information in detail.
- 7.7 The Company Secretary or an assigned person shall take and prepare the minutes of a meeting.

## 8. Reporting

The Board of Directors shall report the responsibilities of the Board of Directors in the preparation of financial reports by showing together with the auditor's report to the shareholders in the form of annual registration statement (Form 56-1) and annual report (Form 56-2) of the Company with the details, at least, required by the laws, requirements, and related regulations.

## 9. Performance Assessment

- 9.1 The performance assessment of the Board of Directors shall be conducted every year which could be classified into 2 types as follows;
- 1) The assessment on the overall Board of Directors performance.
  - 2) The assessment on the performance of each director individually (self-assessment).
- 9.2 The Company Secretary shall conduct assessment form, a summary of assessment, an analysis of approaches to improve performance and report the assessment results to the Board of Directors, as well as reveal the said assessment results in annual report (Form 56-2).

## 10. Remuneration

- 10.1 Bonus and compensation of directors set by the shareholders' meeting

Directors have the rights to collect remuneration from the Company in the form of gratuity, attendance fee, pension bonus, or other benefits as stipulated in the Company's Articles of the Association; or the right for consideration by the shareholders who fix the amount and set the criterion periodically as to be effective until changed. Moreover, allowance and welfare as per the Company regulations are allowed as well.

The above statement is not to alter the rights of the Company staff or employee who is appointed as a director to receive the remuneration and benefit when performing the role of Company staff or employee.

- 10.2 Nomination and Remuneration Committee (if any) shall consider the appropriate remuneration for the Board of Directors and propose to the Board of Directors' meeting for consideration prior to propose to the shareholders' meeting for approval.

Announced on August 10, 2017

- *Sutthichai Sungkamanee* -

(Mr. Sutthichai Sungkamanee)

Chairman

Nirvana Daii Public Company Limited