# Good Corporate Governance Policy

# Primo Service Solutions Public Company Limited

**(Approved by the Board of Directors at Meeting No. 1/2022 on 26 July 2022)**

**PRIMO SERVICE SOLUTIONS PUBLIC COMPANY LIMITED**
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# Good Corporate Governance Policy

Primo Service Solutions Public Company Limited **("the Company")** has established a written Good Corporate Governance Policy by adopting and applying the Corporate Governance Code for Listed Companies 2017 (CG Code 2017), which comprises 8 major principles as follows: (1) Establish Clear Leadership Role and Responsibilities of the Board of Directors, (2) Define Objectives and Goals that Promote Sustainable Value Creation, (3) Strengthen Board Effectiveness, (4) Recruit and Ensure Effective CEO and People Management, (5) Nurture Innovation and Responsible for Business Operations, (6) Ensure Effective Risk Management and Internal Control System, (7) Ensure Reliable Disclosure of Information and Financial Integrity and (8) Promote Engagement and Communication with Shareholders. The Company will implement its Corporate Governance Policy in conjunction with the Corporate Governance Code for Listed Companies 2017. The Board of Directors will review the appropriate application of the CG Code 2017 at least once a year. In the event that any principle has not yet been or cannot be applied, the rationale thereof shall be recorded as part of the Board of Directors' resolutions.

The Good Corporate Governance Principles comprise of 8 Principles as follows:

**Principle 1 Establish Clear Leadership Role and Responsibilities of the Board of Directors**

The Board of Directors' roles and responsibilities are clearly defined in the Board of Directors Charter, which is reviewed at least once a year. The Board plays a vital role in establishing the company's primary objectives, goals, operating policies, risk management frameworks, and business strategies. This includes ensuring the appropriate allocation of necessary resources to enable personnel to fulfil their duties and achieve the set objectives. Furthermore, the Board is responsible for monitoring, evaluating, and overseeing the company's performance reporting to ensure it is conducted appropriately.

Furthermore, the Board of Directors oversees the Company's operations to ensure they are conducted ethically, with respect for the rights of, and accountability to, all shareholders and stakeholders. This commitment aims to create social benefits and environmental considerations, while ensuring the Company remains resilient and adaptable to changing factors. By maintaining its competitive advantage, the Company strives to deliver strong performance and long-term value for all shareholders and stakeholders alike.

In addition, the Board of Directors has clearly defined the roles and responsibilities of the Chief Executive Officer. The Board oversees that all directors, the Chief Executive Officer, executives, and employees perform their duties with accountability, due care, and integrity, acting in the best interests of the Company. All decisions must be made based on sufficient information and without any direct or indirect conflicts of interest. Furthermore, the Board ensures that the Company's operations strictly comply with the law, internal regulations, and resolutions passed at shareholders' meetings.

**Principle 2 Define Objectives and Goals that Promote Sustainable Value Creation**

The Board of Directors determines the Company's key objectives and goals in alignment with its vision, mission, and corporate values, as well as its annual strategies, targets, and operating plans. These serve as a roadmap for all personnel to follow, ensuring the Company progresses toward its defined goals within the specified timeframe. Furthermore, the Board promotes corporate sustainability by focusing on creating value for the Company, customers, stakeholders, and society as a whole. This includes the appropriate and secure integration of innovation and technology into the business operations.

The Company has defined its vision, mission, and corporate values as follows:

***Vision***

To be a leader in fully integrated, modern real estate services, and to govern subsidiaries within the group for continuous development and growth, as well as to develop and invest in modern businesses using cutting-edge and highly efficient technologies.

***Mission***

Committed to driving the continuous and sustainable growth of the business group's performance in order to achieve listing on the Stock Exchange, thereby creating shared value and returns for our employees, customers, shareholders, business partners, alliances, and society.

**Corporate Values**

P = Professionalism

R = Responsive (Ready to adapt swiftly)

I = Innovation (Improving operations through new methodologies)

M = Mechanism (Having structured work systems)

O = Optimize (Excellently maximizing performance and outcomes)

**Principle 3 Strengthen Board Effectiveness**

The Board of Directors must consist of individuals possessing the knowledge, capabilities, and experience necessary to perform their duties for the benefit of the Company and in a manner acceptable to all stakeholders. The Board plays a vital role in determining company policies. According to the Articles of Association, the Board shall comprise at least 5 directors, including executive directors, non-executive directors, and independent directors. The number of independent directors must be at least 1/3 of the total number of directors, but not fewer than 3, to ensure an appropriate balance of power. Details regarding the composition of the Board, qualifications of the Chairman and directors, terms of office, powers, duties, responsibilities, performance evaluation, selection, and remuneration are stipulated in the respective Board Charters.

As the Company was established with the primary objective of operating as a Holding Company, its main revenue is derived from investment returns from subsidiaries and associates, both directly and indirectly. The Board of Directors oversees and ensures that a framework and mechanisms are in place to govern the policies and operations of these subsidiaries and associates. This is achieved through the establishment of an Investment and Corporate Governance Policy for subsidiaries and associates. Furthermore, the Board ensures that all subsidiaries and associates operate in full compliance and alignment with the Company’s standards and regulations.

The Board of Directors shall arrange for an annual performance evaluation of the Board of Directors.

Furthermore, the Company has appointed a Company Secretary to be responsible for all matters relating to Board of Directors’ meetings and shareholders’ meetings. The Company Secretary supports the Board's activities, coordinates the implementation of Board resolutions, and ensures that directors and/or executives receive relevant knowledge and attend training courses necessary for their specific roles and duties.

**Principle 4 Recruit and Ensure Effective CEO and People Management**

The Board of Directors has established the qualifications for the Chief Executive Officer and Senior Management, as well as a Succession Plan. These serve as guidelines for recruiting personnel with the necessary qualifications and experience to benefit the Company's operations.

The Board of Directors oversees that the remuneration and performance evaluation processes are conducted appropriately. For the Board, remuneration is determined based on the adequacy of their roles and assigned responsibilities. Regarding executives, compensation consists of salaries and annual bonuses, which are primarily based on the Company's overall performance and individual competency.

The Board of Directors shall understand the shareholder structure and relationships, which may affect the management control of the company.

The Board of Directors shall monitor the management and development of human resources to ensure they possess the appropriate quantity, knowledge, skills, experience, and motivation. This includes promoting training and educating key personnel involved in the Company's corporate governance system such as Directors, Audit Committee members, executives, and the Company Secretary to ensure continuous performance improvement. Such training may be conducted internally or through external institutions.

In the event of a change in directors or the appointment of new directors, the Management shall provide useful documents and information to assist the new directors in performing their duties, such as the shareholder structure and relationships that may impact corporate management and business operations. Additionally, the Management shall arrange for briefings on the nature and direction of the Company's business operations for the new directors.

**Principle 5 Nurture Innovation and Responsible for Business Operations**

The Board of Directors prioritizes innovation as a driver for the Company's sustainable growth. Consequently, the Board encourages the management to seek new products featuring innovative and cutting-edge technologies that benefit society and enhance customer experience, while maintaining environmental responsibility. Furthermore, the Board supports the integration of modern Information Technology within the organization by establishing an appropriate Enterprise IT Governance and Management framework. This framework aims to optimize operational processes and risk management, ensuring the Company achieves its primary objectives and long-term goals sustainably.

The Board of Directors oversees that the management operates with social and environmental responsibility, ensuring these commitments are integrated into operational plans that align with the Company's objectives, goals, and business strategies. Furthermore, the Board ensures that the management effectively develops, allocates, and manages resources with efficiency and effectiveness to achieve the Company's strategic goals. This process takes into account the impact and development of resources throughout the entire value chain.

**Principle 6 Ensure Effective Risk Management and Internal Control System**

The Board of Directors has appointed the Audit Committee to assist in overseeing the Company's good corporate governance system. The Committee is responsible for providing objective and straightforward opinions on financial reports and internal control systems. Furthermore, it facilitates consultations between management and external auditors to manage potential risks, ensuring that financial reporting is reliable, high-quality, and ultimately adds value to the organization. The Audit

Committee must consist of independent directors who meet the full qualifications prescribed by the Capital Market Supervisory Board and the Stock Exchange of Thailand. The committee shall comprise at least 1/3 of the total number of directors, but not fewer than 3 members. At least one member of the Audit Committee must possess sufficient knowledge, understanding, or experience in accounting or finance, including ongoing knowledge regarding changes in financial reporting standards. Details regarding the composition of the Audit Committee, qualifications of its members, terms of office, powers, duties, and responsibilities are stipulated in the Audit Committee Charter.

The Board of Directors has appointed the Risk Management Committee to oversee the Company's risk management processes, establish enterprise-wide risk management policies, and ensure that effective risk management systems are in place. Furthermore, the Board has established various policies to serve as guidelines for appropriate risk management and internal control. These include, but are not limited to the

- Code of Business Conduct
- Risk Management Policy
- Insider Trading Policy
- Corporate Social Responsibility (CSR) Policy
- Connected Transactions Policy
- Anti-Corruption Policy
- Investment and Governance Policy for Subsidiaries and Associates
- Policy on the Protection and Fair Treatment of Employees Who Report Fraud, Misconduct, or Non-Compliance with Laws, Regulations, Company Articles, and Code of Business Conduct
- Whistleblowing Policy (regarding fraud or non-compliance with laws and regulations)
- Conflict of Interest Prevention Policy

In the event that stakeholders have observations regarding the Company's operations, they may inquire for details, file complaints, or report clues of fraudulent activities, or any violations of laws, regulations, Articles of Association of the Company and/or its subsidiaries, or the Code of Business Conduct. The Company has established whistleblowing channels through the Audit Committee. All information provided will be treated with the strictest confidentiality. The Audit Committee will initiate an investigation into the reported information, determine appropriate corrective actions (if any), and subsequently report the findings to the Board of Directors.

**Principle 7 Ensure Reliable Disclosure of Information and Financial Integrity**

1. The Board of Directors prioritizes the disclosure of information that is accurate, complete, sufficient, transparent, and timely, encompassing both financial and general information. This includes any data that has or may have an impact on the Company's securities price, which significantly influences the decision-making process of investors and stakeholders. The Company ensures that such disclosures comply with the regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand, as well as generally accepted accounting standards.

2. The Company has established an Investor Relations function to facilitate appropriate, equitable, and timely communication with investors, shareholders, and other stakeholders.

   The Company regularly organizes meetings to analyze operational performance and disseminates corporate, financial, and general information to shareholders, securities analysts, credit rating agencies, and relevant government sectors. These disclosures are made through various channels, including reporting to the Securities and Exchange Commission, the Stock Exchange of Thailand, and the Company's website. Furthermore, the Company prioritizes regular disclosure to ensure shareholders remain well-informed via the corporate website. Information on the website is consistently updated, including the vision, mission, financial statements, press releases, Annual Reports, Sustainability Reports, organizational and management structures, shareholding structures and major shareholders, notices of meetings, corporate registration documents, and various charters.

3. The Company prioritizes financial liquidity and debt-servicing capability, while placing high importance on the preparation of the Company's financial statements and financial information as presented in the Annual Report. The Audit Committee is responsible for reviewing the quality of financial reports and the internal control systems, ensuring the adequate disclosure of significant information in the Notes to the Financial Statements, and reporting its findings to the Board of Directors. Furthermore, a Report of the Board of Directors' Responsibilities for the Financial Report is provided alongside the Auditor's Report in the Annual Report.

4. In the event that the Company faces, or is likely to face, financial difficulties, the Board of Directors ensures that a remediation plan is in place. Such a plan must be thoroughly considered for its reasonableness, while taking into full account the rights of creditors and all stakeholders involved

5. The Board of Directors shall prepare a sustainability report as appropriate.

6. The Company shall disclose information regarding each director, the roles and responsibilities of the Board of Directors and its Sub-committees, the number of meetings held and the attendance record of each member during the past year, as well as their performance opinions. This disclosure extends to professional training and development in the Annual Report and the Annual Registration Statement. Furthermore, the Company shall disclose its remuneration policy, along with the nature and details of the compensation for directors and senior executive

7. The Company shall disclose the audit fees and non-audit service fees provided by the auditors.

8. The Company shall provide a summary of its approved Corporate Governance Policy, Code of Conduct, Risk Management Policy, and Social Responsibility Policy. This includes reporting on the implementation results of these policies, as well as any instances of non-compliance and the reasons thereof. Such information shall be reported through various channels, including the Annual Report and the Company's website.

**Principle 8 Promote Engagement and Communication with Shareholders**

1. The Company shall dispatch the notice of the meeting, along with complete, accurate, and sufficient supporting information for each agenda item to enable shareholders to exercise their rights, in both Thai and English. Such notice shall be sent to shareholders in advance, at least 7 days prior to the meeting date, or within any other timeframe prescribed by relevant laws and regulations. Each agenda item shall include the opinion of the Board of Directors, together with adequate supporting information, ensuring that shareholders have sufficient time to study the details prior to the meeting. Furthermore, the Company will publish the aforementioned information on its website ahead of the shareholder meeting date.
2. The Company supports shareholder participation by establishing criteria that allow minority shareholders to propose additional agenda items and nominate qualified candidates for director positions. Furthermore, shareholders will be given the opportunity to submit comments, suggestions, or questions in advance of the meeting date in accordance with the criteria prescribed by the Company. Such criteria will be disclosed on the Company's website.
3. For shareholder meetings, the Company will select a venue that is convenient for travel and will attach a map showing the meeting location to the notice of the meeting. In addition, an appropriate date and time will be chosen, and sufficient time will be allocated for the meeting to facilitate and accommodate the Company's shareholders.
4. In the event that a shareholder is unable to attend the meeting in person, the Company will provide the opportunity for the shareholder to appoint an independent director or any other person as a proxy to attend and vote on their behalf. This can be done by using any of the proxy forms dispatched along with the notice of the meeting.
5. At the shareholder meeting, the Company will provide an equal opportunity for all shareholders to freely express their opinions, make suggestions, or raise questions regarding relevant agenda items prior to voting. Relevant directors and executives of the Company will also attend the meeting to answer questions.
6. The Company encourages the use of voting ballots for every agenda item to ensure transparency and accountability in vote counting. An independent party will be arranged to assist in examining and counting the votes for each agenda item. The Company will disclose the voting results of each agenda and the meeting resolutions to the shareholders during the meeting, as well as via the SET Portal of the Stock Exchange of Thailand and the Company's website by the next business day following the conclusion of the meeting.
7. The Company shall submit the minutes of the shareholder meeting to the Stock Exchange of Thailand within 14 days from the meeting date. The Company shall record the minutes accurately and completely in all material respects, incorporating details of the questions and answers raised during the meeting, including the full names of the questioners and respondents, as well as significant opinions and suggestions, to enable verification by the shareholders.

Effective from 26 July 2022 onwards.

*-Signature-*

**( Mr. Marote Vananan )**

**Chairman of the Board**

**Primo Service Solutions Public Company Limited**