

# CG

## Corporate Governance & Code of Conduct



The background features a light blue gradient. Overlaid on this are several musical staves and notes in various colors (pink, yellow, green, blue, orange). The notes are scattered across the right side of the page, with some staves curving around the central text. A pink dollar sign is also visible among the notes.

# Corporate Governance & Code of Conduct



## Good Corporate Governance Policy

IRPC Public Company Limited and subsidiaries (IRPC Group) is the organization strongly committed to operate business under good corporate governance principle while emphasizing on operational excellence, morality, transparency, verifiability and free from any frauds or corruptions. Besides, the Company has stressed on generating the highest interests to every shareholder, taking into consideration every stakeholder group by combining good corporate governance principle of the Organization for Economic Co-operation and Development (OECD) or OECD Principles of Corporate Governance, Good Corporate Governance Criteria of Listed Companies in South East Asia established by ASEAN Corporate Governance Scorecard (ACGS) and guidelines on good corporate governance which are in line with international standards to use as a framework of business operation of the Company. The Company had announced and employed the first handbook of good corporate governance since 2007 and from then on, this handbook has been improved, revised and more information have been added in order that the Board of Directors, the executives and employees shall adhere and put such operational guidelines into practice. Key principles of the Company's corporate governance are as follows:

1. Creation of Long Term Value
2. Responsibility
3. Equitable Treatment
4. Accountability
5. Transparency
6. Ethics

Apart from fostering confidence to the shareholders and investors according to the principles mentioned above, the Board of Directors have determined corporate governance guidelines that will lead to competitiveness and excellence of operating results. The Company has taken into consideration long-term impact, fair business operation, respect of rights and responsibility toward the society and environment, equitable and ethical treatment to every stakeholder group, including the ability for self-adjustment under constant changes. Consequently, the Company has put in place CG Code 2017 for listed companies, issued by the Office of the Securities and Exchange Commission to be employed as good corporate governance policy of the Company as well as practices for the Company's Board of Directors to apply as guidelines to create sustainable business value. The CG Code 2017 had set forth 8 key principles for the Board of Directors as follows:

**Principle 1** : Establish Clear Leadership Role and Responsibility of the Board

**Principle 2** : Define Objectives that Promote Sustainable Value Creation

**Principle 3** : Strengthen Board Effectiveness

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

**Principle 5** : Nurture Innovation and Responsible Business

**Principle 6** : Strengthen Effective Risk Management and Internal Control

**Principle 7** : Ensure Disclosure and Financial Integrity

**Principle 8** : Ensure Engagement and Communication with Shareholders



## Principle 1 : Establish Clear Leadership Role and Responsibility of the Board

Principle 1.1 The Board of Directors must understand their role and realize their responsibility as a leader who must ensure the efficient management of the organization which encompasses:

- ♪ (1) Specification of objectives and goals
- ♪ (2) Specification of strategies, operational policies as well as allocation of key resources to achieve the established objectives and goals
- ♪ (3) Follow-up, assessment of results and supervision of report of operating results

Principle 1.2 To create sustainable business value, the Board of Directors have the duty to lead the Company toward the governance outcome with at least the following:

- ♪ (1) Competitiveness and performance with long-term perspective
- ♪ (2) Ethical and responsible business
- ♪ (3) Good corporate citizenship
- ♪ (4) Corporate resilience

Principle 1.3 The Board of Directors have the duty to supervise every director and executive to perform their respective duty with responsibility, duty of care, duty of loyalty as well as to ensure that the business operation is in accordance with relevant laws, specifications and resolution of the Board meeting.



Principle 1.4 The Board of Directors shall realize their duty and responsibility of the Board and shall assign clear duty and responsibility to the President and the management as well as supervise the President and the management to perform their respective duty as assigned



### **Principle 2 : Define Objectives that Promote Sustainable Value Creation**

Principle 2.1 The Board of Directors shall determine or supervise that key business objectives have been geared toward sustainability whereby such objectives shall be in line with sustainable value creation for business, customers, stakeholders and overall society.

Principle 2.2 The Board of Directors have the duty to ensure that the objectives and strategies, whether short-term, mid-term or long-term and/or annual of the business shall be consistent with the established objectives of the Company and both innovation and technology shall be employed in an efficient and safe manner.

### **Principle 3 : Strengthen Board Effectiveness**

Principle 3.1 The Board of Directors have the responsibility to specify and review the Board structure in terms of its size, component, proportion of independent directors that is appropriate and necessary in order to lead the organization toward the established objectives.

Principle 3.2 The Board of Directors have the duty to recruit qualified person for the Chairman position as well

as to ensure that the component and operation of the Board will facilitate their independent judgment and decision making.

Principle 3.3 The Board of Directors have the duty to supervise the recruitment and nomination of the directors with transparent and clear procedures so that the Board's qualifications will be in line with the specified components.

Principle 3.4 To propose the Board's remuneration for the approval of the shareholders, the Board of Directors must consider the remuneration structure and rate to be suitable for the Board's responsibility while encouraging the Board to lead the organization toward short-term and long-term goals.


Principle 3.5 The Board of Directors shall supervise every director and ensure that they will perform their respective duty with responsibility as well as allocate adequate time.

Principle 3.6 The Board of Directors shall establish framework and mechanism in supervising the policy, the business operation of the subsidiaries and other businesses in which the Company has made a significant investment at the level appropriate for each business while ensuring that the subsidiaries and other businesses in which the Company has invested will have accurate and mutual understanding.

Principle 3.7 The Board of Directors shall establish annual performance evaluation of the Board of Directors,



the Sub-Committee and individual directors whereby the evaluation results shall be employed for their performance improvement.



**Principle 3.8** The Board of Directors shall ensure that the Board and each director will possess knowledge and understanding of their roles and duties, business nature and laws relating to business operation as well as encourage every director to regularly foster their skills and knowledge appropriate for their directorship position.

**Principle 3.9** The Board of Directors shall ensure that the Board's operation will be accurate, be able to access necessary data and the Company Secretary shall possess required and suitable knowledge and experience to support the Board's operation.

#### **Principle 4 : Ensure Effective CEO and People Management**

**Principle 4.1** The Board of Directors shall perform their duty in the recruitment and development of the President, top executives and senior executives to ensure that they shall possess required knowledge, skills, experiences and personal traits.

**Principle 4.2** The Board of Directors shall supervise and determine appropriate remuneration structure and result assessment.


**Principle 4.3** The Board of Directors shall understand the shareholders' structure and relationship which

may incur an impact on business administration and operation.

**Principle 4.4** The Board of Directors shall supervise people management and development to ensure their appropriate number, knowledge, skills, experiences and incentives.

#### **Principle 5 : Nurture Innovation and Responsible Business**


**Principle 5.1** The Board of Directors shall acknowledge the importance of innovation and support the invention of innovation that helps generate benefits to customers or related parties as well as be responsible for the society and the environment.



**Principle 5.2** The Board of Directors shall monitor the management to operate business with responsibility toward the society and environment which may be reflected in the operational plan to ensure that every division of the organization shall operate the business in accordance with the organization's objectives and strategies.

**Principle 5.3** The Board of Directors shall supervise the management to allocate and manage resources efficiently and effectively by taking into consideration potential impact and resources development throughout the value chain in order to attain established objectives in a sustainable manner.





Principle 5.4 The Board of Directors shall establish the monitoring framework and information technology management at an organizational level which shall be consistent with the requirement as well as supervise the use of information technology to increase business opportunity, to improve the operation and to manage risks in order to achieve the Company's established objectives.

### Principle 6 : Strengthen Effective Risk Management and Internal Control

Principle 6.1 The Board of Directors shall supervise to ensure that the Company's risk management and internal control systems are sufficiently efficient to achieve the specified objectives as well as comply with relevant laws and standards.


Principle 6.2 The Board of Directors must appoint the Audit Committee that can perform their duty efficiently and independently.

Principle 6.3 The Board of Directors shall follow up and handle potential conflicts of interest between the Company and the management, the Board or shareholders, including the prevention of any unauthorized uses of the Company's assets, information and opportunity while refraining from making improper transactions with any parties in connection with the Company.

Principle 6.4 The Board of Directors shall supervise the establishment of clear policies and guidelines on anti-corruption and communicate such policies and guidelines to every level of the organization and outsiders to put into practice.

Principle 6.5 The Board of Directors shall supervise the establishment of complaint filing procedures and shall carry out in a case of any whistleblowing incidents take place.

### Principle 7 : Ensure Disclosure and Financial Integrity



Principle 7.1 The Board of Directors have the responsibility to supervise the preparation of financial report system and disclosure of significant information accurately, adequately, timely as well as be consistent with the regulations, standards and relevant guidelines.

Principle 7.2 The Board of Directors shall monitor the adequacy of liquidity and solvency.

Principle 7.3 During the condition that the business may confront with financial problem or tends to have such problem, the Board of Directors shall ensure that the Company has established a problem resolution plan or set up other measures to rectify financial problem. Nonetheless, the stakeholders' rights must be taken into consideration.

Principle 7.4 The Board of Directors shall supervise the establishment of a sustainability report as deemed appropriate.

Principle 7.5 The Board of Directors shall supervise the management to specify the unit or any persons responsible for investor relations in order to communicate the shareholders and stakeholders such as investors, analysts in appropriate, equal and timely manner.

Principle 7.6 The Board of Directors shall promote the use of information technology to disseminate information.

**Principle 8 : Ensure Engagement and Communication with Shareholders**

Principle 8.1 The Board of Directors shall ensure that the shareholders are engaged in the Company's decision making of significant matter.

Principle 8.2 The Board of Directors shall supervise the shareholders' meetings to ensure that they are carried out properly, transparently and efficiently as well as facilitated every shareholder to exercise their right.

Principle 8.3 The Board of Directors shall ensure that the disclosure of the meeting resolution and report of the shareholders' meeting are proceeded accurately and completely.





**Announcement of IRPC Public Company Limited  
on The Compliance with the Good Governance  
Corporate Handbook**

The IRPC Public Company Limited has announced the policy on the Good Corporate Governance for the Board of Directors, Executives and employees of the company including the subsidiaries, the associates and the companies under control of the IRPC to adhere to as a guideline of the operation. To enhance the companies in the IRPC Group to be effective in the business operation with the excellent governance and management, morality, transparency without corruption and be able to audit.

Since September 2007, the Board of Directors has approved the Handbook of Good Governance Corporate for the Board of Directors, Executives and employees to adhere to the operation principle as a discipline. There was the 1<sup>st</sup> and the 2<sup>nd</sup> review and improvement in 2009 and 2015 respectively to be in accordance with the regulations, new practices and the company progress. Now, the Board of Directors agreed to review and improve the important keys in this handbook to be updated and universal with the international principles and the code of conduct and best practices. To develop and upgrade the Good Corporate Governance of the company to be effective continuously and to build confidence to all stakeholders which will lead to the sustainable growth.

To express our commitment that we will adhere to the essence of this handbook as the operational principles. We would like all personnel levels of the IRPC Group to acknowledge, understand and adhere to this handbook as the operational principles in order to maintain the Good Corporate Governance of the company uninterruptedly.



**(Air Marshal Boonsuib Prasit)**  
Chairman of the Corporate  
Governance Committee



**(Mr. Chawalit Tippawanich)**  
President and Chief  
Executive Officer

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The Board have realized the importance of business operation under the Good Corporate Governance, responsibility, transparency and fairness and taking into account of all stakeholders. We develop the business with the balance coexistence philosophy on economy society and environment for the sustainable values creation and support the Sustainable Development Goals: SDGs of the United Nation. The Board has approved the Good Corporate Governance policy and handbook as a good practice for the Board of Directors, Executives and employees to operate the business with ethics and be responsible to both internal and external third party. Drive the organization to the stability prosperity and sustainability. Therefore, we would like all levels of The IRPC Group's personnel to strictly adhere to in order to maintain the ethical standards on business operation complying with and in the same direction throughout the organization.

**Mr. Kris Imsang**  
Chairman  
IRPC Public Company Limited



The Corporate Governance Committee commit to uphold the Good Corporate Governance principle, the ethical business operation, respect the rights and be responsible to the shareholders. Create the balance of stakeholders throughout the supply chain, benefit to the society and develop or decrease the negative impacts on the environment. As well as to upgrade the Good Corporate Governance of the company to the international standard and be recognized and trustful to others and able to adapt under the changing circumstances and lead the business to the entire sustainability.

**Air Marshal Boonsuib Prasit**  
Chairman of the Corporate Governance Committ  
IRPC Public Company Limited





## VISION

“  
To Shape  
Material and Energy  
Solutions in Harmony  
with Life”



MISSION



IRPC DNA





## What is the Good Corporate Governance?

The phrase “Corporate Governance” is a concept or process or regulation of the organization which does not have a standardized format and be called in different contexts, for example, Governance, Corporate Governance or CG. However, it has the same meaning in general which is “an effective, transparent and auditable management and concern all stakeholders”. Many people give the definition of Good Corporate Governance such as

“Corporate Governance” Involves a set of relationships between a company’s management, its board, its shareholders and other stakeholders. Corporate Governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined.

Organization for Economic Co-operation and  
Development: OECD

“Corporate Governance” means a governance relationship and the measure or mechanism that are used to govern the people decision making in the organization to be accorded with the objectives which are (1) objectives and main goals (2) strategy policy and approval operation plan and budget and (3) monitor assess and report of the performance. The Board shall govern the business to the governance outcome which creates the sustainable values for the business at least as following:

1. Competitiveness and Performance with Long-term Perspective
2. Ethical and Responsible Business

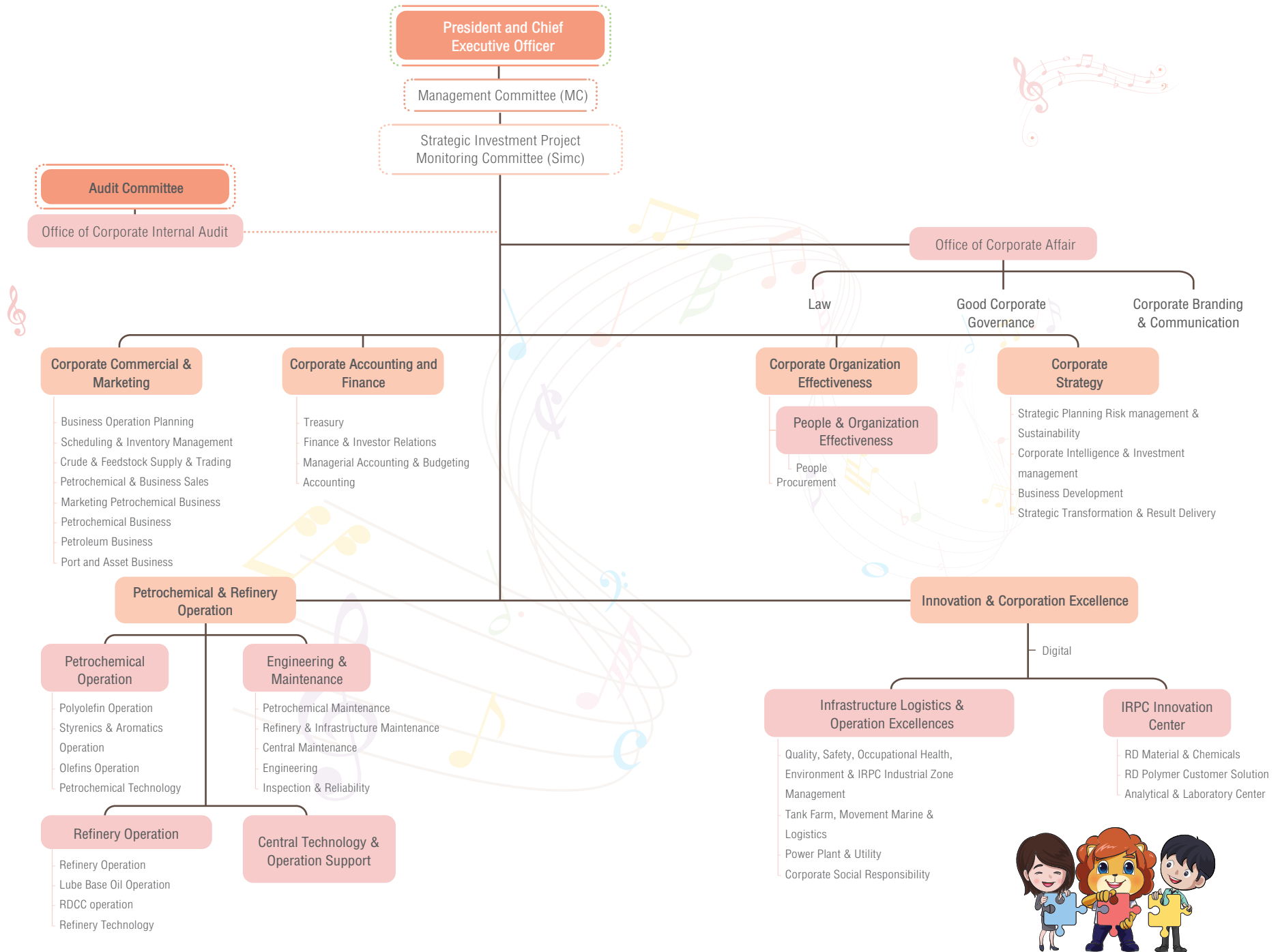


3. Good Corporate Citizenship
4. Corporate Resilience

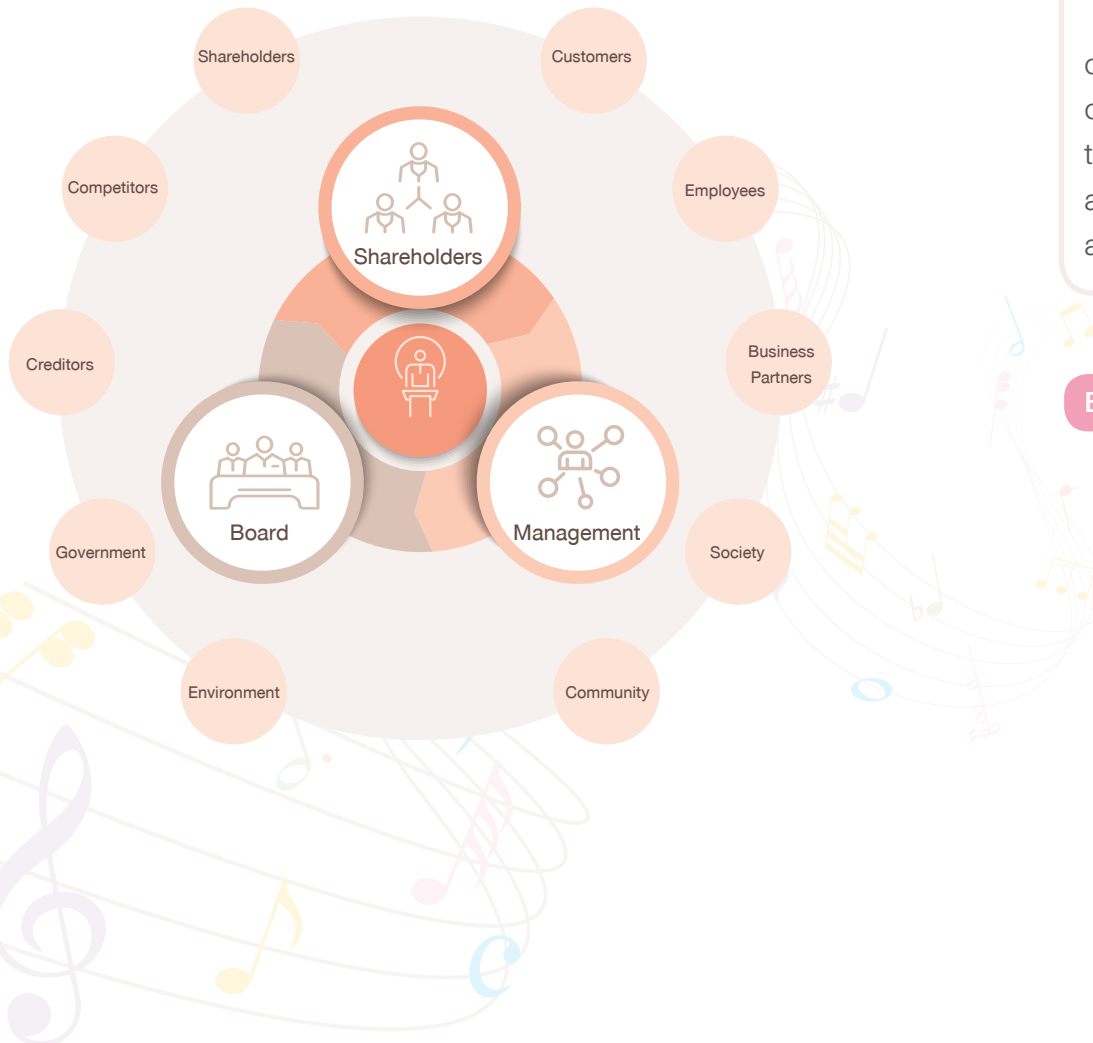


The Securities and Exchange Commission

# Organizational Structure of IRPC Public Company Limited



## Stakeholders Structure



## Importance Objectives and Guidelines of Good Corporate Governance

### The importance of Corporate Governance

The Corporate Governance is a key factor to build the organization sustainability and effectiveness to govern, monitor, control and supervise the authorized person on the execution so that the organization resources be effectively and efficiently used according to the goals, and bring about the maximum benefits to all stakeholders fairly.

### Benefits for the company

- To enhance the management and internal control system to be international standards. Prevent and eliminate the conflict of interest that may occur.
- Create opportunity for the company to access the source of fund with the proper cost that can compete.
- Promote good business profits by taking into account of the long-term impact.
- Be a performance measurement tool and monitor all performances to be improved more effective.





### Benefits for the investors/shareholders

- As a framework to define the relations structure among the shareholders, the Board of Director and the Management Team including the guideline on the ethical business operation, respect the rights and responsible to all shareholders and stakeholders.
- Build on the transparency and accountability of the Board including the confidence of the shareholders and investors for the sustainable value creation.

### Benefits for the overall capital market.

- Build confidence, purchase needs, liquidity and price level.
- Benefit to the development or decrease the negative impact to the environment according to the expectation of the business sector, investors, capital market and society as a whole.
- Enhance the integrity and upgrade the capital market in Asia.

### Objectives

With the commitment to become the top leading business organization, we shall build the credibility to the investors, shareholders and the group of stakeholders throughout the supply chain. Create the value-added for the organization and uphold the stability and sustainability growth in long term. Therefore, the company has focused on the Good Corporate Governance principles and establish the Good Corporate Governance Handbook as the operational principles for the Board, Executives and all level of employees in order that they shall perform with transparency complying with the objectives of the governance.

1. Enforce the management system to be transparent with the clear international standards that will help the company on the effective competition. Protect and eliminate the conflict of interest that may occur.
2. Build the confidence for the investors and shareholders both internal and external. Support the communication between the company and the stakeholders and help to increase the share values for the company.
3. Be a performance measurement tool of the company and monitor all performances to improve to be more effective.
4. Create responsibility framework for the Board and Executives toward all group of stakeholders. Create an engagement of the Board and Executives to apply their authorities within the realm.
5. Create the company business operation framework according to the laws, rules, regulations and related requirements including the Securities and Exchange Law and best practices of the Notification of The Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

## Good Corporate Governance Practices

1. All personnel shall study the Good Corporate Governance Handbook along with the code of conduct and best practices carefully. Strictly act in compliance with and adhere to as a discipline of the performance.
2. Hierarchical supervisors have responsibility to govern, advise and encourage the subordinates to act according to the Good Corporate Governance Handbook, code of conduct and best practices.
3. In case of doubts to conduct according to the Business Ethics of the Good Corporate Governance Handbook, shall use the discretion and question oneself regarding such action as following:

- Is this action against the law?  
**If yes, this shall be stopped.**
- Is this action against the company's policies?  
**If yes, this shall be stopped.**
- Is this action against the company's value or culture?  
**If yes, it shall be stopped.**
- Could this action be accepted and disclosed to the society?  
**If it couldn't, it shall be stopped.**
- Does this action severely effect to the stakeholders of the company?  
**If it does, it shall be stopped.**
- Does this action effect on the company's reputation and image?  
**If it does, it shall be stopped.**

- Will this action lead to the bad practices in the future?  
**If it will, it shall be stopped.**

Or ask the hierarchical supervisor who is responsible for the primarily advice or direct request to the responsible office for such matter.

### Disciplinary Penalty

The Good Corporate Governance, Business Ethics and Best Practices that appeared in this handbook is regarded as duties and regulations that all levels of personnel of the IRPC Group shall adhere to as the operational principles. Neglecting, refusing, or failing to comply with this handbook shall be regarded as a violation of work regulations or rules or lawful orders of the company which is an offense and may be punished according to the regulations relating to the work of the company (Section 8: Disciplinary and Disciplinary Penalties).

### Communication and Publication

The company announced and published this handbook on the company's website [www.irpc.co.th](http://www.irpc.co.th) in order that all levels of Boards, Executives and employees shall apply as the operational principles. In addition, the policies and the company operating guidelines are published for the stakeholders with the transparency and the Good Corporate Governance.



Criteria for the preparation of the Good Corporate Governance Handbook

There has been a study of the concept framework and the good governance according to the international standards of the public sector domestically and internationally in order to improve the Good Corporate Governance Handbook which comprise of:



Organization for Economic Cooperation and Development (OECD)



Corporate Governance Code for listed companies 2017



Corporate Governance Code for listed companies 2012



Corporate Governance Report of Thai Listed Companies of the Thai Institute of Directors (IOD)



Director's handbook of Listed Companies, Book 1: Roles, Duties and Responsibilities of "Directors" and "Board of Directors".



Director's handbook of Listed Companies, Book 2: Operating Guidelines of "Directors."



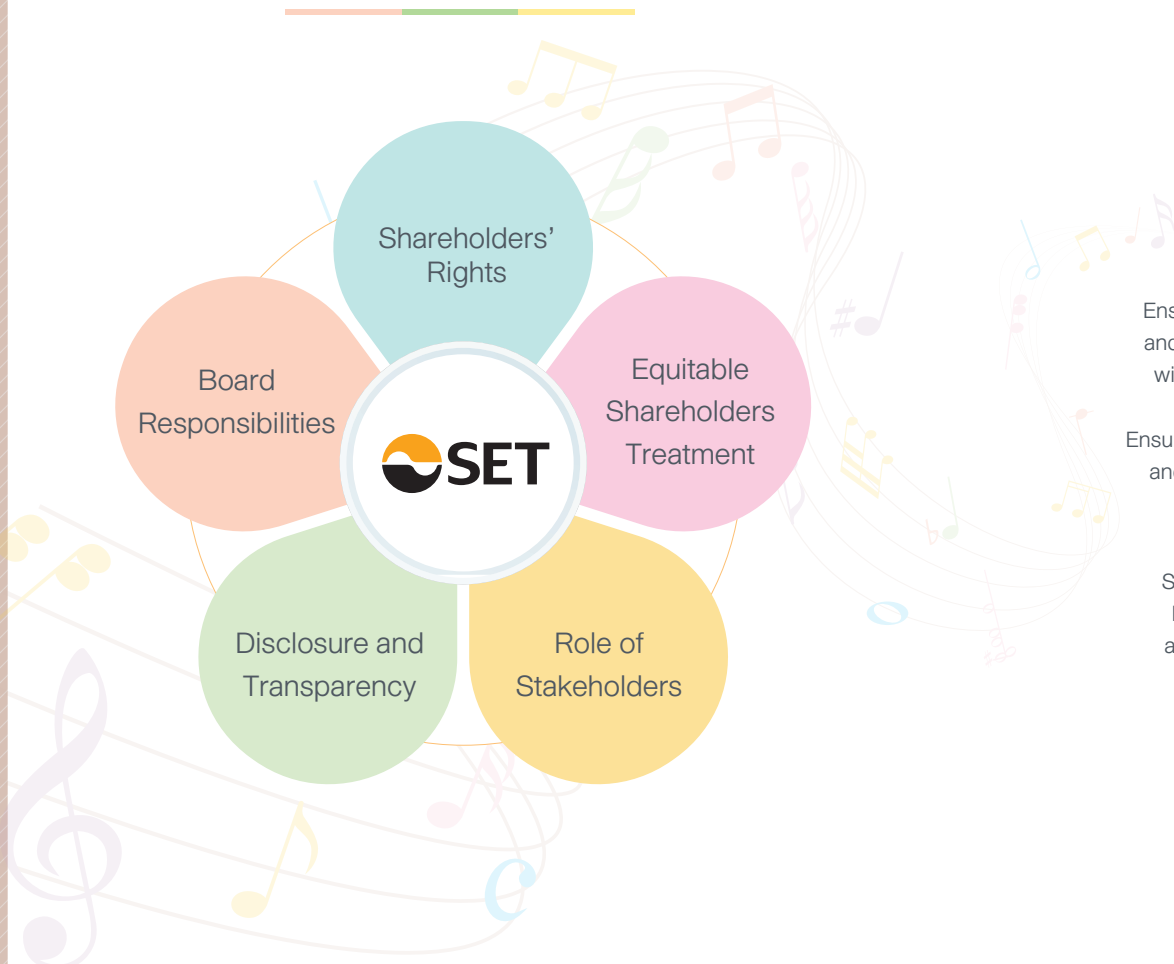
Director's handbook of Listed Companies, Book 3: Retaining Rights and Holding a Shareholders' Meeting.



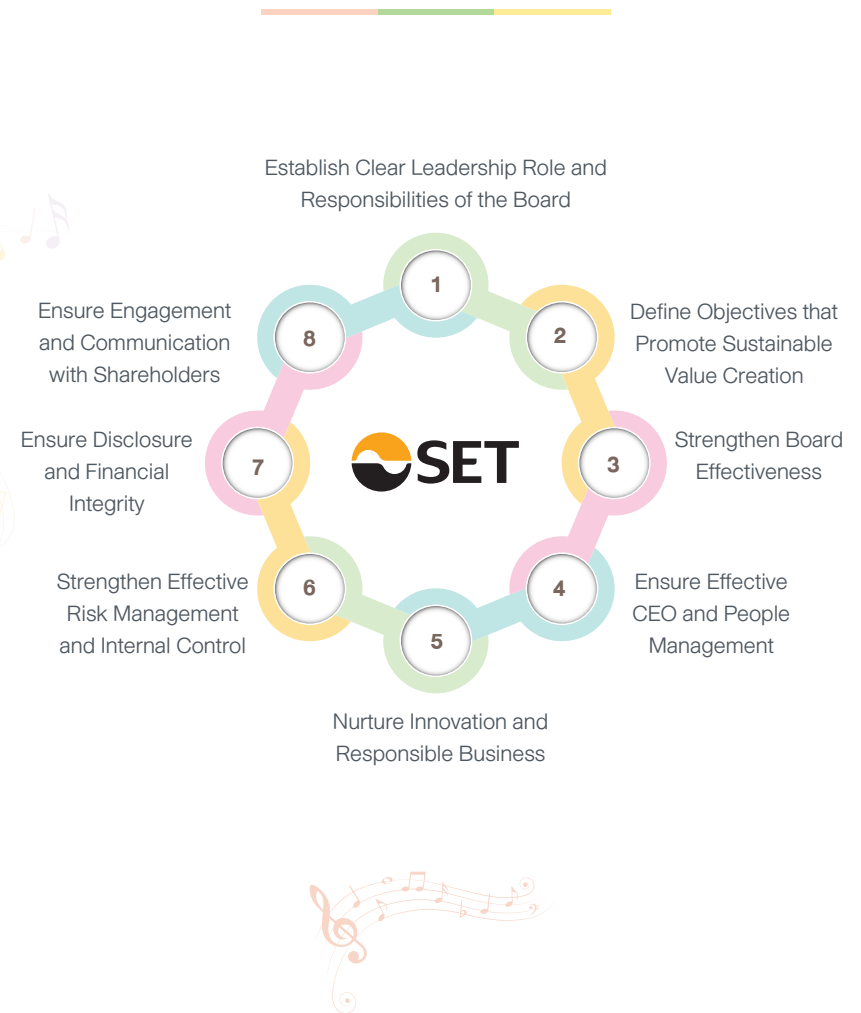
Best Practices and Code of Business Conduct of IRPC



## The Key Principle on the Good Corporate Governance of the Listed Companies in 2012 of the Stock Exchange Thailand



## The Key Principles on the Good Corporate Governance of the Listed Companies in 2017 of the Stock Exchange Thailand





“ Becoming the good organization and sustainable growth, besides the business profits oversight for overall stakeholders, the organization shall also has the foundation of good people, therefore, we must focus on building good and smart people in parallel. The Sufficiency Economy Philosophy and Good Corporate Governance Principles shall be integrated into the company’s strategic plans and business operating processes. Moreover, promoting the use of cutting-edge innovations and taking into account the creation of economic, society and environment balance for the sustainable value creation. ”

**Mr. Chawalit Tippawanich**  
President and Chief Executive Officer  
IRPC Public Company Limited



# CHAPTER

# 1

## PART 1

### Good Corporate Governance

- 1.1 Good Corporate Governance Code for the Listed Companies
- 1.2 Good Corporate Governance Code for IRPC Public Company Limited







## Good Corporate Governance



### Good Corporate Governance Code for the Listed Companies in 2012

It focuses on the relation structure and guideline for the transparency and accountability of Board to build confidence for the investors. This comprise of the good principles and practices on the good governance in 5 categories:

- Shareholders' Rights:** the shareholders have the owner's rights in controlling through the Board nomination to act on their behalf and have the rights to decide regarding the major changes of the company, therefore, the company shall support the shareholders to exercise the rights on the company's behalf.
- Equitable treatment of shareholders:** all shareholders both Executives and Non-Executives including the foreigner shareholders shall be treated equally and fairly. The minority shareholders who are violated, shall have the rights to the compensation.
- Role of Stakeholders:** the stakeholders shall be treated from the company according to their legal rights. The Board shall consider to promote the cooperative procedures between the company and the stakeholders for the prosperity, financial stability and business sustainability.
- Disclosure and Transparency:** the Board shall govern to disclose the important information of the company on the financial information and non-financial information accurately, completely, on time and transparently through the accessible channel which is easy, equal and credible.
- Board Responsibilities:** the Board has an important role on the good corporate governance for the maximum benefits of the company. The Board is responsible for the performance outcome toward the shareholders and be independent from the Management Team.

### 1.1 Good Corporate Governance Code for the Listed Companies

Good Corporate Governance Code for the Listed Companies in 2012	Good Corporate Governance Code for the Listed Companies in 2017
<ol style="list-style-type: none"> <li>1. Rights of Shareholders</li> <li>2. Equitable treatment of shareholders</li> </ol>	<b>Principle 8</b> Ensure engagement and communication with shareholders
<ol style="list-style-type: none"> <li>3. Role of Stakeholders</li> </ol>	<b>Principle 4</b> Ensure effective CEO and people management <b>Principle 5</b> Nurture innovation and responsible business <b>Principle 6</b> Strengthen effective risk management and internal control
<ol style="list-style-type: none"> <li>4. Disclosure and Transparency</li> </ol>	<b>Principle 7</b> Ensure disclosure and financial integrity
<ol style="list-style-type: none"> <li>5. Board Responsibilities</li> </ol>	<b>Principle 1</b> Establish clear leadership role and responsibilities of the board <b>Principle 2</b> Define objectives that promote sustainable value creation <b>Principle 3</b> Strengthen board effectiveness



## Good Corporate Governance Code for the Listed Companies in 2017

Only confidence building is not enough to become the good listed companies because both business sectors and investors need the good business profits. The corporate must adapt properly to the business condition changing and has good relations with surrounded people in order that the company can grow and survive in the long run. Therefore, the Securities and Exchange Commission has launched the new Good Corporate Governance Code (CG Code 2017) as a code of conduct for the Board who is a leader or has responsibility the highest of the organization to govern the corporate for the long-term business profits and trustworthy for the sustainable value creation.

### 8 Principles for the Board are:



#### Principle 1

Establish clear leadership role and responsibilities of the board



#### Principle 2

Define Objectives that promote Sustainable Value Creation



#### Principle 3

Strengthen Board Effectiveness



#### Principle 4

Ensure Effective CEO and People Management



#### Principle 5

Nurture innovation and responsible business



#### Principle 6

Strengthen Effective Risk Management and Internal Control



#### Principle 7

Ensure Disclosure and Financial Integrity



#### Principle 8

Ensure Engagement and Communication with Shareholders



## 1.2 Good Corporate Governance Code for IRPC Public Company Limited



**The Good Corporate Governance** is the structure and internal management mechanism to link the relationship between the Board, Executives or employees and the shareholders for the maximum benefits of the shareholders as the key objectives. This consider for the overall stakeholders. Such structure and internal management mechanism shall reflect on these important principles as following:



### Creation of Long Term Value

To have vision to create a long term value for the organization

### Responsibility

Responsibility to perform duties with innovation and efficiency

### Equitable Treatment

Treat the stakeholders with equity integrity and explanation

### Accountability

Be accountable for your own decision and action and able to explain that decision.

### Transparency

The transparency of operation that can be monitored and disclose the information transparently to the relevant persons.

### Ethics

The ethics and code of business conduct.

The CG Code 2017 has set 8 principles for the Board as mentioned above. The recommendation for the listed companies is to comply with “Apply or Explain” which the Board shall apply appropriately to the business context of their company. The Board can apply another principle that can achieve the principle’s objective if it is more suitable by explaining the reasons and recording that practice. For example, 1. Record in the review report of CG Code compliance as a part of the Board resolution by indicating the reasons of this decision including the replaced measures (if any). 2 Disclose in the annual registration statement/ annual report (Form 56-1 ONE REPORT).



The IRPC Public Company Limited has adapted the Good Corporate Governance Code for the listed companies or CG Code of the Securities and Exchange Commission (SEC), the Good Corporate Governance of the Organization for Economic Cooperation and Development: OECD, the principles of the Corporate Governance Report of Thai Listed Companies: CGR of Thai Institute Of Directors (IOD) together with the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) and other organizations related to the capital market and best practice compliance with the Handbook on the Listed Companies’ Directors of SEC and applied to the Good Corporate Governance of the company which is C R E A T E as a framework and guideline for the Board, Executives and employees including the companies in the IRPC Group to adhere to as following:





## Principle 1

Establish Clear Leadership Role and Responsibilities of the Board.



The Board of Directors is a key of the Good Corporate Governance which comprise of multi-disciplinary expertise with the knowledge, expertise, skills and experiences, leadership, vision, independent decision-making, time devoted and full effort to perform duty of care and duty of loyalty for the maximum benefits of the company and the shareholders mainly.

### 1.1 Roles Duties and Responsibilities of the Board of Directors

The Board have the duties and responsibilities to govern the organization with good management compliance with laws, company's objectives and regulations as well as the lawful shareholders' meeting resolution and shall do it with prudence, honesty, profits maintaining and sustainable value creation to the organization and stakeholders all through the supply chain.


The Important Roles Duties and Responsibilities are:

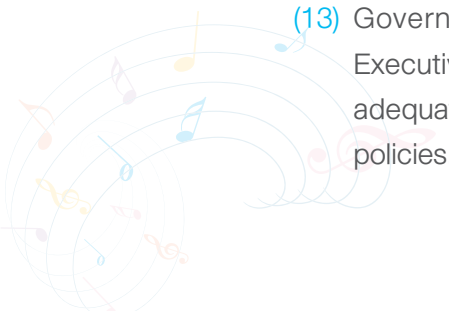

- (1) Set the company's direction, vision, goals, operational budget and strategies to support the sustainable growth for economy, society and environment. Share opinion considerably and focus on useful information seeking to determine this direction. Consider the risk that may occur financially and non-financially to ensure that the Management Team are able to apply these visions,

directions and strategies effectively and compliance with the goals.

- (2) Review and approve the key strategies and policies, objectives, financial goals and other plans at least once a year. Monitor to have the report process and govern the operation according to the scheduled plans, directions and strategies regularly.
- (3) Consider to define and segregate the roles duties and responsibilities between the Board, Sub-Committee and Management Team clearly. Communicate such roles, duties and responsibilities to the Management Directors and all level of employees.
- (4) Set the internal control, internal audit and risk management system properly effectively and adequately. There shall be the monitoring to all operational compliances of the Board's meeting regularly.
- (5) Realize of the importance of Good Corporate Governance with integrity and honesty. Be responsible to the performance and promote the fair and equitable treatment and trustworthy to all relevant stakeholders. Commit to create value to the organization and the long-term stakeholders for the stable and sustainable growth in the long run. In addition, The Board has the duty to govern and control the company to act in compliance with the Securities and Exchange Law and the Notifications and/or Regulations of SEC and SET. For example, the relevant transaction, acquisition or disposition of important assets. Comply with the relevant law on the business operation of all matters and cases.



- 
- (6) Establish a written policy on the Good Corporate Governance according to the Securities and Exchange law, requirements and best Practices of SEC and SET, including the relevant law on the business operation.
  - (7) Establish a written code of business conduct for the ethical organization culture creation. The Board shall be a role model as the governance corporate leader to encourage all employees to have ethical awareness and to understand the business operation ethics standard which will increase the confidence of the stakeholders throughout the supply chain. The monitoring and report of the ethics compliance of the business operation shall be defined at least once a year.
  - (8) The internal control shall be determined appropriately and adequately throughout the organization. The Office of Corporate Internal Audit is authorized to monitor and report the implementation to the Board at least once per quarter. The effectiveness and efficiency of the internal control system shall also be evaluated at least once a year.
  - (9) Set the appropriate and adequate risk management throughout the organization. The Management Team is authorized to nominate the “Risk Management Committee at Management Level” to act in compliance with the policies and assign to the Office of Corporate Internal Audit or the Risk Management Unit to monitor at least once per quarter. The efficiency of the risk management system shall be evaluated at least once a year.

- (10) Set the direction of the transaction that might have conflict of interest among the company’s stakeholders and the stakeholders shall not participate in the decision making. Set the information disclosure procedures that might be a conflict of interest accurately in the annual registration statement/annual report (Form 56-1 ONE REPORT).
  - (11) Establish the written society and community responsibility policies to promote and raise awareness to all level of employees to be responsible and beneficial to the society. To also reduce the negative effects on the environment which will help to maintain the business to grow firmly and sustainably in long-term and be recognized by all stakeholders. The Management Team are to control and supervise complying with the policies and to report the operation on the society, community and environment responsibility to the Board at least once a year.
  - (12) Establish the written anti-corruption policies to promote and raise awareness to the Board, Executives and all level of employees to realize of the corruption dangers and publish the anti-corruption policies on the company’s website. The Management Team are to control and supervise complying with the policies and report the anti-corruption operation result to the Board at least once a year.
  - (13) Govern to have a communication so that the Board, Executives and employees at all levels understand with adequate mechanism to help to put into practice of the policies.
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- (14) Establish the Board Charter to clarify the roles, duties and responsibilities of each Sub-Committee to use as a reference of all Directors' performance. Such charter shall be reviewed at least once a year to comply with the company operational direction.
- (15) Delegate the management power to the Management Team clearly in written and monitor their performance according to the assignment. Segregate the roles and duties between the Board of Directors and the Management Team explicitly.
- (16) Appoint the Company Secretary from the qualified person according to the law to be responsible for the company secretariat work in accordance with the Securities and Exchange Law and the relevant laws.

### 1.2 Roles Duties and Responsibilities of the Chairman of Board

In order that the authorization to set the policies and management of the company are separable explicitly and the roles of Chairman of Board and the operational governance of the Management Team are effectively, the Chairman of Board and the President and Chief Executive Officer shall be a different person. The Chairman of Board shall has duties as following:

- (1) Govern, monitor and ensure that the Board of Directors and the other Sub-Committees perform duties effectively and achieve the objectives and main goals of the organization.
- (2) Govern, monitor and ensure that all Directors participate in the promotion of the ethical organization culture and the Good Corporate Governance.



- (3) Shall have a leadership and supervise the Directors not to be under the influence of the Management Team by acting as a Chairman of the Board's meeting and the shareholders' meeting. Control the meeting to be accorded to the company's regulations and scheduled agenda and the relevant legal provisions.
- (4) Call for the board meeting and ensure the delivery of meeting notices and documents in order that the Board receive enough information on time.
- (5) Set the agenda for the Board of Directors' meeting and discuss with the President and Chief Executive Officer and set the measures to include the importance issues into the meeting agenda.
- (6) Allocate enough time for the Management Team to present and for the Directors to discuss on the important issues carefully. Encourage the Directors to careful consider and express their views freely.
- (7) Casting vote in the meeting in case that both parties have the equal votes.
- (8) Promote encourage and provide opportunities to the Directors and shareholders to receive enough information and express their views freely. Encourage to exercise the rights and maintain the benefits of the shareholders equitably.
- (9) Enhance the good relationship among the Directors and between the Board and the Management Team.
- (10) Perform duties as set forth by the law specifically that are the Chairman of Board's duties.





### 1.3 Roles Duties and Responsibilities of the President and Chief Executive Officer

The Board of Directors delegate the authority and responsibilities to the President and Chief Executive Officer to manage the regular work of the organization to be accorded to the strategies, policies plans and budget that are approved by the Board. The CEO shall perform duties with responsibility, prudence and honesty under the assigned authority framework and monitor and supervise the Senior Executives and the next down Executives to perform the assigned duties effectively and efficiently. The President and Chief Executive Officer has duties as following:

- (1) Manage the company's undertaking in accordance with the law, objectives and the regulations of the company, the shareholders' meeting resolution and the Board policies.
- (2) Command the Executives, employees and staffs of the company, appoint, set the working rules and regulations, salary rate, wages, fringe benefits, transfer, demote and remove, or promote the rank, salary and position. Punish the disciplinary penalties under the policies frame assigned by the Board.
- (3) Comply with the policies, strategic plans, business plans, visions and missions according to the approved guidelines from the Board effectively and for the maximum benefits.
- (4) Approve the investment budget, parcelling, procurements and operational expenses under the business plans and annual budget as assigned from the Board.

- (5) Manage the cash flow, investment, budget, plans and risk management procedures under the guidelines and authority frame as assigned from the Board comprehensively and effectively.
- (6) Consider the company's business profits. Suggest the payment of the interim dividends and annual dividends to be approved from the Board or shareholders (depend on the case).
- (7) Evaluate the company performance outcome and report the progress according to the plan to the Board every quarter regularly.
- (8) Be a good leader and role model in the Compliance and Code of Conduct.
- (9) Be a good leader and role model to encourage and foster the employees to comply with the organizational culture, accurate decision making. Communicate to build up the good organizational confidence and image, preserve the environment, responsible for the society and community and prioritize on the safety and occupational health.
- (10) Undertake the company in compliance with the guidelines on the anti-corruption and anti-bribery.
- (11) Undertake the company in compliance with the Sustain Development Goals (SDGs) to achieve the Good Corporate Citizenship.
- (12) Undertake any actions to uphold the business operation according to the authority assigned by the Board.



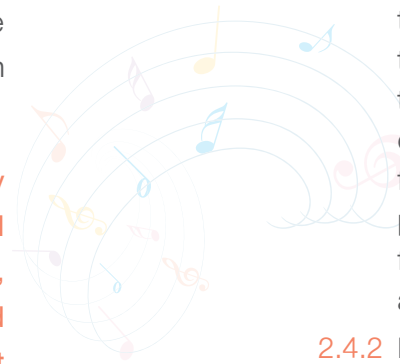
## Principle 2

Define Objectives that Promote Sustainable Value Creation



The Board shall determine the objectives and main goals of the company for the sustainability and value creation of the organization, customers, stakeholders throughout the supply chain and the society in general as following:

- 2.1 Determine the objectives and main goals of the company explicitly, appropriately to be used as a guideline for all level of employees in the same direction. Set the visions, values, missions and organizational culture to the company and the group of stakeholders throughout the supply chain that comply with the sustainable value creation in long-term.
- 2.2 Set the core values, visions, missions, strategies, main goals and business operation policies with the appropriate review and communicate to the Board, Executives and employees to acknowledge and understand throughout the organization.
- 2.3 Develop potential, create value, increase investment capability and the business network considering the factors and risks that might affect to the stakeholders throughout the supply chain. Maintain the good reputation and image, integrity and organizational culture with ethics so that the company can achieve the main goals for the steady growth. Create the sustainable profits to the shareholders and the benefits to the stakeholders, society and environment.



2.4 Govern to ensure that the objectives, goals and strategies in the interim period and/or annual period of the company comply with the objectives and main goals achievement by promoting the participation. In addition, the Management Team shall act as following:

2.4.1 Establish the annual strategies and plans complying with the company's objectives and main goals. Consider the environment and other factors at that moment, the opportunities and the acceptable risks. Support to establish or review the objectives, goals and strategies for 3-5 years to ensure that the annual strategies and plans integrate the long-term impact which is enough for the prediction and decision making of the Board afterwards.

2.4.2 Establish the annual strategies and plans, environment and factors analysis that might affect to the stakeholders, and the factors that might affect the main goals achievement of the company with the procedures that understand the needs of the stakeholders as following:

- (1) Set the approaches, procedures, participated channel or the communicative channel among the stakeholders through the company website to access into and receive the information, issues or needs of each stakeholder as accurately as possible.
- (2) Delegate each Executive to analyse the issues and expectation of the stakeholders, prioritize the key points and impacts that might occur to the company and stakeholders then propose to the Management Team to consider and select the key points that create value with the stakeholders to undertake seriously.



- 2.4.3 Set the strategies, promote innovation and apply the innovation and technology to build up the competitive ability and response to the stakeholders' needs on the basis of community, society and environment responsibility.
- 2.4.4 Set the goals according to the business environment and company potential. Set the objectives both in monetary and non-monetary and realize of the setting goals that are too high which leads to the unlawful behaviour or unethical conduct.
- 2.4.5 Disseminate the objectives and goals through the strategies and plans throughout the organization.
- 2.4.6 Allocate resources and operational control appropriately and monitor the operation according to the annual strategies and plans. The Corporate Accounting and Finance shall have the duty to summarise the operational result compare to the monthly, quarterly and annual plan and present the opinion to the Audit Committee before submitting to the Board to acknowledge and further consider.



### Principle 3

#### Strengthen Board Effectiveness



The Board of Directors are responsible to set and review the Board structure on the size, composition and the proper proportion of Independent Directors and necessary to lead the organization to achieve the set objectives and main goals.

#### 3.1 Board Structure

The Board define and review the structure of the Board, Sub-Committees and Independent Directors to be suitable and qualified with knowledge skills experiences and expertise which are important to the Board composition and comply with the company's business.



#### Compositions and Qualifications of Board

1. The Board must consist of at least 5 Directors but not exceed 15 Directors
2. There should be the independent Directors no less than one-third of a whole Directors and there must be at least 3 Independent Directors.
3. The age of Director must not over 70 years old.
4. The terms of Directors and Independent Directors is 3 years per term which can be reappointed according to the law and not over 3 terms or not more than 9 years consecutively (without an exemption).



5. Holding the position of Director in the State enterprise and/or the listed company on the Stock Exchange of Thailand (SET).
  - (1) Holding the position of Director in the State enterprise and/or the legal entity that the State enterprise is a shareholder not more than 3 places.
  - (2) Holding the position of Director in the company listed on the SET not more than 3 companies. In addition, the Director position holding according to (1) and (2) must not over 5 places in total.
6. Being expertise in multi-disciplines in order to combine necessary knowledge which comprise of
  - The expertise in petroleum or petrochemical business at least 3 persons
  - The expertise in law at least 1 person
  - The expertise in accountancy and finance at least 1 person
 Nevertheless, this should comply with the recruitment policies and regulations, considering the education background, management experiences in such field and well achievement and recognition acceptable in comparable scale of business.
7. Possess complete qualifications without prohibited qualities under the Public Company Act, the Securities and Exchange Act, Announcement of the Capital Market Committee, Securities and Exchange Commission Regulations, Rules of the Stock Exchange of Thailand, Articles of Association of Companies in Thailand, Good Corporate Governance Principles and other related requirements and should not possess the inappropriate qualities in order to acquire trust for the company execution.
8. Possess complete qualifications without prohibited qualities under the Cabinet Resolution on the 24<sup>th</sup> January 2011 on the appointment of high-ranking government officials or the person holding the position of Director in the State enterprise and/or the legal entity of which the State enterprise is shareholders.



9. Possess a supportive and promoted quality and image of the implementation on the Good Corporate Governance in order to add value to the company such as morality, ethics, independence, expressive confidence, creativity, duty of care and duty of loyalty, dedicator and well acceptance from the society.
10. If used to hold the position of the company Director, the performance as the Director with full capacity and the useful opinion and suggestion to the company shall be considered.

### 3.2 Roles Duties and Responsibilities of Chairman of Board of Director

(Details are according to the practical guideline 1, [page 50 -51](#))

### 3.3 Nomination and Appointment of the Board of Directors and Sub-Committees

The Board shall good govern on the nomination and appointment of Director to be transparent and explicit in order to acquire the qualified Board complying with the composition.

#### • Company Directors

1. The shareholders are authorized to appoint the Company Directors. The Nomination and Remuneration Committee will select the suitable person to be nominated as a Director and present to the Board to approve before presenting at the meeting.  
The shareholders consider to approve according to the rules as following:
  - (1) One shareholder has a vote equal to the number of the shares that he or she holds and one share per vote.



- (2) The election of Director shall vote as a person or one time for a whole number of Directors that should be selected at that time according to the approval of the shareholder meeting. For the voting, whether to be one person or a group of person, a person who is voted by the shareholders will acquire the vote from the shareholder according to the shares that he or she holds under (1). The shareholder cannot share his or her vote more or less to anyone.
- (3) The resolution requires a majority vote, whereby a person receiving the highest votes in descending order shall be elected as a Director according to the equal number of Directors that shall have or shall be elected at that time. In the event that the persons elected in descending order have the equal votes exceeding the number of required Directors or the number that should be elected at that time. The chairman of the meeting shall have a casting vote.
2. The Board appoint one Director to be a Chairman and the Board of Directors shall consider to appoint one Director or Directors to be the Vice Chairman to perform the duty in accordance with the company's rules and as assigned by the Chairman.
  3. The Board appoints the President and Chief Executive Officer which is from the selection according to the relevant procedures and regulations. The President and Chief Executive Officer shall as well hold the position of the Director and the Secretary of the Board of Directors.
  4. In the event that the Director's position becomes vacant for the reasons other than the end-term. The Board



shall nominate a person who has complete qualifications without any prohibited qualities according to the law as a replacement Director at the next Board Meeting. Unless the remaining terms of the vacant Director is less than 2 months, the replacement Director will be in the office only for the remaining terms of the Director that he or she replaces. The resolution of the Board for the nomination of replacement Director must consist of votes no less than three-fourth of the remaining Directors.

5. In the event that the Director's position becomes vacant less than the numbers that can hold the meeting, the remaining Directors shall act on behalf of the Board only to manage to hold the meeting of the shareholders in order to nominate the whole vacant positions. This shall be done within 3 months since the day of the vacant position less than the number that can hold the meeting. The replacement Director can hold the position only the remaining terms of the person that he or she replaces.
6. The new appointed Director shall attend the Director Orientation for the important information which will be useful to the duty performing within 3 months since the nomination date.







- **Independent Directors**

According to the Good Corporate Governance, which defines that the Board of Directors shall comprise of the Independent Directors not less than one-third of the whole Board of Directors. The terms of the Independent Directors shall be equal to the terms of the Board of Directors which is 3 years per term. The Independent Director whose terms is terminated might be re-appointed from the shareholders but shall not be over successive 3 terms or not over 9 years without any exceptions.

The Independent Director must have knowledge with an independent qualification in compliance with the Announcement of the Capital Market Supervisory Board and defined by the Board of Directors. The qualifications of the Independent Director is stricter than the regulations of the Announcement of the Capital Market Supervisory Board on the proportion of shares holding which is not over 0.5% (the Capital Market Supervisory Board defines not over 1.0%) and the definition of the Independent Director is disclosed on the company website at [www.irpc.co.th](http://www.irpc.co.th)

The Independent Directors are able to freely express their views at the meeting. They shall regularly attend the meeting and able to access the financial and business information appropriately in order to express their views freely. They shall protect the benefits of the stakeholders and rule out the conflict of interest between the company and the executives, Directors or the major shareholders.

(Details of the Independent Director's qualifications appear on part 6 definition of key words [page 206](#))



The Independent Directors shall have duties and responsibilities as following:

1. Understand the responsible duties according to the Public Limited Company Act B.E. 2535, Securities and Exchange Act B.E.2535, Best Practices of SET and SEC and other Governance Regulators.
2. Urge and impel the Company Directors and Executives to perform duties with responsibilities, prudence and integrity according to the law, company's objectives and regulations, Board's resolution and shareholders' meeting resolution as well as those of the governance regulator.
3. Urge and impel the company to apply the principles and best practices of the Good Corporate Governance conscientiously.
4. Ensure to have the internal control system and risk management appropriately and effectively.
5. Ensure to comply and disclose the report policy of the relevant transaction with the stakeholders, the disclosure of important incident, provide useful information to the shareholders or changing that might affect the securities' price compliance with the terms and time according to the SET regulations.
6. Advise and give opinion to the Board freely for the benefits of the company, the minority shareholders and other stakeholders.
7. Perform other acts according to the Board but not to effect on the independent duty performance.
8. Organize the meeting specifically for the Independent Directors at least once a year.





- **Sub-Committee**

Now the Board of Directors have appointed 4 Sub-committees to help govern the operation and internal control system of the company according to the policies and visions. To refine and give opinions as needed for the effective and efficient performance of the Board. The roles duties and responsibilities of the Sub-Committees are determined clearly. There shall be the operational result report to the Board of Directors consistently as following:

### 1. The Audit Committee

#### 1.1 Compositions and Qualifications

- The Board appoint the Audit Committee which compose of no less than 3 Independent Directors and at least 1 Audit Committee. They must have proper knowledge and experiences on the accounting and finance to audit the integrity of the financial report.
- Possess the qualifications according to the prescribed regulations in the Notification of the Securities and Exchange Commission and/or the Notification of the Capital Market Supervisory Board.

#### 1.2 Terms

- Terms of the Audit Committee is not more than 3 years, or as the Board deems appropriate, or according to the term as a member of the Board of Director (whichever comes first).
- In case that the position of the Audit Committee is vacant for reasons other than retirement by rotation. The Board of Directors shall appoint a qualified person to be the Audit Committee within

3 months in order to complete the number of the Audit Committees as set by the Board.

- A member of the Audit Committee whose terms are due to expire may be reappointed as the Board deems appropriate. (Not more than 3 terms or 9 consecutive years in total without exception).

### 1.3 Responsibilities

- Review the financial report accurately and adequately.
- Review the internal control and internal audit system to be appropriate and effective.
- Review the risk evaluation and risk management properly.
- Review the compliance with the Securities and Exchange Law, Requirements of Stock Exchange of Thailand (SET), and related law on company business operation.
- Consider/nominate the auditor and auditor remuneration, remove the auditor in case of the inability to perform duties or neglect to perform duties or wrongfully perform duties.

(Details of complete qualifications, terms and duties and responsibilities appear in the Audit Committee Charter)

### 2. Nomination and Remuneration Committee

#### 2.1 Compositions and Qualifications

- The Board of Directors appoint the Nomination and Remuneration Committee which compose of at least 3 Directors and at least 1 Independent Director.
- The Nomination and Remuneration Committee shall have high expertise and experiences.





- Shall have knowledge and understand the business, roles and responsibilities of the Nomination and Remuneration Committee according to the recommendations of the Stock Exchange of Thailand (SET) and the Good Corporate Governance.
- Be Neutral and non-discrimination, consider the multi-disciplinary or capability in order to select an utmost qualified person for the organization, and devote sufficient time to perform the duty.

## 2.2 Terms

- Terms of the Nomination and Remuneration Committee are not over 3 years or as the Board deems appropriate or according to the term as a member of the Board of Directors (whichever comes first).
- A member of the Nomination and Remuneration Committee whose terms are due to expire may be reappointed as the Board deems appropriate (not more than 3 terms or 9 consecutive years in total without exception).

## 2.3 Responsibilities

- Consider and recommend regarding the structure, size and composition of the Board and the Sub-Committees to be appropriate with the size, type and complexity of business with transparency and uninfluenced from the controlling shareholders to build the confidence for the third party and present to the Board of Directors and/or the shareholders' meeting to approve depend on the case.



- Consider and recommend on the remuneration structures, regulations and forms of remuneration for the Directors and the Sub-committees. For example, retainer fees, bonuses, meeting fees, and other benefits both monetary and non- monetary that suitable for the business, sufficient and fair. This shall attract and retain quality Directors, while generating shareholders' benefits. The remuneration package of Board of Directors and Sub-Committee shall be approved by the shareholders' meeting.
- Scrutinize the name-lists and biographies of the person who will be nominated as the President and Chief Executive Officer. Evaluate the performance according to the specified criteria, recommend the adjustments of the annual salary, pension, bonus, welfare and other benefits both monetary and non-monetary and submit to the Board to approve.

(Details of complete qualifications, terms and responsibilities appear in the Nomination and Remuneration Committee Charter)

## 3. The Corporate Governance Committee

### 3.1 Compositions and Qualifications

- The Board of Directors appoint the Corporate Governance Committee which compose of at least 3 non-Executive Directors and at least 1 Independent Director.



- Shall have knowledge and understand the business, roles and responsibilities of the Corporate Governance Committee or have experiences regarding the fair stakeholders governance and able to create added value or the mutual benefits.
- Devote time and use one's own discretion independently with the goal for the maximum benefits so that the company shall have the Good Corporate Governance. Apply the performance experiences as a Director to achieve the objectives.
- Be a trustworthy and recognized person for all.

### 3.2 Terms

- Terms of the Corporate Governance Committee are not over 3 years or as the Board deems appropriate or according to the term as a member of the Board of Directors (whichever comes first).
- A member of the Corporate Governance Committee whose terms are due to expire may be reappointed as the Board deems appropriate (not more than 3 terms or 9 consecutive years in total without exception).

### 3.3 Responsibilities

- Consider and recommend to the Board on the Corporate Governance Framework according to the company operation structure and comparative with the international practices or principles.
- Set the policies and guidelines on the Good Corporate Governance and the key relevant operations, such as, ethics and code of business conduct, sustainable management, society,

community and environment responsibility, anti-corruption and the policies on the Good Governance, Risk Management and Compliance Management (GRC) to be accorded with the standard principles and requirements of the listed companies institute or organization including the well-known and recognized agency or organization both national and international level in order to support the company's strategies and goals.

- Set the guidelines on the governance and monitor to ensure that the company has operated in accordance with the policies and guidelines.

(Details of complete qualifications, terms and responsibilities appear in the Corporate Governance Committee Charter)

## 4. Risk Management Committee

### 4.1 Compositions and Qualifications

- The Board of Directors appoint the Risk Management Committee which compose of at least 3 Directors
- Be an expertise in petroleum and petrochemical or other fields that contribute to the risk management.

### 4.2 Terms

- Terms of the Risk Management Committee are not over 3 years or as the Board deems appropriate or according to the term as a member of the Board of Directors (whichever comes first).
- A member of the Risk Management Committee whose terms are due to expire may be reappointed as the Board deems appropriate (not more than 3 terms or 9 consecutive years in total without exception).

### 4.3 Responsibilities

- Set the policies and recommend the guidelines on risk managements relevant to the company's business operation to be appropriate and effective.
- Govern to indicate the risks throughout the organization considering from the outside and inside factors. Evaluate the impact and occurred opportunity, prioritize the risk and select the risk management measures properly.
- Uphold and develop the risk management system and give opinions and recommendations on the tools used for the risk management effectively, for example, derivatives, futures trade contract, contract for difference etc.
- Govern, monitor and review the risk management to be efficient and evaluate the compliance result of the risk management framework.

### 3.4 Remuneration of Board

The Nomination and Remuneration Committee shall recommend the remuneration of the Board, Sub-committee and President and Chief Executive Officer to the Board to consider and approve before the approval of shareholders. The structure and remuneration rate shall be suitable with the responsibilities and motivate the Board to lead the organization to operate according to the long-term and short-term goals.

The structure and remuneration composition shall compose of as following:

- (1) Fairness, and suitable with the responsibilities and in compliance with the performance result.
- (2) Motivate and retain the qualified director or be comparative in the same industrial.
- (3) The structure, remuneration composition shall be explicit, transparent and easy to understand.



### 3.5 The Governance of Director Operation

The Board of Directors shall govern all Directors to be responsible of their duties and allocate enough time.

**3.5.1** Shall govern to ensure that there are mechanisms to support the Directors to understand their roles and duties.

**3.5.2** Shall define the regulations on the Director's position holding in another company considering the effectiveness of the Director's work that hold the position in many companies and ensure that the Director dedicate on the company's duties properly. The listed companies shall be defined to which each Director will hold the position in accordance with the qualities or the company's business nature and it shall not exceed 3 listed companies. As a result, the effectiveness of the performance as a Director might decrease if the number of the companies that the Director hold the position is too many and there is a disclosure of such regulations.

**3.5.3** Organize the report system of other positions holding of the Director and disclose for the case that the Director hold the position of the Director or Executive, or has whether direct or indirect interests in other businesses that have conflict, or able to misuse the opportunity or company's information for their own benefits.

**3.5.4** Ensure that the company has sufficiently preventive measurements and notify the shareholders to be acknowledged appropriately.

**3.5.5** Assign each Director to attend the meeting at least no less than 75% of a whole Director meeting which is held in a year.

### 3.6 The Governance of the Companies in IRPC Group

The Board of Director shall set the guidelines to govern the Subsidiaries, Associates and Joint-venture companies through the representative of the company who is the Top Executive and being nominated to hold the position of Director or Executive of the Subsidiary, Associate and Joint Venture Company. The nomination shall be approved from the Board of Directors and the decision making on the important investment, and the business operation of such representative shall be approved by the Investment Committee or the Management Committee or the Board of Directors depend on the case, and shall define to report the progress and important implementation frequently.

### 3.7 The Assessment of the Board of Director

The Board of Director shall define the self-assessment every year such as (1) the self-assessment of the whole Board of Directors (2) the self-assessment of each of the Director (3) the self-assessment of the 4 Sub-Committees such as the Audit Committee, the Nomination and Remuneration Committee, the Good Corporate Governance Committee and the Risk Management Committee. The Committees shall consider together on the performance result and advice to address the problems which lead to improve to be more strengthened. There shall be the assessment from the third party according to the appropriate time such as every 3-year and disclose in the annual report.

### 3.8 The Director Development

Encourage the Directors and Executives to attend the seminar with the useful courses for the duty performing on the business and industrial management including the roles and responsibilities of the Director.

### 3.9 Company Secretary



The Board of Directors appoint the company Secretary to be responsible for the Board activities and coordinate in compliance with the Board resolutions. The Company Secretary shall has roles and responsibilities as prescribed in the Securities and Exchange Act B.E. 2535 section 89/15, section 89/16, section 89/17 and section 89/23 amended by the Securities and Exchange Act (no.4) B.E. 2551 section 21 and include other duties as assigned by the Board.

### Main Duties and Responsibilities of the Company Secretary

The Company Secretary shall perform duty with responsibilities prudence and honesty. The main duties and responsibilities are as following:

- (1) Shall provide basic advice to the Board regarding the laws, rules and regulations of the company and monitor to ensure proper and consistent compliance. Report the significant changes to the Board.
- (2) Organize the shareholders' meeting and the Board's meeting in accordance with the laws and regulations of the company and other guidelines.
- (3) Minute taking of the shareholders' meeting and the Board's meeting and monitor to ensure the compliance with the shareholders' meeting and the Board's meeting resolution.
- (4) Ensure to disclose the data and information report to the governance agency according to the regulations and requirements of the government agency.
- (5) Establish and maintain the important documents of the company, Directors register, notice of the Board's meeting, Board's meeting report, annual report, notice of the shareholders' meeting, shareholders' meeting report, report on the interests that reported by the Capital Market Supervisory Board and the laws related to the notification.
- (6) Prepare the information and report related to the Board and the Good Corporate Governance to certify the membership or Good Corporate Citizenship and compliance with the standard both national and international level.
- (7) Responsible for the anti-corruption work according to the policies and measures set forth by the Board.





- (8) Study on the information, knowledge or best practice related to secretariat work of the company and the good corporate governance at the national and international level in order to apply properly with the company. Develop knowledge and understanding and attend the seminar to be updated with changing situation of the rules, regulations and good management practices that shall always be developed intensively.
- (9) Provide the corporate governance operational communication to the company's stakeholders through the public relations channels both one way communication and two way communication, for example, investors, shareholders, media and general public.



## Principle 4

Ensure Effective CEO and People management

**4.1 The Board act to ensure to recruit and develop the President and Chief Executive Officer and the Senior Executives to gain necessary knowledge, skills, experiences and qualities to drive the organization to the goals as following:**

- (1) Consider or assign the Nomination and Remuneration Committee to set the regulations and procedures to recruit the qualified person to hold the position of President and Chief Executive Officer.
- (2) Govern the President and Chief Executive Officer to select the qualified Senior Executives. The Board or the Nomination and Remuneration Committee and the President and Chief Executive Officer consider together on the regulations and procedures to recruit and nominate the presented person to be a Senior Executive.
- (3) Govern to prepare the succession plan for the successor of the President and Chief Executive Officer and the Senior Executives. The President and Chief Executive Officer shall report the operational result according to the succession plan to the Board periodically.
- (4) Support and encourage the President and Chief Executive Officer and the Senior Executives to be trained and developed to increase useful knowledge and experiences for the performance.
- (5) Establish the policies and procedures for the position holding in another company of the President and Chief Executive Officer and the Senior Executives explicitly.

#### 4.2 The Board shall govern to define the appropriate numeration structure and evaluation.

- (1) Define the numeration structure as an incentive for the President and Chief Executive Officer and the Senior Executives including all levels of operational personnel complying with the objectives and main goals of the organization and consistent to the interests of the business in long term which include.
- (2) Consider the appropriate numeration proportion from the short term and long term performance result such as salary and bonus.
- (3) Define the policy on the numeration both in monetary and non-monetary regarding the factors, for example, same industry numeration level, size appropriateness, type and business complexity, responsibilities and the motivation ability, and retain qualified personnel.
- (4) Set the policies regarding the evaluation, regulations and communication to be acknowledged.
- (5) The Board of Directors excluding the Director who is an Executive shall have the roles regarding the numeration and evaluation of the President and Chief Executive Officer at least on the issues as following:
  - (5.1) approve the performance evaluation criteria of the President and Chief Executive Officer and such evaluation criteria shall be the motivation to execute the business according to the objectives, goals and strategies and consistent with the long term business's benefits. The evaluation criteria shall be informed to the President and Chief Executive Officer beforehand.



(5.2) evaluate the performance of the President and Chief Executive Officer every year or assign the Nomination and Numeration Committee to evaluate and notify the result and the development issue to the President and Chief Executive Officer.

(5.3) approve the annual numeration of the President and Chief Executive Officer considering from the performance evaluation of the President and Chief Executive Officer and other factors.

(6) Approve the regulations and factors on the evaluation and follow up with the President and Chief Executive Officer to evaluate the Senior Executives in accordance with such evaluation regulations.

(7) Govern to set the regulations and factors on the performance evaluation of an entire organization.

#### 4.3 The Board shall understand the structure and relationship of the shareholders that might effect on the management and business operation

- (1) Understand the structure and relationship of the shareholders that might be in a form of written or non-written family business agreement, shareholders' agreement or group's policy or parent company which affects the power to control the management of the business.
- (2) Ensure that the agreement under (1) obstruct to perform duty of the Board such as providing the qualified person to succeed the position.
- (3) Ensure that the information is disclosed according to the agreements that has effects on the business controlling.



- (4) Ensure that the human resources management comply with the company's direction and strategies. All employees have proper knowledge and motivation and be treated fairly in order to retain the competent personnel of the organization.
- (5) Ensure to set up the provident fund or other mechanisms in order that the employees have enough savings to support their retirement. Encourage the employees to have financial management understanding, opting the investment policy in compliance with age, risk level or to have the investment policy of life path.



## Principle 5

Nurture Innovation and Responsible Business



- 5.1 The Board shall focus and support the innovation that create the value to the business while generating the benefits to the customers or the relevant persons and responsible for the society and environment.
  - 5.1.1 The Board shall focus on the organizational culture that promote an innovation and supervise the management team to use as a part of the review on strategies, operational development planning and operational monitoring.
  - 5.1.2 The Board shall promote the innovation to add value for the organization according to the surrounded changing factors which cover the business model, concept, perspective toward design and product and service development, research, production process improvement and operational process and the business competitors' cooperation.
- 5.2 The Board shall monitor the Management Team to operate the business with responsibility to the society and environment and reflect on the operational plans to ensure that all parties in the organization comply with the objectives, main goals and strategies of the affair.
  - 5.2.1 The Board ensure that there is a mechanism to conduct the business ethically with responsibility to the society and environment and not violate the stakeholders' rights. This shall be the guideline for every part of organization to achieve the objectives and



the main goals with sustainability Establish the policies and practices which cover issues as following:

- (1) **Responsibility for the employees and staffs:** complying with law and relevant standards, treat the employees fairly and respect the human rights. For example, set the remuneration and other benefits fairly, appropriate welfare no less than prescribed by the law, training for potential development and progress promotion and provide opportunity to the employees to develop their working skills.
- (2) **Responsibility for the customers:** complying with law and relevant standards and consider the customers' health, safety, the fairness and information confidentiality maintaining, the after-sales service throughout the product lifecycle and service. Follow up to measure the customers' satisfaction in order to improve the products and services including the advertisement and sales conduct with responsibility and shall not cause misunderstanding or exploit the customers' misunderstanding.
- (3) **Responsibility for the business partners:** establish the procurement procedures and terms and agreements fairly, promote knowledge and ability development, upgrade the production capacity and service to be standardized, explain and ensure that the business partners respect the human rights and treat their labour fairly, responsible for the society and environment, audit and evaluate the business partners to improve the business operation among each other sustainably.



- (4) **Responsibility for the community:** apply the business knowledge and experiences to develop the project that can contribute to the community concretely. Follow up and measure the progress outcome and long-term success.
- (5) **Responsibility for the environment:** prevent, mitigate, manage and ensure that the company will not create or cause negative effect to the environment. This shall cover the material use, energy use (for the production, transportation or in the office), water use, renewable resources use, preserve and restore of the biodiversity that is affected by greenhouse gas emission business operations.
- (6) **Fair competition:** operate business overtly, transparently and shall not create a competitive advantage unjustly.
- (7) **Anti-Corruption:** compliance with the law and relevant standards, announce the anti-corruption policy to the public by joining the anti-corruption network partners. Support other companies and business partners to announce the anti-corruption policy and join the network partners as well.

**5.3 Board shall monitor and ensure that the Management Team allocate and manage the resources effectively and efficiently considering the impact and resource management throughout the supply chain in order to achieve the objectives and main goals sustainably.**

**5.3.1** Recognize the necessity of the required resources and the use of each resource has an impact on each other.



5.3.2 Recognize that the different business model creates the impact to the different resources. Therefore, to decide the business model, shall consider the impact and worthiness to the resources on the basis of ethics, responsibility and sustainable value creation.

5.3.3 Ensure that the objectives and main goals achievement, the Management Team has reviewed, developed and used the resources effectively and efficiently and always consider the internal and external changing factors.

5.4 The Board shall set the governance and management framework on the informative technology at the organizational level complying with the business' needs. Ensure that the informative technology will be applied to increase the business opportunities and operational development. The risk management that help the company to achieve the objectives and main goals.

5.4.1 Set the policy to allocate and manage the informative technology resources which cover the adequate resources allocation of the business operation. Set the guideline to support the case of insufficient resources allocation as required.

5.4.2 Ensure that the organizational risk management cover the management and risk management on the informative technology.

5.4.3 Set the security and safety policies and the informative technology measures.



5.4.4 Support the company to build the innovation to create the value and apply the innovation and technology to develop the products and services including the product development cooperation with the business partners. Address to the needs of customers and stakeholders considering the effects on the relevant stakeholders throughout the supply chain. Create the value to the organization and mutual benefits for the organization, customers, business partners, society and environment.

5.4.5 Govern to set the communication and information disclosure system by using the informative technology to publish the information and develop sufficiently for the business operation. Establish sufficient informative technology management policy and the informative technology security measures to ensure that the company comply with the laws, rules, regulations and standards relevant to the informative technology. There shall be the information security to prevent the wrongfully misuse of information.

5.5 The Board shall govern the company to operate the business with ethics and be responsible to the society and environment. Respect the rights of all groups of stakeholder, for example, employees, customers, business partners, shareholders or investors, creditors, competitors, community where located the company, society or government sector etc. Shall not violate the legal rights or contractual agreement, compliance with the relevant standards and fair. Adhere to the guidelines of the company's code of business conduct handbook. Uphold, promote and develop the stakeholder participation mechanism for the good relationship and



cooperation between the company and the stakeholders which will enhance the achievement of the main goals and sustainability.



5.6 The Board shall monitor the Management Team to effectively and efficiently allocate and manage the resources such as salary, production, wisdom, personnel, society and relationship, and environment. Consider the effect, worthiness and all resources development on a basis of ethics, responsibility and business value creation.



### Principle 6

Strengthen Effective Risk Management and Internal Control



6.1 The Board govern to ensure that the company provide the risk management and internal control system to achieve the objectives efficiently and compliance with the law and relevant standards.


- 6.1.1 Understand the major risk of the company and approve the acceptable risk.
- 6.1.2 Consider and approve the risk management policy according to the objectives, main goals, strategies and acceptable risks of the business as an operational framework of the risk management for all in the organization to be in the same direction. In addition, the importance shall be placed on the predicted warning sign and review the risk management policy at least once a year.

- 6.1.3 Ensure to indicate the risk considering from the external and internal factors of the organization that might effect to achieve the set objectives.
- 6.1.4 Ensure that the company evaluates the impact and potential of identified risks to prioritize the risk and manage to address the risk appropriately.
- 6.1.5 Assign the Risk Management Committee or the Audit Committee to always scrutinize before submit to the Board for consideration.
- 6.1.6 Monitor and evaluate the efficiency of the risk management frequently.
- 6.1.7 Ensure the business operation to comply with the law and relevant standards at the national and international level.
- 6.1.8 Adopt an outcome of the internal evaluation system and risk management from the subsidiaries to be a part of the consideration.

6.2 The Board appoint the competent Audit Committee to perform duty effectively and independently.

- 6.2.1 Provide the Audit Committee which compose of at least 3 Directors of whom must be the Independent Directors with the qualification and duty according to the regulations of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- 6.2.2 Establish a written duty of the Audit Committee with at least shall have duties as following:
  - (1) Review that there shall be the accuracy and completeness of financial report.
  - (2) Review that there shall be the appropriate and effective internal control system and internal audit.



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- (3) Review the compliance with the laws and relevant standards.
  - (4) Consider the independence of the internal audit office and approve to nominate, transfer or dismiss the chief of internal audit office or other responsible offices to the internal audit.
  - (5) Consider, select and nominate the independent person to hold the auditor position and consider the remuneration for such person. Meeting with the auditor without the Management Team at least once a year.
  - (6) Consider the connected transactions or those that might have conflict of interest to ensure the compliance with law and for the maximum benefits to the business.
  - (7) Review the accuracy of reference documents and self-evaluation form regarding the organization's anti-corruption measures according to the Thai Private Sector Collective Action Against Corruption (CAC).
  - (8) Ensure that the company has mechanism or tool that help the audit committee to access into the necessary information for the assigned duty, for example, support the audit committee to call for the relevant person to give information, discussion with the auditor, or seek for independent opinion from the other profession consultants for the consideration of the Audit Committee.
  - (9) Provide the independent internal audit person or unit to perform duty and be responsible to

develop and review the effectiveness of risk management and internal control. Report to the Audit Committee and disclose the review report in the annual report.

- (10) Express opinion on the sufficiency of risk management and internal control system and disclose in the annual report.

### **6.3 The Board shall monitor and manage the conflict of interest that might occur among the company, the Management Team, the Board or the shareholders. Prevent the misuse of the company assets, information and opportunities and the transaction with the relevant persons in an improper manner.**

**6.3.1** Govern to ensure the information security system and set the policies and procedures on the information confidentiality, integrity and availability. Manage the information that might affect to the market sensitive information. Moreover, the Board shall govern the Directors, Senior Executives, employees and the relevant third party such as the legal consultant, the financial consultant to act in compliance with the information security system.

**6.3.2** Ensure to manage and monitor the transactions that might have conflict of interest and ensure to have approaches and procedures for such transaction be accorded to the operation procedures and information disclosure set forth by the law and for the maximum benefits of the company and shareholders as important. The stakeholders shall not be a part of the decision making.



6.3.3 The Directors are assigned to report the interests at least before the consideration of the Board's meeting agenda and record in the Board's meeting report. Ensure that the Director who has significant interests in the manner that such director might not be able to express his/her view freely, shall refrain to participate in that meeting.

#### 6.4 Govern to prepare the policies and guidelines on the anti-corruption explicitly and communicate in all levels both internal and external of the organization to put into practice.

6.4.1 Create the anti-corruption projects or guidelines and support the activities that promote and instil the employees to act according to the related laws and regulations.

#### 6.5 Ensure that there is a mechanism for receiving complaints and taking action on the whistleblowing.

6.5.1 Set the policy on the whistleblowing and complaints of corruption against the duty, guidelines, consideration procedures and whistleblowing channels, including the protection measurement for the whistleblowing person as a tool to help the company to be acknowledged of the complaints regarding the wrong doing action, rules and regulations and code of conduct of the company's business operation from all groups of stakeholder. The policy on the whistleblowing and the complaints corruption against the duty shall be disclosed to and acknowledged by all groups of stakeholder.

6.5.2 Ensure that there are mechanisms and procedures to manage (record, progress follow up, problem solve, report) the complaints of stakeholders and ensure that there is more than one convenient channel for receiving complaints and disclose the receiving complaints channels on the website or the annual report.

6.5.3 Ensure that there are clear policies and guidelines for the whistleblowing. There should be channels for the whistleblowing via the company's website or through the Independent Directors/assigned Audit Committee as well as a process for reviewing operational data and report to the Board of Directors.

6.5.4 Ensure that there are proper protection measurements for the person who whistleblowing with good faith.





## Principle 7

### Ensure Disclosure and Financial Integrity



**7.1 The Board is responsible to ensure that the financial report and information disclosure systems accurately and on time complying with the regulations, standards and relevant guidelines.**

**7.1.1** Ensure that the responsible personnel of the preparation and disclosure have knowledge, skills and experiences suitable to the duty and responsibility. There shall have sufficient numbers of such personnel which include the Senior Executives of Corporate Accounting & Finance, accountant, internal auditor, Company Secretary and Investor Relation.

**7.1.2** Approve the disclosure in consideration of the relevant factors in case of financial report which shall consider the factors at least as following:

- (1) The evaluation of internal control sufficiency.
- (2) The opinion of the auditor on the financial report, the auditor notification on the internal control and the auditor notification through other communication channels (if any).
- (3) The opinion of the Audit Committee.
- (4) The compliance with the company's objectives, main goals, strategies and policies.

**7.1.3** Ensure that the information disclosure which means the financial statement, annual registration statement/ annual report (For 56-1 ONE REPORT) reflect on the finance status and operational result adequately. Support the company to establish the management discussion and analysis or MD&A for the financial statement disclosure of every quarter so that the investors are acknowledged and understand better on the changing of the financial position and operational result of each quarter besides only the numbers in the financial statement.

**7.1.4** In the case that any transaction information disclosure related to a specific Director, that Director shall ensure that his or her disclosure is complete and accurate. For example, the shareholders information of his/her own group, the disclosure of shareholders' agreement of his/her own group.

**7.2 The Board shall monitor and ensure of the sufficiency of financial liquidity and settlement ability.**

**7.2.1** Ensure that the Management Team monitor and evaluate the financial position of the company and report to the Board consistently. The Board and the Management Team shall quickly address the problem together, if the sign of financial liquidity and the settlement ability problem have shown.

**7.2.2** Approve any transactions or proposing opinions to the shareholders' meeting for approval, the Board shall be confident that such transaction will not affect the continuity of operation, financial liquidity or the settlement ability.



**7.3 In the situation that the business will encounter the financial problem or tend to, the Board shall ensure that there is a plan to address the problem or other mechanism to solve the financial problem under the consideration of the stakeholders' rights.**

**7.3.1** In case that the company tend not to be able to settle or has financial problem, the Board shall closely monitor and ensure that the company operates prudently and compliance with the information disclosure requirements.

**7.3.2** Ensure that the company set the plan to address the financial problem considering the fairness of stakeholders which include the creditors and follow up to address the problem. The Management Team shall report the position regularly.

**7.3.3** Ensure that any decisions making to address the company financial problem whether by any means shall be reasonable.

**7.4 The Board consider to prepare the sustainable report appropriately.**

**7.4.1** Consider the appropriateness of disclosure of legal compliance, ethics compliance, anti-corruption policy, treatment toward employees and stakeholders, fair treatment, respect of human rights and responsibility to the society and environment. Consider the report framework recognized both nationally and internationally. Such information can be disclosed in the annual report or made separately in a booklet suitable to the business.

**7.4.2** Ensure that the disclosed information is important and reflect the operation that leads to the sustainable value creation.

**7.5 The Board shall govern the Management Team to set up the unit or responsible person on the investor relation to communicate with the shareholders and other stakeholders such as investors and analyst to be appropriate, equal and on time.**

**7.5.1** Set the communication and information disclosure policy to ensure that the communication and information disclosure to the third party is proper equal and on time. Use the proper channel to protect the confidentiality and the market sensitive information. Communicate for the mutual understanding throughout the organization in compliance with such policy.

**7.5.2** The Finance & Investor Relation is set to be a responsible person to provide information to the third party. The person shall be suitable with the operation, understand the company's business, objectives, main goals and values and is able to communicate well with the capital market.

**7.5.3** Ensure that the Management Team set the direction and support the investor relation work, for example, the establishment of informational practices and market sensitive information policies. Set the duties and responsibilities of the investor relation explicitly for the effectiveness of communication and information disclosure.



## 7.6 The Board shall promote to apply the informative technology to the information disclosure.

7.6.1 Besides the information disclosure according to the regulations and the Stock Exchange of Thailand's channel, the Board shall consider to disclose information in Thai and English language through other channels such as the company's website with consistency and updated information.

## 7.7 The Board shall set the policies and guidelines to consider the routine transaction or connected transaction or transaction that might have conflict of interest. This shall be reasonable and for the maximum benefits of the company and shareholders as important and regarded as it is the transaction with the third party. There shall be the transparency and the stakeholders shall not participate in the decision making. Act in compliance with the relevant regulations strictly and disclose the information to the investors accurately and completely.



## Principle 8

Ensure Engagement and Communication with Shareholders



The Board shall govern to ensure that the shareholders participate in the decision making on the major issues of the company equally, fairly, reasonably and transparently.

### 8.1 Shareholders' Meeting

8.1.1 The general shareholders' meeting shall be organized every year within 4 (four) months since the end of the accounting period of the company.

8.1.2 The extraordinary general shareholders' meeting is for the discussion on the urgent matters which is the matters set forth by law to be approved by the shareholders' meeting before proceeding e.g. capital increase, capital decrease, issuance of debentures, selling or transferring entire or part of the company's business to another person, buying or receiving the transferred business from another company, amendment of the Memorandum of Association or the Articles of Association of the Company.

### 8.2 Holding of Shareholders' Meeting

The company shall give priority to the shareholders who have the owner's rights of the business and appoint the Board to be its working representatives and have the rights to make a decision regarding the major change. The company shall not commit any acts to violate or deprive the rights of shareholders and shall uphold all shareholders to exercise their basic rights set forth by the law equally. The procedures to hold the shareholders' meeting are as following:





### 8.2.1 Include the matter on the shareholders' meeting agenda

The Board shall give priority to include the matter in the shareholders' meeting agenda for the legal issues and the issues that may affect the direction of business operations which must be considered and/or approved by the shareholders' meeting before proceeding such matters as stipulated in the Articles of Association.

### 8.2.2 Foster the participation of minority shareholders

Giving rights to the shareholders to propose the shareholders' meeting agenda and advance nomination of new Director. The company can give the opportunity to one shareholder or many shareholders all together not lower than 4% of all company's voting rights. The shareholders have the rights to propose the matters to be included in the shareholders' meeting agenda and advance nomination of new Director by open to receive the matters before the shareholders' meeting at least 3 months before the closing of the accounting end period every year. The shareholders can propose the written matter by mailing or facsimile or website to the Company Secretary. In addition, the consideration on the matter to be included in the shareholders' meeting agenda and the nomination of a person to be appointed as a Director shall be in compliance with the regulations and procedures stipulated by the company.



### 8.2.3 Notice of the shareholders' meeting

The company shall govern to ensure that the notice of the shareholders' meeting along with the relevant documents are delivered and published on the company's website at least 30 days before the meeting both in Thai and English so that the shareholders have enough time to study the information which comprise of:

- (1) Date time and venue of the shareholders' meeting
- (2) Meeting agenda shall indicate whether it is an agenda for acknowledgment or for consideration to approve and the subject shall be classified clearly. For the agenda of Directors, shall separate the individual director appointment. As for the remuneration of the Directors, shall separate for the Board and for the Sub-Committee as well as to separate between the monthly category and annual bonus etc.
- (3) Set the objectives reasons and opinion of Director in each agenda which include:
  - Agenda to approve the dividend payment, shall specify the dividend payment policy, the proposed dividend pay-out ratio with reasons and supporting information. If propose to refrain to pay the dividends, the reasons and information shall be included as well.
  - Agenda for appointing Directors, specify name, educational background and work experience, criteria and recruitment procedures, type of proposed Directors. In case of nominating the former Director to be re-elected, shall specify the attendance of the meeting from the previous year and the date of being appointed as a Director.



- Agenda for the approval of directors' remuneration, shall specify the policies and criteria to set the Directors' remuneration of each position and all forms of directors' remuneration in monetary and other benefits.
- Agenda for appointing the auditor, auditor's name, company affiliation, work experience, auditor's independence, audit fees and other service fees and compliance with the auditor's turnover criteria.

(4) Prepare the proxy form according to the form prescribed by the Ministry of Commerce.

(5) Other supported meeting information such as voting procedures, counting and notifying the results of the votes, rights of each shares category to vote, information of Independent Directors proposed by the Company as a proxy of the shareholders, documents that the shareholders must present before attending the meeting, proxy documents and a map of the meeting venue etc.

#### 8.2.4 Preparation for holding a shareholders' meeting

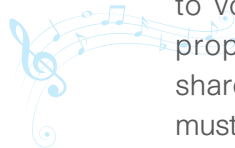
##### 8.2.4.1 Operations before the shareholders' meeting


(1) The company has the policy to support or promote all shareholders and all groups of shareholder both minority and majority and the institutional shareholders to participate the shareholders' meeting.

(2) Provide the website to present the key information and/or other news such as the quarterly and annually financial statement report, annual registration report/annual report (Form 56-1 ONE REPORT), the notice to the shareholders' meeting with information, date, time, venue and agenda of the meeting, supported information for decision making of each agenda, meeting's rules and regulations and the complete voting procedures which is the same information delivered to the shareholders as in documents. Publish the information through the website of the company at least 30 days before the meeting so that the shareholders have enough time to study the information.

(3) Give opportunities and rights to the minority shareholders to propose the shareholders' meeting agenda for the important issue and propose the name list of qualified person to be nominated as a new Director in advance at least 3 months before the end of fiscal year (from 1<sup>st</sup> October to 31<sup>st</sup> December of every year) with the clearly stipulated procedures through the company website.

(4) Give opportunities and rights to the shareholders to submit the questions regarding the meeting agenda in advance at least 3 weeks before the shareholders' meeting day.




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- (5) Encourage the shareholders to use a proxy form in which they can set the voting direction and nominate at least 1 Independent Director as an alternative of the shareholder's proxy.

#### 8.2.4.2 Operation on the shareholders' meeting day

- (1) The company set the date, time and venue of the meeting with the convenience of shareholders' participation. For example, set the proper and sufficient meeting time for the discussion and the convenient venue for traveling etc.
- (2) The shareholders or the proxy shall bring the document or proof of identity as indicated in the notice to the meeting in accordance with the relevant governance unit's guidelines.
- (3) Apply the technology to the shareholders' meeting; the shareholders' registration, vote counting and results for the meeting rapidly and accuracy. Notify the casting and counting procedures of each agenda to the shareholders before the shareholders' meeting begins.
- (4) Inform the meeting procedure, voting procedure, vote counting procedure. Notify the number of shares and the proportion of shareholders who attend the meeting by themselves and the shareholders who give proxy before the shareholders' meeting begins.



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- (5) Assign the Board, Sub-Committee and Executives to attend every shareholders' meeting unless there are obstacles such as sickness or important missions that prevent them from attending the shareholders' meeting. The shareholders can ask the Chairman of the Sub-Committees in the relevant matters directly.
- (6) Chairman of the Board of Directors is the chairman of the shareholders' meeting and has the duty to govern the meeting according to the law, relevant rules and regulations of the company. Allocate time for each agenda indicated in the notification to the meeting appropriately and give the shareholders an opportunity to express their opinions and ask the questions at the meeting on the matters related to the company freely.
- (7) All Directors and involved Executives are required to attend the meeting so that the shareholders can ask the questions on the related matters directly.
- (8) Encourage to use the ballot in an important agenda such as the connected transaction, the transaction of asset acquisition or disposition etc. for the transparency and verifiability in case that there is a dispute later.
- (9) Provide an independent inspector to count the votes at the shareholders' meeting and disclose in the report of each shareholders' meeting.

(10) The shareholders shall exercise their rights to appoint the Directors individually in the agenda of appointing Directors and give the opportunities to the shareholders to ask the questions regarding the meeting agenda properly.

(11) The chairman of the meeting shall allocate time and provide the shareholders with equal rights to express their opinions and to ask questions of each meeting agenda appropriately.

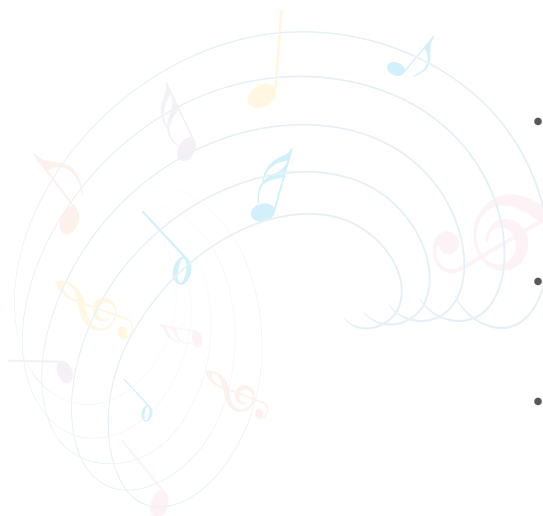
(12) Avoid adding other agendas that are not set in advance at the shareholders' meeting as it is unfair to the shareholders who did not attend the meeting.

(13) Encourage the presence of an independent person as a vote counting inspector at the meeting. Disclose the agreed voting results, disagreed and abstained from voting of each agenda to the meeting to acknowledge and also record in the meeting report.

#### 8.2.4.3 Operation after the shareholders' meeting

(1) The company shall prepare the shareholders' meeting report accurately and completely for publishing on the company's website in Thai and English which can be summarized as follows:

- Record the meeting procedures notification, the voting procedures and the vote counting. Notify the number of shares and the proportion of shareholders



who participated in the meeting by themselves and those who appoint the proxy before the meeting begins.

- Record the names of Directors and Executives who attend the meeting and the percentage of Directors attending the meeting.
- Record the meeting resolutions and the voting results (approved, disapproved, abstained) of each agenda.
- Summarize the questions and answers of the meeting, indicate the names and surnames of the questioners and the respondents clearly.

(2) Disclose the shareholders' meeting resolutions and the voting results of each agenda by informing through the Stock Exchange of Thailand and the company website within the period prescribed by law.

(3) Submit a copy of the shareholders' meeting report to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.

(4) Compliance with the shareholders' meeting quality assessment guideline (AGM Checklist) which is established by the Thai Investors Association.

(5) Carry out the activities according to the Thai Investors Association to promote the rights of the shareholders such as the Shareholders Visit Plan.



### 8.3 Communication with the shareholders

The company shall establish the website to communicate the important information and/or news between the company and the third party such as the shareholders, investors, institutes, analysts, general investors. Give opportunities to all personnel and groups to access to and request for the information equally. The guidelines are as following:

- 8.3.1 The communication of important information and/or news which its category is specified in order to communicate with the concerned parties to receive the same information in the different forms e.g. the investors information and the marketing and general information for the suitability of each group, which is appropriate for each group and none of any groups shall be disadvantageous and lose the investment opportunities.
- 8.3.2 Determine the nature of information content in communicating information in order to provide equal understanding to all stakeholders. For example, the information must be accurate according to the reality. If it is the financial information, it must be approved by the Audit Committee and the auditor so that the investors can evaluate the importance. Use the language that makes people recognize and understand easily.
- 8.3.3 The information that has been communicated to the public shall be able to answer to the questions or provide additional information to the interested persons which must be equally operate, non-discriminate and approved by the company's authorized person.



8.3.4 The communication of information, in case of misunderstanding and needs to be clarified, the company shall clarify the information through the system of the Stock Exchange of Thailand so that all concerned parties acknowledge and to prevent the unequal information receiving problem.



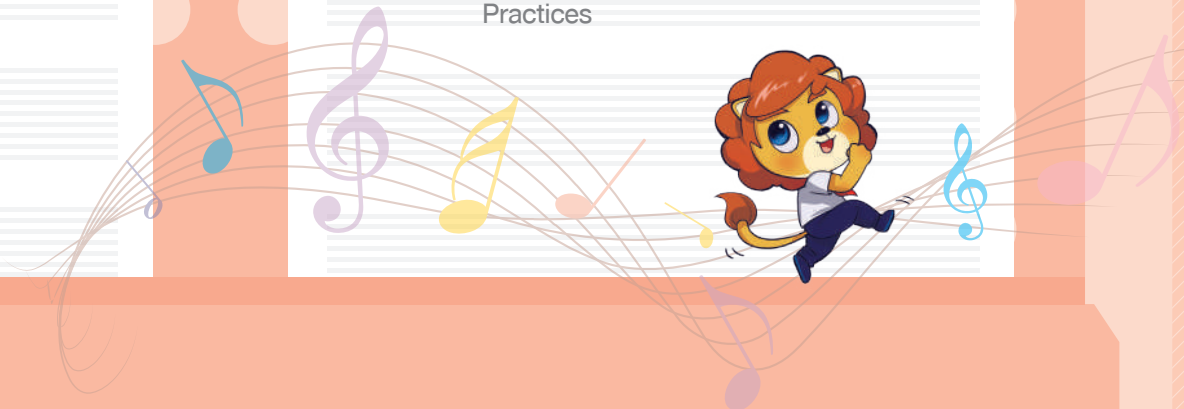
# CHAPTER

# 2

## PART 2

### Code of Conduct and Practices

- 2.1 Code of Conduct for the Board or Directors, Executives and Employees
- 2.2 Code of Conduct and Practices toward the Stakeholders
- 2.3 Code of Business Conduct and Practices



# Code of Conduct for the Board or Directors, Executives and Employees



## Code of Conduct and Practices



### 2.1 Code of Conduct for the Board or Directors, Executives and Employees

The IRPC Group intend to promote develop and govern all levels of personnel to operate in compliance with the Good Corporate Governance with the transparency integrity morality and ethics. They shall be responsible to the shareholders, stakeholders and all concerned parties. Therefore, the business operation practices are established so that the Board, Executives and employees shall apply as a behavioural governance principle or an operational practice. Everyone shall strictly adhere to and comply with the Code of Business Conduct in the same direction throughout the organization.







## Code of Conduct for Board of Directors

1. The Board shall perform the duty according to the laws and related rules and regulations of the company and the shareholders' meeting resolution.
2. The Board shall perform the duty with full capacity and integrity for the maximum benefits of the company.
3. The Board shall be a non-affiliate with politics, be neutral and be independent on the decision making and action.
4. The Board shall authorize the Executives to fully perform a routine duty of the company without an unreasonable guiding on such duty.
5. The Board shall has no interests in the businesses related to those of the company or the competitive business to the company whether direct or indirect, unless there is a disclosure of his/her interests and the person who involved according to the regulations, means and methods required by law.
6. The Board shall avoid the personal conflict of interest against the company's benefits in order that the management will be fully and effectively operated.
7. The Board shall execute with prudence and shall not create commitments that may conflict with their duties afterwards.
8. The Board shall not unlawfully exploit from the business neither directly nor indirectly.
9. The Board shall not commit any acts that may deteriorate the interests of the company or be favourable to other persons or legal entity.
10. The Board shall commit to protect and eliminate the fraudulent acts which are regarded as the urgent issues to proceed rapidly and absolutely to create the values and good image of the company.



## Code of Conduct for the Executives and Employees

### Self-Practices

1. Commit to be a good and smart person by seeking for knowledge and experiences to enhance the performance ability and self-development as to be benefits for one's own and the company.
2. Adhere to morality and ethics, avoid all vices and narcotics and not behave to damage one's reputation and the reputation of the company, for example, not being a person with heavy debts, not obsess with all kinds of gambling and not involve in any kind of narcotics.
3. Act with polite manner, dress appropriately and behave properly for the position and local custom without disgracing the image of the company.
4. Do not use one's position to seek for unfair advantages neither directly nor indirectly.
5. Perform tasks, receive orders, and be responsible for their own line of command and shall not cross the chain of command.
6. Do not delegate one's duties to other persons to act on one's behalf, unless it is necessary or for the work convenience that does not require specific skills or comply with the company regulations.



### Practices toward Colleagues

1. Respect the personal rights of your colleagues, avoid to disclose the information or story regarding the performance of your colleagues including the private matter, or critic in the manner that cause damage to your colleagues or the overall image of the company.
2. Treat your colleagues with politeness, kindness and good human relations. Do not conceal necessary information to perform the task and be able to adapt to work with others.
3. Respect others by not claiming the work of others as your own.
4. The supervisors should behave in a respectful manner and being a good role model for the subordinates.
5. Subordinates should not do anything disrespectful to the supervisor and avoid criticizing the supervisor. The subordinates should be respectful, open for the supervisor's opinions and hear it rationally.
6. Do not act aggressively, threaten or humiliate or frighten or create the depressive environment or interfere the performance of the colleagues. Such acts include the harassment, indecent, courtship or sexual harassment whether verbally or physically intended to infringe upon dignity and the right to privacy in a manner that makes the victim feel distressed, annoyed or unsafe without consent to that action including any actions that are a violation of the law.



### Practices toward Company

1. Perform duty with responsibility to the best of ability, be honest, commit and dedicate, act according to the company's regulations and policies and the organizational culture considering the interests of the company as important.
2. Strictly maintain the confidentiality of customers, business partners and the company. Be cautious not to leak company's confidential documents or information or not to fall into the uninformed person.
3. Notify the supervisor by hierarchy or the Audit Committee if any acts of dishonesty and misconduct against the laws and the company's regulations or policies are found. Cooperate in the investigation of facts as required.
4. Not being involve in or conceal any acts that might be the conflict of interest of the company, the corruption, or any illegal acts.
5. Do not dispraise or commit any acts which will lead to disunity or damage within the IRPC Group or related persons.
6. Do not use the company working hours on another work or for the personal benefits which might affect the inability to fully perform during working hours.
7. Cooperate to maintain the working environment and atmosphere including the organizational development toward excellence.
8. Cooperate with the company's activities, maintain and create the unity among staffs. Support each other in a good way for the working interests of the company as a whole.
9. Wisely use the assets and welfare of the company.

# Code of Conduct and Practices toward the Stakeholders



## 2.2 Code of Conduct and Practices toward Stakeholders

The IRPC Group’s business operation involves with several groups of stakeholder such as the shareholders, employees, customers, business partners, creditors, competitors, government sector, community, society and environment. Each group has the different needs, therefore, we have established the code of conduct and practices toward the stakeholders as following:



### 2.2.1 Code of Conduct and Practices toward Shareholders

“The IRPC Group commits to be responsible and offer the utmost satisfactory to the shareholders. To treat all shareholders with equity, equality and fairness. The best effort will be put to develop the IRPC Group’s business to grow sustainably and gain the returns consistently. The business will be performed in accordance with the Good Cooperate Governance and the transparency. The information shall be properly and accurately disclosed and the credible accountancy system shall be organized.”

#### Practices

1. Perform duty with honesty and the best of ability, proceed any actions with fairness to all shareholders.
2. Administer and perform duty with the knowledge and management skills and apply such skills with full ability. The decision making to any actions shall act cautiously.
3. Shall not proceed any actions in the manner that can cause the conflict of interest of the company.
4. Report the financial and non-financial status and the future trend of the company to the shareholders equally, frequently and completely according to the fact.

5. Shall not exploit the benefits for one's own and the related person by using any company's information which is undisclosed to the public, and shall not reveal the confidential information that produces the damage of the company and the third party.



### 2.2.2 Code of Conduct and the Practices toward Employees

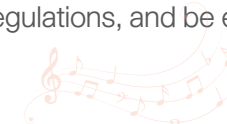
“The IRPC Group realizes that all employees are the key factors that bring about success, progress and sustainability growth of the company. Therefore, we place importance on the treatment of employees with the equality and equity without discrimination. We provide a fair remuneration, good welfare, take care of their safety and occupational health, maintain a good working environment and consistently develop the employees' capacity, and provide the career stability and advancement. We promote the unity not partisan and treat everyone politely.”

#### Practices

1. Shall act in compliance with the law, working rules and regulations, employment agreement or other agreements regarding the fair human resource management.
2. Administer the human resource to be accorded with and uphold the business strategies and goals. Avoid any unfair acts that might effect on the stability of the employees' career.
3. Organize the human resource management system and procedures comparable to the leading business with explicit, transparency and fairness to be in the same direction of the organization.



4. The Company shall treat everyone with equity and non-discrimination due to their homeland, race, gender, age, colour, religion, disability, status, family lineage, education, educational institute or other status which is not relevant to work. That includes the respect for individual privacy and protection of personal information.
5. The company shall seek and recruit the personnel with the effective and fair employment condition in order to receive a good person with knowledge, ability and honesty to work professionally.
6. Provide with proper and fair remuneration to build up the motivation of work in terms of salary and bonus according to the business profits.
7. Maintain the environment and create the working system that the employees shall always have a safety in life and asset. There shall be a good occupational health complying with at least the standard set forth by the government.
8. Knowledge, competence, aptitude and performance of employees are referred to as key success indicators for job promotion and transfer. The evaluation is carried out with fairness, impartiality, and able to explain.
9. Given the opportunity to the employees to show their full potential. Uphold the knowledge skill and ability development with the workshop on different courses that necessary and useful to the operation.
10. The company shall enforce the effective assessment, remuneration, rewards and punishment system on a basis of fairness, non-discrimination and in compliance with the company's regulations, and be explainable.



11. The company shall open for all level of employee's opinions and suggestions and understand them on a basis of the fact without discrimination.
12. Treat the employee politely, and respect the individual and human dignity.
13. For critical posts, successor development plan is put in place.
14. Consider the career path, remuneration and incentives on a basis of knowledge ability, quality, success of work, attitude and potentiality of the employees.
15. The supervisor shall supervise, care, plan, follow up, evaluate and input the feedback to the employees under the supervision frequently in order to prevent a neglect of duty and wrongful operation.
16. The company shall establish the complaint and whistleblowing system of the misbehave employee in order to prevent a violation of the individual rights. Considering the punishment for the person who violates the regulations or relevant law appropriately depend on the case.
17. Work-life balance of employees is encouraged both working life and personal life. The Company supports creative and useful activities contributing to physical and mental health as well as good living quality of employees and their family.
18. Act according to the Labour Union Law and shall not proceed any actions from which prevent the Union's activities. Unless those activities are severely against the law, ethics and business's code of conduct or cause the damage and disunity to the IRPC Group.



### 2.2.3 Code of Conduct and Practices toward the Customers

“The IRPC Group commit to develop the product qualities and services to satisfy and build confidence to the customers to receive the good and quality product and services with reasonable price. We follow up to measure the satisfaction of the customers to improve the product qualities and services. We upgrade the standard of products and services to a higher level and maintain the good and sustainable relationship.

#### Practices

1. Deliver the good and quality products and services, maintain the standard and improve the quality of products and services to address the needs of customers consistently.
2. Disclose the information regarding the products and services completely, accurately, up-to-date, and non-fact-distortion.
3. Provide products and services guarantee under the appropriate terms.
4. Shall not trade unreasonably profit compared to the price of products or services of the same type or category and shall not impose the unfair trading conditions to the customers.
5. Provide the effective system and channel for the customers' complaints regarding the quality of products and services and operate as best as possible so that the customers receive the quick responses.
6. Strictly comply with terms toward the customers. If unable to do so, shall notify the customers in advance in order to find the solutions together.
7. Maintain the customer confidentiality and confidential commercial information. Shall not exploit the information for one's own benefits or for wrongful involved person.





#### 2.2.4 Code of Conduct and Practices toward Partners

“The IRPC Group considers the equity and code of conduct in operating business and maintaining benefits with the business partners. We strictly act in compliance with the laws and rules that are mutually agreed upon. To step into a partnership that will support business operations among each other in the long run.”

##### Practices

1. In business negotiations, neither directly or indirectly request nor accept any gifts or benefits that are dishonest when trading with the partners. If found to be requested, received or any dishonest benefits, such act will be disclosed to the business partners and address the problems fairly and rapidly together.
2. Strictly comply with the agreed contract or other conditions. In the event that one of the conditions cannot be met, shall promptly notify the business partners beforehand. To mutually consider to remedy the damage fairly with the reasonableness.
3. Open to receive opinions and any recommendations that are requested or suggested by the business partners in order to improve and address the problems occurred in the operation.
4. Treat the business partners with equity and fairness on the basis of a fair remuneration for both parties.
5. Encourage the business partners to perform with ethics and social responsibility, respect the human rights and maintain the occupational health and safety of the employees. Including a proper environment management.



#### 2.2.5 Code of Conduct and Practices toward the creditors

“The IRPC Group adhere to the principle of fair conduct according to the terms and responsibilities toward the creditors and manage the money so that the creditor can be assured of the finance position and timely settlement.”

##### Practices

1. Maintain and comply with the terms toward the creditors strictly, transparently for the repayment and take care of the collateral and other terms. Shall not use the funds from the loan money that against the law or objectives in the agreement made with the lender.
2. Disclose the financial position of the company to the creditors according to the terms in the agreement accurately and completely and timely.
3. Notify the creditor in advance if unable to act in compliance with the terms of agreement and discuss for the solutions together reasonably and fair.



#### 2.2.6 Code of Conduct and Practices toward Business Competitors

“The IRPC Group operates business under fair competition framework. We do not misrepresent, deceive, or use any improper means but to comply with the principles of good trade competition.”

##### Practices

1. Operate under the principles of good trade competition, trade competition law and the Code of Conduct on business operation.
2. Not to destroy the reputation of the business competitors with the slander, defaming and attack without the reasonable information.
3. No seeking on information and secrecy of the business competitors with dishonest and improper means.





### 2.2.7 Code of Conduct and Practices toward Community Society and Environment

“The IRPC Group carried out the business with responsibility to the community society and environment. We have concerns and care for the people’s safety and quality of life. The emphasis is placed on the use of natural resources with the value and highest benefit, the environment preservation the energy use promotion including the use of renewable energy effectively. Being a good citizen role model who participate in the community and society development and environment protection through supporting the implementation of public interest activities for the community and society in a creative way.”



### Practices



1. Considering the option on the natural resources use with the least effects of damage to the society, environment and people’s quality of life.
2. Always share a portion of the profits from business operations for the society community and environment development. Carrying out the projects focused on the appropriateness and benefits that the community shall receive for a sustainable development and happy coexistence.
3. Raise an awareness on the society and environment responsibility to all personnel levels continuously and seriously.
4. Place importance on the business partners’ transaction with society and environment responsibility.
5. Commit to be a part of society responsibility on the safety, occupational health and environment quality frequently and seriously. Being a good role model on the effective energy use and energy preservation for the public benefits and the future generation.
6. Strictly act in accordance with the laws and regulations related to the environment management in compliance with the spirit of law and regulations issued by the audit organization. To consistently audit, follow up and assess the result of performance to decrease the effects on environment.



7. Participate in the society, community and environment development which regarded as a duty and policy of the IRPC Group. Commit to develop promote and level up the quality of life of the society and community to be better along with the company's growth. Controlling and preventing the pollution of environment and systematically carrying out on the environment management for the continuous development.
8. Communicate for understanding and cooperate to provide information with the community, society, investors, shareholders, government agencies and interested people regarding the status and fact of the implementation timely without concealing the fact.
9. Always open for the opinions and requirements of the community where the company located. To response quickly and effectively to the situation which effects on the environment and community around the area as resulted from the company's work.
10. Uphold maintain and preserve the good custom and culture of the nation. To cooperate and support the policies and activities of the public and private sector. Providing educational support to youths for the community and society benefit in general.
11. Uphold and encourage all personnel levels to apply the knowledge and capacity to frequently carry out the public interest activities for the community, society and environment.



### 2.2.8 Code of Conduct and Practices toward Public Sector

“The IRPC Group shall avoid the act that might effect on an improper action and conflict with the good management principles when carry out the transaction with the government officials or government agencies. We are anti-bribery to the government officials to facilitate or for business benefits.”

#### Practices

1. Strictly cooperate with the government sector to act according to the laws, rules and regulations related to the business operation.
2. No bribes, gifts or awards to the government agencies or government officials in order to facilitate or for the benefits in the wrongful business operation.
3. Shall not give an opportunity to the government officials to commit a wrongful act in the business of the IRPC Group and shall not support the government officials on the act that leads to corruption.



# Code of Business Conduct and Practices



## 2.3 Code of Conduct and Practices toward the Business Operation

The IRPC Group has an intention to promote good governance in business operations including the principles of honesty, morality and ethics to use in the work performance, therefore, rules, regulations and business practices are set as a standard framework of behaviour. To supervise the personnel behaviour whether are the Board of Directors, Executives or all level of employees. It is considered that this Code of Conduct and the business practices should be strictly adhered to and complied with in the same direction throughout the organization.




### 2.3.1 Code of Conduct and Practices on respect and act in compliance with laws, rules, regulations and requirements

“The IRPC Group places an importance on the respect of law, rules and regulations related to the business operation and strictly act in compliance with it both in the country and where we invest in order to operate the business smoothly and legitimately. Therefore, the personnel of IRPC Group shall respect the different of laws, customs, traditions and cultures and shall not act against the law or not respect such different customs, cultures and traditions.”

#### Practices

1. Strictly respect to and operate under the law and regulations. Shall consult with the legal department in case of uncertainty and shall not perform according to one’s understanding without advice.
2. Study and understand clearly of the company’s rules, regulations and requirements, the laws relevant to the operation, including the disciplinary action and the penalties and be able to explain to the subordinates.

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3. Maintain the disciplines on one's behaviour and operation and those of the supervisor under an appropriate realm. Considering the appropriate situation and fact for the real practice.
  4. Study to understand and act according to the law, custom, tradition and culture of the country or the invested area or the operational area in order that the illegal acts shall not occurred or against the custom, tradition and culture of that country or the area.
  5. Support activities or transactions for legitimate purposes and not participating in any illegal acts or concealment.
  6. Review of compliance with the law, related rules and regulations until they are compiled into categories for the research and study. Organize the training to educate and build an understanding of the laws relevant to the operation properly and consistently.



### 2.3.2 Code of Conduct and Practices on the Respect and Compliance with the International Human Right Principles

“The IRPC Group strictly respect and act in compliance with law principles on the international labour and human rights. We respect the labour's rights, women's rights, children's rights and human dignity and avoid the acts that violate the international human rights of all forms including the freedom and equity of person accredited and protected by Thai law and international law.”

#### Practices

1. Organize the training to educate and make understand regarding the international human rights principles to the employees in order to apply as a part of the operation.



2. Encourage and prioritize the joint-venture with the customers or the business partners who respect the international human rights.
3. Operate the business without the use of forced labour in all forms, such as the use of human trafficking labour or the unlawful child labour etc.
4. The company shall not discriminate the employees due to similarities or differences in race, religion, gender, age, education, language and colour or other social status. That includes the respect for individual privacy and protection of personal information. The company shall not punish the employees in the manner of physically and mentally abuse whether by the harassment, threatening, violation or any kinds of violence.
5. Regularly monitor and ensure that no business operations are involved in human rights violations. To join and accept the practices that are beneficial to the global society, such as the United Nations Human Rights Principles.
6. Provide channels for whistleblowing and complaints if the incidents or actions related to human rights violations occurred.



### 2.3.3 Code of Conduct and Practices on the Political Neutrality

“The IRPC Group operates the business with honesty and uphold the democratic system with the King as Head of State. Commit no acts of non-affiliation of politics or provide political support to any political parties or political groups or any politicians whether at the local or national level, with a clearly political neutrality expression. However, the company respects the political rights of all personnel by promoting the exercise of political rights as a good legal citizen.”

### Practices

1. The company places importance on the political neutrality, non-participate and non-affiliate to any political parties, political coalition groups or political authority persons.
2. The company has a policy not to support the finance, asset, personnel or company's resources for the political assistance whether direct or indirect, and not for the interests of the politician or the political party or the political coalition group or the company's benefits or contribute to the company's business benefits.
3. The company encourages all employees to act according to the law and able to exercise their own political rights without committing any acts that cause the company to lose the political neutrality or the damage from such activity participation, such as using the company's position or name or company's logo or dress with company uniform that make others misunderstand that the person is the company's employee.
4. The company does not have a policy that all level of employees command or convince by any means to persuade the employees or the subordinates to participate in any kind of political activities which can lead to the internal organization conflict, and cause the company damage in all cases.
5. The company shall not commit any acts related to the politics, not participate in voting campaign or advertise for the political parties, political coalition groups or any politicians in the company's area. This includes the company's resources and assets non-using for the politics. The employees shall not express in any means that makes others understand that the company is involved or taking side or support the political actions or the activities of the political party, the political coalition group, the politician or the person relevant to politic or the political candidate.



### 2.3.4 Code of Conduct and the Practices on the Prevention of Money Laundering and Counter Financial Sponsorship of Terrorism

“The IRPC Group uphold and act in compliance with the laws, rules and regulations of Thailand and International on the prevention of money laundering and counter financial sponsorship of terrorism in all regions or countries that we operate the business. All personnel must be cautious not to become a tool for the money laundering or being a terrorism financial sponsorship. We prioritize on the surveillance and whistleblowing and notifying to the officers if the unlawful acts occur. There shall accurately record the financial transactions and fact or other assets according to the Thai law and the International law as prescribed.”

### Practices

1. When contacting the customers, contractual partners or business partners, shall examine the fact of the customers or business partners for their basic information, for example, the authorized director or the compliance with relevant laws, rules and regulations. The purposes and business partnership intention shall be defined by the governmental documents monitoring or the credible independent organization in order to clarify suspicions as it is an easy way but effective to protect oneself not to become the intermediary of the money laundering or being a terrorism financial sponsorship.
2. Cooperate with the relevant agency to act in accordance with the prevention and suppression of money laundering measurement and terrorism financial sponsorship as prescribed both domestically and internationally.



3. Avoid any acts that conceal or disguise the true nature such as the acquisition of location, disposition, transfer, acquisition of any rights of asset related to the violation of the prevention and suppression of money laundering and counter financial sponsorship of terrorism law as if such asset is acquired legally, as well as the act to support such action.
4. Shall be cautious when dealing with persons or legal entities suspected to commit the offenses under the anti-money laundering and counter financial sponsorship of terrorism law, for example, the offense relating to narcotic, offense relating to sexuality (ex. women trafficking and prostitution), offense relating to public fraud, offense relating to embezzlement or business fraud at the financial institutions, offense relating to malfeasance in office and offense relating to commission of extortion or blackmail or the acts of a similar nature which is unlawful, the offense relating to custom evasion under the Custom Act, offense relating to terrorism under the Penal Code, offense relating to the gambling limited to the offense being an organizer of a gambling activity, offense relating to election and the offense relating to human trafficking.
5. Shall not operate transaction with a person suspected to commit an unlawful act or manage asset or income related to the crime. If being noticed that the customers, contractual partners or business partners have carried out the suspicious business transaction such as proposing an exaggerated agreement or suspected on the money laundering, shall report such acts through the whistleblowing channel or the company's complaints receiving channel.



### 2.3.5 Code of Conduct and Practices on Fair Competition and Monopoly

“The IRPC Group determines to operate a fair and ethical business, respect rules and strictly comply with the Antitrust Law or Trade Competition Law including any laws, rules and regulations of Thailand and the country where we operate the business related to the Trade Competition law. We shall not intervene the market mechanism or take advantages from other business operators and shall uphold the free and fair trade competition.”



#### Practices

1. Shall not act on or agree with the trade competitors or other business competitors, or gather together among the manufacturers in a manner to decrease or limit trade competition or monopoly.
2. Shall not disclose or exchange the confidential marketing information to the same business operators. For example, price and discount information, cost of production capacity, sales volume, purchases volume, marketing plan, profits margin and credit terms. Including the acquisition of information, name list and confidential information of the customers, business partners or other manufacturers.
3. Shall not abuse the market power or unfairly superior bargaining power against other business operators although not being a market dominant.
4. As the Trade Competition Law is complicated and different in each country. Therefore, there shall be a discussion with the legal agency from the operations' commencement.





### 2.3.6 Code of Conduct and Practices on Safety, Occupational Health and Environment

“The IRPC Group prioritizes on the safety and occupational health of the personnel in our community and the environment. We focus on promoting supporting and raising awareness on the safety, occupational health and environment to be a routine life of all personnel and relevant persons. We encourage to properly use the renewable energy and decrease the wasted energy use for the benefits of the organization, whole society and country.”

#### Practices

1. There shall be the management system on safety, occupational health and environment as a part of the operation in order to enhance the effectiveness quality and highest value to the operation.
2. Strictly adhere to the operation in compliance with the laws, policies, terms and standard on the quality, safety, occupational health and environment and comply with the management manual. Encourage to apply the management system according to the international standards as a management tool.
3. Design and opt for clean technology in the manufacturing process according to the environmental engineering and safety principles and systematically manage the hazardous chemicals and waste materials.
4. Control and protect all forms of damage from the accident, fire, injury or illness due to work, asset lost and damage, safety system violation, incorrect operation and various errors that occurred. Maintain a safety working environment for the employees and those of the contractors. This shall be regarded as a responsibility of the Executives and

employees to report the accident or incident complying with the prescribed procedures.

5. Provide an emergency accident control and prevention plan in the operation area. There shall be an organization’s accident and crisis management plan to prepare for the emergency management that may occur, for example, fire, a leakage of oil, gas, chemical or waste. Shall also be prepared for other crises that may cause business interruption, discredit reputation and image of the IRPC Group.
6. There shall be a public relations and media to create knowledge understanding and disseminating information to the employees, contractors’ employees and the relevant stakeholders to acknowledge and understand the policies, rules, procedures and cautions of the quality, safety, occupational health and environment as well as to implement appropriately without causing harm to health, asset and environment.
7. Seriously and continuously commit to be responsible to the society, safety quality, occupational health and environment. Use the natural resources to its highest benefits considering the importance of environment and the safety of relevant stakeholders. Promote the social activities on the environment protection and develop the quality of life of the people in the community according to the sustainable development principles.
8. If any operations are not safe or not comply with the terms or standards of quality safety and occupational health and cause the effect on the environment, such operations shall be refrained, and shall notify the co-worker, supervisor and the responsible agency in order to address the problem or plan to address the problem. The operation shall not be absolutely performed until it will be addressed or improved to be ready for the operation.

Establish an agency that is responsible for the evaluation and surveillance on the security status according to the alarm level. There shall be a regular testing and rehearse the practical procedures in case of emergency. To continuously develop and improve the safety management system, occupational health and environment to be consistent with the law and international standards.



### 2.3.7 Code of Conduct and Practices on the internal control, internal audit and risk management

“The IRPC Group Shall establish the effective internal control and internal audit system according to the international standard to ensure the compliance with the standard and relevant laws under the inspection of the internal auditor and the review of the Audit Committee. This shall include the risk management at the proper level, cover all aspects and monitor the assessment regularly.”

#### Practices

1. The Board shall set the policies and ensure the good internal control, risk management at the appropriate level that will not effect to the company’s objectives achievement with the regular assessment.
2. The Audit Committee review the internal control, risk management and report the result to the Board and the shareholders with 5 key compositions of the internal control as following:
  - (1) Good Control Environment so that the employees has good attitude toward the internal control.
  - (2) Appropriate risk assessment in order to assess the major risks of the organization’s operation that might effect to the objectives, goals or achievements of work.

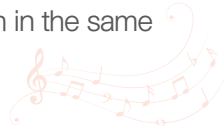
- (3) Good Control Activities appropriate with the duties and acceptable risks.
- (4) Good information and communication system, sufficient, on time and proper communicate to both inside and outside of the organization.
- (5) Good monitoring and evaluation to ensure that the internal control is proper and be put into practice, be improved on time, and up-to-date with the changing situation.

3. There shall be the effective internal control and audit that suit with the character, size and complexity of each unit. The employees shall be disciplined to understand with good attitude and cooperate in the internal audit and control. There shall be the evaluation, improvement, review and compliance with the set up system.
4. The Office of Corporate Internal Audit is directly responsible for the assessment of the internal control and review of the system compliance. They shall recommend the control measures to the units appropriate with the situation, environment and changing risk factors.
5. All level of employees shall understand and cooperate with the internal control and audit by providing the real information to the internal audit office and comply strictly with the internal control systems.



### 2.3.8 Code of Conduct and Practices on Accounting, Finance and Tax Report

“The IRPC Group shall provide the accurate and complete accounting and finance report which is in time and auditable. To build the confidence to the shareholders and investors. To adhere to the organizational tax management with transparency, fair and integrity and the consistent working approach in the same direction.”



#### Practices

1. Accurately and completely record all types of transaction which can be audited without any restrictions or exceptions.
2. Actual listing and recording of business transactions. No misrepresentation or creation of false transaction or forgery of documents for any purposes.
3. Making business transactions in accordance with the rules and regulations of the company as well as having sufficient documentary evidence supporting the business transactions completely, sufficiently and timely. In order that the responsible person on the recording, preparation and evaluation of accounting and financial reports is able to record the business transactions into the accounting system with accurate and complete details.
4. All personnel shall realize that the accuracy of accounting and financial reports is the mutual responsibility of the Board, Executives and employees who are responsible for.
5. Responsible for the preparation and/or provide information on the business transactions that one is involved to those who are responsible for the accounting and/or finance.
6. Comply with the regulations and relevant laws domestically and/or internationally in order to ensure the accurate and complete accounting and financial records.



7. Adhere to the integrity without prejudice. Be honesty to maintain and record the data and prepare the accounting and finance report.

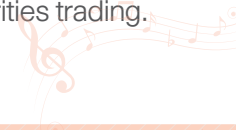


### 2.3.9 Code of Conduct and Practices on Security Trade, Internal Information Use and Information Confidentiality

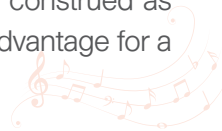
“The use of internal information which is important to the IRPC Group shall be considered of the effect to all stakeholders. All levels of personnel shall have duty to maintain secrecy of IRPC Group not to leak to the irrelevant persons. Shall absolutely avoid to disclose the internal information that is not yet public revealed to the third party, especially the internal information or news that might effect to the stock value traded in the stock market. This includes all information that the business partners and customers shared with trust. Shall not exploit the internal information obtained from the operation for profits or benefits from a wrongful securities trading, or cause the company to lose benefits whether direct or indirect.”

#### Practices on Securities Trade and Internal Information Use

1. Board of Directors and Executives (according to the SEC definition) shall refrain to trade the company’s securities or stock before the period of the financial statement report for a period of time and shall also refrain from stock trading 2 days after the financial statement report of 1<sup>st</sup> quarter and annual are published.
2. Board of Directors and Executives (according to the SEC definition) shall provide the report on changes in securities holdings and derivatives and report to the SEC after securities trading.



3. Board of Directors and Executives (according to the SEC definition) and the Executives on Accounting and Finance shall report their own securities holding and other reports in compliance with the regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).
4. All levels of personnel who know or possess the internal information shall be prohibited to use the information for the benefit of buying or selling, or to persuade others to buy or sell or offer to buy, or offer to sell the stock of company, subsidiaries and/or associates listed in the SET either in person or through a broker, while still holding information that is not disclosed to the public. Shall not give the internal information that is not yet public revealed to others for the purpose of shares trading. Such act shall be construed as a speculative securities trading or create an advantage for a particular group.



#### Practices on Information Confidentiality

1. Defines a hierarchy of secrecy for information such as disclosure, concealed, confidential, and highly confidential.
2. Maintain confidentiality of information and documents that cannot be disclosed and/or is a trade confidentiality, invention formulas which are regarded as a property or right of the company to the third party, especially the trade competitors.
3. Personnel at all levels involved in confidential information shall keep the confidentiality and conceal not to leak it, and shall not disclose such concealed information and document, and/or trade confidentiality information.
4. Study, understand and acknowledge the procedures, security maintain methods and strictly comply with the procedures to prevent the confidential information from being unintentionally disclosed.

5. Critical undisclosed information is kept confidential and shall be exposed to a limited number of concerned employees only. All concerned must be notified of the information classification as “confidential” and the restriction of its use, including no misuse of such information for the company stock trading.
6. The mutual use of internal information must be under the framework and responsibility as only assigned and the obtained information during the operation shall be protected.
7. The personnel of IRPC whose work is terminated with the company shall keep the confidentiality of information and shall not disclose the company’s secrecy to the third party.



#### 2.3.10 Code of Conduct and Practices on Providing Information, Expressing Opinion to the Third Party and Disclosing Information

“The IRPC Group shall consider the information disclosure effectively with easy access to all stakeholders thoroughly and equally. Ensure that all shareholders, investors and stakeholders receive reliable, accurate, complete and in time information and opinion according to the Good Corporate Governance of the Stock Exchange of Thailand.”

#### Practices on providing information, expressing opinion to the third party

1. The President and Chief Executive Officer, Vice President, Corporate Accounting & Finance are the authorized person to disclose the information to the public. They can proceed by themselves or assign to the Executives or concerned person to proceed under the information disclosure policy and the best practice regarding the company information disclosure. The Finance & Investor Relation are responsible for the disclosure and support information to the securities analyst, fund manager and investors. The Corporate Branding and



Communication are responsible to disclose and support the information to the media and general public.

2. Shall not provide the financial information, company's earnings trend that cannot be disclose to the public or express opinion on behalf of the company to the investor media, analyst and external consultant whether through the internet or public forums without assignment.
3. Shall omit or avoid to express opinion to the third party or media of the issue related to work of IRPC Group which does not have the clear policy or approach on that issue or other issues that might effect to the share values.
4. Any information that is related to the joint ventures shall be approved from the joint ventures as well.
5. The units that are responsible to provide the information to the public are the Office of Corporate Affair, Company Secretary, Corporate Branding & Communication and Finance & Investor Relation. The office who has the information is responsible to prepare the information details.
6. Shall not disclose or express opinion to the third party. In case of being asked or requested to disclose information, if it's not in one's responsibility, shall deny to express any opinions politely and only recommend to ask from the responsible department to provide the public information.
7. Refrain to disclose the information related to the company's profits to the investors and securities analyst. Shall not accept the appointment or provide the information to the analyst for 7 days before reporting the business profits to the Stock Exchange of Thailand.

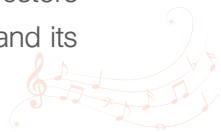


### Practices on the information disclosure

1. The information shall be disclosed through the Stock Exchange of Thailand as a main channel to disclose the important information of the company before disclose to other media channels.
2. Disclose important information through the company's website ([www.irpc.co.th](http://www.irpc.co.th)) on the investor relations subject. The important information that shall be disclosed are the financial statement, annual registration statement/annual report (form 56-1 ONE REPORT), documents for the presentation at the Securities Analyst Meeting, document related to the shareholders' meeting and other information related to the business, organizational responsibility and stakeholders treatment.
3. The information that has been disclosed to the public, shall be able to answer the questions or provide additional information to the specific interesting group. However, shall answer the questions or provide additional information to the investors or interested person equally without group selection.
4. Communicate through print media, radio, television or stakeholder's activities and other public relation channels, for example, mailing the newsletter to the shareholders to notify the operational result and important activities regularly.
5. Organize the Securities Analyst Meeting after disclose the quarterly financial statement.
6. Set the opportunity day for the investors through the Stock Exchange of Thailand's channel after disclose the quarterly financial statement.
7. Hold the meeting with the Executives according to the securities analyst appointment or investment manager.
8. Organize the Roadshow to provide the company information to the investors, fund manager domestically and internationally as appropriate.



9. Organize the press conference or press interview as appropriate.
10. Organize the company visit for the shareholders, investors and analyst to acknowledge the business operation and its progress.



### 2.3.11 Code of Conduct and Practices on the Investor Relation

“The IRPC Group establish the ethical investor relation for the personnel of the investor relation office and the personnel who are responsible for the information disclosure of the investor relation to adhere to properly and correctly. Uphold to the basis of information disclosure, maintain the internal information and treat the stakeholders equally and impartially complying with the good corporate governance which bring about the confidence of shareholders, investors and all stakeholders. The Investor Relation Office shall comply with the code of investor relation conduct of the company.”

#### Practices on information disclosure

1. For the information disclosure that might effect on the investment decision or the benefits of the shareholders, shall disclose the accurate, sufficient and timely information. This shall comply with the determined principles of the relevant agency. The information significant to the investment decision shall be disclosed through the Stock Exchange of Thailand channel before disclose to the group of people specifically.
2. Shall not disclose the confidential trade information, wrong information, estimate information or predict the situation or important information before the disclosure to the public.

3. Set the equal information disclosure channel or information sources through the company’s website (www.irpc.co.th) and information disclosure channel of the Stock Exchange of Thailand that define to disclose the information presented at the specific group meeting, for example, the Analyst Meeting through the company’s website after the meeting termination so that the general public equally acknowledged.
4. Set the channel to give opportunity to all groups of stakeholder to be able to access to the information or ask questions equally, e.g. via email ir@irpc.co.th or call 02-765-7380 to prevent the advantage or disadvantage to one of any groups of stakeholder.
5. Be prudent with the communication trough the social network. In necessary case of notification, shall notify only through the system of the Stock Exchange of Thailand so that the investors and general public acknowledged all.



#### Practices on the internal information retaining

1. Refrain to disclose the information related to the company’s business profits and not accepting the appointment with the investors and securities analyst for 7 days before reporting the business profits to the Stock Exchange of Thailand (Silent Period).
2. Keep secrecy and shall not use the internal information for the benefits or to exploit for one’s own or for others’ benefits.
3. Refrain from giving opinions regarding the company’s securities values by any means.
4. Compliance with laws, rules regulations and policies related to the internal information retaining accurately and properly.



### Practices on the performance with integrity

1. Perform duty with honesty integrity and responsibility
2. Non-discriminate and non-accept bribery that might be an individual motivation to benefit for oneself and others.
3. Compliance with the code of conduct and other policies of the company as the investor relation strictly.



### 2.3.12 Code of Conduct and Practices on Interests and Conflict of Interest

“The IRPC Group prioritizes on the protection of the transaction that might have conflict of interest including the relevant transaction. The direct or indirect stakeholders must not be in a part of decision making. The IRPC’s personnel must operate by taking into account mainly on the interests of the organization. Shall avoid any acts of conflict of interest to the organization or might effect on the decision making of the operation and shall not involve with the activity that might cause the conflict of interest or allow benefits or privileges to other persons directly and indirectly which may cause the company’s benefits loss or not fully gain.”

#### Practices

1. Board of Directors and Executives shall carefully consider the conflict of interest related to the connected transaction between the company, the subsidiaries and the associates or the involved person with honesty, reasonability and independence under the good ethics in consideration of the highest benefits of the company.
2. The Audit Committees have duty to examine the connected transactions or significant connected transactions between the company, the subsidiaries and the associates and consider the disclosure of the company’s information in case

of a connected transaction or transaction that may have conflict of interest accurately and completely.

3. Board of Directors, Executives and the Company Auditor must report their interests in relation to the execution of the company, associates, subsidiaries, and their securities holdings of the company or related parties in accordance with the rules and requirements of the Securities and Exchange Law.
4. Board of Directors and Executives shall act strictly in compliance with the principles, means and disclosure of the connected transaction according to the regulations of the Stock Exchange of Thailand (SET) and the Stock Exchange Committee (SEC).
5. Shall be careful of the personal relationships with persons who may have conflict of interest, for example, the business partners, customers or trade competitors with IRPC Group. Including the personal relationships or personal business with colleagues that may cause the conflicts or affect work atmosphere or operation.
6. Information or opportunities obtained as IRPC’s personnel must not be misused for personal benefits, benefits of personal business, or the works other than those of the company which affect to the operation.
7. Not accepting work outside the IRPC Group or operate a business that competes with the company which result in the company benefits lose or less benefits gain than it should be.
8. Frequently self-examine if one has the interests or benefits that conflict with the operation and shall provide annual disclosure report of such suspicion that might have conflict of interest with the company according to the company’s form and notify the hierarchical supervisor and submit to the Office of Cooperate Affairs.

9. Attending the meeting to consider an agenda in which the attendee has interests, that person must leave the meeting temporarily and abstain from voting so that other attendees have an opportunity to consider, analyse and criticize without the influence of that stakeholder.
10. In case of suspicion or uncertainty about the performance of one's own or the involvement of oneself and related persons and such business has transaction with IRPC Group that may have conflict of interest. The employee shall notify the previous mention to the supervisor or the Office of Cooperate Affairs immediately and submit the conflict of interest report form afterwards.

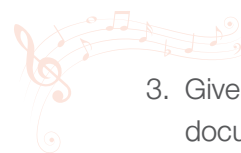


### 2.3.13 Code of Conduct and Practices on the Procurement

“The procurement is an important procedure to support the operation of the IRPC Group in compliance with the Good Corporate Governance with the transparent materials procurement and for the maximum benefits of the organization, which is according to the company's rules and regulations on the basis of the fair competitiveness that can be audited and explained.”

#### Practices

1. Carry out the procurement of products and services complying with the good governance. There shall be the audit process for the receiving of products and services that serve the needs, qualities, worthiness, price, amount, time, service providing and rapidity according to the relevant rules, requirements and regulations. This shall consider the policy on the quality, safety, occupational health and environment.
2. Plan in advance for the good procurement in order to avoid the urgent unreasonable procurement.



3. Give enough times to the business partners to prepare the document, evidence and quotation documents. Terms and conditions of the contract and the negotiation shall be based on the business relations and fair for both parties which can be disclosed and verified. The benefits and damage that might occur for the reputation and image of the IRPC Group to the third party shall be considered as well.
4. Uphold the equitable treatment to the business partners. Provide information to the partners equally, clearly, completely with non-disclosure, non-prejudice and non-discrimination approach.
5. The invitation to the business partners to provide quotation shall be a fair competition to all business partners. The relevant units or personnel on the procurement shall keep confidentiality of the quotation information received from each partner and shall never disclose to other business partners.
6. Keep the documents such as the procurement approval, quotation, negotiation and contract as the evidence of reasonable reference according to the stipulated time.
7. Shall not request for or accept the asset, support or other benefits from the business partners whether direct or indirect.
8. There shall be the control and verification and ensure the strict compliance with the code of conduct. If unethical operation are found, an investigation must be conducted and the procedural disciplinary penalty shall be considered.
9. Encourage the procurement products and services from the domestic entrepreneurs or affiliate companies, subsidiaries and company's joint ventures.
10. Adhere to the universal procurement practices. There shall be a strongly control based on the theoretical principles and consistent with the changing business situations.



11. Support the procurement of goods and services from the law-abiding entrepreneurs, respect the human rights and not involved or benefited from the labour or money laundering or unlawful production processes and good morals of the society. Consider the quality and safety of the procured products and services which might effect on the health of the users, employees, community and environment.
12. The relevant personnel related to the parcel procurement shall absolutely not use the information from the procurement for their own benefits or disclose to the irrelevant person.



#### 2.3.14 Code of Conduct and Practices on Acceptance and Offering Gifts, Assets or Other Benefits

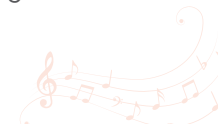
“The IRPC Group adhere and uphold not to request, accept, give bribes or other benefits from or to the person involved in business with intention to act or to neglect wrongful act or to exchange with the privilege of the company. For the transparency without corruption of the IRPC Group’s business, and to establish a good standard of operation with full capacity without predicament or an effect on the decision making of the operation.”

##### Practices

1. The gifts, assets, souvenirs or other benefits from the third party shall not be accepted in any cases. Unless it’s the case that such deserved assets or benefits are in compliance with the laws or rules and regulations issued by the virtue of law, or receive from the relatives or a person giving with affection according to their ability, or compliance with the good custom and tradition that the company’s regulations have defined to do so.



2. It is prohibited that the personnel of the IRPC Group including their families request or accept gifts, assets or other benefits from the contractors, sub-contractors, customers, business partners, joint-ventures or persons pertaining the company’s business in any cases. This may affect biased operational decisions or predicament or conflict of interest.
3. The discretion may be used for giving gifts, assets or other benefits to the third party in a manner that is not unreasonable or extravagant, or does not violate the good tradition or laws of Thailand or the local area in which IRPC Group invests. However, the laws, rules, regulations or requirements for accepting gifts, assets and other benefits of the recipient shall be taken into account as well.
4. The gifts and souvenirs shall be accepted in an appropriate opportunity according to the custom and tradition only. The value is fixed not to exceed the company’s regulations (no over three thousands baht) and if it’s necessary to accept the over-price gift, the supervisor shall be notified to consider the necessity and the appropriateness.
5. Inform the policy on the non-acceptance gifts to the third party, customers, business partners, suppliers, contractors, sub-contractors, joint-ventures or the person pertaining the company’s business.
6. Business entertainment expense and other expenses directly related to the performance of business contract is acceptable. However, the expenses must be reasonable and not against the company’s anti-corruption and non- acceptance gift policy.
7. The bribes or any similar benefits shall not be given to the personnel of the IRPC Group or to the third party, especially the government officials. Strictly considering the actions that may violate the law and the local custom.



8. In the necessary case to accept the gifts, souvenirs or other benefits and cannot return, shall notify the supervisor and deliver it to the agency assigned by the company to collect gifts, assets or other benefits in order to donate to the outside persons or organizations for charity or public benefits.



### 2.3.15 Code of Conduct and Practices on Charitable Donation and Funding

“The IRPC Group support the charitable donation and funding to develop the community and society, and to develop the quality of life, to build economy and strength for the community and society with the charitable donation and funding for the charitable organization or other organizations. The procedures shall be considered and approved by the authorized person according to the regulations along with the auditing, controlling and monitoring process in order that the money is used to serve the purpose, and not to be used as an excuse of bribery and corruption.”

#### Practices

1. To donated money to the charitable organizations that have the purpose for the social benefits, these organizations must be trustful. This shall proceed on behalf of the company with the transparency through the procedures according to the regulations and legitimacy. There shall be a monitoring and auditing to ensure that the donated money is used for the public benefits and truly serve the donation purposes.
2. The sponsorship whether as money, objects or assets for the activity or any projects shall has the objectives to enhance the business and build the good image of IRPC Group or PTT group. There shall indicate clearly the name and logo of the companies of the IRPC Group and proceed with transparency



through the procedures according to the regulations and legitimacy without the conflict of interest and there shall be the evidence or response letter from the organizations that received the donated or funded money.

3. Explicitly define the donation and funding authorization that indicate the amount and hierarchy of consideration. The approval evidence shall be kept and recorded in the accounting system and audited by the Office of Corporate Internal Audit and/or external auditor to ensure that the donation and funding are honest and transparent.

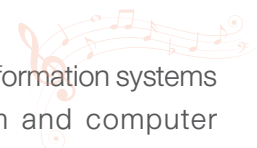


### 2.3.16 Code of Conduct and Practices on the Information and Communication Technology

“The IRPC Group determined that the information and communication technology is the key factor to promote the business operation and increase the operational effectiveness. All personnel shall be prudent to use the information and communication technology correctly and effectively under the legal provisions, orders and regulations. Realize of the importance of information technology security and ensure that it will not affect the company and the stakeholders as a whole.”

#### Practices

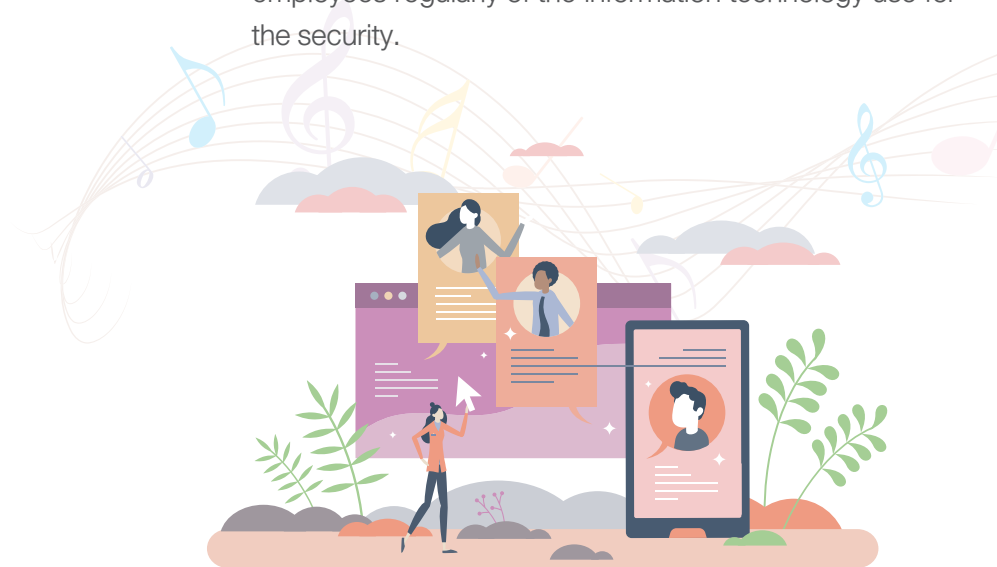
1. Establish the security management of information systems which means the computer system and computer information according to the international standards.
2. Protect and maintain information systems in the possession or under one’s responsibility from an unauthorized person to access into the information wrongfully and shall not disclose the important business information to the irrelevant persons.



3. Be discipline to use the information technology system and communicative tools not to create the negative impact on the IRPC Group and others. For example, using as a tool to access into the information system wrongfully and cause the damage to the reputation and asset, interfere or cause a nuisance to the operation of information systems, intercept data, decrypt passwords, forge the computer data, disseminate images, texts, sounds inappropriate with morals customs and traditions, shall not use for the personal business or for the illegal activities.
4. Perform duty by using the computer programs with the legal copyright as provided by the company. Shall not install and use the unauthorized computer programs according to the copyright and shall not copy the program that others have the copyright. If necessary to work with the computer outside the office, shall verify the copyright and consult with the supervisor or the information technology unit.
5. Maintain the information system security, shall not disclose the password to access into the information system to the irrelevant persons.
6. Shall encrypt the data in case of delivering important information or business secrecy through the internet network. Shall not exchange the important business information with the unprotected website on the information security. Shall not use the internet to access into the unfamiliar website which can be dangerous to the company computer system.
7. Control the access of the third party into the files and programs as necessary in working for the company.



8. In case of a request for permission for the associate operators or employee of the contractor to use the company's information system, the request employee shall control the use of the associate operator or employee of the contractor and be responsible for the damage that occur to the company.
9. There shall be the monitoring, search, tracking, investigation and control over the use of information by the company personnel or a reasonable cause in order to protect the security of information system.
10. If it is found that there is an improper use of the information system or the violation and the fair investigation results appeared that it is true, such personnel will be subject to disciplinary and/or legal penalties as appropriate depend on the case.
11. Provide the knowledge and build the understanding to the employees regularly of the information technology use for the security.







### 2.3.17 Code of Conduct and Practices on the Intellectual Property

“The intellectual property is an important asset of the company. Therefore, all personnel of the IRPC Group shall protect and maintain the intellectual property owned by the company from the violation or non-permission use. Respect and non-violate the others’ intellectual property. Encourage all personnel to create the intellectual property works for the maximum benefits of the company.”

#### Practices

1. Promote the creation of works, inventions, research, computer programs which result from the knowledge ability and diligence of the employees without infringing on the intellectual property of other persons. Comply with the contracts made to the third party. However, the tasks that have been entrusted to produce, or the works that use the information or the company’s facilities, or the work learnt from the company, the company shall be regarded as the owner of such works unless otherwise agreed upon.
2. Shall not use the information that has an impact on the company’s business, such as the information research, technology, marketing, business information and company intellectual property for the personal benefits or to disseminate to the public without permission. Shall not infringe the patent, copyright, trademark or others’ intellectual property which may cause the damage to the IRPC Group.

3. In the event of infringement of the intellectual property of the IRPC Group, the employees are obliged to report to the supervisor or the responsible unit of intellectual property as soon as possible to solve such infringement problem promptly.
4. Use the property effectively for the maximum benefits of the organization and to enhance the work potentiality.
5. It is a duty and responsibility to protect the company’s assets from the damage and loss.
6. Shall not use the company’s asset for the personal benefits or for the third party or to use illegally.





**CHAPTER**

**3**

**PART 3**

Good Corporate Citizenship





## Good Corporate Citizenship



### Good Corporate Citizenship

The Board commit to comply with the Good Corporate Citizenship in order to be a good role model and encourage the relevant stakeholders throughout the supply chain to adhere to and comply with, which showing the responsibility and support the business operation to address and comply with the United Nation Global Compact (UNGC) in 4 points as following:

1. Human Rights
2. Labour
3. Environment
4. Anti Corruption

The Board have set the policies on the Good Corporate Citizenship according to the principles of UNGC to apply as the guidelines for the IRPC Group which is disclosed on the company website [www.irpc.co.th](http://www.irpc.co.th) since 2017.



### 1. Human Rights

The company has realized that Thailand is one of the State Parties of the United Nation and certified the Universal Declaration on Human Rights and participated in as the party to the International Treaty on Human Rights which has an obligation according to the Treaty. Therefore, the National Human Rights Plan is announced as an operation framework and its main goal is to be a tool to protect the human rights for the human rights network organizations from all sectors and be a guideline on human rights protection to the people in the nation. As well as to protect, respect and remedy such human rights, support the National Action Plan on the Business and the Human Rights and affirm the intention to comply with the Human Rights of IRPC Group.

- Respect and treat the employees, community and supply chain according to the International Human Rights and the Human Rights Law. Protect the freedom and equality of the persons who are guaranteed or protected by Thai and International Law and shall not act to violate the human rights or participate in the violation whether direct or indirect. As well as to promote the human dignity and equality without discrimination regarding the difference of race, religion, gender, belief, disability and social status.



- Protect the rights of the employees and the contractors. Comply with the labour law, the working operation of good environment, the good welfare promotion of the employees, the equitable training and security protection. Provide the security handbook during the factory maintenance and strictly comply with. This includes the protection for the outsource persons who enter the factory according to the security rules. Besides, the security unit shall report the security situation during the working hours and over the working hours including the community's environment complaints to the Management Committee's meeting every week for the decision making, problem solving, protection or remedy promptly and properly. This also to prevent the repeated situation.
- Set the due diligence for the risk assessment on the human rights and set the safeguard measurement to certify such risk adequately. Moreover, there shall be the assessment and remedy procedures for the community and environment when received the impact from the business operation activities. For example, open for receiving the complaints 24 hours and provide the field officers to seek for the cause and promptly solve it. Disclose the information that might effect to the community, general public before and during the operation.



## 2. Labour

Respect to the fundamental rights and individual liberty according to the Thai Labour Law and the Convention on the Labour of the International Labour Organization. Treat the employees according to the Labour Law and promote the rights and freedom of association and negotiation in accordance with the Labour Relations Act. Comply with the relevant rules and regulations, shall not use the bargaining power or coerce the employees to enter into any agreement that deprives the basic labour rights as well as the non-use of illegal labour. Treat the women labour according to the Convention on the Elimination of All Forms of Discrimination Against Women and treat the child labour according to the Children's Rights and Business Principles of the United Nations Children's Emergency Fund (UNICEF). Shall not discriminate regarding the difference of occupation, employment, race, religion, gender and colour and promote the equal opportunity to work with decency, effectiveness, freedom and human dignity.





### 3. Environment

Set the guidelines and measures to promote the responsibility for the environment. Commit and ensure to protect the environment impact that might occur from the business operation by starting from the environment impact assessment before the investment of projects or businesses. Apply the appropriate technology to support the measures and damage protection approaches to the environment. Promote the friendly innovation or technology development to the environment and raise awareness on the environment, occupational health and safety of the employees and all supply chains.



### 4. Anti-Corruption

Operate the business with integrity and ethical operation. Comply with the law and the universal principles on the prevention and anti-corruption and the offering or receiving of bribery in any forms. Eliminate the corruption, bribery and coercion of all forms. Communicate to build knowledge and understanding of the measures on the anti-corruption and bribery to all levels of personnel and the supply chain. Define the channels and procedures to receive complaints conveniently, properly and effectively.

(Details regarding the UNGC can be downloaded at: <https://www.irpc.co.th/corporate-governance/un-global-compact/>)



**CHAPTER**

**4**

**PART 4**

Anti-Fraud and Anti-Corruption  
Policies and Guidelines





## Anti-Fraud and Anti-Corruption Policies and Guidelines



### Anti-Fraud and Anti-Corruption Policies and Guidelines

of IRPC Public Company Limited and Subsidiaries (IRPC Group)

IRPC Public Company Limited (IRPC) and subsidiaries (IRPC Group), “IRPC” or “the Company” have strongly adhered to operate business with honesty, transparency, fairness and in compliance with good corporate governance principle. The Company has determined a Zero Tolerance policy, whether directly or indirectly. IRPC has expressed the determination in the opposition against any frauds and corruptions of every form and has joined the Thai Private Sector Collective Action Against Corruption (CAC). Besides, the Company has consistently adhered to corporate governance principle, ethical conduct and morality in business operation while being responsible for the community, society, environment and every stakeholder group; therefore, the Company has set forth the policies and guidelines on anti-fraud and anti-corruption as follows:

1. The Board of Directors, executives and employees shall oppose against every form of fraud and corruption, both directly and indirectly, and whether they in a form of an offering, promising, soliciting, demanding, giving or receiving bribes, acts or behaviors implying corrupt behavior in every local area where the Company operates its business.

2. The Company shall communicate and publicize, both inside and outside the organization, to foster knowledge and understanding and collaboration in inhibiting any persons who may commit a fraudulent and corrupt behavior toward the Company.
3. The Company shall establish clear operational plan, assess risks relating to fraud and corruption as well as set up the monitoring and review procedures on a regular basis to ensure its compliance with business changes and relevant laws.
4. The Company shall treat the employees fairly while protecting the employee who has been rejected or notify the Company of any frauds and corruptions via specified channel. However, if the employee is a corrupt person, he/she must receive a disciplinary action as set forth by the Company.

### Definitions

IRPC or the Company refers to IRPC Public Company Limited and subsidiaries (IRPC Group).

IRPC personnel refer to the directors, executives and employees of every level of IRPC and subsidiaries.

Fraud<sup>1</sup> refers to any intentional acts to seek undue and unlawful benefits for either themselves or others.

Corruption<sup>2</sup> refers to an act in any forms such as accepting, demanding, soliciting and giving, offering, promising any “assets or interests” to the government official or private agency, with the aim to persuade them to act or refrain from performing any acts in order to gain interests for the business, for oneself or for other relevant parties unfairly, which may incur damage to other persons’ interests.

<sup>1</sup> the Criminal Code Section 1 (1)

<sup>2</sup> Guidelines for the Board in monitoring anti-corruption measures set forth by IOD



## 1. Different Channels or Forms of Corruption<sup>3</sup>



Some business activities may be used as a “channel” for bribery or corruption; for example,

- 1.1 Political contribution whether in a form of financial contribution or other forms of contribution and whether directly or indirectly, to support political activities, political party, politician or political activist, in a hope that such group of people will exercise their power to gain improper benefits, privileges or business advantages to facilitate the Company’s business operation.
- 1.2 Charitable contribution whereby the business may offer bribes to any specific person in exchange of some benefits in a form of “donations” by claiming that such donations are for CSR activities; for example, giving help to the disadvantaged, victims and other public organizations without hoping for any rewards in return; however, some money (or all) have not been used to attain the objectives as claimed, but instead have been given to a person with the administrative power (such as the government official relating to such charity) who in turn, has sought for his/her personal interest from such activity.
- 1.3 Sponsorship is the activity organized to publicize the business, foster credibility as well as promote the image of the organization through various marketing activities such as sponsorship of any events, sports etc. However, such activity may have some inherent objectives; for example, to use such activity as a channel to avoid giving bribes directly or to persuade any specific person relating to such activity to act improperly for the interests of the business.

<sup>3</sup> Guidelines for the Board in monitoring anti-corruption measures set forth by IOD



- 1.4 Use of agent such as hiring the juristic person or other persons who are not employees of the Company to perform some transactions on behalf of the business. In this case, the business may employ some approaches to avoid giving bribes directly, but may give bribes through such juristic person instead and then may claim that such payments are the Company’s expenditures such as commission fees or consultant fees etc.
- 1.5 Entertainment and hospitality such as banquet, party, including festival or other recreational activities whereby such activities may be used as a channel to foster bonding or persuade any persons to act in order to gain improper interests for the Company’s business.
- 1.6 Bribery made with the public or private officials in different manners such as giving cash, gift, present, expensive good, entertainment, party, travel and recreation etc.

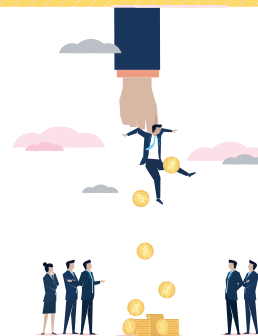
Such bribery can be hidden via various “channels” such as political contribution, charitable contribution, sponsorship, hiring of the consultant etc.

Bribes may be called differently, depending on each industry such as tribute, reward, backhander, kickback, cash on delivery, additional charges, facilitation payment etc.

- 1.7 Kickbacks may take place when the business transfers some money to either public or private official as a reward for helping the business to get any works or projects, whereby money that have been paid arise from the overbilling scheme of which some portions of the difference have been given to such person.



- 1.8 Collusion, consent and any other acts of a similar manner such as bid rigging, manipulation of specification, use of confidential inside and confidential information etc.
- 1.9 Conflicts of interest, nepotism and cronyism such as making a contractor contract particularly with one's own party or group, providing support as well as hiring a former government official to seek interests from information, influence or revolving door etc.



## 2. Duty and Responsibility for Anti-Fraud and Anti-Corruption

### 2.1 Board of Directors

- Supervise the establishment of clear policies and guidelines on anti-fraud and anti-corruption as well as communicate such policies and guidelines to every level of the organization and outsiders for implementation.
- Specify the internal control measures<sup>4</sup> to prevent any related persons from committing fraud and corruption. Such internal control measures must at least comprise of the following:
  - (1) Prevention of bribery must be one of the key policies set forth by the top executives.
  - (2) Risk assessment from bribery made with the government official must be performed.
  - (3) Measures with clear details must be established in a case where there may be high risk of bribery.
  - (4) Measures to prevent bribery must be determined and applied to persons with business relation with the Company.

<sup>4</sup> The Notification of National Anti-Corruption Commission on guidelines on suitable internal control measures for the juristic person to prevent any giving of assets or interests to the government official, foreign government official or officer of an international organization

- (5) Efficient accounting system must be established.
  - (6) Guidelines on human resources management must be specified and such guidelines must be in line with the preventive measures on bribery.
  - (7) Measures to support the report of misconduct or suspicious behavior must be established.
  - (8) Review, audit and evaluation of the preventive measures on bribery must be performed periodically.
- Encourage the management to assess risks regarding fraud and corruption as well as allocate appropriate and adequate resources to ensure that the business has efficient measures in controlling such risk.
  - Report result of compliance with the policies and measures on anti-fraud and anti-corruption as well as provide useful suggestions for the management to improve such measures

### 2.2 The Corporate Governance Committee

- Specify good corporate governance policies and guidelines, including the operation on anti-fraud and anti-corruption to be in line with the standard principle and the specification of the regulatory institute or organization of listed companies
- Consider, review and improve anti-fraud and anti-corruption policies and guidelines
- Review the compliance of anti-fraud and anti-corruption policies and guidelines

### 2.3 The Risk Management Committee

- Determine risk management policies and strategies that may affect anti-fraud and anti-corruption policies and guidelines. The Risk Management Committee shall supervise risk management on fraud and corruption while reviewing the adequacy and suitability of measures on anti-fraud and anti-corruption



## 2.4 The Audit Committee

- Review the accuracy of reference document and self-assessment form regarding anti-fraud and anti-corruption measures of the Company according to Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)
- Review the reporting system of finance and accounting, internal control system and internal audit system to ensure their accuracy, completeness, appropriateness and efficiency
- Ensure that the Company has complied with relevant laws and standards

## 2.5 The Nomination and Remuneration and Committee

- Recruit persons for the directorship position, Sub-Committee and Chief Executive Officer and President. The Remuneration and Nomination Committee shall propose the remuneration transparently and fairly by adhering to an accurate principle and basis of credible information that are acceptable at an international level while being consistent with the Company's established goals and strategic plan

## 2.6 Executives or the Management

- Put the policy into practice by establishing internal control measures to prevent fraud and corruption of the unit under responsibility
- Determine risk assessment measures on fraud and corruption of any operational procedures that may incur fraud and corruption
- Establish procedures to promote and support anti-fraud and anti-corruption policy as well as communicate to the employees and every related party.
- Verify and follow up the operation of the subordinates to ensure their compliance with anti-fraud and anti-corruption policies and measures as well as review the suitability of the systems or procedures to ensure their consistency with changing business context.

- Report the result of compliance with anti-fraud and anti-corruption policies and measures to the Board of Directors periodically

## 2.7 Employees

- Endeavor to understand their respective role, duty and responsibility for risk management regarding fraud and corruption within one's own division
- Perform their duty in line with the policies, guidelines and measures on anti-fraud and anti-corruption
- Support and cooperate in the prevention and suppression of fraud and corruption; for example, report any suspicious incidents or incidents indicating fraud that have been found out.

## 3. Guidelines for IRPC Personnel

- 3.1 Strictly comply with the policies and guidelines on anti-fraud and anti-corruption, including other preventive measures.
- 3.2 Perform duty with responsibility and with utmost ability and efficiency, have an awareness while adhering to integrity, honesty, equality, morality and professional ethics as well as make careful and cautious decision.
- 3.3 Must not carry out or get involved in giving or receiving bribes or any forms of corrupt behavior, whether directly or indirectly, as well as conform to the policies and guidelines on anti-fraud and anti-corruption, anti-fraud and anti-bribery policy, guidelines on good corporate governance and business ethics of the Company, including other relevant regulations and specifications, whether existing currently and/or will be announced in the future.



- 3.4 Perform with caution in terms of giving and receiving gifts, entertainments or any other interests, including welcoming fees and other expenditures. Nonetheless, every IRPC personnel must comply with the Company's No Gift Policy.
- 3.5 Any donations or giving or supports of the Company must be in compliance with the No Gift Policy to ensure that such charitable donation and funding will not be used as an excuse for fraud and corruption.
- 3.6 Avoid any conflicts of interest with IRPC or IRPC Group. Any operations must be conducted in a reasonable manner and on the basis of the Company's interests which must not violate relevant laws, rules and regulations, including good ethical conduct. Nonetheless, if any acts or behaviors implying the conflicts of interest with the Company has been found out, IRPC personnel must report such conflict of interest via specified channel.
- 3.7 IRPC has consistently encouraged every personnel to exercise their political rights and freedom as stipulated by law. Besides, the Company shall not support or act in any manners that indicate its inclination toward any particular political parties, political united fronts, politicians or any persons relating to politics, persons with a political power or political candidates, whether directly or indirectly, at a local, regional, national, international or global level. In addition, the Company has paid respect to the political rights and freedom of the employees who act as a good citizen according to the Constitution and under the Democratic Form of Government with the King as Head of the State.



- 3.8 IRPC has established measures to supervise anti-fraud and anti-corruption; for example, risk assessment of potential fraud and corruption in every operational procedure such as contact with the public sector and permit, sales activities, marketing activities, procurement of supplies and preparation of contract etc., including the evaluation of efficiency and effectiveness of such management on a regular basis in which GRC (Governance, Risk Management and Compliance) will be applied and integrated.
- 3.9 IRPC has set up human resources management such as the recruitment and appointment of personnel, career promotion, training, operational assessment and employees' remunerations that reflect the Company's determination on anti-fraud and anti-corruption measures. This can be achieved by specifying that the supervisor shall communicate to the employees and make them understand such measures. Besides, the Company shall supervise the employees' compliance in order to ensure the efficiency of the established measures. The Company has also set forth the principle that it will not demote, punish or give negative impact to the employee who refuses to commit fraud and corruption although such refusal may cause the Company to lose its business opportunity whereby the Company shall establish clear communication procedures relating to such principle.
- 3.10 IRPC has established the internal control system and measures to ensure that the financial report, accounting procedures and records have been made with accuracy, transparency and can be verifiable. Besides, data, documents, evidences, financial reports and other memorandums have been maintained and shall be available for verification to

confirm the accuracy and suitability according to anti-fraud and anti-corruption measures.

- 3.11 IRPC has established measures in supervising trade partners to ensure the suitability and adequacy of their compliance with anti-fraud and anti-corruption measures.
- 3.12 IRPC has consistently communicated and provided trainings to the personnel to foster their knowledge and understanding of anti-fraud and anti-corruption measures.
- 3.13 IRPC has set forth the anti-fraud and anti-corruption guidelines to ensure the compliance of IRPC personnel and other related persons with IRPC Group Way of Conduct via appropriate channel to promote, encourage and monitor the strict compliance with anti-fraud and anti-corruption measures as well as specify appropriate follow-up measures.
- 3.14 The Internal Control Unit shall report any suspicious matters or behaviors regarding fraud and corruption to the Chief Executive Officer and President and the Audit Committee to further report to the Board of Directors for acknowledgement.



#### 4. Channels for Whistleblowing or Complaint Filing

Personnel of IRPC must not ignore or overlook when they notice any acts that may violate the anti-fraud and anti-corruption policy. Therefore, the Company has specified channels for whistleblowing, complaint filing and whistleblower protection which shall be in accordance with the regulations of IRPC Public Company Limited regarding complaint filing and whistleblowing. Nonetheless, every clue and complaint will be inspected for facts and in a case where there are complimentary data and evidences, further proceedings according to the steps specified by the Company in a written form will be carried out.

Channels for whistleblowing or complaint filing:

- Via e-mail: : auditor@irpc.co.th
- Via regular mail: : Chairman of the Audit Committee  
IRPC Public Company Limited  
555/2 Energy Complex Center,  
B Building, 6<sup>th</sup> Floor Vibhavadi  
Road, Chatuchak, Chatuchak,  
Bangkok 10900
- Via P.O Box: : P.O Box 35 Por Nor For Sun Tower  
Building Bangkok 10905

For further information about policies and guidelines, please contact the Corporate Compliance Unit or send e-mail to [cg@irpc.co.th](mailto:cg@irpc.co.th)



## 5. Measures to Protect the Whistleblower or Complainant and Person Cooperating with the Inspection of Facts

The whistleblower or complainant and person cooperating with the inspection of facts shall be protected according to the following criteria as indicated below:

- 5.1 The whistleblower or complainant and person cooperating with the inspection of facts can choose not to disclose his/her identity if he/she considers that such disclosure may bring about any dangers or damages. In a case that such identity disclosure does take place, the Company can report progress and facts for acknowledgement or alleviate damage more conveniently and speedily.
- 5.2 The Company shall not disclose name, last name, address, picture or any other information that can identify the whistleblower or the complainant and the person cooperating with the inspection of facts and further investigate whether there are sufficient facts.
- 5.3 The person receiving complaints must keep relevant information confidential and shall disclose such information only as deems necessary by taking into consideration the safety and potential damage that may negatively affect the whistleblower or complainant and the person cooperating with the inspection of facts.
- 5.4 In a case that the whistleblower or complainant and person cooperating with the inspection of facts consider that they may be in danger or may be negatively affected with any damages, the whistleblower or the complainant or person cooperating with the inspection of facts can request the Company to determine appropriate protective measures or the Company may set forth such protective measures without being requested if the Company deems that any specific matters tend to incur trouble, damage or danger.

- 5.5 Any victims or casualties shall receive mitigation which shall be carried out by appropriate and fair procedures.
- 5.6 In a case that the whistleblower or the complainant and person cooperating with the inspection of facts have reported their concern or raised questions honestly, the Company cannot use this concern or question as an excuse to act in any manners negatively affecting the employment of such employee, whether they be a job transfer, demotion, job suspension, removal of welfare etc. Moreover, the Company must prohibit any persons to retaliate the whistleblower or complainant and person cooperating with the inspection of facts. However, such retaliation against the whistleblower or complainant and person cooperating with the inspection of facts who report their concern or doubt with honesty is considered unethical and can lead to a disciplinary action according to the Company's regulations.



## 6. Penalty



Any frauds, corruptions or briberies are deemed disciplinary misconduct and are punishable under the civil law and criminal law. Thus, IRPC has set forth the penalty measures for every IRPC personnel who violate or do not comply with the anti-fraud and anti-corruption policy. Any acts that violate or contradict to this policy, whether directly or indirectly, shall be considered a severe breach of IRPC Public Company Limited's rules and regulation relating to business operation and shall be deemed severe misconduct that will be penalized according to Section 8 concerning disciplines and disciplinary actions of rules and regulation relating to such operation. This penalty may include the termination of employment in a case where the Company deems necessary or appropriate





# CHAPTER

# 5

## PART 5

### Governance of the IRPC Group's Companies





## Governance of the IRPC Group's Companies



### IRPC Group Way of Conduct



#### IRPC Group Way of Conduct Policy

To ensure that the IRPC Public Company Limited and its subsidiaries (IRPC Group) has the management system of the same standard throughout the IRPC group and to promote the synergy, performance excellence and trust to the customers-business partners throughout the business chain according to the company's values "I-SPRIT". The company has systematically set the IRPC Group Way of Conduct as a key foundation of the core policy on the Good Corporate Governance and connect through the IRPC Group. The objectives are as following:

1. This shall be the governance tool for the companies in which the IRPC hold the shares to comply with and push forward to be the same standard for all IRPC Groups through the IRPC representatives who are assigned to be the Directors, Executives and operators.
2. This shall be regarded as a mutual operational agreement between the IRPC and the companies in the IRPC Group for the internal IRPC units to adhere to which will lead to the cooperation, co-power and co-adhesion.

3. For the compliance with law, company's rules and regulations, risk management, competitiveness capacity and achievement of the IRPC's sustainable business objectives. This shall be in parallel with the operational clarification between the IRPC and its subsidiaries (IRPC Group) or the companies in the IRPC Group in order that the IRPC Group Way of Conduct is in the same direction with the clarification and systematic connection.

Therefore, the Governance Principles of IRPC Group are determined as following:

- 1) Key Strategies Positions for the Executives and employees of IRPC.
- 2) Rules, regulations and policies.
- 3) Reporting Line and Performance Management.
- 4) Multi-level Governance
- 5) Management Committees

In addition, the Office of Corporate Affairs shall be responsible to set the operational framework policies, receive opinions to improve the IRPC Group Way of Conduct to be effective and efficient consistently. Ensure that the overall of the monitoring and fostering for the compliance with the IRPC Group Way of Conduct has the same system and standard through the Corporate and Investment Information Management Unit.

Therefore, we would like all levels of personnel of the IRPC Public Company Limited and its subsidiaries (IRPC Group) to understand and adhere to the IRPC Group Way of Conduct Policy strictly.

## Governance Principles



### 1. Key Strategic Positions

The IRPC has the policy to permit the Executives and employees of IRPC to perform duty in the companies that IRPC hold the shares in the Key Strategic Position. This policy is according to the mutual agreement of IRPC Group, the contract agreement between the shareholders and shares proportion or the agreement upon the business terms. As for the procedures and approval, shall comply with the Board's meeting resolution no. 5/2557, 23<sup>rd</sup> April 2014 as explain below:

The rules of holding positions in other organizations of the President and Chief Executive Officer, Executives and employees of the Company.

- 1) In the event that the President and the Chief Executive Officer has been appointed by the Royal Command or has been appointed by the Cabinet by virtue of law to hold any position other than the operation of the company, shall present the matter to the Board for acknowledgment after receiving the Royal Command appointment or the appointment according to the Cabinet Resolution, as the case may be.
- 2) In the event that the President and the Chief Executive Officer is appointed by the government agency, state enterprise, other government agencies, independent organization or government education institution to hold the position of Director, subcommittee, working group, specialist, expert, advisor or any position other than the operation of the company, shall seek for the approval from the Board before accepting the position.

- 3) In the event that the President and the Chief Executive Officer and the Senior Executive Vice President and above will hold the position of Director, Sub-Committee, working group, specialist, expert, advisor, or any position in a company or juristic person other than the stipulated under 2) and it is not the business operation of the company, shall seek for the approval from the Board before accepting the position. For the Executives and employees at the manager level from the department manager and down, shall seek for the approval from the President and the Chief Executive Officer before accepting the position.
- 4) The Executives and employees of all levels, if applicable under 1) and 2), shall submit the matter for acknowledgment or request for the approval (as the case may be) to the President and the Chief Executive Officer before accepting the position.
- 5) The appointment of Directors of the subsidiary company or joint venture company according to the proportion of shareholding or according to the terms in the contract among the shareholders, shall be the authority of the Board.





## 2. Rules and Regulations

The rules, regulations and policies including the announcements and orders are one of the governance policies to bring about the connection between the governance according to the IRPC Group policy and the policy compliance for the achievement. These rules, regulations, policies, and orders are applied by the IRPC representatives who are assigned to act as a Director, Senior Executives, Executives and operators in the companies in which the IRPC holds the shares and to push forward to be in the same standard throughout the IRPC Group. It also includes various criteria that define the roles, duties and responsibilities of the Directors and the Top Executives of the companies in the IRPC Group.



## 3. Reporting Line and Performance Management

There shall be the report of operation and performance management regarding the IRPC Group Way of Conduct to be one of the governance principles. The IRPC Group shall report the progress of performance according to the policies to the Management Team and/or the Board.



## 4. Multi-level Governance



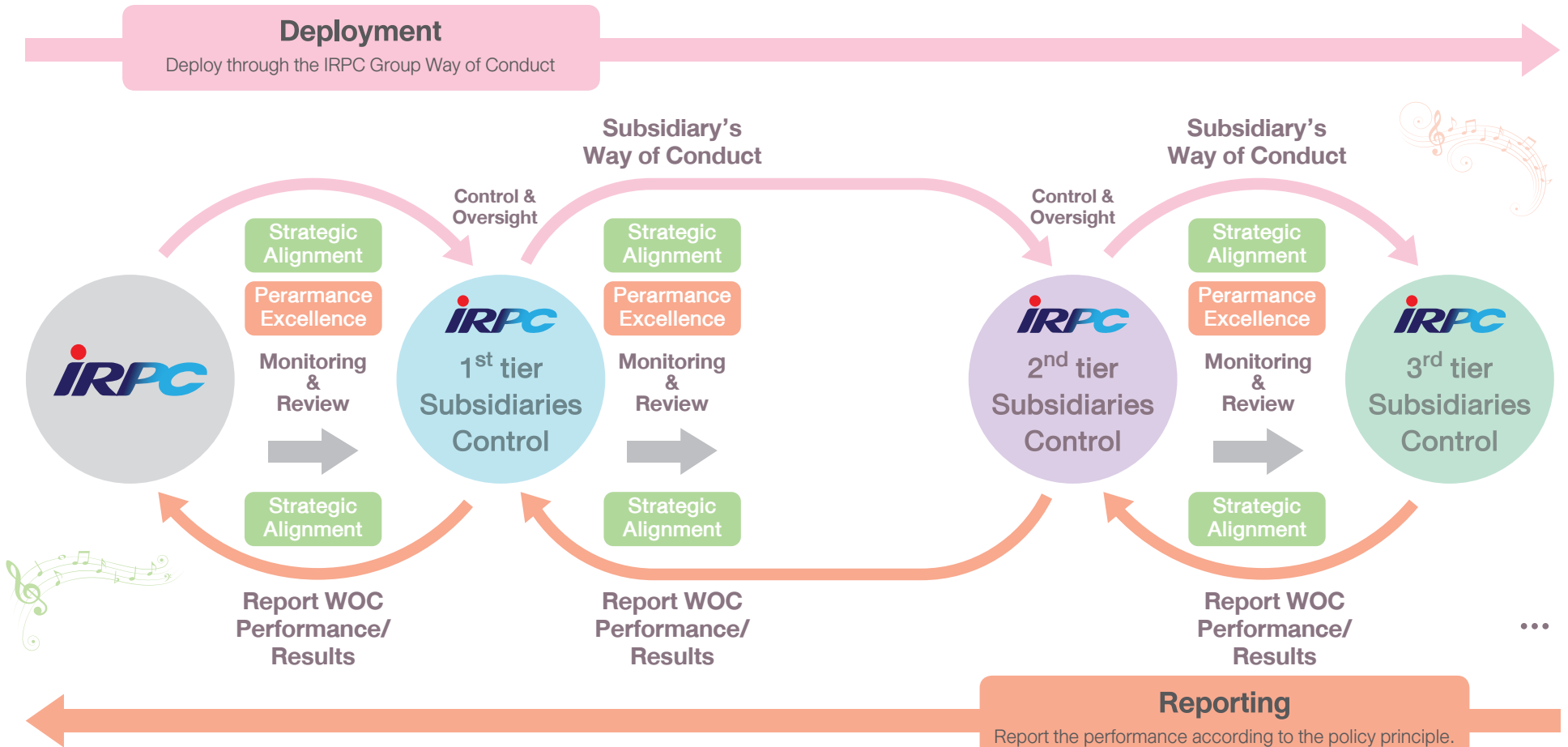
To enable IRPC Group Way of Conduct to be in the same direction and have clarification and the systematic connection. Therefore, the management approach has been designed in a manner of **Multi-level Governance** by relying on the cooperation mechanism of IRPC group companies. This results in the same standardized operation and achieve the sustainable business objectives on the basis of the corporate values **“I-SPIRIT”**.

The Multi-level Governance is conducted through the dissemination of IRPC Group Way of Conduct from the IRPC to the company in which IRPC holds the direct shares (**Subsidiary Company**) and has the power to govern through the IRPC Executive who works as the Senior Executive of the company in which the IRPC hold the shares. However, such subsidiary companies shall set up their own Subsidiary’s Way of Conduct to disseminate the IRPC Group Way of Conduct to the companies where they hold the shares (**Associate Company**) afterwards.



# GOVERNANCE PRINCIPLE

## MULTI-LEVEL GOVERNANCE



The conditions to consider the deployment of IRPC Group Way of Conduct:

1. The control power over the direct shareholding proportion.
2. Oversight the Executive who holds the position of MD/CEO from the shareholding company.
3. The agreement of the contract.

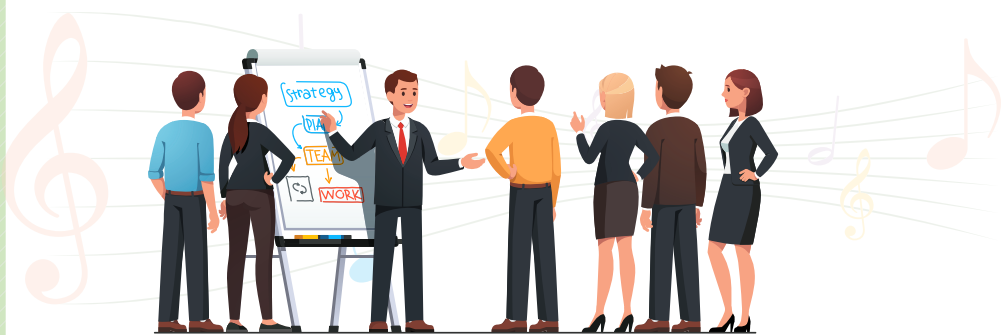




## 5. Management Committee



All Boards at the level of the Board of Directors, Sub-committee and Management Team such as the Corporate Governance Committee: CG Board, the Management Committee: MC, including the specialized committees which are the important part to drive the IRPC Group Way of Conduct to the achievement effectively as it is a stage for the discussion and direction setting for the mutual operation. The performances shall be reported in accordance with the IRPC Group Way of Conduct principles to the Corporate Governance Committee or the Management Committee (MC) or the Board at the management level as assigned or determined by the President and the Chief Executive Officer of IRPC to monitor the effectiveness and efficiency of the performance consistently.



## IRPC Group Way of Conduct Principles

In the event of a fraud, misbehaviour, emergency, crisis, or any event that may affect the reputation, image and business operations of IRPC Group, shall proceed as following:

1. In the event of a fraud, misbehaviour, or any event that may affect the reputation, image and business operations that



occur inside the company in which IRPC holds the shares or the companies in the IRPC Group, the Top Executives of the company in which the IRPC holds the shares or the companies in the IRPC Group shall have the duties to:

- Govern the operation of the occurred event company and report the basic facts to the shareholding company and/or the units assigned by the IRPC immediately.
- Discuss together to set the investigation of fact and disciplinary, communication toward stakeholders, access granting of the relevant information or other actions necessary to meet the same standards.
- The group of occurred event companies shall report the operational progress every 30 days and report the outcome after the problem is resolved or the disciplinary action procedures are completed to the unit assigned by the IRPC.

2. Prepare the preventive measures for the corruption, misbehaviour or any events that may affect the reputation and image of the business operation and risk management then submit to the Board of the company in which the IRPC holds the shares for approval and strictly comply with:





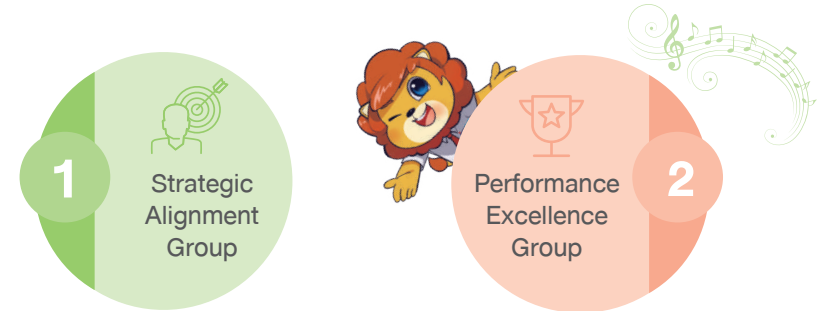
3. Push forward the organizational culture regardless of any compromises to the act of corruption, misbehaviour or any events that may affect the reputation and image of the business operation. Promote the concrete support for the whistleblowing process.

4. IRPC, the company in which IRPC holds the shares and the companies in the IRPC group shall manage the corruption, misbehaviour or any events that may affect the reputation, image and business operation of the IRPC seriously and professionally. Shall not exploit the internal information for other benefits that affect the concerned party unlawfully.



## Policies

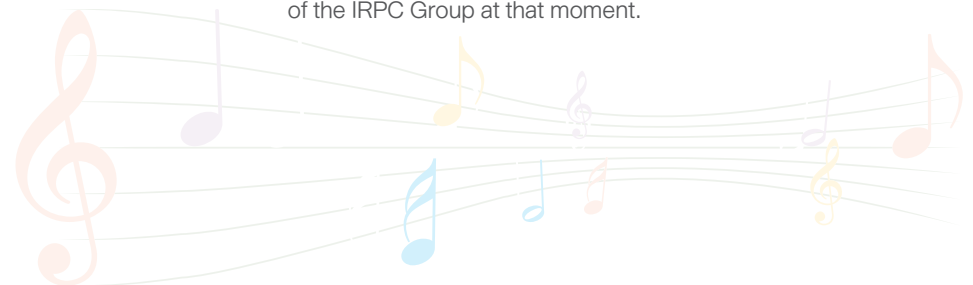
For the effective and efficient operation of the IRPC Group Way of Conduct to be in consistent with the IRPC Group’s goals, suitable for the business and risks of each company, therefore, the management policies are divided into 2 groups as following:



The group of policy that requires the companies in the IRPC Group to proceed in the same direction leading towards the cooperation and co-power and be a part to mutually support the achievement goals of the IRPC Group.

The group of policy that implements to increase the competitiveness capacity and lead the IRPC Group to achieve the business objectives with sustainability and performance excellence to the international level.

**Remark:** The policy of the Strategic Alignment and Performance Excellence group might be adjusted to the visions, strategies or operational plans of the IRPC Group at that moment.



## Governance System



### 1. IRPC Subsidiary Deployment

The IRPC Group Way of Conduct categorizes the conduct of the companies in the IRPC group according to the IRPC's shareholding proportion or the companies in the IRPC group including the governance ability which can be divided into 4 categories as following:



#### 1) Owner

The companies in which the IRPC holds the shares in the amount exceeding 75% and operate their core business significantly.



#### 2) Strategic Owner

The companies in which the IRPC is the majority owned or the companies in which the IRPC Group has the shares proportion more than other shareholders with the IRPC Executive holding the position of the Top Executive.



#### 3) Strategic Director

The companies in which the IRPC or the companies in IRPC Group are the shareholders and have the shares proportion less or equal to other shareholders (Equal or Minority Owned) indicated as the **joint venture company**.



#### 4) Financial Investor

The companies in which the IRPC is a minority shareholder, or the companies in which the IRPC has the shares proportion less than other shareholders, or the companies in which the IRPC has main income from the shareholding and do not operate the core business significantly of their own.



### 2. The Governance Level of IRPC Group's Companies

The governance according to the IRPC Group Way of Conduct has different intensive levels of governance for each policy depend on the governance criteria and proportion of IRPC shareholding which can be divided into 4 levels explained in the table below.

Level of Governance	Level of Governance
 Control	The companies in the IRPC Group comply with the IRPC policies.
 Directive	The companies in the IRPC Group comply with the IRPC policies. If unable to proceed, shall apply the principle of Apply & Explain and ask for the advice of the Senior Executive Vice President of IRPC's operation line.
 Consult	The companies in the IRPC Group consider to apply the principle of Apply & Explain and discuss/request for opinion/advice from the IRPC before proceeding.
 Inform	The companies in the IRPC Group shall notify the IRPC timely or when IRPC requests.

**Remark:** The parent company which has the operation, shall have the duty to govern the subsidiary companies and the next down companies which are the holding company according to the IRPC Group Way of Conduct.

## The Governance Level of IRPC Group's Companies



### Control

The companies in the IRPC Group comply with the IRPC policies.

### Directive

The companies in the IRPC Group comply with the IRPC policies. If unable to proceed, shall apply the principle of Apply & Explain and request for the approval of the Board of that company.

### Consult

The companies in the IRPC Group consider to apply the principle of Apply & Explain and discuss/request for opinion/advice from the IRPC before requesting for the approval of the Board of that company.

### Inform

The companies in the IRPC Group shall notify the IRPC timely or when IRPC requests.

## Shareholding Proportion and Governance of IRPC Group's companies



<p>1</p> <p><b>Owner</b></p>	<p>2</p> <p><b>Strategic Owner</b> (Majority Owned)</p>	<p>3</p> <p><b>Strategic Director</b> (Equal or Minor Owned)</p>	<p>4</p> <p><b>Financial Investors</b></p>
<p>IRPC is the <b>shareholder of the proportion in the amount exceeding 75%</b> and operate the core business of</p> <ul style="list-style-type: none"> <li>• IRPC Oil Company Limited (100.00%)</li> <li>• IRPC Technology Company Limited (100.00%)</li> <li>• RAKPASAK Company Limited*</li> </ul> <p>*Owned by IRPC Oil Company Limited (100.00%)</p>	<p>IRPC is the shareholder and the IRPC Group is the majority shareholder or the IRPC has <b>the shares proportion more than other shareholders</b> with the IRPC Executive holds the position of Top Executive.</p> <p><b>MD From IRPC</b></p> <ul style="list-style-type: none"> <li>• IRPC A &amp; L Company Limited (57.48%)</li> <li>• IPOLYMER Company Limited (55.00%)</li> <li>• INNOPOLYMED Company Limited (60.00%)</li> </ul>	<p>The IRPC is a shareholder and the IRPC Group is a shareholder with the shares proportion <b>less or equal to other shareholders</b> indicated as the <b>joint venture company</b>.</p> <p><b>MD Depends on Shareholder Agreement</b></p> <ul style="list-style-type: none"> <li>• IRPC Polyols Company Limited (50.00%) apply the Polyols Policy</li> <li>• IRPC Clean Power Company Limited (IRPCCP) (49.00%) apply the GPSC Policy</li> <li>• WHA Industrial Estate Rayong Company Limited (WHA IE) (40.00%)</li> <li>• MYTEX POLYMER Thailand Company Limited (MYTEX) (50.00%) apply the MYTEX Policy</li> <li>• VAJIRA LAB FOR SOCIETY Company Limited (50.00%) apply the IRPC Policy</li> </ul>	<p>The IRPC has the <b>shares proportion less than</b> other shareholders.</p> <ul style="list-style-type: none"> <li>• PTT Energy Solution Company Limited (PTTES) (20.00%)</li> <li>• UBE CHEMICALS Company Limited (UCHA) (25.00%)</li> <li>• SARN PALUNG SOCIAL ENTERPRISE Company Limited (15.00%)</li> <li>• Rayong Acetylene Company Limited (13.04%)</li> <li>• DIAPOLYACRYLATE Company Limited (3.65%)</li> <li>• Bangkok Union Insurance Public Company Limited (0.35%)</li> <li>• Mahanakorn AMC Company Limited (0.02%)</li> <li>• TPI Polene Public Company Limited (0.14%)</li> <li>• Thai Special Steel Industry Public Company Limited (16.24%)</li> <li>• Guangzhou Saiju Performance Polymer Co., Ltd. (GZSJ) (15.00%)</li> </ul> <p>IRPC has <b>main income from the shareholding</b> from other companies and do not operate the main business significantly of their own.</p> <ul style="list-style-type: none"> <li>• TPI Holding Company Limited (35.01%)</li> <li>• TPI EOED Company Limited (36.31%)</li> <li>• Pornchai Enterprises Company Limited (23.65%)</li> </ul>

\*Information as of June 8, 2021



**CHAPTER**

**6**

**PART 6**

Key Definition





## Key Definition



### Key Definition



#### Definition

#### 1. Definition, Independence and Qualification of Company Directors \*

- (a) Holding the shares in amount not exceeding 0.5% of the total number of shares with voting rights of the company, parent company, subsidiary, associate company, and majority shareholders or a controlling person of the company. This shall include the shareholding of related persons of that Independent Director.
- (b) Shall not be or was a Director who participated in the management of work, employees, fixed salary consultant, or a controlling person of the company, parent company, subsidiary, associate company, same level subsidiary company, majority shareholders, or a controlling person of the company. Unless the aforementioned status has been terminated for not less than two years before the date of permission submission. Such prohibited characteristics shall not include the case

\* 1. The qualifications of Independent Director shall comply with The Notification of the Capital Market Supervisory Board Tor.Jor. 39/2559, Subject: Application for Approval and Granting of Approval for Offering of Newly Issued Shares.  
2. Company means IRPC Public Company Limited.

where the Independent Director was a government official or the consultant of the government sector which is a majority shareholder or the controlling person of the company.

- (c) Shall not be a person who is related by blood or by legal registration as the father, mother, spouse, sibling and children. This includes the spouse of the children of other Directors, Executives, majority shareholders and controlling person or a person to be nominated as a Director, Executive or the controlling person of the company or subsidiary.
- (d) Shall not have or used to have a business relationship with the company, parent company, subsidiary, associate company, majority shareholders or a controlling person of the company in a manner that may hinder to use one's independent judgment. Also shall not be or was a significant shareholder or a person with the control over those who have business relationship with the parent company, subsidiary, associate company and majority shareholder or a controlling person of the company. Unless the aforementioned status has been terminated for not less than two years.

The business relations under the first paragraph, including the routine conduct of commercial transactions to carry on the business, leasing or leasing of real estate, transaction of assets or services, or offering or receiving financial assistance by accepting or giving loan, guarantee, pledging assets as a collateral for liabilities including other similar actions. As a result, the company or the contracting party has obligations to pay to another party from 3% of the company's tangible net assets or from twenty millions baht or over, whichever is lower. However, the calculation of such indebtedness shall be in accordance with the calculation of the connected transactions according to the Notification of the Capital Market Supervisory Board regarding the criteria for the connected transactions mutatis mutandis. Thus, in considering such debt obligations, shall include the debt burden incurred during one year before the date of business relationship with the same person.



- (e) Shall not be or was an auditor of the company, parent company, subsidiary, associate company, majority shareholders or a controlling person of the company. Shall not be the significant shareholder, controlling person or partner of the audit office which the auditor of the company, parent company, subsidiary, associate company, majority shareholders or the controlling person of the company are affiliated with. Unless the aforementioned status has been terminated for not less than two years.
- (f) Shall not be or was a provider of any professional services, including legal advisor services or financial advisor which received a service fee of more than two millions baht per year from the company, parent company, subsidiary, associate company, majority shareholders or a controlling person of the company. Shall not be a significant shareholder, controlling person or a partner of that professional service provider unless the aforementioned status has been terminated for not less than two years.
- (g) Shall not be a Director who has been appointed to be a representative of the company's Director, majority shareholder or a shareholder who is related to the majority shareholders.
- (h) Shall not operate the businesses with the same nature and in significant competition with the company or its subsidiaries, or shall not be a significant partner in a partnership or being a Director who participates in the management of work, staffs, employees, fixed salary consultant, or holding an amount exceeding one percent of the total number of shares with voting rights of the company that operates the same business nature and is the significant competition to the business of the company or subsidiary.
- (i) There shall be no other natures that prevent from expressing an independent opinions on the operations of the company.



## Other Definitions regarding the Independence Qualification of Directors.

Referred from the Notification of the Securities and Exchange Commission KorJor. 17/2551, Subject: Determination of Definitions in the Notification relating to Issuance and Offer for Sale of Securities.

**“Parent company”** means the company with one of the following characteristics:

- (a) The company which has the control over the company;
- (b) The company which has the control over the company under (a);
- (c) The company which has the control over the company under (b) and the company in the chain of control upward beginning with the control over the company under (b);

**“Subsidiary”** means the company having any of the following characteristics:

- (a) A company over which the company has control of the business;
- (b) A company in which the company under (a) has control over the business;
- (c) A company that is under the business control of the company under (b) in the chain of control beginning with that under control of the company under (b);

**“Same level subsidiary company”** means the two or more subsidiaries that have the same parent company regardless of being in which level;

**“Associate company”** means the company in which the company or subsidiary company has authority to participate in decision making related to the company's financial policy and business operation, but has no control over such policy and is not deemed as subsidiary company or joint ventures.

In case where the company or subsidiary company hold the shares whether direct or indirect in an aggregate amount of twenty percent, but not exceeding fifty percent of the total number of the voting rights of such company, it shall be presumed that the company or subsidiary company has the authority to take part in the decision making under paragraph one unless proven otherwise.



**“Controlling power”** means any of the following relationships:

- (a) Holding of shares with voting rights of company in an amount exceeding fifty percent of the total voting rights of the company;
- (b) Having control over the voting majority at the shareholders’ meeting of the company whether direct or indirect or for any reason;
- (c) Having the power to control the appointment or removal of Directors from the half of all Directors whether direct or indirect;

**“Related person”** means a person or a partnership that has a relationship with a person in any of the following manners:

- (a) A spouse of such person;
- (b) A minor child of such person;
- (c) An ordinary partnership in which such person or a person under (a) or (b) is a partner;
- (d) A limited partnership where such person or a person under (a) or (b) is a partner with unlimited liability or a partner with limited liability that has total shares in an amount exceeding thirty percent of the total number of shares of the Limited Partnership;
- (e) A limited company or the public company limited where such person or a person under (a) or (b) or the partnership under (c) or (d) that hold the collective shares in total amount exceeding thirty percent of the total paid-up shares of such company or;
- (f) A limited company or the public company limited where such person or a person under (a) or (b) or the partnership under (c) or (d) or the company under (e) hold the collective shares in an amount exceeding thirty percent of the total paid-up shares;
- (g) A juristic person in which such person has the managing power as a representative of the juristic person;

**“A person who may have a conflict of interest”** means the following persons:

- (a) The Directors or Executives of the company;
- (b) The majority shareholders of the company;
- (c) The controlling person of the company;
- (d) A person who has a relationship by blood, marriage or legal registration with a person under (a), (b) or (c), namely father, mother, spouse, sibling, offspring, or spouse of offspring.
- (e) Any juristic person where the person under (a), (b) or (c) hold the shares or have the controlling power or interests whether direct or indirect in a significant manner;

**“Executive”** means a manager or the first four top-ranking executives after the manager level as well as all other 4<sup>th</sup> ranking equivalent, and shall include the accounting or finance executives of department head level and up.

**“Majority shareholder”** means a shareholder who hold the company’s shares in amount exceeding thirty percent of the total number of shares with voting rights of the company. Such shareholding shall as well include the shares held by the related persons.

**“Controlling person”** means a shareholder or other persons, de facto, have the influence over the policy, management or company operation determination significantly. Whether such influence resulting from being a shareholder or authorized by the contract or any actions. Especially a person who fall into one of the following characteristics:

- (a) A person who has voting rights whether direct or indirect exceeding 25% of the total number of shares with voting rights of the company;
- (b) A person who, de facto, can control the appointment or removal of the company's directors;
- (c) A person, de facto, can control a responsible person to set the policy, management or implementation of the company to comply with his/her own instructions to set the policy, management or implementation of the company;
- (d) A person, de facto, has operation in the company or has responsibilities for the company's operation as a Director or Executive. This includes a person who hold the position with the same duty as of such person of the company.



- (3) A limited company or a public company limited under the chain of control beginning with that under control of the subsidiary under (2);

**“Board of Directors”** means the Board of Directors of the company.

**“Director”** means a Director of the company.

**“Executive”** means a manager or a person responsible for the management of the company, whether de facto or as authorized by the Board of Directors as specified in the notification of the Capital Market Supervisory Board.

**“Related person”** means the persons with any of the following relationships:

- (1) A person having control over the company and in case of a juristic person, including the Board of Directors of the aforesaid juristic person;
- (2) A spouse, a minor child or an adopted minor child of the Director, the Executive or the person under (1);
- (3) A juristic person over which the person under (1) or (2) has control;
- (4) Any other persons as specified in the notification of the Capital Market Supervisory Board;

When any person acts with understanding or agreement that if the company enters into any transaction which provides financial benefits for such person, the director, the executive or the person under (1) or (2) will also gain financial benefits, the aforesaid person shall be deemed as a related person for such particular transaction.

**“Control”** means

- (1) Holding of shares with voting right of a juristic person in an amount exceeding fifty percent of the total number of the voting rights of such juristic person;

## 2. Definition of the Conflict of Interest Principle

**The definition according to the Securities and Exchange Act B.E.2535 amended by no.4 (B.E.2551) (Section 89/1).**

**“Company”** means

- (1) A public company limited approved to offer for sale of newly issued shares to the public except a public company limited with characteristics as specified in the notification of the Capital Market Supervisory Board;
- (2) A public company limited whose shares are listed on the Securities Exchange or whose shares are sold on the over-the-counter center;

**“Subsidiary”** means

- (1) A limited company or a public company limited over which the company has control;
- (2) A limited company or a public company limited over which the subsidiary under (1) has control;



- (2) Having control of the majority voting rights in the shareholders' meeting of a juristic person, whether direct or indirect or by any reasons;
- (3) Having control over an appointment or a removal of at least half of all Directors whether direct or indirect.



The Notification of the Capital Market Supervisory Board TorJor. 21/2551, Subject: Rules on Connected Transactions.

- (1) "Controlling person" means a person having control over the company under Section 89/1;
- (2) "Related person" means a person under section 258 (1) through (7) of the Securities and Exchange Act B.E. 2535 prior to the amendments.
- (3) "Connected person" means a connected person under the Notification of the Board of Governors of the Stock Exchange of Thailand and the related person under section 89/1 which includes:
  - (a) A Director of the juristic person having control over the company;
  - (b) A spouse, minor child or adopted minor child of the Director under (a);
  - (c) A juristic person over which the person under (a) or (b) has control;
  - (d) A person who acts with understanding or agreement that if the company enters into any transaction which provides financial benefits for such person, the following persons will also gain financial benefits from such particular transaction:
    1. The Director
    2. The Executive
    3. The person having control over the company
    4. The Director of the person having control over the company



5. The spouse, minor child or adopted minor child of the person under 1, 2, 3 or 4.
- (4) "Subsidiary" means a subsidiary company under section 89/1.

### 3. Definition on the Principles regarding the Gift, Asset or Other Benefits

- **Other benefits** means the value items such as the price reductions, entertainment, service receiving, training, or anything else in the same manner.
- **Accepting asset or other benefits** ethically means accepting asset or other benefits from a relative or a person who usually gives on various occasions according to the custom or tradition or the etiquette that is practiced in society.
- **Relative** means the parents, descendants, sibling, or sibling of the same father or same mother, uncles, aunts, spouse, parents or descendants of spouse, adopted child, or adopter.

### 4. Definition on the Principles regarding the Information and Communication Technology

- **The information and communication technology or ICT** means the integration of information technology into the telecommunications system that covers the communication system. For example, radio, television, fax, telephone, other communication tools with the computer software systems, database and information services. As well as many of telecommunication network systems that can be connected to each other and can be used together.



## 5. Definition on the Qualifications and Key Duties of the Internal Auditor

- Independence in auditing in accordance with the internal audit professional standards.
- Having rights to request an inspection of assets and activities, including books of account, supporting documents for accounting record, correspondences and related reports.
- An employee of the inspection agency can be requested to provide clarification information and deliver documents on the subject of audit and must present the results of the company's internal control assessment to the Audit Committee at least once a year.



# CHAPTER

# 7

## PART 7

### Appendix

- Board of Directors Charter on Good Corporate Governance
- Conflict of Interest Disclosure Report Form
- Acceptance of Gifts, Souvenirs or other Benefits Report Form
- Letter of Acknowledgement and Compliance with the Good Corporate Governance
- References







## Appendix



### Board of Directors Charter on Good Corporate Governance

The Board of Directors of IRPC Public Company Limited has established the Corporate Governance Committee in accordance with the guidelines specified by the Stock Exchange of Thailand to support the performance of the Board to set the regulations and guidelines for the good conduct in different businesses to the Directors, Executives and Employees so that they have knowledge and understanding and apply to the practical work. This will help to improve the standards, morals and ethics of the company's operation in accordance with the principles of good governance. As well as leading the organization to the sustainable success through the efficient, transparent, disclosed and verifiable management. Build the trust among the shareholders, interested invest persons and stakeholders.



1. **Compositions of the Corporate Governance Committee**
  - 1.1 The Board appoint the Directors and Chairman of Corporate Governance Committee.
  - 1.2 The Corporate Governance Committee consist of at least 3 Non-Executive Directors and at least 1 Independent Director.
  - 1.3 The Corporate Governance Committee appoint the Corporate Governance Committee Secretary.
2. **Qualifications of the Corporate Governance Committee**
  - 2.1 The Chairman of the Board of Directors shall not be the Chairman or Director of the Corporate Governance Committee for truly independence of the duty performance.
  - 2.2 The member of Corporate Governance Committee is a person who has knowledge and understanding of the business roles and responsibilities of the Corporate Governance Committee or has experiences regarding the fair governance of stakeholders and able to contribute to the value-added or mutual benefits.
  - 2.3 The Corporate Governance Committee can devote time and use their own discretion independently with the maximum benefits goal to enhance the company's good governance and contribute their experiences in the operation as a Director to achieve the objectives.
  - 2.4 The good Corporate Committee shall be trusted and generally recognized.
3. **Terms and remuneration**
  - 3.1 The term of office of the Corporate Governance Committee is 3 years or according to the term as a member of the Company Director (whichever comes first).

3.2 The Corporate Governance Committee whose terms are due to expire may be reappointed as the Board deem appropriate.

3.3 The remuneration of the Corporate Governance Committee shall be in accordance with the regulations approved by the shareholders.

#### 4. The meeting of the Corporate Governance Committee

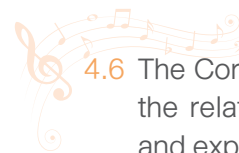
4.1 The Corporate Governance Committee shall held the collective meeting at least 4 times a year. The meeting date and time shall be set in advance for a whole year so that the committee can allocate the meeting time. In this regard, the additional meeting may be held as the Corporate Governance Committee deem appropriate.

4.2 The Chairman of Corporate Governance Committee may call for a meeting of the Corporate Governance Committee upon receiving a request from the Corporate Governance Committee or the Chairman of Board of Directors to consider the beneficial agenda to the company.

4.3 The Secretary or the person assigned by the Chairman of Corporate Governance Committee shall deliver a notice of the meeting which clearly specify the agenda of the meeting in advance at least 7 days. Unless it is urgently necessary to preserve the rights or benefits of the company, shall notify the meeting by other means and schedule the meeting time sooner.

4.4 Each Director should attend at least 75% of the total meetings held during the year. The meeting consists of the Directors not less than one half of a number of the Corporate Governance Committee.

4.5 For voting, the committee shall have the rights to vote for one vote each by using a majority vote as a criterion. In the event that the votes are equal, the Chairman of the meeting shall have one more vote as a casting vote.



4.6 The Corporate Governance Committee are able to invite the related person or third party who have knowledge and expertise or those deemed appropriate to attend the meeting or ask for clarification on the related matters.

#### 5. Roles Duties and Responsibilities of the Corporate Governance Committee

5.1 Consider and give advice to the Board to determine the Good Corporate Governance Framework (CG Framework) complying with the company's operation structure and comparable to the international practices or principles.

5.2 Establish the policies and practices on the Good Corporate Governance and the important and relevant operation. For example, the ethics and code of business conduct, the sustainability management, the responsibilities to the society community and environment, the anti-corruption and the policies regarding the Good Governance, Risk management and Compliance Management (GRC) to be in compliance with the standards principles and requirements of the institute or regulated organization of the listed company. These are the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission as well as the reputable agencies or organizations recognized both nationally and internationally. To support the strategies and goals of the company and to consider, review and improve such policies and practices on a regular basis.

5.3 Establish the guidelines, supervise and monitor the results to ensure that the company operate in compliance with such policies and guidelines in order to develop and enhance the Good Corporate Governance of the company continually.

5.4 Review the policies and practices compliance on the Good Corporate Governance including important and relevant operation.



5.5 Consider and give approval on the performance evaluation procedures of the Board and Sub-Committees and report the results to the Board and the shareholders annually.

5.6 Give advice, suggestions and recommendations on the Good Corporate Governance practices to the Board.

5.7 Perform other duties as assigned by the Board.

## 6. Directors' Development Plan

6.1 Ensure to have the orientation of new Directors to understand the roles, duties and responsibilities and provide the information regarding the business operation of the company including the environment that must be taken into account.

6.2 Encourage the development and training related to the operation for the Directors to continuously develop knowledge and ability every year.

6.3 Disclose the details of training and development of Directors in the annual report.

## 7. Self-Assessment

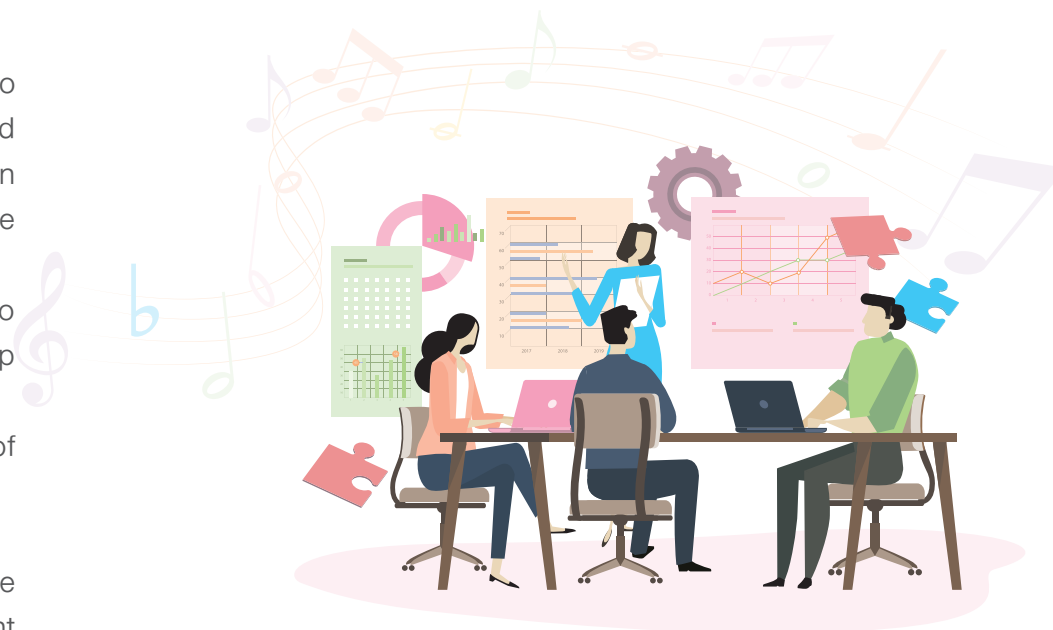
The Corporate Governance Committee are responsible for the annual self-assessment and report the assessment results to the Board.

## 8. Review of Charter

The Corporate Governance Committee shall review and assess the sufficiency and suitability of the Charter on a yearly basis. If there is any significant improvement, they shall submit to the Board for consideration and approval.

## 9. Reporting

The Corporate Governance Committee shall report the performance to the Board and prepare the report of Corporate Governance Committee to be disclosed in the annual registration statement/annual report (Form 56-1 ONE REPORT).



**Conflict of Interest Disclosure Form**  
**(Disclosure of suspicious transaction of oneself or related persons that might have conflict of interest with IRPC)**

Date..... Month..... Year.....

**General information**

Name..... Family name.....

Position..... Affiliation.....

Employee code.....

Report no..... For the year.....

**Section 1 Conflict of Interest Disclosure**

I hereby certify the report that might be a conflict of interest with the company, shall be in the following manners:

I **do not have** any transactions that might be a conflict of interest with the company.

I **have/might have** the transaction that might be a conflict of interest with the company as the following manners:

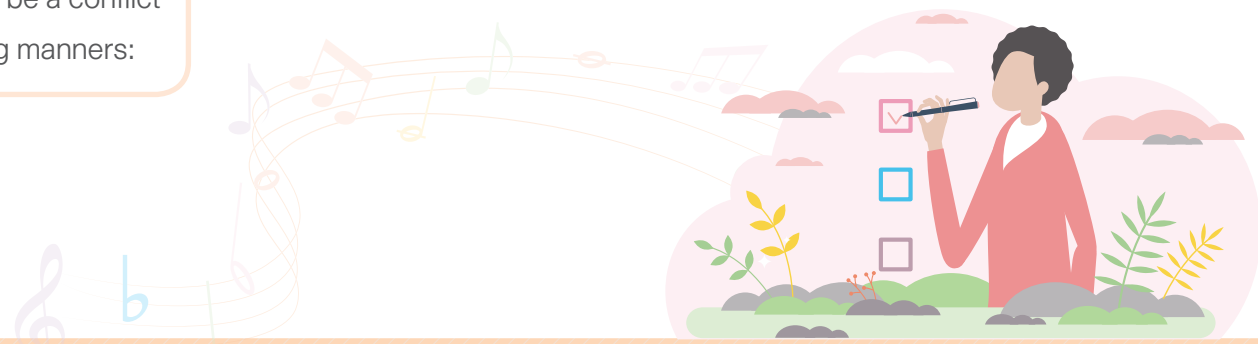
1) I have a transaction that might have an interest or involvement in the transaction with general commercial agreements between the company or subsidiary (the company in the IRPC Group) with the following facts:

- Using my name or juristic person that I am a **Director/Managing Partner**
- By that juristic person where I am a **shareholder** in such juristic person.
- By the person with whom I have **close relationship**.  
 For example, the spouse (husband, wife, a person living together as husband and wife both register or not register), relative (parents, descendants, siblings with the same parents or siblings with the same father or the same mother, uncles, aunts, parents or descendants of the spouse, adopted child or adopter)

Name of juristic person  
 .....

Name of close relationship person  
 .....

Related as  
 .....



2) I expect that (within the next 3 months) there will be the business operation or the business operation participation or other businesses with the business partner or key business competitor of the company whether direct or indirect.

No  Yes (Name of partner/competitor) .....

3) I have **income/other incomes** from the business operation or any business operation participation or business (as an employee, executive, manager, managing partner, director, agent, etc.)

No  Yes (Name of juristic person who paid the income)  
.....

## Section 2 Self-Certification

I hereby confirm and certify myself as following:

(Answer all questions truthfully)

- I perform the duty complying with the ethical principles of employee.
- I perform the duty as assigned by upholding the common interest of the company. Use the power according to the assigned positions with honesty and integrity. I shall not act to cause unreliability and mistrust of the performance. I will provide the accurate, clear, and complete information for the benefit of the company management.
- I shall not use the power to request for the benefits from a person or an agency that come into a legal relationship with the company and such benefit requesting affects the decision making or benefit to that person or agency.

- I have no interest, do not receive any benefit, or to benefit, or to claim for any other assets/benefits either directly or indirectly with the agency or stakeholders which is a conflict of interests between the personal interest and the company.
- I do not operate a business or have an interest in a business with which the company has a legal relationship.
- I do not conduct the special work or operate business by virtue of my position in the company to build the trust.
- I do not use the company's confidential internal information or informed or obtained from performing duty for my own benefit or others' and I shall keep the secrecy and shall not disclose the company's confidential information.
- I will not use the company's personnel or assets for the benefit or to benefit for myself or others.

I hereby confirm that I perform the duty with integrity regardless of the personal benefit or others' benefit. I **do not have** any involvement or relationship that affects or may cause my discretion to be unfair or prejudice or receive objects or any reward that may cause or may impair the fairness of the exercise of judgment for the operation.

If there is any change in my information from what has been reported above, I will notify my supervisor to acknowledge and promptly prepare the additional conflicts of interest report.



Sign.....reporter  
(.....)

**Remark:** Available to report through the system of the Good Governance Corporate Unit. Website: <http://cg.irpc.in.th>

**Accepting Gifts Souvenirs or Other Benefits Report Form  
IRPC Public Company Limited and the Subsidiary (IRPC Group)**

Date.....Month.....Year.....

To: .....  
(Supervisor: Manager of the Department head level and up)

I, (Mr., Mrs., Miss.).....  
Position.....Affiliate.....Employee  
Code.....Internal number.....

I would like to report the accepting of gifts, souvenirs or other benefits to be in compliance with the accepting-offering gift, entertainment policy or other benefits (No Gift Policy) and the good corporate governance principles as following:

1. I accepted .....  
From (company/person name) .....  
Because of .....
2. I accepted .....  
From (company/person name) .....  
Because of .....

I hereby certify that I have notified a third party of the policy of the accepting-offering gift, entertainment policy or other benefits (No Gift Policy) of the company as it's a necessary case and I cannot return it. However, such gift accepting shall not cause any effect to the operation or decision making or conflict of interest.

Sign (reporter) .....  
(.....)



**Supervisor's Opinion (Manager of the Department head level and up)**

(Refer to the Policy of Accepting-Offering Gift, Entertainment or Other Benefits (No Gift Policy), the Company Announcement No. 027/2559)

- As it is a consumable item which its expiration date is lower than 1 month, it shall be allocated within the agency.
- As it is a souvenir on behalf of the organization, shall be delivered to the Office of Corporate Affairs (Bangkok) to be recorded as the company's assets.
- As a souvenir on behalf of the organization, shall be delivered to the CSR unit (Rayong) to be recorded as the company's assets.
- Donate for the public charities or public interests.  
.....
- Others .....

Sign (Supervisor name): .....  
(.....)

Position: .....

Date: ...../...../.....

**Remark:** Available to report through the system of the Good Governance Corporate Unit. Website: <http://cg.irpc.in.th>







**Letter of Acknowledgment and Compliance  
Handbook of Good Corporate Governance and  
Code of Business Conduct IRPC Public Company Limited**

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I am acknowledged of the Good Corporate Governance Handbook and Code of Business Conduct. I understand and will adhere to as the guidelines for the operation of the IRPC Public Company Limited and IRPC Group.

Therefore, signed as a proof,

( ..... )

Position .....

Working Field .....

Department .....

Date ...../...../.....

## References

### Sub-committee Charter

1. The Audit Committee Charter
2. The Nomination and Remuneration Committee Charter
3. The Good Corporate Governance Committee Charter
4. The Risk Management Committee Charter

The details of Sub-Committee Charter are available at [www.irpc.co.th](http://www.irpc.co.th)

## The IRPC Group Way of Conduct Policies

1. The Corporate Governance Policy
2. The Risk Management Policy
3. The Compliance Policy
4. The Internal Control Policy
5. The Strategic Planning Policy
6. The Finance Policy
7. The Accounting Policy
8. The Tax Policy
9. The Core Value Policy
10. The Internal Audit Policy
11. The Corporate Reputation and Social Responsibilities: CRSP Policy
12. The Sustainability Management Policy
13. The Business Continuity Management Policy
14. The Quality Security Safety Occupational Health and Environment (QSHE) Policy
15. The Human Resources Policy
16. The Organizational Structure Policy
17. The Knowledge Management Policy
18. The Procurement Policy
19. The Research Development & Technology Policy
20. The Digital Policy
21. The Insurance Policy

Details of all mentioned policies are available through INTRANET or website <http://cg.irpc.in.th>



# “CG CONDUCTOR”

## Design Concepts

For the business operation, achieving the same goal direction and strategy is essential for the people in the organization to reach the success end. Meanwhile, to create the sustainability, all shall take into account of the responsibility and all stakeholders equally and holding onto the good governance fundamental is also important. Hence, this Handbook of Good Corporate Governance will be a tool to lead everyone in the organization to the same direction for sustainable growth.

In consequence, dressing the CG Mascot as a Conductor is designed to create a symbolic memory of being IRPC’s CG and also to create a character in compliance with the communicated content. The conductor is a person who conduct and control the rhythm by using hand-symbols or the baton. He is the one who sees the overall and pull out the relationship of each instrument to be harmonized as one and create the sweet melody.

The operation of people in the organization is likewise an orchestra that has different parties to play the music along the specified notes with the Conductor as a person to conduct loud and gentle rhythm harmoniously to perform a beautiful song and express the desired emotions. Thus, this is similar to the IRPC’s work that each party must perform their roles and responsibilities according to the Good Corporate Governance Handbook or code of business conduct to reach the same goal with integrity, transparency and competitiveness. Create the sustainable value-added for the businesses and shareholders. This is the original concept to design this Good Corporate Governance handbook.



**The Good Corporate Governance or the Corporate Governance is usually a back office with the duties and responsibilities of the regulatory agency. This is not only to support the management to be efficient, transparent and verifiable but also to build trust and confidence to the shareholders, investors, stakeholders and all related parties which will lead to the stability and foundation of sustainable corporate growth.**

In the beginning of the year 2020, the Office of Corporate Affairs, which is the responsible unit for the corporate governance, has conducted a CG Brand Awareness Survey to measure the level of awareness among employees in the organization toward the unit and the corporate governance implementation. According to the survey results, the corporate governance operation has created the brand to promote the awareness and good understanding of the organization both internally and externally. One part of the survey has provided the opportunity to the employees to vote on the mascot to represent the corporate governance of the company and the “Lions” was received the highest votes to be a mascot as the symbol of leadership, strength, courage and prestige maintaining which will lead the organization towards the sustainable growth.

This becomes “**The Lion of CG Home**” that will promote the new image of corporate governance work to be easy to access, be friendly to everyone and welcome to support all units so that the organizational operation comply with the good governance and promote the sustainable growth.



**With this handbook      IRPC**  
**Shine bright and stand    firmly**  
**Weave strength together in a group**  
**Unite as one                creating the organization essence**











[www.irpc.co.th](http://www.irpc.co.th)