

Corporate Governance Policy

L.P.N. Development Public Co., Ltd. ("the Company") instructs the Company and subsidiary companies to comply with corporate governance principle in order to enhance the business value in a sustainable manner. The objective is to build confidence of shareholders and stakeholders as it is the important factor for the maximization of profits for shareholders over the long term. The eight principles of the Board of Directors as the highest authority in the organization are as follows:

Principle 1

Establish Clear Leadership Role and Responsibilities of the Board

The duties of the Board of Directors are as follows:

1.1 The leading role in corporate governance includes:

- (1) Setting objectives and goals of the Company
- (2) Determining business strategy and operational policy and allocating resources to achieve objectives and goals
- (3) Monitoring, reporting and assessing the outcome

1.2 The governance outcome includes:

- (1) Competitiveness and performance with long-term perspective
- (2) Ethical and responsible business and respect for shareholders' right
- (3) Good Corporate Citizenship
- (4) Corporate Resilience

1.3 Board of Directors should ensure that all directors, subcommittees and the Management discharge their duty of care and duty of loyalty as well as ensure that the operation is in accordance with the law, regulations and resolutions of Annual General Meeting of Shareholders.

1.4 Realize and understand the scope of duty and responsibilities of the Board of Directors, establish clear roles and responsibilities of the Chief Executive Officer, Managing Director and the management and ensure that the Chief Executive Officer, Managing Director and the Management perform their duties.

Principle 2

Define Objectives that Promote Sustainable Value Creation

The duties of the Board of Directors are as follows:

2.1 Establish or ensure that the objectives and goals of the business are for sustainability. It should be aligned with the creation of value for the business, customers, stakeholders and society at large.

2.2 Ensure that the objectives, goals and strategies of each period and/or the year are in line with the core objectives and goals of the business. Innovation and technology is to be applied appropriately and safely.

Principle 3

Strengthen Board Effectiveness

The duties of the Board of Directors are as follows:

- 3.1 Take responsibility in establishing and reviewing the structure of the Board of Directors in terms of size, components and ratio of independent directors that is appropriate and necessary for the achievement of the core objectives and goals.
- 3.2 Select a candidate with suitable qualifications to take up the position of the Chairman of the Board of Directors and ensure that the Board of Directors make decision independently.
- 3.3 Ensure the transparency of the directors nomination and recruitment process.
- 3.4 Determine appropriate remuneration structure and rate.
- 3.5 Ensure that the directors perform their duties and allocate sufficient time to the Company.
- 3.6 Ensure that there is a framework and mechanism to oversee the policy and operation of subsidiary companies and other business in which the Company make significant investment.
- 3.7 Arrange an annual performance evaluation of the Board of Directors and subcommittees.
- 3.8 Ensure that the directors have knowledge and understanding on the business of the Company and related laws and promote learning and skills development of directors in order to perform their duties as directors of the Company.
- 3.9 Ensure that the Board of Directors performs their duties efficiently and is able to gain access to necessary information with the support of Directors' Office.

Principle 4

Ensure Effective Executive Officer and People Management

The duties of the Board of Directors are as follows:

- 4.1 Ensure that the nomination and development process of Chief Executive Officer, Managing Director and high-ranking executives is in place.
- 4.2 Ensure that appropriate remuneration structure and performance evaluation are established.
- 4.3 Understand the structure of and relationship with shareholders that may affect the management and operation of the business.
- 4.4 Ensure that human resources management and development are conducted appropriately in the organization.

Principle 5

Nurture Innovation and Responsibility Business

The duties of the Board of Directors are as follows:

- 5.1 Support innovation that creates business value and is environmentally and socially responsible.
- 5.2 Ensure that the Management operates the business in an ethical and environmentally and socially responsible manner.
- 5.3 Ensure that the Management efficiently allocates and manages resources and takes into consideration the impacts and development of resources in the value chain.
- 5.4 Ensure that the information technology of the organization is managed in accordance with the business of the Company.

Principle 6

Strengthen Effective Risk Management and Internal Control

The duties of the Board of Directors are as follows:

- 6.1 Ensure that risk assessment and internal control system is in place.
- 6.2 Appoint an Audit Committee that is capable of performing their duties efficiently and independently.
- 6.3 Manage conflict of interest between the Company and the Management, directors or shareholders.
- 6.4 Establish anti-corruption measures in the Company.
- 6.5 Establish mechanism for receiving and managing complaints.

Principle 7

Ensure Disclosure and Financial Integrity

The duties of the Board of Directors are as follows:

- 7.1 Establish financial reporting system and ensure that the disclosure of information is accurate, sufficient, timely and in line with related rules, standards and guidelines.
- 7.2 Monitor the adequacy of liquidity and abilities to pay debt.
- 7.3 When the Company is experiencing or likely to experience financial problems, ensure that recovery plan or financial management plan is in place.
- 7.4 Prepare a sustainability report as appropriate.
- 7.5 Establish Investor Relations Department.
- 7.6 Promote the use of information technology in the dissemination of information.

Principle 8

Ensure Engagement and Communication with Shareholders

The duties of the Board of Directors are as follows:

- 8.1 Ensure the participation of shareholders in decision making of important matters of the Company.
- 8.2 Ensure that shareholders meeting is properly arranged, well-managed, transparent and efficient.
- 8.3 Ensure that the disclosure of the resolution of the shareholders meeting and the preparation of the minutes of the shareholders meeting is accurate and complete.

The Board of Directors' Meeting Ref.8/2017 on 14 December 2017 considered and resolved to approve this Corporate Governance Policy, effective from 14 December 2017 until further notice.

Announced on 14 December 2017.

Amornsuk Noparumpa

Mr. Amornsuk Noparumpa

Chairman of the Board of Directors

L.P.N. Development Public Co., Ltd.