

RULE FOR REPORTING OF CONFLICT OF INTEREST

Clause 1. Objective

In compliance with the Securities and Exchange Act (No.4) B.E. 2551 (A.D. 2008) (“The Securities and Exchange Act”), I stipulated that directors and executive must perform their duties in operating the company’s business with responsibility, fiduciary duties, honesty to conduct themselves and make decision without conflict of interest whether directly or indirectly, including anything that is in conflict or in conflict with interest of the company in a significant matters.

The Company, has established this rules and procedures for reporting on the conflict or related person’s interests, have necessary information to monitoring the conflict of interest transactions that may have conflicts of the Company's directors and executives, which will help the company Directors and executives to perform their duties in accordance with the prescribed laws.

Clause 2. Persons who are obliged to report interests to the company

The Securities and Exchange Act, has stipulated that directors and executives of the company have a duty to report their conflict of interests to the company, by management means; The first four management level executive or persons holding a management position are counted from the manager down, all person holding positions equivalent to those of the 4th management level and shall include persons holding an executive position in the accounting or finance line or equivalent, according to the definition of executives of the Capital Market Supervisory Board.

Clause 3. Related Laws

Section 89/7 of the Securities and Exchange Act stipulates that in conducting the business of a company, a director and an executive shall perform his duty with responsibility, due care and loyalty, and shall comply with all laws, the objectives, the articles of association of the company, the resolutions of the board of directors, as well as the resolutions of the shareholders’ meeting.

Section 89/14 of the Securities and Exchange Act stipulates that a director and an executive shall file with the company a report on his interest or a related person’s interest in relation to management of the company or the subsidiary in accordance with the rules, conditions and procedures as specified in the notification of the Capital Market Supervisory Board.

Section 89/16 of the Securities and Exchange Act stipulates that a company secretary shall submit a copy of report on interest under Section 89/14 to the Chairman of the board and the Chairman of audit committee within seven business days from the date on which the company has received such report.

Notification of the Capital Market Supervisory Board No. TorJor. 2 / 2552: The Notification of the Capital Market Supervisory Board No. TorJor. 2/2552 requires the Company to establish the rules, conditions and procedures as deemed appropriate. The form for reporting shall be prepared by the company secretary and proposed to the directors of the Company to verify the rules, conditions and procedures within the prescribed period. After the form for reporting is effective, the director and executive should prepare the report on interest at prompt and the company secretary shall submit a copy of the report to the Chairman of the Board and Chairman of the Audit Committee within 7 days from the day on which the company secretary is notified from the director and/or executive.

Section 88 of the Public Limited Company Act B.E. 2535 (A.D. 1992) stipulates that a director shall notify the company without delay in the following cases:

- 1) having a direct or indirect interest in any contract entered into by the company during an accounting year, by specifying particulars of the contract, name of the parties thereto and interests of the directors therein (if any);
- 2) holding shares or debentures in the company and affiliated companies, by specifying the total number increased or decreased during an accounting year (if any).

Cause 4 Definitions for this regulation are as follows:

“Company” means “Phol Dhanya Public Company Limited”

“Affiliated company”: According to the Ministerial Regulation No.4 (B.E. 2535) (A.D. 1992) of the Ministry of Commerce, promulgated under Chapter 3/1 of the Public Limited Company Act B.E. 2535 (A.D. 1992), the definition of the “company and subsidiary” shall be in accordance with that stipulated in the Securities and Exchange Act and the Accounting Standards, and the definition of the “associated company” in the Notification regarding security issuance shall be in accordance with that stipulated in the Accounting Standards. Affiliated company means a public limited company which has relation with either one or several private companies or public limited companies in the following manners:

- (1) The company has control over appointment or removal of the directors that have total or major management authority of another company;
- (2) The company holds shares in another company in an amount exceeding fifty percent of the issued shares.

In the case that the first company and/or one or several affiliated companies or the first company and/or one or several affiliated companies of the first level and/or succeeding levels, holding shares in any company in an aggregate amount exceeding fifty percent of the issued shares, such company shall also be deemed as the affiliated company of the first company.

“Subsidiary”, according to Section 89/1 of the Securities and Exchange Act, means;

- 1) a limited company or a public limited company over which the company has control;
- 2) a limited company or a public limited company over which the subsidiary under (1) has control;
- 3) a limited company or a public limited company under the chain of control beginning with that under control of the subsidiary under (2).

“Associated company”, according to Section 89/1 of the Securities and Exchange Act, means;

The company over which security issuer or subsidiary 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 which is not deemed as subsidiary or joint venture. In case where security issuer or subsidiary holds shares directly and indirectly 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 security issuer or subsidiary has the authority to take part in the decision making under the first paragraph except where it is proven otherwise.

The following provision shall be added as (13/1) of Clause 2 of the Notification of the Securities and Exchange Commission No. KorJor. 17/2551 Re: Determination of Definitions in the Notification Relating to Issuance and Offer for Sale of Securities dated 15 December 2008, which shall become effective from 16 July 2012 onwards:

“Controller” means any of the following relationships:

- (1) holding of shares with voting rights of the company in an amount exceeding fifty percent of the total number of the voting rights of such company;
- (2) having control of the majority voting rights in the shareholders' meeting of the company whether directly or indirectly or by any other reasons;
- (3) having control over appointment or removal of at least half of all directors whether directly or indirectly.

“Executive”, who has the duty to report according to the Securities and Exchange Act, means the director, CEO or the next four executives succeeding the CEO, the persons holding equivalent position to the fourth executive, including the persons holding the position of CFO or equivalent or higher in accounting or finance departments (refer diagram 1. Present Organization Company)

“Related person”, according to Section 89/1 of the Securities and Exchange Act, means a person with any of the following relationships:

- (1) a person having control over the company and in cases of a juristic person, including the directors of the said 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 said person shall be deemed as the related person for such particular transaction.

“Person with possible conflict” means the following persons:

- (1) the executive of the Company;
- (2) the major shareholder of the Company;
- (3) the person having control over the Company;
- (4) the person having relationship through blood, marriage or by lawful registration with the person in (1), (2) or (3) namely father, mother, spouse, child or other closed relative; and
- (5) any juristic person over which the person in (1), (2) or (3) has shareholding or has control or has any other significant interest whether directly or indirectly.

“Connected transaction” means a transaction between the Company or its subsidiary, and its director, executive or related person according to the law on securities and exchange;

Clause 5 Procedure and period for reporting

- 5.1 The director and executive are required to file with the Company a report on his interest or a related person's interest in relation to management of the Company or the subsidiaries by filling out the Form for Reporting of

Conflict of Interest by the Director and Executive (form attached herewith) as follows:

- (1) **First time reporting:** on which her/she is appointed as the director or executive of the Company, required to made a reporting of history and conflict of interest as attached form and submit to company secretary within 7 business day effective from appointing date, which company secretary will help facilitate the preparation of basic information.
- (2) Reporting of change in information on the conflict of interest between yearly basis, should be make the revision form of report submitting to company secretary without delay within 3 business days starting from the date of changing information.

5.2 The company secretary shall proceed as follows:

- (1) To forward a copy of the report on conflict of interest according to Section 89/14 to the Chairman of the Board of Directors and Chairman of the Audit Committee for their acknowledgement within 7 business days from the date on which the Company has received such report and reporting to the next Board's meeting.
- (2) To keep record and maintain the reports on conflicts of interest that the directors and executives have submitted to the Company, by electronic file in the share drive and assign access rights of information to relevant parties.
- (3) Prepare a summary reports of related persons who are in the scope of interests of directors and executives (updated), communicate to all relevant parties (share drive)
- (4) Every year end, Company Secretary will send such reporting to both director and executive for verify an update report, to disclose information on the conflicts of interest by the directors and executives in the Annual Report (Form 56-2) and Annual Statement/Annual Report (Form 56-1 One Report).

Clause 4 Punishment:

The provision of a law stipulates as follows:

Section 281/2 of the Securities and Exchange Act stipulates that any director or executive of the company who fails to perform his duties with responsibility, due care and loyalty in accordance with Section 89/7 which causes damage to the company or causes himself or other persons to obtain any benefit from the contravention or failure to comply with such duties shall be liable to a fine not exceeding the damages incurred or the benefit obtained but not less than five hundred thousand baht. In cases where a person who commits an offence under the first paragraph committed with dishonest intent, he/she shall be liable to imprisonment for a term not exceeding five years or a fine not exceeding two times the damages incurred or the benefit obtained but not less than one million baht, or to both.

Section 281/3 of the Securities and Exchange Act stipulates that any director or executive of the company who fails to comply with Section 89/14 shall be liable to a fine not exceeding five hundred thousand baht and a further fine not exceeding three thousand baht for every day during which the contravention continues.

Section 281/5 of the Securities and Exchange Act stipulates that any company secretary who fails to comply with the duty under Section 89/15 (1) (2) or (3) or Section 89/16 shall be liable to a fine not exceeding one hundred thousand baht.

Section 203 of the Public Limited Company Act B.E. 2535 (A.D. 1992) stipulates that any director who fails to comply with Section 88 or does comply with Section 88 but incompletely or inaccurately as to truthfulness shall be liable to a fine not exceeding twenty thousand Baht.

Clause 5 Effective Date: This regulation shall be effective starting from 24 June 2022 onwards.

If you have any questions regarding of such report, please feel free to contact Company Secretary at the Management and Organization Development Office.

By virtue of the Board's resolution

Ekachidd Chungcharoen

(Asso.Prof.Dr. Ekachidd Chungcharoen)

Chairman of the Board