

**Appendix**

**Independent Director Qualifications**

There must have been a common feature in Clause 3.2 must have specific qualification the Notification of the Capital Market Board no. 4/2009 subject thereto and to permit the offering for sales of newly issued shares (No. 2) dated 20 February, 2009 effective 1 March 2009 and the Notification no. Tor Jor.15/2011 subject application for and approval of offer for sale of newly issued shares (No. 5) dated July 25, 2011 has following details

1. Holds shares not exceeding 1% of the total shares with voting right of the company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the company, provided that the shares held by the related parties of such independent director shall be included.
2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission (SEC), provided that such prohibition shall not include the case that such independent director has ever been official or advisor of the government sector that is the major shareholder or controlling party of the company.
3. Is not the person who has relationship by means of descent or, legal registration under the status of father, mother, spouse, brothers and sisters, and children, The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the company or its subsidiary.
4. Have no or never had business relationship with the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the company in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholders, or controlling parties of any person having business relationship with the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the company unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

The business relationship mentioned under the first paragraph shall include business transaction in ordinary business manner of rent, or lease the immovable property, transaction related to assets or services, or the financial support regardless of being lent or borrowed, guaranteed, secured, by assets, debt, and any otherwise similar performance which causes liability or obligation to the applicant or counter party, have provided that such liability is equal to or exceed 3% of the net tangible assets of the applicant or equal or above 20 million baht, whichever is lower. In this regards, the calculation of such

liability shall be in accordance with the calculation method of the value of connected transaction under the Notification of Capital Market Supervisory Board governing the conditions of connected transaction mutatis mutandis. The liabilities incurred during a period of 1 year prior to the date of having business relationship with the above party shall be included on calculation of such liabilities.

5. Is not or has never been the auditor of the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of company, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the company unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than 2 million baht per year from the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status at least 2 years prior to the date of submitting the application to the SEC.
7. Is not the director who is nominated to be the representative of directors of the company, major shareholders, or any other shareholder related to the major shareholders.
8. Do not operate the same and competitive business with the business of the company, or its subsidiaries, or is not significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the company, or its subsidiaries.
9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the company.

After being appointed as the independent director in accordance with the conditions under the article (1)-(9), such independent director may be assigned by the board of directors to make decision in respect of collective decision on business operation of the company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of company.

The provision under the article (2), (4), (5) and (6) related to the consideration of qualification of independent director of the company during the period of 2 years prior to the date of submitting the application to the SEC shall be applied to the company submitting as from 1 July, 2010 onwards.



**Phol Dhanya Public Company Limited.**

Where the person appointed by the company to be the independent director is the person who has or ever had the business relationship with or ever rendered professional service with higher service fees specified under the article (4) and (6), the company/applicant shall be relaxed from such prohibition related to the conditions of having the business relationship with or ever rendered professional service with higher specified service fees if only the company has provided the opinion of the board of directors of the company showing that the board has considered the issue in accordance with the Section 89/7 and found that there is no interference in the independent opinion, and the following information shall be disclosed in the notice of shareholders meeting under the agenda considering the appointment of independent director.

- (a) The business relationship or the professional service providing which cause such person being unqualified.
- (b) Reasons and necessity to insist the appointment of such, person as the independent director
- (c) The opinion of the board of director of the company to propose such person to be the independent director.

For the benefit of the article (5) and (6), wording “partner” shall mean the person who is assigned by the auditing firm, or the professional services provider to be the signatory in the audit report of the report of rendering the professional services (as the case may be) on behalf of the firm.

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