

Translation



Guideline on Conflict of Interest



Phol Dhanya Public Company Limited
and Its Subsidiaries

Revision on 18 Jun 2024

Guideline on Conflict of Interest

Phol Dhanya PCL and subsidiaries (“the Company”) is determined to operate the business with honesty in accordance with the principles of the Code of Conduct and good governance. The Company strives to operate with reference to the Public Limited Company Act, Securities and Exchange Act, criteria and the announcement of the Securities and Exchange Commission, the Capital Market Regulatory Committee, and the Stock Exchange of Thailand. The Company regulates that the directors, executives, staff members and related parties must avoid any actions that may constitute conflicts of interest towards the Company. Decisions and operations must be executed with transparency, prudence, and care, in ways that do not encourage inappropriate decision making to prevent damage to the Company and that the Company’s maximum benefits are taken into consideration.

1. Objective

1. To create an understanding among directors, executives and staff members of the Company and subsidiaries of the guidelines on performing duties with transparency, not constituting conflicts of interest for maximum benefits of the Company and shareholders.

2. To ensure that the Company’s operations are aligned with the directions of the Office of Securities and Exchange Commission, relevant laws, and criteria.

2. Definition

Company means Phol Dhanya Public Company Limited and its subsidiaries.

Subsidiary means

1) a company or juristic person of which Phol Dhanya Plc. owns or holds, directly or indirectly, more than 50 percent of the voting shares; or

2) a company or juristic person over which Phol Dhanya Plc. has controlling power to determine monetary and operational policies in order to acquire benefits from any activities of such company or juristic person.

Audit Committee means a sub-committee of the Board of Directors of the Company which appointed consists of the independent directors, to assist the Board in conducting its verify to ensure good corporate governance, the efficiency and effectiveness of internal operation, to ensure the completeness, correctness and reliability of the Company’s financial report and to disclose the correct important information and standard internal control system, to comply the requirements of the Stock Exchange of Thailand with the law related.

Director means a director of Phol Dhanya Public Company Limited who is appointed by the shareholders to manage works in the capacity as shareholders’ representative for the utmost benefit, responsible to determine the direction goals and policies and monitoring the management to be managed according to the principles of good corporate governance.

Executive means staff at the level of Director of Department or equivalent or higher, the Chief Executive Officer as the leader of the organization in accordance with the policies set by the Board of Directors, having a scope of responsibility concerning Management in accordance with the policies, strategies and plans approved by the Board of Directors, assigning and overseeing, giving of advice, monitoring and problem solving for subordinate to ensure compliance with the objectives herein, such as Chief Executive Officer, Vice President, Managing Director's subsidiaries company and Director or equivalent position.

Staff means staff who has been accepted to work for the Company, including those who are employed for full-time work and on probation. Staff shall hold positions in the Company and receive remuneration, salary and welfare as required by the labor law and in accordance with the Company's human resource management guideline, which shall include staff of Company from Staff Level Operation to Middle Management and Manager.

Conflicts of personal and public interests mean any situation or act, in which an operator has so many personal interests that could affect his decision making, or any performance of duty under the operator's responsibility which has an impact to the public interest; for example, staff's decision making or performance of duty in his position which creates personal benefits or benefits of his friends, in the amount higher than the public benefits, regardless of whether he is aware of such act or it is done by intention or not, which might involve various behaviors or might become a normal practice without being aware that such practice is wrong, causing an unfair decision making by such staff due to the exploitation for personal benefit.

3. Form of Conflicts of Interest

Directors and staff of the Company may exploit an official capacity as a director, executive or staff of the Company for their personal benefit, which may be regarded as a conflict of personal and corporate interests. This act, which has affected the transparency of the Company's business operation, is mainly caused by:

1. Entering into any transaction related to oneself which has potential conflicts of interest;
2. Having participation in approving any matters which have potential conflicts of interest;
3. Using internal information of the Company or disclosing it to a third party;
4. Carrying on the business or becoming a partnership or shareholder of the business that is in competition or in relation to the Company's business;
5. Using position to receive gifts or other benefits for personal benefits or benefits of others;
6. Using influence or position to secure a hiring contract, employment contract or special job with the Company.

4. Director, Executive and Staff's Practices

1. Avoid making transactions related to oneself and/or related parties that may constitute conflicts of interest with the Company, and refrain from any conducts that violate the Company's interests or that involve seeking personal interests and/or that of related parties.

2. If it is necessary to carry out the connected transaction for the Company's benefit, conduct it as if it is a transaction done with a third party. However, directors and staff of the Company having an interest in a transaction must not be involved in its approval process

3. Never seek benefits for oneself and related parties by disclosing or using the internal information that has not yet been disclosed or confidential information to the outsiders or seeking personal interests and/or that of related parties.

4. Never operate the business of the same condition or ones that compete with the Company's or subsidiaries' businesses, either for one's own benefits and/or that of others, that may cause damage to the Company directly or indirectly, including entering into partnerships, shareholding relationships with a decision making authority, or being a member of the management in competing businesses, or assuming a significant shareholding proportion in competing businesses.

5. Disclosing businesses or entities operated personally or with families, relatives or those under patronage that may constitute conflicts of interest with the Company or subsidiaries. One must submit the report of interests to the Company Secretary, who will then submit it to the Chairman of the Audit Committee and the Board of Directors within 7 days after receiving the report. The Company regulates that the Company Secretary shall inspect the potential interest items at least once a year.

6. If conducts that suggest conflicts of interest with the Company are detected, they can be reported or notified via the Company's whistle blowing channels.

5. Preventing Conflicts of Interest

The Board of Directors of the Company has established the following activities to prevent any conflict of interest:

1. The Company has a clear and transparent shareholder structure. There is no cross-holding among major shareholders, thereby preventing any conflict of interest from any party. The shareholder structure of the Company and its subsidiaries is published in the Company's annual report in detail, as are each Board member's holdings of securities.

2. There is a clear separation of duties and responsibilities between the Board, executives/managements and shareholders, thereby ensuring no overlap of duty or responsibility. Any director or executive who may have a vested interest in any agenda item under consideration must not attend the meeting or must abstain from voting on such agenda item. This is to ensure that the Board and executives make decisions in a fair manner for the utmost benefit of shareholders.

3. The Company has an established policy governing the use of internal information and has incorporated it into employee regulations in writing, with clear penalties for the executives or staff in the event the internal information is disclosed to the public or used for personal benefit.

4. Determine policy and practices for conflicts of interest and related transactions to ensure suitability of the transactions that must be reviewed by Audit Committee, and supervise to make sure that the Company complies with criteria of Securities and Exchange Commission and Capital Market Advisory Board.

5. Stipulate that directors, executives, and employees who have interests in transactions of the Company or its subsidiaries be absent from the consideration or approval of the agenda of such transactions. Pricing of such transactions are determined fairly according to normal trading conditions as if they are transactions with unrelated parties.

6. Demand that related transactions be presented to Audit Committee to give opinion before proposing for approval from the BOD, consistent with the principle of good corporate governance and the rules imposed by the Securities and Exchange Commission.

7. Demand that related transactions and transactions that may lead to conflicts of interest be disclosed according to the rules of Securities and Exchange Commission and Capital Market Advisory Board in the Annual Registration Statement (Form 56-1) and annual reports or other reports depending on each case, including disclosure of inter-company transactions in noted to the financial statement under the topic “related transactions” with the maximum benefits of shareholders in mind.

8. The Company’s ethics determines additional practices to prohibit employees from using the Company’s properties or working hours to regularly search for information, make contacts, or trade securities for their own benefits or others’ benefits and not for the Company’s benefits without reasonable necessity.

9. Employees and their families must not engage in any activity that obstruct the Company’s benefit seeking by contacting relevant parties, including competitors, trading partners or customers, by using opportunities or information gained from being employees for their own benefits, by competing in the same business as the Company’s, or by using office hours to do other jobs other which have effects on the Company’s jobs.

10. Avoid or refrain from expressing opinion or making comments about the Company to external parties or press which may affects the Company’s reputation or operation without having authorities or responsibilities to do so.

6. Conflict of Interest Reporting Guide

Director

A director shall report a conflict of interest using Form 1 of the report of conflicts of interest to Audit Committee on December of each year or when taking the position or when a conflict has occurred during a year, as the case may be.

In the event that a director has committed any act that causes a conflict of interest, he shall disclose relevant factual information to Audit Committee, and shall be withdrawn from participating in such act.

Executive

An executive position shall report a conflict of interest using Form 1 of the report of conflicts of interest to Audit Committee on December of each year or when taking the position or when a conflict has occurred during a year, as the case may be.

In the event that an executive has committed any act that causes a conflict of interest, he shall disclose relevant factual information to Audit Committee, and shall be withdrawn from participating in such act.

Staff

Any staff position, who has committed any act that causes a conflict of interest shall report relevant factual information to his supervisor immediately as soon as practicable and report such conflict in Form 2 of the report of conflicts of interest.

The supervisor shall review the conflict of interest.

If a conflict of interest exists, the supervisor shall make a decision and give orders accordingly. In this case, the supervisor shall attach his decision to Form 2 of the report of conflicts of interest and submit them to Executive for acknowledgement and shall inform the decision to the staff who has a conflict of interest and demand such staff to withdraw from participating in such act.

Retention of Reports of Conflicts of Interest

1. Human Resource Department is to collect such reports of conflicts of interest of the staff from Staff Level Operation (01) to Middle Management (M1) and forward to Company Secretary, Management and Organization Development Office.
2. Company Secretary shall be summarized report and presented to the Audit Committee and the Board of Director for acknowledgement.
3. Company Secretary shall keep all relevant reports of conflicts of interest yearly basis.

Retention Duration for Reports of Conflicts of Interest

Reports of conflicts of interest shall be kept at least 5 years or until the directorship, or executive or staff position in the Company is terminated.

The Board's Meeting has been approved to review Guidelines on conflicts of interest which effective on 18 June, 2024 onwards.

Ekachidd Chungcharoen
(Assoc. Prof. Dr. Ekachidd Chungcharoen)
Chairman of the Board