

Policies, Criteria, and Methods for Nomination and Remuneration

To comply with the Corporate Governance Policy of the Stock Exchange of Thailand regarding nomination and remuneration of board of directors, sub-committees, and high-level executives to be transparent and fair to all groups of stakeholders, the Board of Directors has appointed the Nomination, Remuneration, and Corporate Governance Committee (“**NRCG Committee**”) to be responsible for formulating policies, criteria, and methods for nomination and remuneration including performing other tasks as assigned and presenting to the Board of Directors.

The policies, criteria, and methods for nomination and remuneration were latest reviewed at the Board of Directors' Meeting No. 11/2021 held on 12 November 2021.

1. Criteria for the nomination of new directors and the appointment process of directors, sub-committees, Chief Executive Officer, successor to Chief Executive Officer, and the Company's advisors

Criteria and methods for nominating directors and sub-committees

To comply with the Corporate Governance Policy of the Stock Exchange of Thailand regarding nomination and remuneration of board of directors, sub-committees, Chief Executive Officer (CEO), successor to CEO, and the Company's advisors to be transparent and fair to all groups of stakeholders, the Board of Directors has appointed the NRCG Committee to be responsible for formulating policies, criteria, and methods for nomination and remuneration including performing other tasks as assigned and presenting to the Board of Directors. The Board of Directors has established the criteria and methods for the nomination of directors, sub-committees, CEO, successor to CEO, and the Company's advisors.

1.1 Nomination and Appointment of Directors and the Company's Advisors

The NRCG Committee should ensure that the nomination and appointment of directors have a transparent and clear process in order to obtain the directors who have qualifications in accordance with the specified elements as follows:

1. Provide opportunities for minority shareholders to nominate qualified persons to be considered for the election of directors and to be approved by the shareholders' meeting
2. Qualifications under the laws and related requirements namely the Public Company Limited Act. (and amendments), Securities and Exchange Act B.E. 2535 (and amendments), Articles of Association, and the Corporate Governance Policy regarding the nomination and appointment of directors of the Stock Exchange of Thailand
3. Put emphasis on those who have skills, experience, professions, and qualifications in various fields that are essential to the business of the Company in order to ensure that the board composition is complete and useful
4. Ensure that knowledge, abilities, and experiences related to business are in accordance with the Company's business strategy, and use the Director Pool of Thai Institute of Directors Association (IOD) as a component in the nomination of new directors

5. Ensure that qualifications of the directors are in accordance with the Company's business strategy by establishing Board Skill Matrix specifying the qualifications of the directors to be nominated which must be as required by laws. The knowledge, abilities, and experiences can be divided into 3 parts as follows:

- (1) Knowledge, expertise, or experience in macro management
- (2) Knowledge, expertise, or experience in specific fields such as law, accounting, finance, economics, information technology, etc.
- (3) Knowledge, expertise, or experience in other areas such as risk management, corporate governance, social responsibility and sustainability (ESG), etc.

In addition, when considering the nomination of any person as a director, the NRCG Committee must consider the ability of such person to help the Board of Directors perform their duties more carefully, the ability to make rational business decisions, the ability to think strategically which demonstrates experience in leadership, high level of professional expertise, integrity, and other suitable personal qualities.

6. Consider directors' dedication of time. In case of the same director who will be re-elected for another term, the Committee may consider his/her performance during the term of office. The type and number of listed companies in which the director holds a position as a director should be appropriate and should not exceed 5 listed companies in order to ensure the performance will not be reduced.

7. When appointing independent directors, the independence of the person nominated as an independent director will be considered in accordance with the rules prescribed by the Office of the Securities and Exchange Commission (SEC), with qualifications for independence as specified in the Corporate Governance Code.

8. Performance in the past year (if any)

9. Provide helpful recommendations or comments

Director Orientation

Newly appointed directors will receive an orientation prior to taking office. The persons assigned by the Board of Directors will participate in providing information about the Company's vision, strategy, business goals, important actions, as well as guidelines for being a director of a listed company.

Director Development Plan

The Company encourages all directors to attend training courses according to the recommendation of the Office of the Securities and Exchange Commission, organized by the Thai Institute of Directors Association (IOD), such as Directors Accreditation Program (DAP), Directors Certification Program (DCP), Advanced Audit Committee Program (AACP), etc. Most of the Company's directors have passed the training courses as mentioned above. The Company also encourages participation in training courses to educate directors, Audit Committee, executives, Company Secretary, and other related persons. The NRCG Committee is responsible for selecting training courses that are interesting for all directors.

In addition, the Company also encourages Company Secretary and Secretary to the Audit Committee to participate in training courses, listen/discuss on matters related to/in accordance with the situation and beneficial to the operation, which are organized by the Office of the SEC, the Stock Exchange of Thailand, Thai Listed Companies Association, and other relevant agencies on a regular basis.

Process and criteria for evaluating the Board of Directors' performance

The Board of Directors has assigned the NRCG Committee to determine the criteria and assess the performance of all committees each year and assigned Company Secretary to submit the assessment form to all committees every year-end at least once a year and collect and report the results of the assessment summary. All scores are taken to calculate weighted average and the results will be reported to the Board of Directors' meeting to acknowledge annually and also in One Report. The goal of evaluating the Board of Directors' performance each year is to improve the efficiency of the Board of Directors and sub-committees.

Retirement of Director

- (1) At every annual general meeting of shareholders, one-third of the number of directors at that time shall retire from office. If the number of directors cannot be divided by 3, the number closest to one-third of the number shall be chosen.
- (2) Retiring directors can be re-elected.
- (3) Any director who wishes to resign from the position shall submit a resignation letter to the Company. The resignation will be effective from the date the Company receives the resignation letter.
- (4) Directors who must retire from office in the first and second year after the registration of the Company shall be drawn by lot. In subsequent years, the director who has been in office for the longest time shall retire.
- (5) In addition to the retirement by rotation, directors will vacate their office upon:
 - (a) death;
 - (b) resignation;
 - (c) lacking qualifications or having prohibited characteristics under the Public Limited Company Act and the Securities and Exchange Act;
 - (d) The shareholders' meeting passed a resolution to remove any director from office prior to the expiration of his/her term by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote, and holding shares in total of not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.
- (6) In the event that a director's position becomes vacant for reasons other than the expiration of the term, the Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics according to relevant laws and announcements to replace the director in the next Board of Directors' meeting. Unless the remaining term of that director is less than 2 months, the person who replaces him/her can hold the position of the director for the remaining term of the director he/she replaces. In this regard, not less than three-fourths of the remaining directors' votes are required to pass a resolution.

1.2 Nomination and Development of the CEO and Senior Executives

As the Board of Directors has assigned the NRCG Committee to consider the criteria and procedures for recruiting qualified persons to serve as the CEO and senior executives, the NRCG committee should ensure that the CEO and senior executives have knowledge, skills, experience, and qualifications necessary to drive the organization towards its goals.

- (1) The NRCG Committee should consider the criteria and procedures for recruiting qualified persons to serve as Chief Executive Officer and senior executives.
- (2) The NRCG Committee should monitor the CEO, ensuring that there are appropriate senior executives. On a minimum basis, the NRCG Committee should, together with the CEO, consider the criteria and procedures for recruiting and appointing persons, as well as approve the person proposed by the CEO to be appointed a senior executive.
- (3) The NRCG Committee should ensure that there is a succession plan for the succession of the CEO and senior executives. The CEO shall report the results of the succession plan to the NRCG Committee at least once a year for acknowledgment in order for business continuity.
- (4) The NRCG Committee should encourage the CEO and senior executives to participate in training courses in order to gain knowledge and experience beneficial to their operations.
- (5) The NRCG Committee should clearly define the policies and procedures for holding directorships in other companies of the CEO and senior executives, both the type of directorship position and the number of companies that can be held.

Succession Plan for the CEO

1. The NRCG Committee should set a clear timeline for business succession in order to develop a business succession plan that is appropriate and timely. For example, if planning a business succession within 2 years, milestones should be established throughout the period. In addition, the succession plan should include future business plans for future generations to study and understand the policies and procedures that define the roles, duties, and responsibilities of those involved in business succession as an indicator that the successor is ready to take the position.
2. The NRCG Committee should communicate the business succession plan to those involved, including employees, business partners, and customers to understand the change in organizational leadership.
3. The NRCG Committee should determine the methods for the transfer of the CEO's position as follows:
 - 3.1 The NRCG Committee should clearly specify the date for the transfer of the position.
 - 3.2 The NRCG Committee should encourage the current CEO to realize that transfer of business to the successor is for the future of the Company, as well as ensuring employees' understanding that the Company will be more successful with the ability of the successor, and inform the successor about the Company's long-term goals.
 - 3.3 The NRCG committee should hold successor responsible for important projects in order to learn from real practice and to explore the readiness of succession. Alternatively, Job shadowing could be used to allow successors to follow and learn from the current CEO every step of the way.
 - 3.4 The NRCG committee should set milestones to determine succession readiness and to signal people in the organization to recognize the progress in the work of the successor.

Succession Plan for Senior Executives

Persons that are designated as senior executives are Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, including other Chief positions that may be appointed in the future, Assistant President - Brokerage Business, Assistant President - Investment Banking Division, Executive Director - Brokerage Business, Head of Internal Audit

Department, Head of Compliance Department. The NRCG Committee determines transfer the positions of senior executives as follows:

1. The NRCG Committee should push forward and approve the succession plan for executives, identifying and reviewing the list of successors of all senior executives, by considering the Company's long-term goals and/or changes in the organizational structure.
2. The NRCG Committee shall consider and approve a development plan for the successors of senior executives.
3. The NRCG Committee shall monitors the performance according to the development plan and review the development progress of the successors.

2. Criteria and Methods for Determining Remuneration of Directors, Sub-committees, the Company's Advisors, the CEO, Senior Executives, and Other Employees

The Company has established policies, criteria, and methods for nomination and remuneration of both non-executive and executive directors clearly and transparently and within the appropriate criteria comparable to the industry. The NRCG Committee will determine the initial remuneration present to the Board of Directors' meeting for consideration before proposing the annual general meeting of shareholders (on a case-by-case basis) for further approval. The criteria and methods for determining remuneration are as follows:

Criteria and Methods for Determining the Remuneration of Directors and Sub-committees

1. Remuneration for directors and sub-committees

- 1.1 The Company has set a clear and transparent remuneration policy where the remuneration is appropriate to the duties and responsibilities assigned by each director, as well as at a level sufficient to motivate and retain qualified directors.
- 1.2 The NRCG Committee will consider the type of compensation, payment method, and the amount of directors' remuneration, propose the Board of Directors for approval, and propose to the shareholders' meeting for further approval.
- 1.3 Compensation consists of 2 types:
 - Meeting allowance
 - Directors' bonus

2. Other compensation - None -

Criteria and Methods for Determining the Remuneration of the Company's Advisors, CEO, Senior Executives, and Other Employees

The NRCG Committee should establish a compensation structure that encourages the Company's advisors, CEO, senior executives, and other employees at all levels to perform their duties in accordance with the objectives and main goals of the Company and in line with the Company's long-term interests.

1. Remuneration structure for the Company's advisors, CEO, and senior executives

- 1.1 The NRCG Committee should consider the appropriateness of salary, short-term performance such as bonus, and long-term performance such as Employee Stock Ownership Plan.
- 1.2 The NRCG committee should establish a compensation policy that takes into account such factors as whether the level of compensation is equal to or greater than that of the same industry, performance of the Company, etc.
- 1.3 The NRCG Committee has established a policy regarding the evaluation of the CEO and shall communicate for wide acknowledgment at least in the following matters:
 - 1.3.1 Approve the criteria for the evaluation of the CEO, which should motivate the CEO to manage the business in accordance with the objectives, main goals, strategies, and in line with the Company's long-term interests by communicating to the CEO of the evaluation criteria in advance.
 - 1.3.2 The Board of Directors, excluding executive directors, has a duty to assess the performance of the CEO annually or the Board of Directors may assign the NRCG Committee to assess the performance of the CEO. Then, the Chairman of the Board or the Chairman of the NRCG will communicate the results of the evaluation, including issues for development to the CEO for acknowledgment.
 - 1.3.3 Approve annual remuneration of the CEO by considering the evaluation results of the CEO and other factors
- 1.4 The NRCG Committee should approve the criteria and factors for assessing the performance, as well as approve the remuneration structure of senior executives, and ensure that the CEO assesses senior executives in accordance with the aforementioned evaluation principles.

2. Employee Compensation

The NRCG Committee has established the Company's remuneration policy which applies to all employees in order to ensure that the Company will be able to attract, develop potential, and retain employees in a highly competitive market. Employees are compensated at an appropriate rate and in accordance with market guidelines, which are the main components of compensation. As a result, employees feel motivated to work towards sustainable results for the Company.

The employee compensation structure is salary, annual bonus based on performance, various benefits, and compensation in case of termination of employment (According to the Labor Protection Act). The types of compensation as follows:

- Salary is determined based on the role and position of each employee. This includes professional experience, responsibility, job complexity, and domestic market conditions.
- Annual bonus is determined based on performance, both financial and non-financial factors are also used to determine the individual's annual bonus, i.e., performance in accordance with the Company's guidelines and procedures, potentials, contributions, dedication to work, etc.
- Benefits are provided based on each employee's employment contract, practice in the industry, and/or employee roles and positions. The NRCG Committee should also ensure that a provident fund or other mechanism is established to ensure that employees have adequate savings for retirement, as well as encouraging employees to have knowledge and understanding of money management, choosing an investment policy that corresponds to the age range and risk level, or ensure that there is a life path investment policy.
- Compensation in case of termination of employment will be paid according to the Labor Protection Act

The supervisor will assess the performance of all employees for the past year and set new goals. Employee salary adjustment decisions are based on the results of this assessment.

Human Resources Management and Development Policy

The Company realizes the importance of employees, which are important resources of the Company and are the main factor that leads the Company to success. The Company, therefore, has established a strategy and various human resource policies that focus on improving management efficiency and human resource development in accordance with the Company's direction and strategy taking into account the main factors such as analyzing the demand for manpower to support business expansion, competition and various changes in accordance with the mission, policies, and culture of the Company, develop employees at all levels to have appropriate knowledge, competence, and motivation and are treated fairly in order to retain competent employees. Therefore, the Company has established a work plan and implemented the development of employees and various policies related to personnel by focusing on the following areas:

1. Performance improvement

The Company provides personnel development in both main business and support functions, especially the main business by organizing training courses on a regular basis for skills in performing duties and for skill review.

2. Employee Potential Development

The Company believes that all employees have potential in themselves that can be utilized without limitation when given the support and opportunity. Therefore, the Company has given employees the opportunity to participate in training courses with outside organizations on interested topics without counting as a leave day.

3. Retaining Potential Personnel

The Company takes care of employees who are capable and have high potential in their work by providing opportunities for career advancement, set clear rules and schedule to be carried out on an annual basis. This is a tool to maintain competent personnel and to develop the capabilities of employees as well. The core competencies that the Company desires are as follows:

- Customer service: to provide good quality service and create satisfaction for customers
- Learning and self-improvement: for continuous development as a learning organization
- Ethical focus: to promote performance according to the principles of good corporate governance
- Result-oriented: to set goals and plans to achieve goals

Policies, Criteria, and Methods for Nomination and Remuneration was approved at the Board of Directors' Meeting No. 11/2021, effective from 12 November 2021 onwards.