

*Translation*

**Thonburi Healthcare Group PCL.**

**Charter of the Board of Directors**

**1. Objective**

The Board of Directors, as a representative of shareholders, have crucial role in determining business direction, oversee the management to be in compliance with the applicable law, objectives, regulations, and to create value to the Company, as well as to generate highest benefit and shareholders in the long term.

Realizing the importance of corporate governance which is a part of building trust among shareholders and all stakeholders, each director shall perform their duties with responsibility, integrity and carefully project corporation interest, while complying to the applicable law, objectives, regulations and resolutions of the Board of Directors, as well as resolutions of the shareholders' meeting.

This Charter of the Board of Directors of Thonburi Healthcare Group Public Company Limited ("Company") is to set forth the basic roles, duties and responsibilities of directors on shareholders and to support the Board for their efficient, effective and transparent operation.

**2. Duties and Responsibilities**

2.1. The Board of Directors have its duties and responsibilities in management and operation of the business to be the highest benefit of the shareholders (Fiduciary Duty) by adhering to four important guidelines:

2.1.1. Perform duties with responsibility, carefulness and prudence (Duty of Care);

2.1.2. Perform duties with loyalty (Duty of Loyalty);

2.1.3. Comply with laws, objectives, regulations and resolutions of the meeting of shareholders; propose in the meeting of shareholders for consideration and approval for the agenda that requires prior approval to protect interest of the Company and shareholders. The Board shall oversee the compliance to applicable law relevant to business of the Company including laws concerning bribery and anti-corruption support scheme (Duty of Obedience);

2.1.4. Disclose information to shareholders in an accurate, complete, transparent, verifiable and timely manner (Duty of Disclosure).

2.2. Apply adequate and effective accounting system, financial report and auditing; provide internal control system, internal audit and document filing system to ensure the accountability and adequacy of the system subsequently.

2.3. Supervise the preparation of financial statement of the Company as of the ending date of the accounting year to show the actual, completed and correct financial status and operation result of the previous accounting year. The accounting system must meet the generally accepted accounting standard and be audited by the certified public auditor prior to being submitted to the meeting of shareholders for consideration and approval.

2.4. Approve vision, mission, strategy, long-term target, direction and policies, [annual](#) business plan, medium-term business plan, budget and monitoring and supervising the management to assure the compliance with policies, plan, strategy and the budget assigned for the highest benefit of the Company and shareholders.

2.5. Formulate risk management policy to cover the entire organization, and to oversee the system or procedures of risk management by having supporting measures and controlling system to minimize the impact on business of the Company adequately.

2.6. Supervise ethical manner in business, for example, to provide good corporate governance in written form; to comply and adapt such policy effectively; to announce the implementation of the good corporate governance; to monitor the compliance among all personnel to assure the Company's best fair treatment to all stakeholders.

2.7. Set organization structure, structure of the board of directors regarding the number of directors, proportion of independent directors including various qualifications and management structure. The Board of Directors has the power to appoint sub-committee, management committee, senior management as defined by the Securities and Exchange Commission and compliance unit as deemed appropriated.

2.8. Appoint the Corporate Secretary, as well as to determine scope of duties and responsibilities.

2.9. Select and approve list of certified public auditors and to determine the adequate remuneration as proposed by the Audit Committee prior to propose to the meeting of shareholders in the Annual General Meeting of Shareholders for approval.

2.10. Consider and approve the acquisition or disposal of assets, investment in new business and operations of the Company as necessary under the law, regulations and relevant rules unless such transaction is approved by the meeting of shareholders. However, the approval of the Board must be consistent to the notification of the Market Advisory Board and/or notification, regulations and/or relevant rules of the Stock Exchange of Thailand.

2.11. Consider and/or give opinions on related transactions and/or to proceed [significant](#) transactions of the Company, to confirm and in compliance with the law, notifications, rules and relevant regulations. To oversee, control and prevent the conflict of interest among stakeholders of the Company.

2.12. Approve the interim dividend payment to shareholders once it is considered that the Company's profit is in adequate level. The report of dividend payment shall be presented to the meeting of shareholders in the next meeting of shareholders.

2.13. Supervise the annual report of the Board and to prepare and disclose the financial statement of the Company in order to view the financial status and operation result of the previous year and to present the said reports to the meeting of shareholders for consideration and approval.

2.14. Be liable for the person acquiring-disposing assets of the Company against any damages occurred as a result of the information being disclosed to shareholders or the public, showing false information in material content or conceal the fact which should be disclose in material facts as specified in the securities and Stock Exchange law, unless the director and management will proof that such information is beyond their scope of duties or they lack of such information.

2.15. Keep developing knowledge and ability in operations, attend training or participate in courses related to the duties of directors or seminar activities that enhance knowledge in the work continuously.

### 3. Roles and Responsibilities of the Chairman

This is in accordance with the Corporate Governance and Ethics Handbook, Chapter 5 : Responsibilities of the Board of Directors regarding the roles and responsibilities of the Chairman

### 4. Composition

4.1. The Board of Directors shall consist of at least 5 members.

4.2. The Board of Directors shall consist members of 3 Independent Directors which account at least one third of total members. The Independent Directors must be independent from the control of major shareholders and has no involvement or interest in the finance and management, and shall satisfy the qualifications of the Independent Directors as determined by the Board of Director which is no less than described in the notification of the Capital Market Advisory Board No. Thor Jor. 28/2551 Subject: Application and Permission for the IPO ("**Notification Thor Jor. 28/2551**").

4.3. The Board of Directors shall consist of at least 3 Audit Committee, of whom satisfy the qualifications as described in Notification Thor Jor. 28/2551 The duties and responsibilities of the Board are as set forth by the Stock Exchange of Thailand ("**SET**").

4.4. The Board of Directors may appoint one of the members as a chairman. In case where it is considered appropriated by the Board, one or more director(s) may be appointed as a vice-chairman of the Board.

### 5. Qualification

5.1. A director must be a person with knowledge and experience which will benefit the business, having honesty, integrity and ethical business practice, devoting adequate time to apply his/her best knowledge and ability to perform duties for the Company.

5.2. A director must satisfy all qualifications required, having no prohibited characters as set forth in the Public Company Limited Act B.E. 2535 (including the amendment) ("**Public Limited Company Act**") the Securities and Exchange Act B.E. 2535 (including the amendment) ("**Securities Act**") and notifications,

regulations and/or relevant rules. He/she must not possess the character which shows the lack of qualifications to be trusted by the Company in management of the entity where shareholders are the public as described by the Securities and Exchange Commission and the Stock Exchange of Thailand and/or the Capital Market Advisory Board. He/she must be a person being listed in the database of directors and management board of the listed company as state in the Capital Market Advisory Board's notification, regarding the criteria of displaying list of directors and management board of the listed companies.

5.3. A director cannot engage in a business of same nature and is in competition with the Company; or become a partner or a director in other juristic person having the same business and is in competition with the Company whether for his/her own benefit or the others unless such engagement is noticed in the meeting of shareholders prior to the appointment. A director may hold a director ship in another company, under the condition that such position will not impede his/her performance in the Company, and it is in line with the guideline specified by the Company, the Securities and Exchange Commission and the Stock Exchange of Thailand.

5.4. Director is able to hold a position of director in not more than 5 other companies listed on the Stock Exchange of Thailand in order that the director is able to devote his/her time to perform duties efficiently.

5.5. Independent directors shall not be executives, shall be independent from management and controlling shareholders, have no business relationship with the company in such a way as to cause limitations in the expression of independent opinions and shall have qualifications as specified by the Capital Market Supervisory Board.

However, independent directors may be assigned by the Board of Directors to decide on the business operations of the company, subsidiaries, associated companies, same-level subsidiaries, other juristic persons that may have conflicts, major shareholders or controlling persons of the company which can be decided in the form of a collective decision

## **6. Tenure and election of directors**

6.1. The election of the Board shall be in accordance with relevant regulations and law. The nomination procedures must be transparent and precise, based on education background and experience, qualifications. Supplementary information and document should be provided for the best consideration of the Board and shareholders.

6.2. One-third of the directors of the Board will be retired at every annual general meeting of the shareholders. If the number of directors to be retired as such is not a multiple of three, the closest number to one-third will be applied. The directors who will be retired in the first and second year after the Company is listed in the Stock Exchange of Thailand is selected by raffles. In the following years, the directors who have been in office for the longest period will be retired.

6.3. The retired directors by rotation may be re-elected as a director.

6.4. In addition to retirement by rotation, a director is retired due to:

- 1) Death
- 2) Resignation
- 3) Disqualified or possess the prohibited character as stipulated by the public limited company law and/or securities and stock exchange law.
- 4) At least three third of the votes of the shareholders attending and having right to vote, whereby the total shares is not less than half of the shares hold by the shareholders attending and casting their vote.
- 5) The court issues an order for resignation

6.5. A director who wish to resign shall submit a resignation letter to the Company. The resignation will be effective from the date when the letter arrives the Company. The resigning director may give notice of his/her resignation to the Registrar of the Public Company as well.

6.6. In case where the director position become vacant due to the reason other than the rotation, the Board may elect a qualified person as stipulated by the law of public limited company and securities and stock exchange, to be a director in the next meeting of the Board. If the term of the resigning director is less than 2 months, the replacing director shall hold the directorship only for remaining period of the resigning director.

## 7. Meeting

7.1. The meeting of the Board shall be as stipulated by applicable law and regulations, whereby at least half of the members of the Board attending constitute a quorum. In case chairman of the Board cannot present in the meeting or is unable to perform his duty, the vice-chairman shall chair the meeting, or if the vice-chairman is unavailable, the Board shall elect one of the members as a chairperson of the meeting.

7.2. Decisions of the meeting shall be made by a majority of votes, whereby, one director has one vote. A director cannot vote in the agenda is he/she has interest in the said agenda. In the case of an equality of votes, the Chairman of the meeting shall have an additional casting vote.

7.3. The meeting of the Board shall be hosted on regular basis, at least every 3 months, or as considered necessary. Two directors may request to the chairman for hosting the meeting, where, on such circumstance, the chairman may set the meeting date within 14 days from the date of receiving request.

7.4. A chairman or a director being assigned by the chairman to set the date, time and place of the meeting of the Board where the location may be other place other than the head office of the Company or in the adjacent province. In case the place of meeting is not set by the chairman or director being assigned by the chairman, the meeting shall be hold at the head office of the Company.

7.5. The Board shall appoint an independent director to determine the agenda of meeting with the Chairman

7.6. To call for a meeting, the chairman of the Board or the person being assigned shall send an invitation letter through registered mail or deliver in person to the directors, at least 5 working days prior to the meeting date. In case it is urgent matter, the invitation of meeting may be proceeded in alternative approach or the date of meeting may be set earlier in order to maintain right and benefit of the Company.

7.7. In the meeting, the chairman of the Board will give the opportunity to director to freely express his or her opinion and allocate the meeting time appropriately and effectively.

7.8. In case of a vacancy of the position of the director until the number is less than the quorum, the remaining directors shall act on behalf of the Board of Directors only for the arrangement of shareholders' meeting to elect directors to replace all vacant positions. The such meeting must be held within 1 month from the day that the number of the Company's directors becomes less than the quorum.

**8. Remuneration**

Comply with the regulations of the company

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