



## Corporate Governance Policy

Nirvana Development Public Company Limited

Revised Version of the Year 2023

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The approval of the Board of Directors' Meeting No.5/2023 held on December 15, 2023

## Corporate Governance Policy

The Board of Directors of Nirvana Development Public Company Limited is committed to promoting the Company and its companies in the group to be efficient organizations in terms of business operations, good corporate governance, excellent management, and operating business with responsibilities, ethics, fairness, transparency, and accountable manner. Further, this is also in order to create maximum benefits for shareholders and taking all groups of stakeholders into consideration to build confidence and sustainable growth together.

The Board of Directors has established a corporate governance policy to comply with as the best practices of directors, management, and employees in executing their responsibilities, covering various practice guidelines, as well as consistent with expectations of shareholders, investors, and stakeholders towards the Company.

The Board of Directors of Nirvana Development Public Company Limited shall encourage to implement the policy and practice guidelines, and strive to improve and develop the corporate governance of the Company continuously in order to achieve goals in creating stability, sustainable growth, and sustainability to the organizations and shareholders.



(MR. Vichien Jearkijrm)

Chairman

Nirvana Development Public Company Limited

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## Section 1 Rights of Shareholders

The Board of Directors has the policy for shareholders to collaborate with the Company's operations by providing the rights for shareholders such as the right to obtain sufficient information, be in time with appropriate to make decision, to attend and vote in the shareholders' meetings in order to decide the Company's major issues, for examples, to elect members of the Board of Directors, to approve the appointment of external auditors, and to receive profits sharing, to amend the Company's articles of association, capital increases or decreases, etc. in which the shareholders have the rights of ownership of the Company by controlling the Company through the appointment of the Board of Directors to act on their behalf.

The Board of Directors has established practice guidelines to encourage shareholders to participate in attending the shareholders' meeting. Details are as follows;

1. The Company shall provide the information on the date, time, venue, and meeting agenda with complete support data related to the issues for decision to all shareholders in advance. The information also shall be posted in the Company's website both in Thai and English.
2. The Company has established practice guidelines for procedures of the annual general meeting of shareholders in compliance with the principles of good corporate governance as follows;
  - 2.1 To consider the report of the Board of Director proposed to the meeting of shareholders representing the Company's performance for the past year.
  - 2.2 To approve balance sheet and profit and loss statement for the accounting period of the past year.
  - 2.3 To consider the allocation of profits and allocation of reserves.
  - 2.4 To consider the appointment of directors in place of retiring directors.
  - 2.5 To consider remuneration of directors.
  - 2.6 To consider the appointment of the Company's external auditors and determine remuneration.
  - 2.7 To consider other matters.
3. The Company shall provide the shareholders an opportunity to send their questions in advance prior to the meeting date via its website, or facsimile, or email of the Secretary of the Company. In addition, the Company also disseminates the criteria for submission of questions in advance on the news system of the Stock Exchange of Thailand, along with the invitation letter of the annual general meeting of shareholders.
4. The Company shall fully facilitate the participation of shareholders in the meeting. The meeting shall be held on a working day and the meeting venue shall be conveniently accessible by the shareholders. In addition, the Company also provides adequate staff and technology for verifying the registration documents and the duty stamps for proxy shareholders.

5. The Company shall allocate sufficient time and encourage shareholders to express their opinions and ask questions related to the Company's operations.
6. Directors and executives of the Company shall attend the shareholders' meetings and jointly respond questions in the meeting.

## Section 2 Equitable Treatment of Shareholders

The Board of Directors has the policy to allow shareholders to participate in corporate governance and give opportunities to the shareholders to have equally fundamental rights. Details are as follows;

1. Shareholders shall have the right to propose issues to include in the agenda of shareholders' meeting in accordance with the rules determined by the Company in which the Company has disseminated information on its website at <https://www.nirvanadevelopment.co.th/> The issues shall be proposed to the Company within the period determined by the Company.
2. Shareholders shall have the right to nominate persons to be elected as directors in accordance with the rules determined by the Company in which the Company has disseminated information on its website at <https://www.nirvanadevelopment.co.th/> The nominations shall be proposed to the Company within the period determined by the Company.
3. No additional meeting agenda or substantial changes in information shall be made without prior notice to the shareholders.
4. Shareholders who cannot attend the meeting may use a proxy to determine the direction of voting. The Company shall propose at least one independent director as an alternative as a proxy of the shareholders.
5. The Board of Directors shall allow the shareholders to exercise their right in electing an individual director. The voting shall be done with ballots in order to be transparent and verifiable.
6. The Company has a policy on the application of internal information to prevent the directors, executives and employees from using the internal information for exploiting their own or other persons' interests in any inappropriate manner or unlawful means. The approach and policy shall be noticed to all employees for implementation, with the regular follow-up.
7. The directors and executives shall disclose their interests and related persons' interests to the Board of Directors so that the Board of Directors can consider the transactions probably having conflicts of interests and decide for the Company's interest in overall. The directors and executives who have any interests on the transactions with the Company, must not participate in the decision making on such transactions according to the procedures or regulations on transactions related to the Company.
8. The Board of Directors has established the policy regarding securities trading of the Company and reporting method for the directors, executives, and employees who can access to internal information to comply with as practice guidelines. The directors and executives must prepare and submit the report of securities holding of the Company in accordance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand to the Board of Directors on a regular basis.

9. The Board of Directors shall complete the minutes of meeting and inform to the shareholders via the Company's website within 14 days since the date of shareholders' meeting.



### Section 3 Roles of Stakeholders

The Board of Directors recognizes the importance of rights of all groups of stakeholders both internal groups such as employees and management of the Company, and external groups such as shareholders, customers, business partners, creditors, competitors, government officers, other associated agencies, as well as community, environment, and society. The Company understands the driven forces from the stakeholders, which will create the ability to compete and generate profits to the Company, contributed to the long-term success of the Company.

The Company realizes the importance of rights of stakeholders, details are as follows;

1. *Shareholders*: The Company treats shareholders fairly and equally with the basic rights and adheres to the practices according to the good corporate governance. In addition, the Company is determined to be a representative of shareholders in operating a transparent business with reliable accounting and financial systems. In ensuring every shareholder being treated equally in various issues related to the Company, for example, the right in attending the meeting and casting a vote in the meeting of shareholders, giving a proxy, providing information in advance on a timely manner in order for shareholders to use in decision making, the proper meeting venue and time allocation, disclosure of information on the interests and rights to share opinions freely in the meeting, etc.
2. *Employees*: The Company has given importance to every employee who is regarded as a part of the Company. Therefore, it has determined a policy regarding welfares of employees. In addition, the Company provides development for every level of employees in order to increase their potentials essential for the future business growth. In this regard, the Company organizes training courses to enhance knowledge and capability appropriate to the performance of each employee.
3. *Customers*: The Company is determined to provide goods and services that are of good quality and standards. The inspection of goods quality is ensured, the delivery of goods is accurate and in-time. Contracts, agreements and conditions made with customers must be fulfilled in a transparent and fair manner. The various forms of customer demand in each industry will be attended by having an agency to contact customers as well as giving recommendations and listening to suggestions or opinions from customers and the confidentiality issue shall be maintained.
4. *Business Partners*: The Company takes into account the importance of its business partners. The Company purchases goods and services from business partners according to the trading conditions, as well as certifies its implementation following the laws, rules and contracts made with the business partners in a fair and transparent manner. In addition, the Company gives importance to the on time payment for goods. Nonetheless, the Company has a system of picking business partners that are reliable, responsible to the society and environment.



5. *Creditors*: The Company has determined the conditions and practices with creditors, including financial institutions that provide financial support to the Company. The Company has taken care of the financial positions of the Company to ensure that the Company can control the financial risks involved and comply with the loan conditions according to the agreements.
6. *Competitors*: The Company behaves in accordance with the rules of fair competition and avoids using unfair methods to destroy its business competitors and does not seek for its business competitors' confidential information with dishonest or inappropriate ways, as well as does not destroy its business competitors' reputation by accusing without the actual facts.
7. *Communities, society, and environment*: The Company recognizes the creation of understanding and trusts from communities surrounding the locations of the Company. The Company has set up a community relation on the environment and society department to be responsible for various issues related to protection and solving of the environmental problems that may arise to the neighboring communities and nearby areas of the Company, and taking care of complaints from members of the communities.

#### Section 4 Disclosure and Transparency

The Board of Directors gives importance to the disclosure of major information of the Company including financial reports, non-financial information, and other information in accordance with the criteria set by the Stock Exchange of Thailand and the Securities and Exchange Commission in an accurate, clear, complete, transparent, rapid, and equal manner.

The Board of Directors is committed to take care and control the strict compliance with the laws, rules and regulations on information disclosure and transparency. Therefore, the Company provides the communications of information of the Company in terms of business operations and financial positions so that the stakeholders of the Company can understand the Company correctly. The Company has appointed Investor Relations Unit to coordinate with outside parties or all groups of stakeholders, such as shareholders, institutional investors, general investors, securities analysts, etc. by holding regular meetings in order to inform the Company's information and exchange opinions with each other. In addition, the Company also provides a communication channel for all groups of stakeholders by contacting Investor Relation Unit at Tel. +662-105-6789 and Email: [IR@nirvanadevelopment.co.th](mailto:IR@nirvanadevelopment.co.th) so that the shareholders and stakeholders can receive information equally.

## Section 5 Responsibilities of the Board of Directors

The Board of Directors consists of qualified persons with knowledge, capability and experiences from diversified professions that are beneficial to the operations of the Company and have independence in making decision for the maximum benefit of the Company and shareholders. The Board of Directors participates in determining the vision, missions, goals, policies, business plans, business strategies, and annual budget of the Company, by assigning the management to present, and the Board of Directors shares opinions and discusses with the management to create mutual agreement, as well as to supervise the management to carry out the business according to the business plan and agreed budget in an efficient manner. Moreover, the Board of Directors also supervises the procedures for assessing sufficiency of the internal control system, financial reporting, and performance monitoring on a regular basis.

### 1. Structure of the Board of Directors

#### 1.1 Independence and Neutrality of Directors

The Board of Directors shall perform duties and use independent discretion in deciding any issues, both from the management and major shareholders. Each director has duties and independence to ask questions, provide opinions, or object in case where there are conflicting views on matters affecting the interests of shareholders or stakeholders.

#### 1.2 Diversity of the Board of Directors

The Board of Directors recognizes the importance and benefits of diversity in the structure of the Board of Directors (Board Diversity) in terms of professional skills, specialization, age, and gender which enhances the performance and decisions of the Board of Directors. Therefore, the Board of Directors has assigned the Nomination and Remuneration Committee to be responsible for determining criteria and procedures in nominating directors so that the Board of Directors shall have composition and structure appropriate to the business operations of the Company and members of the Board of Directors shall have suitable qualifications in accordance with the principles of good corporate governance.

The Nomination and Remuneration Committee shall consider a variety of directors for the nomination of persons serving as directors by taking into account the necessary skills that are lacking in the Board of Directors (Board Skills Matrix), as well as specialization, without limitation on gender, age, nationality, to perform duties as directors in anyway. For the nomination of new directors, director pool or professional search firm may be applied in this case in order for better strength of the Board of Directors.

#### 1.3 Qualifications of Directors

Persons who hold director positions of the Company must be persons having knowledge, capability, and readiness to perform duties which shall include at least the following qualifications;



- A) Having of the qualifications of a company director and possesses no prohibited characteristics under Public Limited Companies Act, the Securities and Exchange Act, and relevant laws.
- B) Having knowledge, capabilities, expertise, various skills, and working experiences beneficial to the Company, as well as sufficient time dedicated to the Company.
- C) Having a capacity of leadership and be able to supervise the administration of the Management efficiently and effectively.
- D) Every director must not hold directorship of more than 5 listed companies. In addition, directors who are executives shall not hold directorship of other listed companies apart from the group company more than 3 listed companies. In case a member of Board of Directors holding the office of a directors more than 5 listed companies at the given time, Board of Directors shall evaluate the efficiency of his function as such director.

#### 1.4 Qualifications of Independent Directors

In addition to qualifications according to 1.3, independent directors must have the qualifications required by the Capital Market Supervisory Board as follows;

- A) Holding not more than 1 percent of the total voting shares of the Company, its holding companies, subsidiaries, associate companies, major shareholders or entities with controlling authority. Shareholding of that independent director's relevant persons shall be included.
- B) Not or not used to be directors involving in management, employees, advisory employees with salary, or entities with controlling authority of the Company, its holding companies, subsidiaries, associate companies, similar level subsidiaries, major shareholders, or entities with controlling authority of the Company, unless such characteristics have lapsed for at least 2 years before being appointed.
- C) Not persons who have connection by blood or legal registration under the status of father, mother, spouse, sibling, and child, including the child's spouse, of other directors, executives, major shareholders, entities with controlling authority, or persons who are being nominated for appointment as directors, executives, or entities with controlling authority of the Company and its subsidiaries.
- D) Have or used to have none of business relationship with the Company, its holding companies, subsidiaries, associate companies, major shareholders, or authorized persons of the Company in such a manner that may hinder them to exercise their independent discretion, and have not been or used to be shareholders with significant stakes or entities with controlling authority of those who have business relationship with the Company, its holding companies, subsidiaries, associate companies, major shareholders, or entities with controlling authority of the Company, unless such characteristics have lapsed for at least 2 years before being appointed.

The business relationship in paragraph one includes normal trading transactions for the purpose of business operations, rental or lease of immovable property, transaction related to

assets or services or granting or receiving financial assistance by receiving or giving loans, guarantee, using assets as debt collateral, including other equivalent acts that result in the Company or the party to a contract thereof being liable to pay the other at an amount of 3 percent or more of the net tangible asset of the Company or of Baht 20 million or more, whichever is lower. The calculation of such liabilities shall be in accordance with the method of connected transaction calculation specified in the Capital Market Supervisory Board's Notification: Re Criteria on Undertaking Connected Transactions, mutatis mutandis, with the liabilities occurring during the 1 year period prior to the date of business relationship with the same person being included.

- E) Not or not used to be auditors of the Company, its holding companies, subsidiaries, associate companies, major shareholders, or entities with controlling authority, and have not been shareholders with significant stakes, entities with controlling authority, or partners of audit firms having auditors of the Company, its holding companies, subsidiaries, associate companies, major shareholders and entities with controlling authority, except in case such characteristics have lapsed for at least 2 years before being appointed.
- F) Not or not used to be persons rendering any professional services, including legal advisory service or financial advisory service with the service fee thereof exceeding Baht 2 million per year from the Company, its holding companies, subsidiaries, associate companies, major shareholders, or entities with controlling authority of the Company, and not shareholders with significant stakes, entities with controlling authority, or partners of those professional service providers, except in case such characteristics have lapsed for at least 2 years before being appointed.
- G) Not directors who are appointed as representatives of directors, major shareholders, or shareholders with a relationship to major shareholders of the Company.
- H) Not undertaking a business of the same nature and in significant competition with those of the Company or its subsidiaries, nor being a significant partner of a partnership or an executive director, employee, staff member, advisory employees with salary, or shareholder with over 1 percent of the total voting shares of other companies undertaking business of the same nature and in significant competition with those of the Company or its subsidiary.
- I) Not having any other characteristic that may hinder the exercise of his/her independent judgment about the Company's business operations.

#### 1.5 Terms of Office of Independent Directors

The Board of Directors has determined that the independent directors have terms of the office not more than 3 consecutive terms or not more than 9 years from the date of appointment.

#### 1.6 Composition of the Board of Directors

- A) The Board of Directors consists of the number of directors which shall be in accordance with that stipulated by the shareholders' meeting in which not less than 3 persons or one third of the total number of directors (whichever is higher) must be independent directors and the number of directors of not less than 3 persons is representatives from the major shareholder. Not less than half of the directors shall be residents of the Kingdom.
- B) The Board of Directors shall elect one of the directors to serve as the Chairman of the Board of Directors and may also elect among themselves to serve as the Vice Chairman of the Board of Directors and other positions as deemed appropriate.
- C) The Chairman of the Board of Directors must not be the same person as the Chairman of the Executive Committee and the Chief Executive Officer to create a clear separation of roles and the balance of power in operation.
- D) The Chief Executive Officer is appointed as an ex officio director of the Board of Directors.

#### Roles, Duties, and Responsibilities of the Chairman of the Board of Directors

Chairman of the Board of Directors is a leader and a person who has a major role in encouraging the Board of Directors to perform effectively. The main roles of Chairman of the Board of Directors are as follows;

- Supporting efficient operations of the Board of Directors in compliance with the principles of good corporate governance.
- Encouraging the participation of executive directors, non-executive directors, and independent directors in the decision-making activities and procedures of the Board of Directors.
- Supporting performance evaluation and development of the Board of Directors on a regular basis.
- Presiding the Board of Directors' meeting and the shareholders' meeting, as well as determining the meeting agenda with the management team and the secretary of the Company
- Providing sufficient information to the Board of Directors for the Board of Directors' meeting.
- Providing effective communication channels for the Board of Directors, management, and shareholders
- Appointing the secretary of the Company to support operations of the Board of Directors.

#### Roles, Duties, and Responsibilities of Chief Executive Officer

- Being a person who has authority to manage the Company and responsible for routine administration in accordance with objectives, regulations, policies, rules, orders, and resolutions of the Board of Directors and/or resolutions of the shareholders' meeting.



- Providing the preparation of business plan and budget for presentation to the Board of Directors for consideration and approval, and being obliged to report the progress of the business plan and budget approved by the Board of Directors in accordance with the defined period.
- Setting goals for business operations, resource allocation in compliance with the management policy.
- Establishing, reviewing and strengthening the organization's standards which are essential for the competition and the creation of organization's value.
- Reporting operating results of the Company and/or its subsidiaries on a monthly basis and a quarterly basis, compared with business plan and budget to the Board of Directors, with recommendations.
- Other issues assigned by the Board of Directors.

#### 1.7 Sub-Committees

The Board of Directors has appointed 5 sub-committees, consisting of (1) Executive Committee (2) Audit Committee (3) Nomination and Remuneration Committee (4) Risk Management Committee and (5) Corporate Governance and Sustainable Development Committee. Each of Sub-Committee shall perform duties as assigned by the Board of Directors.

#### 1.8 Meetings of the Board of Directors

- A) The Company shall set the meeting schedule of the Board of Directors in advance and inform each director for acknowledgement.
- B) The Board of Directors shall arrange meetings of the Board of Directors more than 6 times per year.
- C) Chairman and/or Chief Executive Officer shall consider the topics to be presented to the meeting agenda. Each director is free to suggest topics for the meeting agenda.
- D) The board of directors' meeting shall be summoned by the chairman of the board. In summoning a meeting of the Board of Directors, the Chairman of the Board of Directors or the person entrusted shall send a written notice summoning a meeting to directors not less than 3 days prior to the date of the meeting except that, in the case of necessity or urgency for the purpose of protecting rights or benefits of the Company, a summons of a meeting may be notified through electronic media or by other means and an earlier date of the meeting may be fixed.

If there is no chairman of the board of directors, meetings of the board of directors shall be summoned by the vice chairman of the board of directors. If there is no vice chairman for any reason, at least two (2) directors may jointly summon a meeting of the board of directors.

- E) The Chairman shall allocate sufficient time in the meeting so that management shall propose

topics and directors shall discuss the key problems carefully in which the minutes of meeting in writing must be prepared and kept at the Company.

#### 1.9 Performance Assessment of the Board of Directors

The Board of Directors has evaluated the performance of the Board of Directors and Sub-Committees every year in which the assessment could be classified into 2 formats 1) Individual Assessment and 2) Whole Board Assessment in order for the Board of Directors to assess the results, problems, and obstacles during the previous year in order to fix and increase efficiency. The evaluation of the Board of Directors and Sub-Committees will be based on the guidelines suggested by the Stock Exchange of Thailand, leading to properly the business operation of the Company.

#### 1.10 Compensation for the Directors and Managements

The Company has determined the remuneration policy of directors in a clear and transparent manner as well as asked for approval from the annual general meeting of shareholders. The criteria in determining the remuneration of directors is considered from the appropriateness with the scope of responsibilities of each director by comparing to the remuneration in the same industry and at the level that provides incentives to retain directors who are capable and have appropriate qualifications for the operations.

#### 1.11 Consolidation or Separation of Position

The Board of Directors has required that the Chairman and Chairman of the Executive Committee must be two different persons in order to have a clear separation of roles and the balance of power in the administration.

#### 1.12 Training for Directors and Executives

The Company encourages the Board of Directors and the management to attend seminar courses that are beneficial to their performance. Courses that the Board of Directors should attend include Directors Certification Program (DCP), Directors Accreditation Program (DAP), Audit Committee Program (ACP), etc. by supporting the seminars on a regular and consistent basis.

#### 1.13 The Orientation of New Directors

The Board of Directors sets up the orientation for all new members of the Board of Directors to understand the roles, the duties of the Board of Directors, policies and practice protocols in operating the Company. This includes building up the business knowledge and procedure, risk management, and organization visit in order to prepare for the job performance as directors.

#### 1.14 Policy on Re-Positioning to the Director Position in other Listed Companies of Directors and Executive Directors.

The Board of Directors has determined that the directors of the Company can hold the director position in listed companies in the Stock Exchange of Thailand not more than 5 companies. In

addition, the executive directors of the Company can hold the director position in other listed companies in the Stock Exchange of Thailand, apart from companies in the group, not more than 3 companies.

#### 1.15 Succession Plan

In order to ensure that the Company shall have continuity in management, the Board of Directors sees the necessity and importance of position succession of the top-rank executives by considering the age close to retirement, difficulty for replacement in the labor market, or trend of demand in the market. The Company thus arranges succession plans for Chief Executive Officer position so as to select appropriate person who are equipped with knowledge, capability, experiences, visions, leadership, integrity and major qualifications required by the position, as well as there are regular revisions consistent with the current situations.

The Company has prepared a succession plan in which replacement persons shall be identified. In case there are no persons who can replace immediately, the Company has arranged a personnel development system for preparing persons in subordinate positions along with external selection. This is to ensure confidence of investors, organizations, as well as employees that the business operation of the Company shall be succeeded in the right time.

#### 1.16 Use of Internal Information

The Company has established a policy for the use of internal information of the Company as follows;

- A) Directors, executives and employees of the Company must maintain confidentiality and/or internal information of the Company, except for the use for the Company's interests only.
- B) Directors, executives and employees of the Company must not reveal confidentiality and/or internal information of the Company to exploit personal benefits or other persons' benefits, neither directly nor indirectly.
- C) Directors, executives and employees of the Company must not sell/purchase/transfer the stocks of the Company by using confidential information and/or internal information of the Company which may cause any damage to the Company, neither directly nor indirectly.

In addition, the Company has determined practice guidelines that the directors and management cannot buy or sell the stocks during 1-month period before financial statement data or other data that can affect the price of the stock will be publicly revealed. They cannot buy or sell the stocks until 48 hours since the data revelation to public has been done.

#### 1.17 Policy on Internal Control

The Board of Directors realizes the importance of internal control that is sufficient and appropriate for all operation levels. The internal control system must cover all aspects including control



conditions, risk management, law protocols, regulations, associated rules, and assessment mechanism to efficiently balance and to prevent and monitor the investment of shareholders and the assets of the Company.

The Board of Directors assigns the Audit Committee to review and to evaluate the internal control system and hires external unit to evaluate the sufficiency of internal control system to give opinions and suggestions to modify the internal control system of the Company. The Board of Directors requires the report to the Audit Committee on a quarterly basis for better efficiency and effectiveness.

1.18 Process in following up and evaluating the results of compliance with the principles of good cooperate governance.

The Board of Directors shall monitor and supervise directors, management, and employees to strictly comply with corporate governance policies in order to upgrade and improve the quality of corporate governance of the Company continuously, and to create stability and sustainability to the organization, shareholders, and all groups of stakeholders. The Board of Directors also regularly reviews policy on corporate governance on an annual basis.