
Policy on Supervision and Management of Subsidiaries and Associate Companies

Amendment No. 1 (May 2021)

Singha Estate Public Company Limited

Prepared by	Company Secretary Department
Endorsed by	Nomination and Remuneration Committee
Approved by	Board of Directors

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1. Introduction

Singha Estate Public Company Limited (“the Company”) has established key guidelines for the governance of its subsidiaries and associate companies. This is to ensure that the Company can effectively manage and supervise these entities in accordance with its various policies, as well as comply with the Public Company Act, Securities and Exchange Act, and related notifications, regulations, and guidelines issued by the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand.

2. Policy Objectives

The Company prioritizes the supervision and governance of its subsidiaries and associate companies and aims to establish mechanisms leading to a sound governance system for these entities. This system shall comply with relevant regulations based on the good corporate governance guidelines of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, while also considering the rights and interests of all stakeholders.

3. Scope of Policy Enforcement

This Policy applies to all directors, executives, employees at every level of the Company, its subsidiaries, and associate companies, as well as all stakeholders.

4. Definitions

Unless otherwise specified or explained in this Policy, the following terms shall have the meanings ascribed to them hereunder:

Term or Phrase	Definition
Policy	Policy on Supervision and Management of Subsidiaries and Associate Companies
Company	Singha Estate Public Company Limited
Subsidiaries	A legal entity over which the Company has control, defined by any of the following: (a) Directly or indirectly holding more than fifty percent of the

Term or Phrase	Definition
	<p>total voting shares of the legal entity.</p> <p>(b) Directly or indirectly controlling the majority of votes at the shareholders' meeting of the legal entity, or through any other means.</p> <p>(c) Directly or indirectly controlling the appointment or removal of more than half of the directors of the legal entity.</p> <p>This definition also includes companies under the Company's control as per (a)-(c), successively.</p>
Associate Companies	Legal entities in which the Company or its subsidiaries have the power to participate in financial and operating policy decisions, but not to the extent of having control over those policies, and are not considered subsidiaries or joint ventures.
Director	A director of the Company.
Board of Directors	The Board of Directors of Singha Estate Public Company Limited.
Board of Directors of Subsidiaries and Associate Companies	The Board of Directors of subsidiaries and associate companies.
SEC Office	The Office of the Securities and Exchange Commission.

5. Roles

5.1 Board of Directors

The Board of Directors is responsible for overseeing, reviewing, and approving this Policy. The Board of Directors shall promote the business operations of subsidiaries and associate companies in compliance with applicable laws, regulations, and principles of good corporate

governance, while considering the rights and interests of all stakeholders. The Board of Directors also has the authority to approve the appointment of representative directors and/or executives of the Company to serve as directors of subsidiaries and associate companies.

5.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for acknowledging and adhering to this Policy. For listed subsidiaries and/or associate companies, the Committee shall review, select, and recommend suitable candidates for appointment as representative directors and/or executives in key positions (including proposals for removal), and submit these recommendations to the Board of Directors for approval, in accordance with the Company's shareholding proportion. For non-listed subsidiaries and/or associate companies, the Committee shall approve the board structure and designate a pool of eligible Company executives ("Specific Group") for management to select representative directors from, based on the respective business type. The Committee shall also acknowledge annual reports of these appointments.

5.3 Chief Executive Officer and Executives

The Chief Executive Officer and Executives are responsible for acknowledging and adhering to this Policy. They shall oversee the business operations of subsidiaries and associate companies based on the principles of good corporate governance, and ensure that no illegal or unethical actions are taken, in violation of good corporate governance or business ethics.

5.4 All Employees

All employees are responsible for acknowledging and strictly complying with the practices outlined in this Policy.

6. Policy Details

The Company establishes the Policy on Supervision and Management of Subsidiaries and Associate Companies, with the following details:

1. In shareholder and board of directors meetings of subsidiaries and associate companies, the Company shall exercise its voting rights in proportion to its shareholding through

authorized representatives, in accordance with applicable laws and regulations, to protect the Company's best interests.

2. For management purposes, the Company shall exercise its voting rights through appointed representative directors and/or representative executives of the Company who serve as directors and/or executives of the subsidiaries and associate companies. These appointments may be made by the Company's Board of Directors or the Chief Executive Officer, as applicable, based on the shareholding proportion in each subsidiary and/or associate company, or as stipulated in contractual agreements. For significant voting matters or actions, the representative directors and/or executives must seek approval from relevant Company personnel, such as shareholders, the Board of Directors, the Company's Executive Committee, or the Chief Executive Officer, as applicable.
3. Criteria for selecting representative directors are delineated into 2 distinct scenarios:

(1) Listed subsidiaries and associate companies:

The Company's Nomination and Remuneration Committee shall undertake the review and recommendation of suitably qualified individuals for appointment as representative directors and/or executives in key positions (including proposals for removal). These individuals must fulfill the requisite qualifications, duties, and responsibilities, and must not possess any disqualifying characteristics or deficiencies in trustworthiness as stipulated by applicable laws and regulations. The Committee shall submit these recommendations to the Company's Board of Directors for approval, prior to their formal nomination to the respective subsidiary or associate company, adhering to the Company's shareholding proportionality rights.

(2) Non-listed subsidiaries and associate companies:

The Company's Nomination and Remuneration Committee shall approve the directorial structure of non-listed subsidiaries and associate companies. Additionally, the Committee shall define a pool of eligible Company executives ("Designated Group") from which management may select individuals, based on the respective

business type of each subsidiary or associate, for appointment as representative directors. The Committee shall receive annual reports concerning these appointments. The Chief Executive Officer shall be responsible for approving the appointments of representative executives.

4. Appointed representative directors and/or executives of the Company must perform their duties as directors and/or executives of subsidiaries and associate companies with diligence and integrity. They are required to supervise and monitor the business operations of these entities to ensure compliance with all applicable laws, regulations, and internal rules. In exercising their judgment on matters pertaining to general management and ordinary business operations, they must act in the best interests of the respective subsidiary or associate company. Furthermore, they are responsible for ensuring that these entities establish policies and conduct operations in alignment with the Company's policies and all relevant legal and regulatory frameworks.
5. Appointed representative directors and/or executives of the Company are obligated to fully, accurately, and timely disclose any information concerning the operations of subsidiaries and associate companies that may present a conflict of interest with the Company, related party transactions, and acquisitions or disposals of assets and/or significant transactions that could materially affect the Company. The purpose of this disclosure is to ensure legal compliance and adherence to other relevant requirements, such as those related to potential conflicts of interest, related party transactions, and significant asset transactions that mandate Company actions, including but not limited to, information disclosure and approval from the Board of Directors or shareholders' meetings.

However, voting or actions on significant matters by representative directors must be approved in accordance with their delegated authority.

6. The Company is required to provide necessary resources and information to enable representative directors and/or executives to analyze data from subsidiaries and associate companies for informed decision-making. Relevant Company departments must provide

requested information, ensuring that such data is kept confidential and used solely for the decision-making purposes of the representative directors and/or executives.

7. Appointed representative directors and/or executives of the Company, as well as their spouses and minor children, are strictly prohibited from using material non-public information obtained through their duties or by any other means, concerning the Company, its subsidiaries, and associate companies, for personal gain or the gain of others (except for the benefit of the Company, its subsidiaries, and associate companies, as applicable), whether directly or indirectly, and whether or not for compensation.
8. The stipulations outlined in Section 8 of this Policy shall apply to the supervision of non-listed subsidiaries and associate companies.
 - (1) The following actions by subsidiaries or associate companies (as applicable), which are governed by their respective Articles of Association and/or Joint Venture Agreements, shall require prior approval from the Company's Executive Committee before the subsidiary or associate company enters into such transactions:
 - (a) Capital increases through the issuance of new shares and share allocations, as well as reductions in registered and/or paid-up capital of the subsidiary that deviate from the existing shareholders' proportionate holdings, or any actions that result in a decrease in the Company's direct or indirect voting rights, thereby relinquishing the Company's control over the subsidiary, except when such actions are within the subsidiary's approved business plan or annual budget.
 - (b) Amendments to the Articles of Association of the subsidiary or associate company on material matters.
 - (c) Approval of the subsidiary's annual budget, unless otherwise specified in the subsidiary's Delegation of Authority.

- (d) Transactions that are not in the ordinary course of business of the subsidiary or associate company and are expected to materially impact the subsidiary or associate company.
- (2) The following actions by the subsidiary or associate company shall require prior approval from the Company's Board of Directors before the subsidiary or associate company enters into such transactions:
 - (a) Dissolution of the subsidiary
 - (b) Changes in the shareholding structure of the subsidiary or associate company.
 - (c) Material transactions that are expected to have a significant impact on the financial position and operating results of the subsidiary. This shall apply when the transaction size, calculated by analogy to the criteria set forth in the notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding the acquisition or disposal of assets and/or related party transactions (as amended and in effect), requires approval from the Company's Board of Directors.
- (3) The Company's Board of Directors shall ensure that the directors and executives of the subsidiary or associate company, appointed by the Company, fulfill their legal duties, adhere to the Articles of Association, and comply with the Company's policies. Appointed directors and executives shall:
 - (a) Disclose, upon request and within a reasonable timeframe, complete and accurate information concerning the financial position, operating results, related party transactions, and significant asset transactions of the subsidiary or associate company to the Company.
 - (b) Disclose, upon request and within a reasonable timeframe, their interests and those of related parties to the Company, to identify any potential conflicts of interest arising from their relationships and transactions with

the Company, its subsidiaries, and associates. The subsidiary or associate company's board of directors shall report such matters to the Company's Executive Committee through the Company Secretariat within the timeframe specified by the Company, for decision-making or approval purposes, considering the overall interests of the Company, its subsidiaries, and associates. Directors and executives shall not participate in approving matters in which they have a direct or indirect interest or conflict of interest.

- (c) Report business plans, expansion projects, major investment projects approved by the Company, business downsizing, dissolution, operational shutdowns, and joint ventures through monthly or quarterly operating reports, and provide detailed explanations or supporting documentation upon request.
 - (d) Provide explanations or documents related to operational matters to the Company, upon request, as deemed appropriate or in response to significant issues identified by the Company.
- (4) Transactions between representative directors or executives and the subsidiary or associate company shall require approval from the Company's Board of Directors, the subsidiary's board of directors, and/or shareholders' meetings of the Company and the subsidiary, as applicable, depending on the calculated transaction size (by analogy to the criteria set forth in the notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding related party transactions, as amended and in effect), unless they constitute arm's length commercial transactions under prevailing market conditions and are approved by the Company's Board of Directors or comply with pre-approved principles. Representative directors or executives must report such transactions to the Company Secretary Department and the Accounting and Finance Department within a reasonable timeframe.

- (5) Appointed representative directors or executives shall report significant operational and financial issues to the Company upon discovery or request, and provide relevant information or documents as required.

7. Policy Review

The Company Secretary Department shall conduct an annual review of this policy, which must be proposed to the Nomination and Remuneration Committee and the Board of Directors for approval, in that order.

Announced on 13 May 2021

(Mr. Petipong Pungbun Na Ayudhya)

Chairman of the Board of Directors

Singha Estate Public Company Limited