

CHARTER OF THE BOARD OF DIRECTORS

1. Objective

The Board of Directors is responsible for defining the Company's policies, vision, strategies, goal, mission, business plan, and budget. Moreover, the Board of Directors also has responsibility to direct the Company's Management Team to effectively manage the Company under the policies in accordance with the laws, objective, regulations, and the resolutions of the Shareholders' Meeting with high responsibility, honest, cautious, under a good corporate governance in order to create economic value added to the Company and the confidence to the shareholders.

2. Composition of the Board of Directors

2.1 The Board of Directors composes of directors with knowledge, ability and experiences in running business, categorized into 2 groups;

1) Non-Executive Directors means outside directors who are not the Company's executives or employees, nor executive directors, nor authorized directors which can be either Dependent Directors or Independent Directors.

2) Executive Directors means directors who are involved in routine operation and management as well as being authorized directors. The Executive Directors are knowledgeable and able to provide in-depth comment regarding to steel industry as well as formulate strategic business plan, while non-executive and independent directors have good knowledge and understanding of the overall industrial sector, finance and banking, asset management, auditing, law, and others, so as to encourage creative opinion expression in the Board of Directors' meetings. The Board of Directors shall make decision for the best benefits of the Company.

2.2 The Board of Directors comprise at least 5 directors who are appointed by the Shareholders' Meeting or the Board of Directors Meeting as the case may be, having at least 1 out of 3 directors being an Independent Director and not less than 3 Independent Directors.

2.3 More than half of the Directors must be Thai residents

2.4 The Board of Directors must be board diversity in qualifications, genders, ages, skills, and expertises, and comprise at least 3 directors who have in depth in the main business of the Company and at least 1 director experts in accounting and finance field.

2.5 The directors of the Company do not have to be shareholders of the Company.

2.6 The Chief of Internal Audit is the secretary of the Audit Committee.

3. Qualification

- 3.1 The directors must be normal person with the following qualifications;
- 1) sui juris, age of majority
 - 2) Not being bankrupt, incompetent, or quasi-incompetent person
 - 3) No sentenced record
 - 4) No fired record
- 3.2 The directors must be knowledgeable and competent which benefit to the business operation, honest, ethnic, and able to dedicate their time for the Company.
- 3.3 The directors can hold position of directors at other companies, but must not affect to the responsibility of being the director of the Company, having condition of not being a director for more than 5 listed companies in the Stock Exchange of Thailand.
- 3.4 The directors must not hold position of director in other companies that operate in the same industry or compete with the Company, except for the companies that the Company or subsidiaries invest in, or already informed the Shareholders' Meeting at the appointment time.
- 3.5 Independent Directors mean directors that are independent from the control of the Executives, Major Shareholders and not having any effect to the decision of the Executives and have specifications as follows;
- 1) Hold not exceeding 0.5% of the total voting shares of the Company, its subsidiaries, nor being a major shareholder, affiliates or other juristic persons with possible conflict of interest, including the shares held by their related persons (under Section 258 of Securities and Exchange Act)
 - 2) Neither involving in management, non-controlling, nor being the Company's executive/employees, salaried consultant, competent authorized person to control the Company, its subsidiaries, affiliates or other juristic person with possible conflict of interest at present and in the last 3 year before appointment.
 - 3) Not being a person related by blood or legal registration such as father, mother, spouse, sibling, and child, including spouse of the child, to executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the Company or its subsidiary, and be independent from major shareholders, executives and controlling persons.
 - 4) Not being person who has, or used to have, business relationship with the Company, subsidiaries, affiliate companies, major shareholder, or authorized controller, by offering professional and trade service, according to the SET's requirement on connected transaction, except that he has no longer had such relation for at least 3 years.

- 5) Not be or used to be auditor of the Company, subsidiaries, affiliate companies, major shareholder, or authorized controller, and not being shareholder.
- 6) Not being a person who has been appointed as a representative of the Company's Director, major shareholders or shareholders who are related to the major shareholders.
- 7) Not having any characteristics which make him/her incapable in expressing independent opinions.
- 8) Be capable in protecting all shareholders' benefits equally and supervising in order to prohibit any conflict of interest between the Company and related persons, and able to attend the meetings of the Board of Directors in order to make a decision on significant issues.

Furthermore, this definition of independent directors has been revised so as to be stricter than that defined by the SEC.

4. Term of Service

- 4.1 In every Annual General Meeting, 1/3 of the Directors shall resign from being the directors of the Company by rotation. If the numbers of directors cannot be divided by 3, use the nearest number.
- 4.2 The resigning directors in the first year and the second year shall be selected randomly, afterward, directors that being in the position for the longest will be the one who resign and able to re-select to the position.
- 4.3 In the event of vacancy not by rotation, the Board of Directors shall select one person who qualify by law to be acting directors for the preceding meeting by continuing the term of service of that vacancy, except the vacancy has less than 2 months term of service, the Board of Directors shall not have to select the acting director.
- 4.4 Directors wishing to resign shall submit a letter of resignation to the company at least 30 and the resignation will take effect from the date of such letter sent to the company.
- 4.5 The end of term of service
Directors shall end their term of service when;
 - 1) Expire from term of service of the Board of Directors
 - 2) Unqualify
 - 3) The Shareholders' Meeting has resolution to discharge
 - 4) Order from the Court to discharge
 - 5) Dead
 - 6) Resign

5. Duties and Responsibilities

- 5.1 Supervise and manage the operations of the Company in accordance with the law, regulations, policies against corruption and Articles of Association as well as a resolution of the shareholders' meeting, protect the interests of the Company and its shareholders on the basis of the principles of corporate governance and disclose sufficiently accurate, standardized and transparent to shareholders and related parties.
- 5.2 Define vision, mission and strategic direction of the company, including review vision, mission and strategy regularly to ensure compliance with the company's business plan
- 5.3 To consider and approve the budget and operations of the company, including the use of company resources.
- 5.4 The Board of Directors has the power to sell or mortgage any immovable property of the company or any of the real estate rental companies over 3 years old, give or compromise, or filed in any court, arbitrator, or both, under the enforcement of the public limited company law.
- 5.5 Arrange a meeting of shareholders at the Annual General Meeting not later than 4 months after the year-end closing of the company and arrange Extraordinary General Meeting of Shareholders when it is needed.
- 5.6 Ensure that the communication with shareholders and stakeholders of each company is appropriate.
- 5.7 Provide accounting system, financial reporting and auditing as well as ensure that the system of internal control and internal audit is efficient and effective.
- 5.8 Provide the statement of financial position, Cash Flow Statement and the income statement at the end of the accounting year of the Company, offer to the shareholders in the Annual General Meeting to consider and approve the Balance Sheet, Cash Flow Statement, and profit and loss statement. The Board of Directors shall arrange for the audit to be completed prior to submission to the Shareholders' Meeting.
- 5.9 Provide financial reports and other information important to shareholders with accurate, complete and adequate with verification and monitoring data reports.
- 5.10 Oversee and manage conflicts of interest that may arise in related party transaction.
- 5.11 Establish a committee such as the Risk Management Committee, the Nomination and Remuneration Committee, Corporate Governance Committee, with monitoring and supervision.
- 5.12 Provide guidelines for comprehensive risk management and the management systems or an effective process for managing risk to control and audit the preparation of financial controls, operational and regulatory performance including control and risk management.

- 5.13 Ensure the Nomination and Remuneration Committee to be transparency and independence in performing their duties, taking into account the specifications as defined by the Company and according to the principles of good governance set by the Stock Exchange of Thailand.
- 5.14 Provide supporting policy and promote the implementation of good corporate governance principles in the management and operation of the Board of Directors, the management and staff substantially to ensure the organization will be managed in a transparent and fair to all stakeholders supporting by anti-corruption policy in accordance with the principles of corporate governance to build confidence among shareholders, investors and stakeholders.
- 5.15 The Board of Directors has the authority to appoint members of the board of directors to be Executive Committee to control the management of the company. The Executive Committee shall report to the Board of Directors.
- 5.16 The Board of Directors has the authority to appoint any person as a Chief Executive Officer to manage the affairs of the company under the control of the Board which can be withdrawn by the Board of Directors.
- 5.17 The Board of Directors must inform the Company without delay if there is an interest in a contract made by the Company, directly or indirectly, shares or debentures, increase or decrease in the Company or its affiliates.

6. Meetings of the Board of Directors

- 6.1 Meeting of the Board of Directors should be held at least once in three months. The additional meetings may be scheduled at as it deems appropriate.
- 6.2 At least 2 directors can request to hold a Board of Directors Meeting, however, the Meeting shall be held within 14 days after the request.
- 6.3 The Meeting Invitation shall identify date and time, venue of the meeting, and agendas of the meeting to all directors not less than 7 days in advance prior to the meeting, and can be faster in urgency.
- 6.4 The quorum for a meeting is more than half of the Total members of the Board of Directors. If the Chairman of the Board of Directors is absent, the directors shall select one director to act as a chairman.
- 6.5 The directors who have conflict of interest cannot vote in that particular agenda.
- 6.6 The resolution of the Board of Directors Meeting shall be majority voting, each director has one voting right, in case equal vote, the Chairman shall has right of casting vote.

7. Reporting of the Board of Directors

The Board of Directors must report to the shareholders in the annual information form (Form 56-1) and the annual report (Form 56-2) of the company with details in accordance with the law, rules or regulations prescribed.

8. Evaluation of the Board of Directors

The Directors shall evaluate their own performance at least once a year and summarize the results to the Company Secretary to compile the evaluation results and analysis in order to identify for any improvement on the performance of the Board of Directors.

9. The Board of Directors' Remuneration

The Board of Directors will receive the remuneration as approved by the general meeting of shareholders.

The Charter has been approved by the Board of Directors meeting No. 5/2018 held on 10 May 2018, and shall be effective from 10 May 2018 onwards.

(Mr. Chainarong Monthienvichienchai)

Chairman of the Board of Directors