



## The Executive Committee Charter

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P.S.P. Specialties Public Company Limited

## The Executive Committee Charter

The Executive Committee is established to support the Board of Directors in managing company affairs under set policies, plans, rules, and orders, as well as relevant regulations, including the goals set within the framework assigned by the Board of Directors.

### 1. Composition of the Executive Committee

The committee consists of at least 3 members appointed by the Board of Directors, whereby neither member needs to hold the position of a Company Director and one member is to be elected as the Chairman of the Executive Committee.

### 2. Qualifications and Qualities of Executive Committee Members

Members of the Executive Committee must have the following qualifications and qualities:

2.1 Exhibit a broad base of knowledge, hands-on operational business experience, expertise, and qualities required to perform the duties and responsibilities honestly and appropriately as a member, and can devote the time and effort required to fully perform assigned duties and responsibilities on the Company's behalf.

2.2 Exhibit a broad base of qualifications and qualities without any prohibited characteristics per legal provisions.

2.3 Is neither a person operating a Competitor, i.e., a business or a juristic person of the same nature that competes with the business of the Company, nor an Inside Competitor, i.e., a partner or a director of a Competitor, regardless of the beneficiary thereof, unless the undertaking is acknowledged by the Board of Directors before the agenda to consider the committee member's appointment.

### 3. Appointment and Terms of Office of Executive Committee Members

The Board of Directors may appoint a qualifying person under the criteria in 2. as a committee member with a 3-year term of office per Company bylaws, whereby committee members that retire by rotation, i.e., with a completed term of office, may be considered for re-appointment. Committee members vacate office upon mortality, resignation, term completion, or board approval. For early resignation without completing the term of

office, the committee member must notify the committee Chairman at least 30 days in advance before the resignation day. Prior to filling a committee vacancy, the Board of Directors must re-determine the minimum committee composition requirement, including the total number of committee members, and consider appointing a qualifying replacement (under clause 2.) to satisfy the requirements, as needed. A placeholder member may be appointed to serve out the remainder of an incomplete term of office, due to either early resignation or incapacity. When a Company director fills a committee vacancy previously held by a Company director, the replacement director's term of office is to observe the remaining time under their Company directorship.

#### **4. Executive Committee Scope: Powers, Duties, and Responsibilities**

- 4.1 Prepare the Company Outlook of corporate vision, mission, direction, bylaws, strategy, and goals thereto, along with favorable outcomes therefrom, and determine the Executive Framework of corporate strategies, objectives, and underlying policies therein and the Executive Plans to manage the Company business, budgets, expansions, and investments thereon, as well as the organizational structure, scopes of authority, and chains of command required in the execution thereof. Propose the outlook, framework, and plans to the Board of Directors for approval and proceed to implement and manage agreed plans, including monitoring and following up on the performance thereof to ensure optimal Company operations, considering budget changes in adapting with situations and developments that unfold, and seeking necessary board approval thereas.
- 4.2 Oversee and manage business-as-usual Company operations under the Executive Framework and Executive Plans, including the corporate strategies and policies set by the Board of Directors, consider the optimal resource management, allocation, and utilization in the Company's pursuit of sustainable favorable outcomes, and report the performance thereof to the Board of Directors quarterly, at a minimum.
- 4.3 Approve Company bylaws, i.e., executive regulations, orders, requirements, and policies, including the process of control and management throughout organizational lines of duties under the Executive Committee's jurisdiction approved by the Board of Directors.
- 4.4 Consider the feasibility study for investment prospects and approve business-appropriate Company investments, including jointly investing with a person, juristic person, or business organization, among other investment forms, including entering legal contracts and any

related transactions, as well as consider and approve the budgets and expenditures thereof, under the Executive Committee jurisdiction, Company objectives, and Company Compliance Policy. The Executive Committee's jurisdiction is authorized or approved by the Board of Directors per Company Delegation of Authority Guidelines.

- 4.5 Monitor the performance and progress of approved investment projects and report the results to the Board of Directors at least quarterly, including problems, obstacles, solutions, and room for the improvement thereof, if any.
- 4.6 Consider Company profit-loss and dividend payout recommendations and propose them for board approval to be applied in the decision-making process for entering new contracts, ordinary business transactions, or any ordinary business support transactions under general commercial conditions and budget limits per Delegation of Authority Guidelines or board determination, including trading, investing, or joining ventures in the pursuit of favorable outcomes under the Company Outlook.
- 4.7 Consider financial obligations and commitments and approve necessary grants, financial assistance, or credit applications through financial institutions, including pledges, mortgages, or guaranteeing the Company and its subsidiaries (the "Group") within specified limits per Delegation of Authority Guidelines or board authorization.
- 4.8 Review and define the Risk Management Policy and Framework by considering the objectives, vision, mission, policies, main goals, and business strategies of the company and propose to the Board of Directors for approval.
- 4.9 Consider and approve the Company's Enterprise Risk Management Plan and Risk Appetite under the Executive Framework with a risk assessment process covering all areas specified in the Risk Management Policy and Framework.
- 4.10 Consider and approve the Risk Management Manual, as proposed by the Risk Management Unit, and review it at least once a year.
- 4.11 Supervise optimal compliance under the Risk Management Policy and Framework.
- 4.12 Consider and supervise risk owners to follow up on the implementation of the risk management plan to improve or rectify the situation in time if the risk changes or the impact level is likely to become more severe.

- 4.13 Supervise the Risk Management Unit to systematically document monitored Risk Management Policy results and report them to the Executive Committee. Use the reported results in the decision-making process to assess and recommend improvements and changes to the Risk Management Policy Framework, i.e., protocols, standard operating procedures (SOPs), and plans, and propose to the Board of Directors for consideration.
- 4.14 Supervise the Company to have an Enterprise Risk Management System (ERMS) that is adequate, appropriate, and board-approved.
- 4.15 Approve the appointment of consultants with expertise in necessary areas to optimize Company operations under the board-approved annual budget.
- 4.16 Authorize the Chief Executive Officer to operate the Company's business under Executive Committee determination, supervision, and Scope, i.e., its assigned powers, duties, and responsibilities.
- 4.17 Supervise Company management and determine the appropriate organizational structure for the Group to optimally manage, account for, and follow up on Group operations with the best interests of the Company at heart.
- 4.18 Consider, approve, and supervise a suitable Recruitment-Selection System for vice-positions immediately under the Chief Executive Officer as well as vice-personnel at the same level to be responsible for overlooking a transparent and fair process thereof.
- 4.19 Consider and approve a Remuneration Policy and Framework for determining appropriate criteria for remunerations, rates, rate increases, bonuses, and gratuities for personnel under the Chief Executive Officer.
- 4.20 Provide Board of Directors Communication Channels for direct communication with the board.
- 4.21 Supervise to ensure the Compliance Performance shall be quarterly reported to Executive Committee for advisory and acknowledgment.
- 4.22 Consider and render opinions on pending board-approval matters except when the board assigns the responsibility to another committee.
- 4.23 Perform any other tasks under board assignment or policy.
- 4.24 Retain independent opinions of professional advisors as necessary and appropriate under the Company budget.

- 4.25 Review and propose to the Board of Directors to consider revising the Executive Committee Scope as appropriate and required in different situations.
- 4.26 Appoint an Executive Committee Secretary to assist the committee in performing its duties and ensure the Company business operates under Company Compliance Policy, including Company bylaws and legal provisions and requirements.
- 4.27 Authorize Executive Committee attorneys to act on behalf of the committee, whereby such delegation or sub-delegation of power may not be to enable the committee or its attorney to approve any transaction with any unintended conflicts of interest, regardless of the incurred benefit or the beneficiary, be it of the Company or its subsidiary, directly or indirectly, except for transactions under board approval, Company Compliance Policy, and the legal provisions and requirements of SEC and Capital Market Supervisory Board.

**5. Executive Committee Meetings**

- 5.1 Hold at least one committee meeting quarterly, or more as the committee Chairperson sees fit.
- 5.2 In convening a meeting, the committee Chairperson or the acting member is responsible for distributing the meeting notice, along with the meeting agenda and supporting documents, to all committee members at least 3 days prior to the meeting date to allow attendees sufficient time to study relevant information. In an urgent case that requires special attention to protect the rights or benefits of the Company, the notice may be sent electronically or by any other means to notify the earlier schedule.
- 5.3 The meetings may be held via teleconference or electronically, provided it complies with relevant legal requirements and criteria.

**6. Quorum and Voting**

- 6.1 In a committee meeting, at least half of all attending committee members are required to constitute a quorum. When the committee Chairperson is absent or incapacitated, a present member can be elected by the rest of the meeting to serve as the acting Chairperson to manage the meeting.
- 6.2 The meeting resolution is based on the majority vote.

6.3 Every committee member attending an Executive Committee meeting is entitled to one vote to cast in any meeting agenda except those where they have a potential conflict of interest with the matter to be voted on, in which case their right to vote is forfeit. When the vote count results in a tie, the Chairperson or the acting member can cast a tiebreaker to decide the resolution.

6.4 The committee Chairperson is responsible for reporting approved resolutions to the Board of Directors in the next meeting, regularly.

## **7. Performance Assessment of the Executive Committee**

7.1 A performance assessment on the Executive Committee is arranged at least once a year, i.e., the annual assessment, as a group and individually, by self- or cross-assessment methods, for the committee to acknowledge its performance, problems, solutions, and room for improvements for optimal operational performance.

7.2 For the annual assessment, the committee may outsource external consultants to jointly determine guidelines and shed light on issues in the assessment process as necessary and appropriate.

7.3 Report its annual performance assessment results to the Board of Directors for acknowledgment and the board's opinions and suggestions for further improvements in the committee's performance.

## **8. Remuneration**

Executive Committee remuneration and rates are approved by the shareholders' meeting.

## **9. Charter Review**

The charter is reviewed by the committee at least once a year with appropriate improvement recommendations and proposed to the Board of Directors to consider charter amendments.

This Executive Committee Charter is approved by the Board of Directors and is effective from the 19<sup>th</sup> of December 2023, onwards.