

BOARD OF DIRECTORS' CHARTER

CK POWER PUBLIC COMPANY LIMITED



บริษัท ซีเค พาวเวอร์ จำกัด (มหาชน)

CK POWER PUBLIC COMPANY LIMITED

BOARD OF DIRECTORS' CHARTER

1. INTRODUCTION

The Board of Directors, in its capacity as representative of the shareholders, plays a key role in setting the Company's business direction and overseeing the Company's management to ensure its compliance with the laws, objectives and articles of association so as to create value for the business and to advance the best interests of the Company and its shareholders in the long run.

The Board recognizes the significance of corporate governance principles, which strengthen the confidence of the shareholders and all stakeholders. Each member of the Board performs duties with responsibility, integrity and due care for the Company's interests and complies with the laws, objectives, articles of association, and resolutions of the Board as well as resolutions of the shareholders' meetings.

This Charter is intended to make sure that the Company's directors understand their roles, duties and responsibilities towards the Company's shareholders and that they perform such duties efficiently, effectively and transparently.

2. COMPOSITION

2.1 The Board of Directors need not be the Company's shareholders.

2.2 The Board of Directors is composed of at least five directors, and at least half of the directors must reside in Thailand.

2.3 The composition of the Board of Directors shall include independent directors who must account for at least one-third of all directors, but not less than three directors. The independent directors must be independent from control of the executives and major shareholders and must have neither involvement nor

interest in terms of finance and management. They must be fully qualified in accordance with the qualifications as defined by the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for Permission and Grant of Permission to Offer Newly Issued Shares (the “**Notification No. TorChor. 28/2551**”).

2.4 At least three members of the Board of Directors serve on the Audit Committee, and they must also be fully qualified under the Notification No. TorChor. 28/2551, with the scope of duties and responsibilities as set out by the Stock Exchange of Thailand (“**SET**”).

2.5 The Board of Directors may elect one of the directors to act as Chairman of the Board of Directors, and if it deems appropriate, may also elect one or several directors as Vice Chairman of the Board of Directors.

2.6 The Company has a policy requiring that the Chairman of the Board of Directors must be an independent director and may not be the same person as the President of the Company.

3. QUALIFICATIONS

3.1 A director must be knowledgeable and have experience useful to the business operations, have integrity and adhere to business ethics, contribute adequate time to provide knowledge, and use his best efforts to perform duties for the Company.

3.2 A director must be fully qualified and must not possess any prohibited characteristics as defined under the laws on public limited companies and the laws on securities and exchange. A director must not possess any characteristic showing inappropriateness to be entrusted with business management of a publicly held company as defined by the Securities and Exchange Commission, and must be listed in the database of directors and executives of securities issuing companies under the Notification of the Capital Market Supervisory Board Re: Rules for Listing Names of Persons on Database of Directors and Executives of Securities Issuing Companies.

3.3 A director is prohibited from engaging in any business of the same nature as and in competition with the Company’s business or from entering into a partnership or holding a directorship in another legal entity of the same nature as and in competition with the Company’s business, whether for personal gain or for others, unless such information has been reported to the shareholders’ meeting prior to passage of a resolution for appointment. [In case of TTW, this should be expressly recorded in the minutes of the shareholders’ meeting.]

3.4 A director must inform the Company without delay should he or she have any direct or indirect interest in a contract executed by the Company or increase or decrease his/her holding of shares or debentures in the Company or its subsidiaries.

4. DUTIES AND RESPONSIBILITIES

The Board of Directors has powers, duties and responsibilities to manage the Company in compliance with the laws, objectives and articles of association as well as resolutions of the shareholders' meetings which are legally valid, taking into account integrity and due care for the Company's interests, which include the following significant duties and responsibilities:

(1) To convene the annual ordinary general meeting of shareholders within four months from the end of the Company's accounting period; provided that the Company will submit notices of the Board of Directors' meetings and of the shareholders' meetings, including meeting agenda and supporting documents, at least such period of time in advance as specified in the Company's articles of association;

(2) To convene the Board of Directors' meetings at least once every three months, and all Board members should attend to consider passing a resolution on any material matter or transaction; such material transactions include acquisition or disposition of assets of the Company or its subsidiaries which may materially affect the Company, acquisition or disposition of material assets, expansion of investment projects, consideration and approval of connected transactions under the SET rules, determination of authority levels and determination of policies on financial management and risk management of the Company, etc.;

(3) To arrange for a reliable system for accounting, financial reporting and auditing, as well as to maintain a document filing system which is capable of verification of accuracy, together with internal controls, internal audit and risk management which are efficient and effective;

(4) To prepare the financial statements at the end of the Company's accounting period to correctly present the financial position and operational results of the previous year which must be realistic, complete and correct in accordance with generally accepted accounting standards, and have the same audited by the Company's auditor prior to submission to the shareholders' meeting for consideration and approval;

(5) To set goals, direction, policies and business operation plans as well as budget of the Company, conduct the monitoring and supervision of the management and administration by the Management to ensure compliance with the specified policies, plans and budget efficiently and effectively;

Furthermore, the Board of Directors has duties to monitor and supervise the Company, including its subsidiaries and associated companies, to ensure compliance with the laws on securities and exchange, notifications of the Capital Market Supervisory Board, the SET regulations, e.g., execution of connected transactions and acquisition or disposition of material assets, or applicable laws relating to the Company's business.

(6) To consider, review, examine and approve the business expansion plan, large scale investment projects, including any joint investment with other operators as proposed by the Management;

(7) To apply the Control Policy and Governance Mechanisms to its subsidiaries or associated companies, namely:

7.1 To perform the duties within the scope of duties and responsibilities for directors as specified and approved by the Board of Directors' meeting in connection with the appointment as directors or executives of subsidiaries in accordance with the Company's shareholding in such subsidiaries;

7.2 To continuously monitor the operational results of the subsidiaries and associated companies to ensure compliance with the operation plans and budget;

7.3 To ensure that the subsidiaries disclose accurate and complete information to the Company regarding their financial position and operational results, connected transactions and acquisition or disposition of material assets;

7.4 In case a subsidiary executes a transaction with a connected person, acquires or disposes of assets or executes any other material transactions, the Board of Directors, in particular such directors approved by resolutions of the Board of Directors' meeting of the Company for appointment as directors or executives of such subsidiary, has a duty to ensure that the subsidiary complies with the mechanisms relating to connected transactions, acquisition and disposition, including material transactions as specified by the Company; provided that the subsidiary will consider and execute such transactions in compliance with the applicable rules on execution of such transactions of similar nature and size as those of the Company which require resolutions of the meeting of the Board of Directors or of shareholders of the Company, as the case may be.

(8) To consider and pass a resolution to approve the appointment or replacement of persons as directors and/or executives in subsidiaries or associated companies, in accordance with the Company's shareholding in the subsidiaries or associated companies, and to apply the Control Policy and Governance

Mechanisms to the subsidiaries or associated companies, in order to demonstrate that the Company has the governance mechanisms for its subsidiaries as specified in the amended Notification No. TorChor. 28/2551 Re: Application for Permission and Grant of Permission to Offer Newly Issued Shares.

(9) To consider specifying the management structure, to have the power to appoint an Executive Board, Managing Director and other subcommittees as appropriate, e.g., Audit Committee, Nomination Committee, Remuneration Committee, etc., including to determine the scope of power and duties as well as remuneration of the Executive Board, Managing Director and such subcommittees so appointed.

The scope of powers and duties so determined above will not empower the Executive Board, Managing Director or subcommittees to consider and approve any transaction which may give rise to a conflict of interest or any other benefits, to be executed with the Company or subsidiaries (if any), except for approval of such transactions in compliance with the policies and rules which have already been considered and approved by the Board of Directors.

If the Board of Directors authorizes the Managing Director or any other person to act on behalf of the Board of Directors in any matter, such authorization must be made in writing or clearly recorded in a resolution of the Board of Directors in the minutes of its meeting, and the scope of powers and duties of such authorized person must be clearly specified.

(10) The Board of Directors may authorize one or several directors or any other person(s) to take any actions on behalf of the Board of Directors, subject to its monitoring and supervision, or may authorize such person(s) to have such powers and for such period of time as the Board deems appropriate, which may be cancelled, revoked, changed or amended at any time by the Board as appropriate.

The said authorization must not be construed to empower such person(s) to consider and approve any transaction in which he or she or other person(s) may have a conflict or interest or any other conflict of interest, to be executed with the Company or subsidiaries (if any), except for approval of such transaction in the ordinary course of business and on the general trading conditions or in compliance with the policies and rules which have already been considered and approved by the Board of Directors, subject to the rules, conditions and procedures as specified in relation to connected transactions and acquisition or disposition of material assets of listed companies under the notifications of the Capital Market Supervisory Board and/or any other notifications of the relevant authorities;

(11) Directors and executives must report to the Company on their own interests and their related persons' interests in connection with the business management of the Company or its subsidiaries, subject to the rules, conditions and procedures as specified by the Capital Market Supervisory Board;

(12) Directors and executives must be jointly liable to traders of securities of the Company for any damage arising from such disclosure to shareholders or the general public of any materially false information or from omission of any material facts that should have been disclosed, as specified in the laws on securities and exchange, except where such directors and executives can prove that they, in their capacities, were not in a position to verify the genuineness of such information or the omission thereof;

(13) Directors and executives, including their spouses and underage children, are prohibited from using internal information of the Company and of its subsidiaries or associated companies, whether available through the performance of duties or by any other means, which gives or may give rise to material impact on the Company, its subsidiaries or associated companies, for personal gain or for others, whether directly or indirectly, and whether with or without consideration;

(14) Directors and executives of the Company, including their related persons, have a duty to report to the Company on their relationships and transactions with the Company, its subsidiaries or associated companies in any matter which may give rise to a conflict of interest, and to avoid any transaction which may give rise to a conflict of interest with the Company, its subsidiaries or associated companies.

5. TENURE AND ELECTION OF DIRECTORS

5.1 Directors' elections must comply with the Company's articles of association and applicable laws. The nomination of candidates for directorship must be clear and transparent, taking into consideration their education and professional experience, including qualifications, and they must not have any prohibited characteristics. Sufficient details must be provided to the Board of Directors and shareholders of the Company in support of their respective decision-making.

5.2 At the annual ordinary general meeting of shareholders, one-third of directors will retire. In case the number of directors is not a multiple of three, the number closest to one-third of directors will retire. Directors who will retire in the first and second years after incorporation registration will be selected by drawing of lots, and in the subsequent years, directors with the longest term of office will retire. Directors who retire by rotation may be re-elected.

5.3 Directors who retire by rotation may be re-elected.

5.4 Other than retirement by rotation, directors will vacate office upon:

- Death;
- Resignation;
- Disqualification or possession of any prohibited characteristics under the laws on public limited companies and/or the laws on securities and exchange;
- Resolution of the shareholders' meeting by a vote of not less than three-fourths of all shareholders attending the meeting and having the right to vote; provided that the total number of shares held by such shareholders must not be less than one half of all shares held by the shareholders attending the meeting and having the right to vote;
- The Court's order to that effect.

5.5 Any director wishing to resign will submit a letter of resignation to the Company. Such resignation will take effect on the date the letter of resignation reaches the Company. The resigned director may report his resignation to the public company registrar.

5.6 In case of any vacancy on the Board for any reason other than by rotation, the directors may elect any qualified person who does not possess any prohibited characteristics under the laws on public limited companies and the laws on securities and exchange to fill the vacancy at the following meeting of the Board of Directors. Unless the term of office of such vacancy is less than two months, the person who fills the vacancy will hold such office for the remaining term of the director whom he or she replaces.

6. MEETINGS

6.1 Meetings of the Board of Directors must comply with legal requirements and the Company's articles of association. A quorum of the Board of Directors' meeting requires the presence of not less than half of all directors. If the Chairman of the Board is absent or unable to preside over the meeting, the Vice Chairman of the Board, if any, will preside over the meeting. In the absence of the Vice Chairman of the Board or if the Vice Chairman, if any, is unable to preside over the meeting as well, the directors present at the meeting will elect one among them to preside over the meeting.

6.2 Final decisions of the Board of Directors' meetings will be made by a majority vote. Each director has one vote, except that any interested director in matters to be discussed will not be eligible to vote on such matters. In case of an equality of vote, the Chairman of the meeting will have an additional casting vote.

6.3 The Board of Directors' meetings will be held at least once every three months. The Chairman of the Board of Directors will call for a meeting of the Board of Directors, or in case of urgency, two or more directors may request the Chairman of the Board to call for a meeting of the Board of Directors, in which case, the Chairman of the Board must schedule the date of the meeting within 14 days from the date of such request.

6.4 The Chairman of the Board of Directors or his designate will set the date, time and place of the meeting of the Board of Directors. The place of the Board of Directors' meeting may be specified otherwise than the head office of the Company or may be specified to be elsewhere in a nearby province. If the Chairman of the Board or his designate did not specify the place of the meeting, the Company's head office will be the place of the meeting.

6.5 In calling for a meeting of the Board of Directors, the Chairman of the Board or his designate will send a notice of the meeting, specifying the date, time and place as well as the business to be transacted at the meeting, by registered mail or by hand directly to the directors at least seven days prior to the meeting date, except in case of urgency to protect the Company's rights or interests, in which case such notice of the meeting may be sent by other means or the date of the meeting may be scheduled earlier.

7. ASSESSMENT OF THE BOARD'S PERFORMANCE

An assessment of the Board of Directors' overall performance is conducted annually. Assessment scores and comments of directors will be used to improve the Board's performance in each year and to enhance its performance efficiency.