

**BOARD OF DIRECTORS CHARTER  
OF  
PRARAM 9 HOSPITAL PUBLIC COMPANY LIMITED**

**1. Objectives**

The material role of the Board of Directors is to supervise the Management to uphold the Company's values as well as pursuing the returns to shareholders. Generally, the Board of Director shall delegate to management personnel powers to perform duties on their behalf. Therefore, the main roles of the Board of Directors can be divided into the following 2 aspects:

- 1) Setting the Company's direction, policies, and business strategies to ensure that the Company shall operate the business in the way that provides utmost benefits to the Company and shareholders;
- 2) Monitoring and following up performance of sub-committees, including the Management.

In any case, the Board of Directors shall have authorities, duties and responsibilities as prescribed by the laws, objectives, articles of association, along with the resolutions of the Company's shareholders' meeting, the details of which are shown in Section 5 Scope of Authorities, Duties and Responsibilities (set forth here below).

**2. Composition**

The composition of the Board of Directors are as follows:

- 1) The Company's Board of Directors are not required to be shareholders of the Company;
- 2) The Company's Board of Directors shall be appointed by shareholders;
- 3) The Company's Board of Directors shall consist of the directors in number as designated by the shareholders' meeting giving consideration to the size and nature of the Company's business and efficiency in management, but the aggregate number at any time shall not below 5;
- 4) At least a half of the Company's Board of Directors must have a place of residence in the Kingdom;
- 5) The Board of Directors consist of independent director who is actually independent from the Management and without business relation or any other relationship effecting the exercise of free discretion not less than one-thirds of the total number of directors, but not lower than 3 members;
- 6) The Board of Directors may elect one of the directors as Chairman of the Board of Directors. In the case where the Board of Directors deems appropriate, the Board of Directors may elect one of or many directors to assume vice-chairmanship;
- 7) Chairman of the Board of Directors must not be the Managing Director.

*(Translation)*

### 3. Qualifications of the Board of Directors

The qualification criteria of each of the Company's directors are as follows:

- 1) Having knowledge and expertise, integrity, honesty and business ethics as well as have sufficient time to devote their knowledge, expertise and to perform duties for the Company;
- 2) Having the qualifications and possessing no prohibited characteristics under Public Limited Companies Act, Securities and Exchange Act and other relevant laws. Moreover, the Board of Directors should have no possession of characteristics indicating inappropriateness for trust in management of a business with the public being shareholders as stipulated by the Securities and Exchange Commission ("SEC");
- 3) The directors may assume directorships in other companies, but such directorships shall not be obstacle to the performance of duties as a director of the Company and shall be in line with the guideline of the SEC and the Stock Exchange of Thailand ("SET");
- 4) Not undertaking a business of the same nature as and in competition with the Company's business, or to enter to be a partner in an ordinary partnership, or a partner of unlimited liability in a limited partnership or a director of any other company operating a business of the same nature as and in competition with the Company's business, whether for their own or another's benefit, unless the meeting of shareholders had been notified thereof prior to passing a resolution of appointment;
- 5) An independent director must have qualifications relating to independence as determined by the Company and is in accordance with the guidelines announced by the Capital Markets Supervisory Board. In addition, the independent director must be a person who is able to take care of the interests of all shareholders equally and cause no conflict of interests. Moreover, the independent director must be able to attend the Board of Directors' meeting and provide independent opinion;

In this regard, the Company requires an independent director to hold the following qualifications:

- (5.1) Holding no more than 1 percent of total voting shares of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person; inclusive of the shares held by the connected persons of such independent director;
- (5.2) Not being an executive director, employee, staff, advisor with fixed salary, or controlling person of the Company, its parent company, subsidiary, associated company, subsidiary company of the same level, major shareholder or controlling parties, unless it has been longer than at least two years after holding such position. However, such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit who is a major shareholder or controlling person of the Company;

*(Translation)*

- (5.3) Not being the person related, whether by blood or official register as father, mother, spouse, sibling and child, including spouse of the offspring of other director, executive, major shareholder, controlling party, or person who will be nominated as a director, executive, or controlling party of the Company or subsidiary;
- (5.4) Not having or previously having business relations with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, in the manner which may impede the exercise of discretion and independent judgment; not being or previously being a significant shareholder or controlling person of any person having business relations with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person of the Company, unless it has been longer than at least two years after holding such position;
- (5.5) Not being or previously being the auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person; and not being a significant shareholder, controlling person, or partner of an audit firm which employs an auditor of the Company, its parent company, subsidiary company, associated company, major shareholder or controlling person, unless it has been longer than at least two years after holding such position;
- (5.6) Not providing or previously providing any professional services, legal advisory service or financial consulting service in consideration of fee exceeding THB 2 million per year from the Company, its parent company, subsidiary, associated company, major shareholder or controlling person; and not being a significant shareholder, controlling person or partners of such service provider, unless it has been longer than at least two years after holding such position;
- (5.7) Not being a director nominated to be a representative of the Company's director, major shareholder, or shareholder who is the connected person of a major shareholder;
- (5.8) Not operating any business in the same nature as and in competition to the business of the Company or its subsidiary; nor being a significant partner in a partnership, or an executive director, employee, staff, advisor with fixed salary or holding shares exceeding one percent of the total number of voting shares of another company which undertakes business in the same nature as and in competition to the business of the Company or its subsidiaries;
- (5.9) Not possess any other feature lacking the ability to independently give view about the Company's business operations.

#### 4. Appointment and Directorship Term

- 1) The appointment of the Board of Directors shall be in accordance with the Articles of Association and all applicable laws with transparency and clarity, having consideration to educational background and professional experience of the person with adequate details for the sake of decision making of the Board of Directors and shareholders.
- 2) The Nomination and Remuneration Committee shall consider and nominate the candidates fully qualified as prescribed in this Charter to hold the position of director by proposing to the Board of Directors for further appointment or by proposing to the meeting of shareholders for further appointment (as the case may be).

In the case where the Board of Directors have not appointed the Nomination and Remuneration Committee or the Nomination and Remuneration Committee is not available or unable to perform the duty due to being below the number required to constitute a quorum or unable to vote due to having interests in such recruitment and nomination of the fully qualified candidate under the foregoing paragraph, the Board of Directors shall perform the duty under the foregoing paragraph in placement of the Nomination and Remuneration Committee.

- 3) For the appointment of a replacing director in the case where the office of a director becomes vacant by any reason other than the expiration of the term, the Nomination and Remuneration Committee shall elect a person possessing the qualifications and being under no prohibitions under the laws by proposing to the meeting of the Board of Directors for further appointing as a replacing director at the next meeting of the Board of Directors, unless the remaining term of office of such director is less than two (2) months. In this case the replacing director shall hold office only for the remaining term of the replaced director.

In the case where the Board of Directors have not appointed the Nomination and Remuneration Committee or the Nomination and Remuneration Committee is not available or unable to perform the duty due to being below the number required to constitute a quorum or unable to vote due to having interests in such recruitment and nomination of the fully qualified candidate under the first paragraph, the Board of Directors shall perform the duty under the first paragraph in placement of the Nomination and Remuneration Committee.

- 4) The Board of Directors shall take three (3) year term in office. At the expiration of the term, the vacating director may be re-elected.
- 5) An independent director shall hold the office consecutively not exceeding 9 years from the first time of appointment. Unless the Board of Directors shall determine otherwise reasonable necessity, the Board of Directors may further re-appoint such person as an independent director.

*(Translation)*

- 6) At every annual ordinary meeting of shareholders, one-third of the existing directors shall vacate office. If the number of directors is not a multiple of three, then the number nearest to one-third shall vacate office. The vacating director may be re-elected. The directors to vacate office in the first and second years following the registration of the company shall be drawn by lots. In every subsequent year, the directors who have been the longest in office shall vacate office.
- 7) In addition to the vacation of office upon the expiration of the term, the Board of Directors shall vacate office upon:
  - (1) Death;
  - (2) Resignation;
  - (3) Being disqualified for the Company's director or being under any of the prohibitions under the Public Limited Companies Act or having the characteristic unsuitable for an office with reliability to manage the business belonging to the public through shareholdings as prescribed in the Securities and Exchange Act (as amended) as well as the announcements of the Securities and Exchange Commission relevant thereto.
  - (4) The meeting of shareholders passes a resolution moving the director (In this case the resolution of the shareholders' meeting must be supported by votes of not less than three-fourths (3/4) of the number of the shareholders present at the meeting and entitled to vote and also with the aggregate number of shares of not less than one half of the number of shares held by the shareholders present at the meeting and entitled to vote.);
  - (5) being removed by an order of the Court.

Any member of the Board of Directors intending to resign shall submit a resignation letter to the Company. The resignation shall take effect as from the date specified in the resignation letter.

#### **5. Scope of Authorities, Duties and Responsibilities**

The Board of Directors as the representatives of shareholders have authorities, duties and responsibilities as follows:

- 1) Accountably performing duty with due care and honesty together with a view to the best interests of the Company and all shareholders, as well as discharging his/her duties and supervising the Company's business affairs in line with the laws, objectives, articles of association and resolutions of the Board of Directors and shareholders:

*(Translation)*

- 2) Defining and considering the objectives, visions, strategies, business direction, targets, policy, guidelines, business plan, budget, management structure, approval authority as proposed by the executive committee and/or the Management as well as monitoring and supervising the Management, administration and performance result of the Management of the Company to be in compliance with the objectives, main goals, policy, business plan and budget set in efficient and productive manners, including supervising the contribution of the essential resources, administration and performance results of the Management or any personal assigned to perform this duty in order to enhance values of the Company and shareholders to the maximum; reviewing the strategies, direction of business, business plan and budget at least once a year as suitable for the dynamic situation of economy, market and competition;
- 3) Following up and assess the performance of the Executive Committee, the Management and sub-committees of the Company consecutively and regularly in order to achieve the strategies and comply with the plan and budget, together with the supervision of the report presenting such performance;
- 4) Monitoring and supervising the business operation to abide by the terms of the principles of good governance, ethical standards, adhering to the rights with accountability to the shareholders and all interested persons; operating the business to pursue the interest of the society and environment, as well as being adaptable to the diversified factors for sustainability development of;
- 5) Ensuring having succession plan in order to prepare for the succession of the Managing Director and senior management personnel in case of retirement, resignation or failure to perform duties so that the administration of the Company shall be continually active. The Nomination and Remuneration Committee shall oversee the preparation of the succession plan and report the result of so pursuing to the Board of Directors from time to time at least once a year and supervise the administration and development of human resources with proper number, knowledge, skills, experiences and motivation.

In the case where the Board of Directors have not appointed the Nomination and Remuneration Committee or the Nomination and Remuneration Committee is not available or unable to perform the duty due to being below the number required to constitute a quorum or unable to vote due to having interests in such recruitment and nomination of the fully qualified candidate under the first paragraph, the Board of Directors shall perform such duty in placement of the Nomination and Remuneration Committee;

*(Translation)*

- 6) Considering and approving the nomination of the person with suitable qualifications without any characteristic which is prohibited by the Public Company Act B.E 2535, and the Securities and Exchange Act and any other regulations and/or rules in relation to the holding of directorship of a company when it is the appointment of a replacing director for the vacancy by any reason other than the expiration of the term;
- 7) Considering and approving the appointment of the Audit Committee who must be qualified according to the Audit Committee Charter and the Securities and Exchange Act, Notification of the Capital Market Supervisory Board, including the declaration, rules and/or regulations of the Stock Exchange of Thailand;
- 8) Considering and approving the appointment of the Executive Committee by selecting from the directors and/or management personnel s and/or any other outsiders who have qualifications as stipulated in the Executive Committee Charter as well as formulating the scope of authorities, duties and accountabilities of the Executive Committee;
- 9) Considering and approving the appointment of any sub-committees together with the scope of authorities, duties and accountabilities in order to facilitate and support the discharging of duties of the Board of Directors as appropriate;
- 10) Considering and approving the appointment of the Managing Director who has knowledge and experiences necessary and suitable; defining the scope of authorities, duties and responsibilities; formulating the framework and policy with respect to the remuneration, salary increase, bonus, wages and rewards for the Managing Director;
- 11) Considering and approving the appointment of the Company Secretary who has knowledge and experiences necessary and suitable in order to facilitate the Board of Directors performing all activities adhering to the law, notification, rule and regulation related thereto;
- 12) Considering and adjusting the name of director authorized to sign his/her name for and on behalf of the Company;
- 13) Considering and appointing the directors, or management personals of subsidiaries or affiliated companies in proportion to the Company's shareholding therein at the minimum; clearly defining the scope of authorities, duties and responsibilities of the directors and management personals who are so appointed as well as expressly directing the way to use discretion for voting in the meeting of the Board of Directors of subsidiaries or affiliated companies on material matters which must be approved by the Board of Directors of the Company in advance to ensure the supervision of the Management adhering to the Company's policies and legal accuracy of all transactions, disclosure of financial information, performance result, connected transactions and the acquisition or disposal of material assets in full and accurately;

*(Translation)*

- 14) Considering, approving and giving opinion on the acquisition or disposal of assets, excluding when the approval of the meeting of shareholders is to be so obtained. In any case, such approval must be in accordance with the law, notification, rule and/or regulation related thereto;
- 15) Considering, approving and giving opinion on the connected transactions excluding when the approval of the meeting of shareholders is to be so obtained. In any case, such approval must be in accordance with the law, notification, rule and/or regulation related thereto;
- 16) Considering and approving the payment for an interim bonus to shareholders and reporting such bonus payment to the meeting of shareholders in the next meeting of shareholders;
- 17) Preparing form 56-1 one report and taking into account that the preparation and disclosure of consolidated financial statements, including separate financial statements of the Company at the end of the accounting period after examined by the auditor are true and accurate under the generally accepted accounting principles for further proposing to the meeting of shareholders for consideration and approval;
- 18) Selecting and approving the nomination of auditor of the Company, defining the suitable rate of remuneration as proposed by the Audit Committee before proposing to the shareholders in the annual general meeting for consideration and approval;
- 19) Directing the Company's accounting system in appropriate and efficient manners and managing the procedure of making financial reports and disclosure of material matters on accurate, sufficient, and timely basis, in compliance with the applicable rules, standards and practices, as well as overseeing and monitoring the adequacy of Company's liquidity and debt service coverage;
- 20) Setting the risk management policy covering the entire organization and monitoring the system or procedure in risk management in conjunction with an adequate internal control at appropriate and efficient manners, including supporting measures and controlling methods to lessen the business impact as deemed appropriate;
- 21) Acknowledging audit report of the Audit Committee and another sub-committees of the Company;
- 22) Monitoring to ensure that framework, policy and structure of the remuneration are suitable and motivate the management personals and staff at all levels to work in compliance with the objectives and main targets of the organization in line with the Company's benefits in long term with a view of the appropriateness of the remuneration which is monthly wages and remuneration in relation to both short-term and long-term business operation and defining the policy on remuneration payment;



(Translation)

- 23) Setting policy with respect to good corporate governance and anti-corruption policy pursuant to the good governance principles made in writing at least as defined by the Securities Exchange of Thailand and/or the Securities and Exchange Commission and there is an application of the said policy efficiently to ensure that the Company has accountability to all related parties in a fair manner while promoting awareness of same at all levels in the organization and to the outsiders so that they will be put into practice;
- 24) Monitoring and managing any potential conflicts of interest between the interested parties of the Company as well as preventing misuse of the Company's assets, information and opportunities and the entering into inappropriate transactions with persons connected with the Company. In any case, a director having an interest in any transaction with the Company or changing number of shares held in the Company must promptly inform the Company;
- 25) Monitoring the disclosure of roles and duties of the Company's Board of Directors, sub-committees, number of meetings and meeting attendance times of each director in the previous year; and reporting the performance results of all sub-committees;
- 26) Promoting the directors and management personals of the Company to attend the seminars organized by Thai Institute of Directors Association with respect to the duties and accountabilities of directors and management personals;
- 27) Overseeing and monitoring the management and operations of the Company in compliance with the Company's policies, laws governing the business operation and the Stock Exchange of Thailand, notification of the Capital Markets Supervisory Board, requirements of the Securities and Exchange of Thailand, *mutatis mutandis*, as not breaching or in conflict with another laws;
- 28) Managing the annual general meeting of shareholders within 4 months following the end of accounting period of the Company and handling such meeting steadily, transparently, and efficiently as well as monitoring to ensure that the resolutions of the meetings and minutes of the shareholders' meetings be disclosed and made accurately and completely;
- 29) Seeking recourse to independent external advice as deemed necessary for the sake of decision making in a proper way;
- 30) Equitably considering and approving any matters with a view of the interests of shareholders and all interested parties of the Company;

*(Translation)*

- 31) Empowering or appointing any one of or many director(s) or any other person to undertake any action for and on behalf of the Company within certain period of time as deemed appropriate by the Board of Directors. The Board of Directors may terminate, rescind, modify or change such power at any time. In any case, the delegation of authority, duty and accountability of the Board of Directors shall not be the act of empowering an attorney or sub-attorney for the purpose that the Company's Board of Directors or attorney of the Board of Directors can approve any transaction possibly having conflicts (as defined in the Notification of the Securities and Exchange Commission or the Capital Market Supervisory Board) or possibly having gain and loss or any advantages or conflict of interest with the Company, except in the case where the approval of such transactions are as stipulated in the policy and regulations which have been approved by the meeting of shareholders or the Board of Directors.

## **6. Meeting**

- 1) There shall be at least 4 meetings of the Board of Directors per year. The date of meetings may be scheduled in advance along the year and special meetings may be called, if necessary.
- 2) Chairman of the Board of Directors and the Managing Director shall oversee and approve the setting of meeting agenda. In this case one of the independent directors shall jointly consider setting the meeting agendas.
- 3) In calling a meeting of the Board of Directors, a written notice calling for such meeting together with meeting agenda and accompanying documents to all directors not less than 3 days prior to the date of the meeting so that the directors shall have sufficient time for study. Where it is necessary or urgent for protection of the Company's rights or benefits, the meeting may be called by other methods or an earlier meeting date may be set.
- 4) Chairman of the Board of Directors presiding as chairperson of the meeting has obligation to oversee the sufficient time spending for each meeting agendas so that the directors can discuss and present their opinion freely in the material issues.
- 5) A director who has interest in a business is not entitled to vote in respect of that business, but he/she can attend the meeting so that the meeting can discuss with him/her directly about the business involved. However, the interested director must not in the meeting while voting.
- 6) Meeting of the Board of Directors can be convened via electronic media subjected to the conditions, procedures and methods specified by the law. The location of the head office of the company shall be considered the meeting venue. and the invitation and meeting documents can be sent by electronic media according to relevant laws and criteria required by the Registrar.

*(Translation)*

## **7. Quorum and Voting**

- 1) At a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. In the case where the Chairman of the Board of Directors is not present at the meeting or is unable to perform the duty, the Vice-Chairman shall seat as the chairperson of the meeting; or if the Vice-Chairman of the Board of Directors is incapable of acting, the directors present in the meeting shall elect a director to preside over the meeting.
- 2) A resolution of a meeting shall be passed by a majority votes. In case there is a director voting against the resolution of the meeting, the protest will be recorded in the minutes of such meeting.
- 3) In casting votes, each director shall have one vote, provided that any director who has any interest in a particular matter cannot vote on such matter. In case of an equality of votes, the director presiding over the meeting shall have an additional vote as the casting vote.

## **8. Remuneration**

The Board of Directors shall have remuneration as approved by the resolution of the shareholders' meeting. The determination of remuneration must be in transparent procedure and suitable for the duties and responsibilities at the comparative level of practice in the same industry.

Board of Directors Charter is effective from 15 May 2023 onwards.

*-Signature-*

(Mr. Bhanapot Damapong)

Chairman of the Board of Directors

Praram 9 Hospital Public Company Limited