



Corporate Governance & Ethics Handbook

THONBURI HEALTHCARE GROUP PCL



LIFETIME HEALTH GUARDIAN FOR ALL

Contents

	Page
1. Charter of the Board of Directors	1
2. Charter of Sub Committee	
2.1. Charter of Audit Committee	7
2.2. Charter of Risk Management Committee	14
2.3. Charter of Nomination and Remuneration Committee	18
2.4. Charter of Corporate Governance and Business Ethics Committee Charter	21
3. Policy and Business Overview	24
4. Corporate Governance & Ethics Policy	29
5. Risk Management Policy	36
6. Related Party Policy	37
7. Policy for investment in subsidiary and associated company and policy for management of such companies, including control and governance mechanisms	45
8. Corporate Social Responsibility Policy, Anti-Corruption and Whistleblowing Policy	53
9. Insider trading Policy	58
10. Human Resource Development Policy	61
11. Succession Plan	64
12. Code of Conduct	65
13. Roles and Responsibilities of the Chief Executive Officer (CEO)	70



VISION, MISSIONS and BRAND VALUES

THONBURI HEALTHCARE GROUP PCL

VISION

To enhance people's quality of life by being their most preferred health partner

MISSIONS

- To offer customer-centric, innovative, and reasonable healthcare solutions to people of all ages, no matter what their health needs, and
- To always strive for a higher standard of service, expertise and professionalism in our people for the benefit of all our stakeholders

BRAND VALUES

<i>TREASURE LIVES</i>	We treasure everyone's quality of life and we strive to offer the best care without discrimination of any persons or groups.
<i>HONEST</i>	We work on the principles of honesty and transparency, offering only necessary and desired products and services. We also approach our work with humility and respect for patients' dignity.
<i>OPTIMISTIC</i>	We look towards the future with optimism, constantly searching for innovative ways to improve our services and business performance.
<i>NURTURING</i>	Because our people are our greatest asset, we will nurture and keep developing our employees to be the best healthcare professionals for our customers.

Charter of the Board of Directors

1. Objectives

The Board of Directors, as a representative of shareholders, have crucial role in determining business direction, oversee the management to be in compliance with the applicable law, objectives, regulations, and to create value to the Company, as well as to generate highest benefit and shareholders in the long term.

Realizing the importance of corporate governance which is a part of building trust among shareholders and all stakeholders, each director shall perform their duties with responsibility, integrity and carefully project corporation interest, while complying to the applicable law, objectives, regulations and resolutions of the Board of Directors, as well as resolutions of the shareholders' meeting.

This Charter of the Board of Directors of Thonburi Healthcare Group Public Company Limited ("Company") is to set forth the basic roles, duties and responsibilities of directors on shareholders and to support the Board for their efficient, effective and transparent operation.

2. Composition

- 2.1 The Board of Directors shall consist of at least 5 members.
- 2.2 The Board of Directors shall consist members of 3 Independent Directors which account at least one third of total members. The Independent Directors must be independent from the control of major shareholders and has no involvement or interest in the finance and management, and shall satisfy the qualifications of the Independent Directors as determined by the Board of Director which is no less than described in the notification of the Capital Market Advisory Board No. Thor Jor. 28/2551 Subject: Application and Permission for the IPO ("Notification Thor Jor. 28/2551").
- 2.3 The Board of Directors shall consist of at least 3 Audit Committee, of whom satisfy the qualifications as described in Notification Thor Jor. 28/2551 The duties and responsibilities of the Board are as set forth by the Stock Exchange of Thailand ("SET").
- 2.4 The Board of Directors may appoint one of the member as a chairman. In case where it is considered appropriated by the Board, one or more director(s) may be appointed as a vice-chairman of the Board.

3. Qualifications

- 3.1 A director must be a person with knowledge and experience which will benefit the business, having honesty, integrity and ethical business practice, devoting adequate time to apply his/her best knowledge and ability to perform duties for the Company.

- 3.2 A director must satisfy all qualifications required, having no prohibited characters as set forth in the Public Company Limited Act B.E. 2535 (including the amendment) ("Public Limited Company Act") the Securities and Exchange Act B.E. 2535 (including the amendment) ("Securities Act") and notifications, regulations and/or relevant rules. He/she must not possess the character which shows the lack of qualifications to be trusted by the Company in management of the entity where shareholders are the public as described by the Securities and Exchange Commission and the Stock Exchange of Thailand and/or the Capital Market Advisory Board. He/she must be a person being listed in the database of directors and management board of the listed company as state in the Capital Market Advisory Board's notification, regarding the criteria of displaying list of directors and management board of the listed companies.
- 3.3 A director cannot engage in a business of same nature and is in competition with the Company; or become a partner or a director in other juristic person having the same business and is in competition with the Company whether for his/her own benefit or the others unless such engagement is noticed in the meeting of shareholders prior to the appointment. A director may hold a director ship in another company, under the condition that such position will not impede his/her performance in the Company, and it is in line with the guideline specified by the Company, the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 3.4 A director shall give notice to the Company without delay, if he/she has interest in the contract, whether made directly or indirectly by the Company or in case of increase or decrease of shareholding.
4. Duties and Responsibilities
- 4.1 The Board of Directors have its duties and responsibilities in management and operation of the business with best diligence and integrity; comply to the law, objectives, regulations and resolutions of the meeting of shareholders with integrity and diligence to protect interest of the Company and shareholders. The Board shall oversee the compliance to applicable law relevant to business of the Company; propose in the meeting of shareholders for consideration and approval for the agenda that requires prior approval. The Board of Directors shall supervise the compliance to applicable law relating to business of the Company, corruption law or anti-corruption support scheme.
- 4.2 Apply adequate and effective accounting system, financial report and auditing; provide internal control system, internal audit and document filing system to ensure the accountability and adequacy of the system subsequently.
- 4.3 Supervise the preparation of financial statement of the Company as of the ending date of the accounting year to show the actual, completed and correct financial status and operation result of the previous accounting year. The accounting system must meet the generally accepted accounting

standard and be audited by the certified public auditor prior to being submitted to the meeting of shareholders for consideration and approval.

- 4.4 Approve vision, mission, strategy, long-term target, direction and policies, business plan, budget and monitoring and supervising the management to assure the compliance with policies, plan, strategy and the budget assigned for the highest benefit of the Company and shareholders.
- 4.5 To formulate risk management policy to cover the entire organization, and to oversee the system or procedures of risk management by having supporting measures and controlling system to minimize the impact on business of the Company adequately.
- 4.6 To supervise ethical manner in business, for example, to provide good corporate governance in written form; to comply and adapt such policy effectively; to announce the implementation of the good corporate governance; to monitor the compliance among all personnel to assure the Company's best fair treatment to all stakeholders.
- 4.7 Set organization structure, management structure, scope of duties. The Board of Directors has the power to appoint sub-committee, management committee, senior management as defined by the Securities and Exchange Commission and compliance unit as deemed appropriated.
- 4.8 Appoint a director of the Company in case where the position become vacant due to the reason other than retirement by rotation.

The person being elected as a director must satisfy the qualifications of directors and not having prohibited characters as stipulated by the Public Limited Company Act, securities law, the Stock Exchange of Thailand, notification of the Market Advisory Board, as well as the relevant regulations and/or rules of the Stock Exchange of Thailand ("Securities and Stock Exchange of Thailand law") and notifications, regulations and/or relating rules.
- 4.9 In the event when the director position become vacant due to the reason other than rotation, the Board of Directors shall elect a person who is qualified and not having prohibited character as described in the Public Limited Company Act and the Securities and Exchange Act as a director in the next meeting of the Board.
- 4.10 To appoint the Company Secretary, as well as to determine scope of duties and responsibilities.
- 4.11 To select and approve list of certified public auditors and to determine the adequate remuneration as proposed by the Audit Committee prior to propose to the meeting of shareholders in the Annual General Meeting of Shareholders for approval.
- 4.12 To consider and approve the acquisition or disposal of assets, investment in new business and operations of the Company as necessary under the law, regulations and relevant rules unless such transaction is approved by the meeting of shareholders. However, the approval of the Board must be

consistent to the notification of the Market Advisory Board and/or notification, regulations and/or relevant rules of the Stock Exchange of Thailand.

- 4.13 To consider and/or give opinions on related transactions and/or to proceed any transactions of the Company (if the value of transaction is not required to be considered and approved by the meeting of shareholders), to confirm and in compliance with the law, notifications, rules and relevant regulations. To oversee, control and prevent the conflict of interest among stakeholders of the Company.
- 4.14 To approve the interim dividend payment to shareholders once it is considered that the Company's profit is in adequate level. The report of dividend payment shall be presented to the meeting of shareholders in the next meeting of shareholders.
- 4.15 To supervise the annual report of the Board and to prepare and disclose the financial statement of the Company in order to view the financial status and operation result of the previous year and to present the said reports to the meeting of shareholders for consideration and approval.
- 4.16 All directors and the Management of the Company shall be jointly liable for the person acquiring-disposing assets of the Company against any damages occurred as a result of the information being disclosed to shareholders or the public, showing false information in material content or conceal the fact which should be disclose in material facts as specified in the securities and Stock Exchange law, unless the director and management will proof that such information is beyond their scope of duties or they lack of such information.

5. Tenure and election of directors

- 5.1 The election of the Board shall be in accordance with relevant regulations and law. The nomination procedures must be transparent and precise, based on education background and experience, qualifications. Supplementary information and document should be provided for the best consideration of the Board and shareholders.
- 5.2 One-third of the directors of the Board will be retired at every annual general meeting of the shareholders. If the number of directors to be retired as such is not a multiple of three, the closest number to one-third will be applied. The directors who will be retired in the first and second year after the Company is listed in the Stock Exchange of Thailand is selected by raffles. In the following years, the directors who have been in office for the longest period will be retired.
- 5.3 The retired directors by rotation may be re-elected as a director.
- 5.4 In addition to retirement by rotation, a director is retired due to:
 - (1) Death
 - (2) Resignation

- (3) Disqualified or possess the prohibited character as stipulated by the public limited company law and/or securities and stock exchange law.
- (4) At least three third of the votes of the shareholders attending and having right to vote, whereby the total shares is not less than half of the shares hold by the shareholders attending and casting their vote.
- (5) The court issues an order for resignation

5.5 A director who wish to resign shall submit a resignation letter to the Company. The resignation will be effective from the date when the letter arrive the Company. The resigning director may give notice of his/her resignation to the Registrar of the Public Company as well.

5.6 In case where the director position become vacant due to the reason other than the rotation, the Board may elect a qualified person as stipulated by the law of public limited company and securities and stock exchange, to be a director in the next meeting of the Board. If the term of the resigning director is less than 2 months, the replacing director shall hold the directorship only for remaining period of the resigning director.

6. Meeting

6.1 The meeting of the Board shall be as stipulated by applicable law and regulations, whereby at least half of the members of the Board attending constitute a quorum. In case chairman of the Board cannot present in the meeting or is unable to perform his duty, the vice-chairman shall chair the meeting, or if the vice-chairman is unavailable, the Board shall elect one of the members as a chairperson of the meeting.

6.2 Decisions of the meeting shall be made by a majority of votes, whereby, one director has one vote. A director cannot vote in the agenda is he/she has interest in the said agenda. In the case of an equality of votes, the Chairman of the meeting shall have an additional casting vote.

6.3 The meeting of the Board shall be hosted on regular basis, at least every 3 month, or as considered necessary. Two directors may request to the chairman for hosting the meeting, where, on such circumstance, the chairman may set the meeting date within 14 days from the date of receiving request.

6.4 A chairman or a director being assigned by the chairman to set the date, time and place of the meeting of the Board where the location may be other place other than the head office of the Company or in the adjacent province. In case the place of meeting is not set by the chairman or director being assigned by the chairman, the meeting shall be hold at the head office of the Company.

- 6.5 To call for a meeting, the chairman of the Board or the person being assigned shall send an invitation letters through registered mail or deliver in person to the directors, at least 7 days prior to the meeting date. In case it is urgent matter, the invitation of meeting may be proceeded in alternative approach or the date of meeting may be set earlier in order to maintain right and benefit of the Company.
- 6.6 In the meeting, the chairman of the Board will give the opportunity to director to freely express his or her opinion and allocate the meeting time appropriately and effectively.

Charter of Audit Committee: AC

1. Objectives:

This charter has been prepared with the aim to define the scope of authority of the Audit Committee, which is one of critical mechanisms of good corporate governance in order to provide confidence to the stakeholders that the company's operation has effective inner monitoring and control systems to prevent the conflicts of interest. In this case, the board of directors has approved the Audit Committee Charter as a practical guideline for Audit Committee and to provide understanding on scope of work of Audit Committee to the board of directors, including executives for good corporate governance and business ethics for the Company.

2. Qualification of Audit Committee

2.1 General Qualification (Qualification of Independent Directors as per the announcement of Capital Market Supervisory Board)

2.1.1 Holding shares not exceeding 1 per cent of the total number of voting rights of the company, its parent company, subsidiary, major shareholders, or authorized person who are controlling this company. Thus, it includes related persons.

2.1.2 Not or not used to be a director who participated in managing employees, officers, and consultants by receiving monthly salary or the authorized person to control the company, major company, subsidiaries, affiliates, same-level subsidiaries, major shareholders, or of the authorized person to control the company; unless, he is resigned from such action for no less than 2 years before being an audit committee. Thus, the prohibition is excluded the case that the independent committee used to be a government officer, or consultants of government sector who is a major shareholder or the authorized person to control the company.

2.1.3 Not a person who has blood relationship or has legal registration as father, mother, spouse, sibling, and child, including spouse of child of other directors, executives, major shareholders, authorized person, or individuals to be nominated as directors, executives, authorized person of the requester, or subsidiaries

2.1.4 Has no or never have business relationship with the company, its subsidiaries, affiliates, major shareholders or authorized person of the company in the manner that may impede their independent judgment, and not or never be a significant shareholder or authorized person of the person who has relationship with the company, its subsidiaries, affiliates, major shareholders or authorized person of the company; unless, he is exempted from such manner for no less than 2 years before appointed to be an audit committee. Moreover, he shall has not benefits or interest whether direct or indirect for both finance and administration of the company, its subsidiaries, affiliates, or individuals who may have a conflict of interest that would compromise its independence.

Business relationship in the first paragraph, including the transaction which is normally done for the commercial operation, rental or leasing of real estate, items concerning assets or services or giving or receiving financial assistance by granted loaning, guarantee, issuing assets as the collateral for liabilities, including other similar circumstances which is resulted that the company or a party has obligation to pay for another party from 3 percent of the net tangible assets of 20 million baht or more, depending which one is lower. Thus, the calculation of such indebtedness, according to the method of calculating the value of the transaction as it is announced by the Capital Market Supervisory Board concerning rules on the transactions must be considering as a burden. By considering the obligation, the total debts incurred during the year prior to a business relationship with the person should be counted.

2.1.5 Not or not used to be an auditor of the company, headquarter, subsidiaries, affiliates, major shareholders, the authorized person, or entity who may has conflict and not being a significant shareholder who has authority to control or being a managing partner of the office of audit where there is an auditor of the company, headquarter, subsidiaries, affiliates, major shareholders, the authorized person in that office; unless, he is resigned from such action for no less than 2 years before being an audit committee.

2.1.6 Not being a person or used to be a person who provided professional services including being the legal consultant or financial consultant who received the charge for over 2 million a year from the company, headquarter, subsidiaries, affiliates, major shareholders, the authorized person, or entity , and must not be a significant shareholder who has authority or being a partner of the professional service provider; unless, he is resigned from such action for no less than 2 years before being an audit committee.

2.1.7 Not a director appointed as a representative to protect benefits of the board of director, major shareholder, or shareholder who is related to the major shareholder. Moreover, he must be able to express an opinion or report independently as per the mission assigned without regard to any benefit that cannot be constrained to comment as it should be.

2.1.8 Do not operate the same business operation and performed operation as the significant competition with the Company or its subsidiaries, or not being the significant partner in the partnership company or not being the director who has co-operation, employee, officer, consultant, etc., who receives salary as usual or holding more than one percent of total shares that have rights to vote of other companies that conduct the same business or perform operation as the significant competition with the Company or its subsidiaries

2.1.9 Not have any manners that cannot provide independent opinions about the work operation of the company.

2.1.10 Audit Committee shall be an independent director as per the qualification specified by the office of Securities and Exchange Commission. ("SEC Office").

2.2 Specific qualification

2.2.1 Not being a director authorized by the board of directors to decide on the operations of the company, headquarter, subsidiaries or affiliates in the same level, major shareholders, or authorized person to control the company

2.2.2 Not being a headquarter, subsidiaries or affiliates in the same level, only for those which is registered.

2.2.3 Has the responsibility in the same manner as set forth in the announcement of the Stock Exchange of Thailand on the features and scope of work of the Audit Committee.

2.2.4 At least 1 Auditor shall have adequate knowledge and experience in accounting or finance to perform the reliable audit on financial statement.

3. Appointment, Term of Office, and Retirement

3.1 Appointment

3.1.1 The board of directors or shareholders' meeting shall appoint the independence director as the chairman of the Audit Committee and auditor.

3.1.2 Audit Committee consisting of independent directors at least three people, and at least 1 Auditor shall have adequate knowledge and experience in accounting or finance to perform the reliable audit on financial statement. The Board's Audit Committee will select 1 member to serve as the Chairman of the Audit Committee.

3.1.3 When the auditor completed the term of office or has any reasons that cannot be available in this position until the end of term, and it is resulted that the number is less than 3 persons, the Board of Directors for the shareholders' meeting is required to appoint a qualified auditor without any prohibitions of replacement completely within three months from the date that the number of member is incomplete to ensure the continuity in the operation of the Audit Committee. The auditor who takes the position shall represent in the office only for the remaining term of the previous audit committee.

3.1.4 The secretary of the company, director of the internal audit department, or director of the accounting and financial department takes the position as a secretary of the audit committee.

3.2 Term of office

The Audit Committee shall hold the position for a term of three years, and the term is as same as the term of being the audit committee of the company. After the expiry, he may be considered to be appointed in this position again as it deems appropriate by the board of directors. The audit committee shall hold the position consecutively for not exceed 9 years, and the audit committee who retired shall act as the position until new person is appointed; unless, in the case that he is not chosen to take the position after he retired.

3.3 Retirement

3.3.1 Audit committee is retired when

- a) The term is expired
- b) Resigned from being an audit committee
- c) Resignation
- d) Death

- e) The Board of Directors or the shareholders' meeting has resolution to discharge from the position
- f) Lack of being committee
- g) The court has ordered to resign

3.3.2 Resignation of the audit committee in the case that he still serves the position of the board of director, he shall submit the resignation letter to the Chairman of the Audit Committee at least one month in advance with the reason that the Chairman of the Audit Committee will present to the board of directors for approval along with a copy of the resignation letter to inform the Stock Exchange of Thailand ("SET") in order that the board of directors will consider appointing another person with qualified individuals to replace those who resigned.

3.3.3 In the case that the Audit Committee resigned or retired before the expiration of the term, the company shall inform the SEC immediately, and the audit committee who is resigned or removed from the position will inform such reasons to the SEC office.

4. The meeting

4.1 Audit Committee has set schedule regularly for at least once in 3 months to consider the finance quarterly and annually as well as other matters as per the authority. He will have to attend the meeting with the external auditor, internal controlling system auditor, executives, and executives who take responsibilities about the accounting and finance to audit financial budget in each quarterly, and report to the board of directors or in the case that the executives shall have related reports or related lists about received and distributed assets as it shall be considered as per appropriateness of each item and the benefits of the company in order to comply with the related principles and any received and distributed assets specified by the SET.

4.2 For the invitation for the Audit Committee meeting, the chairman of the audit committee or secretary of the audit committee authorized by the chairman of the audit committee shall deliver letter specified the meeting date to the audit committee before the meeting has held for 7 days in advanced; unless, it is an urgent case as it can be informed by other means or can specify the date of the meeting earlier than it is mentioned . In each meeting, the meeting shall be scheduled clearly and the meeting document shall be submitted to the audit committee and the meeting attendee in advance with a reasonable period of time in order to have time to consider the request for information or call for further documents for consideration.

4.3 Audit Committee Meeting must have not less than half of total Audit Committee attend the meeting to constitute as a quorum

4.4 If the Chairman of the Audit Committee is not available, the Audit Committee who came to the meeting shall select any person as the chairman of the meeting.

4.5 The final decision of the Meeting held a majority. If the vote is equal, the Chairman of the meeting shall have another one vote as an additional casting vote.

4.6 For the voting, if there is a committee who is a stakeholder, he has no right to vote in such issue.

- 4.7 Secretary of Audit Committee has not right to vote
- 4.8 For the minute of meeting, the secretary of Audit Committee or any person assigned by the Audit Committee to make a report of Audit Committee meeting, the report must be approved by the Audit Committee, and such report shall be given to the Chairman of the Audit Committee in order to report the result of the meeting to the meeting of the board of directors in order to know the activities of Audit Committee.
- 4.9 Audit Committee can invite related persons such as board of directors, executives, legal officer of the company, external legal officers, or employees of the company from both headquarter and subsidiaries to attend the meeting and other related person can be involved to discuss and clarify questions.

5. Scope and obligations

The Audit Committee has the scope and obligations supporting corporate governance, especially in a process of financial reporting, internal control, audit and compliance process of the company complied with the law. The details of the scope and obligations are as follows;

5.1 Financial and Audit Report

5.1.1 To review the company's financial reports and its subsidiaries to ensure accuracy and reliability, including sufficient disclosure of information. Furthermore, the company has complied with accounting standards and related laws by coordinating with external auditors and executives who are responsible for preparing quarterly and annual financial reports

5.1.2 To consider, select nominate and dismiss any persons who have independency to act as the auditor of the Company and to determine the compensation of such person including to attend the meeting with the auditor without the management attending such meeting at least 1 time per annum to acknowledge the material financial information, audit result and to discuss on any problem that may find from the performance of the auditor.

5.2 Internal Control

5.2.1 To review the Company to have its internal control system adequately and effectively.

5.2.2 To review the Company to have its risk management system and measure on risk management adequately.

5.2.3 To review the accuracy of references and self-assessment form in relation to anti-corruption measure of the Company in accordance with the Thailand's Private Sector Collective Action Coalition Against Corruption.

5.2.4 To review and monitor the management to have process on whistleblowing and complaint.

5.3 Internal Audit

5.3.1 To review the Company to have its internal audit system adequately and effectively including to supervise the Internal Audit Department to perform its duties in accordance with the internal audit standard.

5.3.2 To consider the independency of the Internal Audit group.

5.3.3 To approve the appointment, transfer, dismissal and evaluation of performance of head department of the Internal Audit Department including to consider compensation, manpower and resources that are necessary to the performance of the Internal Audit Department.

5.3.4 To consider and approve the Charter of the Internal Audit Department.

5.3.5 To consider and evaluate the annual internal audit plan to ensure that such plan is in line with classification and level of risks of the Company.

5.3.6 To review the internal audit report which will be proposed to the management team including to review the opinion of the management team on the issues arising from the internal audit which have been presented and reported as well as to follow up on it to ensure than the management team complies with such suggestions adequately and within the appropriate timeline.

5.3.7 To approve the engagement and to determine the compensation of the internal audit provider in case of out-sourcing.

5.4 Compliance with Relevant Laws

5.4.1 To review the Company to comply with the laws concerning securities and exchange, the regulations of the Stock Exchange of Thailand and other laws relating to the Company's business.

5.4.2 To consider the connected transaction or transaction that may have the conflict of interest to comply with the laws and regulations of the Stock Exchange of Thailand to ensure that such transaction is reasonable and for the best benefits of the Company.

5.4.3 To verify after receiving the notification from the auditor that there have suspicious circumstances that the director, the management team or person who are responsible for the operation of the Company, may commit an offence related to their duties and responsibilities pursuant to the Section 281/2 paragraph 2, Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312 or Section 313 of the Securities and Exchange Act, and to inform the preliminary result of investigation to the Office of the Securities and Exchange Commission and the audit within 30 days from the date of the receipt of notification by the auditor.

5.5 Other Duties

5.5.1 To review and revise the Charter of the Audit Committee by considering of the revision on any issues as it deems necessary and appropriate and to propose to the Board of Directors for approval.

5.5.2 The Audit Committee can ask for advice from any external and independent advisors, if necessary, whereby all expenses shall be borne by the Company.

5.5.3 Be able to meet executives, communicate with staff and access to relevant information without restrictions.

6. Authorization on Implementation

6.1 Audit Committee has an authority to appoint Secretary for Audit Committee to support the operation of the Audit Committee.

6.2 Audit Committee has the authority to request an opinion from an independent professional advisor when deemed necessary to use the company's expenses. The employment shall be in accordance of the company's regulation.

6.3 Audit Committee has the authority to request data from any departments of the company and subsidiaries for additional consideration.

7. The report of Audit Committee

7.1 To prepare the Audit Committee's reports and disclose it in the Company's annual report by showing the list as specified by the Stock Exchange of Thailand and such report must be signed by the Chairman of the Audit Committee.

7.2 To report the performance of the Audit Committee to the board of director for acknowledgement every quarter so that the Board of Directors will acknowledge the audit results that are significant to the Company's performance

7.3 According to performing duties of the Audit Committee, finding or having doubts that there are transactions or actions under (1) (2) or (3) which may have a significant impact on the company's financial position and result of operation, the Audit Committee shall report to the Board of Directors for rectification within the time that the Audit Committee deems appropriate.

(1) Report about the conflicts of interest

(2) Report about the fraud or where there is something wrong or major defects in the internal controlling system.

(3) Report about suspicious related to the violation on law or SEC regulations as well as on other related law to the company's business

If the Board of Directors or the management does not rectify within reasonable time, any audit committee member may report to the Securities and Exchange Commission or the Stock Exchange of Thailand

8. Performance Evaluation

The Audit Committee shall evaluate the performance and report the result of evaluation to the Board of Directors.

Charter of Risk Management Committee: RMC

1. Objectives

The company's board of directors shall be a person who considers to appoint one set of Risk Management Committee, including directors and/or numbers of executives who are qualified to specify policy on risk management to cover all organization as well as controlling to be systematically performed or provide risk management process to control risk and reduce the effect of risk towards business of the company by having major duties to specify risk related to company's business, measure of prevention, and follow up the performance of such action appropriately. This Charter is made for Risk Management Committee to have more understanding on their roles, duties, and responsibilities, and use this charter as the work performance.

2. Component

2.1 Risk Management Committee consists of no less than 3 directors and/or executives

2.2 The company's board of directors may select any Risk Management Committee as the Chairman of Risk Management Committee. In the case that the company's board of directors has seen as appropriate, another one or more than one Risk Management Committees may be selected as the Vice President of Risk Management Committee

3. Qualification

3.1 Risk Management Committee must be a person who has knowledge and experience that will benefit the business operations of the company as well as honesty, ethical business practices and have enough time to devote his knowledge and ability to perform work for the company with full force, especially having knowledge on related risk and risks that may have effect on business operation of the company.

3.2 Risk Management Committee must be a qualified person without any disqualified nature under the law on public company related to Securities and Exchange Commission and other laws related to business of the company.

3.3 Risk Management Committee must inform the company without delay if there is a stakeholder with the contract that the company has made whether directly or indirectly, or the increasing or decreasing of shares or bonds for the company or its subsidiaries.

4. Responsibility and obligation

4.1 Specify policy, framework for risk management as well as risk management structure of the company and subsidiaries.

4.2 Acknowledge and give feedback to the policy, strategies and guidelines for risk management of the company and subsidiaries.

- 4.3 Specify guidelines for the risk assessment of the company and subsidiaries, and provide on-going report on risk management.
 - 4.4 Consider and identify risks of the business of the company such as the risk of investment, the business conduct, management, finance, work operation, data safety, legal, and regulations, etc. And, provide suggestion and prevention as well as method of risk management to be in acceptable level related to the work operation of the company effectively, and to provide suggestion to the company's board of directors and risk management department.
 - 4.5 Specify risk management plans and risk management processes and audit risk management plan, including overall risk management process, and monitor and audit the risk management process as well as risk management of the company and subsidiaries.
 - 4.6 Govern and support risk management to be successfully performed, emphasizing on the consideration on risk factors for the appropriate decision making. Thus, Risk Management Committee has a duty to follow up and evaluate work operation result as per the risk management framework of the company and its subsidiaries. Moreover, it is to improve implementation plan to reduce risk continuously in order to be appropriate with the company's business operation condition.
 - 4.7 Acknowledge the significant risks and report the results of the risk assessment as well as Results of operations to reduce risks and to inform the company's board of directors regularly. In the case that there are important factors affecting the company significantly on the financial condition and results of operations of the Company, it must be reported to the company's board of directors for the consideration ASAP.
 - 4.8 Consider that the management section has responded to the risks properly.
 - 4.9 Encourage to perform as per the policies and risk management guidelines throughout the company and its subsidiaries.
 - 4.10 Encourage the development capabilities of personnel and raise awareness of the risks and the control of the company and its subsidiaries continuously.
 - 4.11 Perform tasks as assigned by the company's board of directors
5. **Term of Office and the Election of Risk Management Committee**
- 5.1 The risk management committee shall be discharged from the position when he is
 - Death
 - Resign
 - Company's board of directors' meeting has a resolution to resign
 - The court has ordered to resign

- 5.2 Any Risk Management Committee who will resign shall submit the resignation to the company in writing, and it shall affect from the date that the resignation filed to the company.
- 5.3 In the case that the risk management committee position is vacant, the company's board of directors shall select any person who is qualified to represent as the Risk Management Committee instead.

6. The meeting

- 6.1 Risk Management Committee Meeting must have not less than half of total Risk Management Committee attend the meeting to constitute as a quorum. If the Chairman of the Risk Management is not available or cannot perform his duty, and if the Vice President is available, the Vice President of Risk Management will act as the Chairman of the meeting. If there is not Vice President, or if any, but he cannot perform his duty, the Risk Management Committee shall have a meeting to select the Chairman of the meeting from the committee.
- 6.2 The final decision of the Risk Management Committee Meeting held a majority. One risk management committee has one vote for the voting, except that the risk management committee who is a stakeholder has no right to vote in such issue. If the vote is equal, the Chairman of the meeting shall have another one vote as an additional casting vote.
- 6.3 Risk Management Committee Meeting can be arranged or called for meeting as it deemed appropriate. However, the normal meeting shall be held at least 4 times a year; unless, there is a necessary case that the meeting cannot be held. The Chairman of the Risk Management Committee shall call for the Risk Management Committee Meeting, as necessary, more than 2 risk management committee may ask the Chairman to call for risk management committee meeting, and the chairman may specify the date of meeting within 14 days from the date of request.
- 6.4 The Chairman of the Risk Management Committee or the Risk Management Committee who is assigned from the Chairman of the Risk Management Committee may specify the date, time, and place to arrange Risk Management Committee Meeting, and the meeting place can be specified other than the location of the head office of the company if the Chairman of the Risk Management Committee or the Risk Management Committee assigned from the Chairman of the Risk Management Committee did not specify to arrange the meeting at the head office of the company.
- 6.5 For the call of Risk Management Committee Meeting, the Chairman of Risk Management Committee or assigned person shall deliver the meeting appointment letter and other necessary documents and the resolution of the Risk Management Committee by registered post or by hand to the risk management committee directly, and the date, time, place, and title of the meeting shall be specified to the Risk Management Committee for no less than 7 days prior to the date of meeting; unless, it is an urgent, in order

to protect the rights and interests of the company, it may be informed by other means or specified the date earlier than it is set.

7. Implementation authority

7.1 Risk Management Committee has an authority to appoint Secretary for Risk Management Committee to support the operation of Risk Management Committee

7.2 Risk Management Committee has the authority to request an opinion from an independent professional advisor when deemed necessary to use the company's expenses. The employment shall be in accordance of the company's regulation

7.3 Risk Management Committee has the authority to request data from any departments of the company and subsidiaries for additional consideration

8. The report

8.1 Risk Management Committee is a sub-committee appointed by the company's board of director to study and screen works. Therefore, Risk Management Committee is responsible to report work performance to the company's board of directors regularly.

Charter of Nomination and Remuneration Committee: NRC

1. Objectives

The Board of Directors has agreed to formulate the Charter of Nomination and Remuneration Committee in order to compose the constituent, responsibility and practice guidelines to ensure the performance of the Nomination and Remuneration Committee are fair, adequate, transparent and in line with the good corporate governance, as to create reliability and trust among stakeholders.

2. Composition

The Nomination and Remuneration Committee consist of at least 3 directors and at least 2 independent directors. A Chairman of the Nomination and Remuneration Committee shall be an Independent Director. Despite, from time to time, the position will become vacant, the remaining directors should be able to carry on the duties and responsibilities. However, if the number of the directors is not sufficient to constitute the quorum, the remaining directors can only hold a meeting to arrange the Board to elect new members of the Nomination and Remuneration Committee for the vacant position.

3. Qualifications

- 3.1 Being a person who has knowledge, experience and is aware of his/her qualifications, duties, responsibilities as a Nomination and Remuneration Committee.
- 3.2 A Chairman of the Nomination and Remuneration shall be an Independent Director to be a core driving force to lead the Committee independently.

4. Tenure

- 4.1 The Nomination and Remuneration Committee shall hold office for a term of 3 years, whereby one year herein referred to the period during the annual general meeting of shareholders of the year when the person being selected until the annual general meeting of shareholder of the following year. A member of the Nomination and Remuneration Committee who is retired by rotation may be re-elected.
- 4.2 The Nomination and Remuneration Committee shall vacate office upon:
 - (1) Rotation
 - (2) Ceasing directorship of the Company
 - (3) Resignation
 - (4) Death
 - (5) Resigned from the position by resolution of the Board of Directors, or by the resolution of shareholders

(6) The court issues an order for resignation

4.3 When a member of the Nomination and Remuneration Committee vacate the office prior to the rotation, the Board of Directors shall elect the qualified person to fill the remaining position of the resigning member of the Nomination and Remuneration Committee.

5. Duties and responsibilities of the Nomination and Remuneration Committee

The Duties and responsibilities of the Nomination and Remuneration Committee, as assigned by the Board of Directors:

- 5.1 To formulate policy, criteria, procedures for nominating directors and Chairman of the Executive Officer.
- 5.2 To formulate policy, criteria and methods of remuneration (both in cash and non-cash form) for the Board of Directors, sub-committee and CEO, to be relevant to the duties, responsibilities, to be consistent to operation results of the Company and market situation, in order to seek approval from the meeting of shareholders.
- 5.3 To nominate and select a qualified person as a director, CEO, pursuant to applicable regulations and law and propose to the Board and/or meeting of shareholders for approval (as the case may be).
- 5.4 To determine the adequate and necessary remuneration in monetary and non-monetary form as an incentive for the Board of Directors, sub-committee and CEO.
- 5.5 To oversee if the Board of Directors is composed appropriately, having competent members with knowledge and experience, consistent to the changes in related conditions.
- 5.6 To set forth direction and to assess work performance of the directors and CEO in order to adjust annual compensation, which is based on duties, responsibilities and to reduce the relating risks, as well as to place importance to the value added of the shareholders in a long term.
- 5.7 To disclose the policy and details of nomination procedures, policy of nomination and different forms of remuneration; to prepare nomination report which should contain at least description about goals, work performance and opinion of the Nomination and Remuneration Committee in the annual report of the Company.
- 5.8 To perform any other duties as assigned by the Board of Directors.

6. Meeting

- 6.1 The Nomination and Remuneration Committee shall hold meeting at least 2 times a year.
- 6.2 In the meeting, at least half of the members of the Nomination and Remuneration Committee shall constitute the quorum.

- 6.3 In case the Chairman of the Nomination and Remuneration Committee is absent or unable to perform his/her duty, the members shall select one member as a chairperson.
- 6.4 Decisions of the meeting shall be made by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have an additional casting vote.

7. **Reporting**

- 7.1 The work report of the Nomination and Remuneration Committee shall be submitted to the Board in the meeting of the following month.
- 7.2 Report to the meeting of shareholder in the annual report and the annual statement.

The Corporate Governance and Business Ethics Committee Charter

1. Objectives:

To propose to the Board of Directors international standard policies and Guidelines for good corporate governance and business ethics for the Company.

2. Components:

- 2.1 The Corporate Governance and Business Ethics Committee consist of no less than 3 Directors.
- 2.2 The Board of Directors or the Corporate Governance and Business Ethics Committee appoints a member of the Corporate Governance and Business Ethics Committee to serve as the president of the Corporate Governance and Business Ethics Committee.

3. Qualification:

- 3.1 The Corporate Governance and Business Ethics committee members must have (complimentary) knowledge, abilities and experience that will be beneficial to corporate governance and business ethics.
- 3.2 The Corporate Governance and Business Ethics Committee must have adequate time to perform their responsibilities and be willing to express their views independently.

4. Duties and Responsibilities:

- 4.1 To formulate the policies and guidelines of good corporate governance and business ethics of the Company's group to comply with international practices, relevant regulatory agencies and/or relevant laws for the Board of Directors' approval.
- 4.2 To set guidelines and monitor those in order to encourage the Company's group to be in compliance with the policies and regulations in good corporate governance and business ethics.
- 4.3 To promote and encourage directors and executives to understand and comply with good corporate governance policies and business ethics at all times and encourage executives to promote understanding and compliance to employees of all levels of the Company.

- 4.4 To review the good corporate governance policies and business ethics, including this charter, on an ongoing basis and at least once a year to develop and upgrade the corporate governance standards of the Company's group.
 - 4.5 To appoint subcommittees in order to support the operations related to the good corporate governance policies and business ethics as required.
 - 4.6 To perform tasks as assigned by the Board of Directors relating to corporate governance and business ethics.
5. **Term of office and the election of the Corporate Governance and Business Ethics Committee:**
- 5.1 The term of office of each member of the Corporate Governance and Business Ethics Committee is the same as the term of a director serving on the Board.
 - 5.2 The Corporate Governance and Business Ethics Committee will be discharged from the position upon:
 - End of the term
 - Exit from being a director
 - Death
 - Resignation
 - The resolution from the Board of Directors' meeting
 - The court writ
6. **Meetings:**
- 6.1 The meeting:

The Corporate Governance and Business Ethics Committee' meeting must be held at least twice a year and more frequently if necessary.
 - 6.2 Meeting documents' delivery

The documents must be sent to the Corporate Governance and Business Ethics Committee at least 7 days before the meeting's date.
 - 6.3 Quorum:

At least half of the Corporate Governance and Business Ethics Committee's members must be in attendance to constitute a quorum for the meeting to proceed.

6.4 Voting:

The resolution of the Corporate Governance and Business Ethics Committee's meeting will be by the majority of the Directors attending the meeting. In case of the equal vote the Board of Directors will have final say.

7. **Implementation authority:**

- 7.1 To formulate proposed policies and guidelines for good corporate governance and business ethics for approval by the Board of Directors.
- 7.2 To encourage Directors, Executives and employees of all levels of the Company's group to understanding and comply with the good corporate governance policy and business ethics.
- 7.3 To appoint the Secretary of the Corporate Governance and Business Ethics Committee to support the operations of the Corporate Governance and Business Ethics Committee
- 7.4 To appoint subcommittees as necessary in order to support the development and implementation of good corporate governance and business ethics.

8. **Report:**

The Corporate Governance and Business Ethics Committee must regularly report its performance to the Board of Directors.

Policy and business Overview

1.1 Policy and overall business operations

Thonburi Healthcare Group Public Company Limited ("Company") (formerly "Thonburi Hospital Public Company Limited") conducting in three businesses: (1) Medical Services (2) Healthcare Solution Provider and (3) other businesses to support the business in the group. The details are as follows.

- (1) Medical services are the core business of the Company, being classified in 4 categories:
 - 1.1 Healthcare business in Thailand – a private hospital providing accommodation for overnight patients. Healthcare business is operated by subsidiaries and affiliated companies including 2 private hospitals in Bangkok which are Thonburi Hospital and Thonburi 2 Hospital (under management of the Company) and 3 hospital in another province which include Rajyindee Hospital (managed by the Company), Rajyindee Hospital PLC, Ubonrak Thonburi Hospital (managed by Ubonrak Co., Ltd.) and Sirivej Chanthaburi (managed by Sirivej Chanthaburi PLC.), as a whole referred to as "Hospital".
 - 1.2 Healthcare business oversea - managed by Weihai Thonburi Healthcare Investment Company Limited, the company incorporated in China on 14 January 2016 with registered capital of 230 million RMB (or equivalent to 1,150 million baht), where Company holds 58% of the registered capital. Weihai Thonburi Healthcare Investment Company Limited is a categorized as a private hospital with accommodated overnight patients, operated under the name Welly Golden Bay Hospital.
 - 1.3 Medical Service Contractor - Being trust by the government, the Company is hired as a contractor for provision of hospital under the Public Health Ministry. The Company has signed the contract for management and operation of 2 state hospitals which are Mueang Pattaya Hospital and Phuket Provincial Administration Hospital. The Company has been selected due to the readiness of medical equipment and qualified personnel, the ability to arrange comprehensive management for all units within hospitals, as well as the efficiency of service where patients receive service quality of private of hospital, with teams of doctors and nurses for 24 hours, at the affordable price.
 - 1.4 Specialized Center – is managed through a subsidiary which is Thonburi Hospital Heart Center Co., Ltd. where the Company holds 99.98% of shares, providing management of heart center to hospitals which include private and state ones. Specialized Center has entered into a contract with Phatra Hospital Co., Ltd. , providing medical service for heart and vein diseases, as well as the contract with Bangphli Hospital – subordinate of the Ministry of Public Health in Samut Prakarn province, providing medical treatment and service for patients of heart and Ischemic heart disease.
- (2) Healthcare Solution Provider can be divided in 3 categories: (1) Home Healthcare (2) Step-Down Care and (3) Distribution of products, medical supplies, chemicals and medical equipment. Details are as follows:

- 2.1 Home Healthcare: Being well aware that it is often that it's inconvenient for a patient or an elderly to travel to the hospital due to many factors such as traffic or the inconvenience of transporting, therefore, the Company has initiated a home healthcare service by the management through Premier Home Healthcare Co., Ltd. The company is established with aim to provide healthcare service, hygienic cleaning service which include disinfection and elimination of mites, and comprehensive home healthcare service. The target group are the patients who cannot help themselves, an elderly, patient of chronic disease, as well as those who want a healthcare service, but prefer to receive the service at home.
 - 2.2 Step-Down Care is a new business to serve more patients, being managed by Premier Home Healthcare Co., Ltd. – a medical facility to accommodate patients who are in convalescence longer than 2 days after surgery or the patients who need physical therapy, being under care of family member or patients who is able to look after themselves. This service offers cheaper service charge, and is a choice to minimize cost of convalescence in the hospital.
 - 2.3 Distribution of products, medical supplies, chemicals and medical equipment, dental equipment, pharmacy business under Apex Health Care brand managed by Siam Dental Co., Ltd.
- (3) Other business includes:
- 3.1 Software development for hospital management - managed by Modular Software Expertise Co., Ltd.
 - 3.2 Real Estate Development is a business conducted to support businesses of the Company Group - managed by Thonburi Land Development and Rajthane Realty Co., Ltd.

1.2 Vision, Mission and Business Direction

Vision

The mission of Thonburi Healthcare Group Public Company Limited ("Company") and a subsidiary of the Company is to become "a hospital and medical service network that meet standard, using advanced innovation, being trusted by customers, at the affordable price for everyone".

Mission

1. To maintain standard of management and medical service, as well as to develop human resource to meet higher standard both in domestic and international level.
2. To seek and develop the medical service system and advanced technology to achieve fast, precise service that meet requirement and necessity of the treatment.
3. To develop ethical concept, academic excellence, and special expertise as to enhance the treatment efficiency, to improve service mine which will lead to trust, reliability and happiness of customers
4. To offer new dimension of treatment in the price that most people can afford.

Direction

To achieve the above visions, the Company has set forth the followings:

1. To maintain standard of management and medical service, as well as to develop human resource to meet higher standard both in domestic and international level.
 - With our services being accepted under international standard, we receive Hospital Accreditation (HA) from the Healthcare Accreditation Institute (Public Organization) to certify well management system which supports quality and safety service. Furthermore, the Company has maintained its standards as to become a model of hospital development among the Company Group to achieve the same standard
 - The Company has strategy to become a medical excellence, by developing treatment capacity in 5 strategic fields (1) Neuroscience and Brain Center (2) Orthopedic Center (3) Digestive and Liver Center (4) Heart Center and (5) Obstetrics-Gynecology Center - for maximum efficiency in treatment.
 - The Company arranges consulting team from internal and external source to pass on knowledge and experience, as well as to support the achievement to highest standards of performance to the hospitals in Company Group, which will standardize and qualify all hospital to achieve the same level.
 - The Company provides training courses and fund to develop its personnel in terms of academic and service field on regular basis.
2. Seek and develop innovation of medical service and modern technology to enhance fast, precise service that will meet customers' requirement and necessity.
 - The Company creates medical contract service to state hospitals which offer comprehensive service solution and the Excellent Center, where people can have a service of private hospital quality under the price of a state hospital.
 - The Company has policy to expand into an excellent center to facilitate patient with comprehensive services.
 - The Company has policy to seek and develop advance technology, emphasizing on an innovation which is accepted and certified by international standard, for example, scanning, laboratory, medical equipment, patient recovery etc. to enhance a fast and precise service that will meet the necessity of each treatment, as well as requirement of patients.
 - The Company plans to launch Senior Living Complex and to develop management system to ensure the service will meet customers' need.
 - The Company deploys supporting system for medical service to provide care among patients and those who require home service, for example physical therapy, replace of oxygen and saline hose, disinfection to prevent spread of disease and mites removal for patients with allergy in household and educational institution.

- The Company develops remote-care system for patient, consulting mechanism, follow-up and assessment of patient condition after or during the treatment to create confidence and to minimize the traveling time of patients and family.
3. To develop ethical concept, academic excellence, and special expertise as to enhance the treatment efficiency, to improve service mine which will lead to trust, reliability and happiness of customers
- In 1995, the Company, under collaboration with Siam University, has established the Faculty of Nursing and the Faculty of Medicine with aim to create qualified medical personnel to support operation of the Company and hospitals in the Company Group.
 - In 2013 onwards, the Company has signed an agreement with Thammasart University, Mae Fah Luang University, Chiang Rai University and Bangkok Thonburi University to generate personnel from medical fields which include nurse, practical nurse and assistant for an elderly patient. The Company also plans to cooperate with educational institution to generate personnel from more fields which are dentist assistant, medical technologist assistant, pharmacist assistant etc. The fields of personnel is to be consistent to academic standard and the Thailand Professional Qualification Institute (Public Organization), an institute which certify knowledge, expertise and occupational skill by identify skill level of a person into international standard.
 - The Company provides ethical training courses and knowledge development courses to all personnel on regular basis, as well as provides supporting fund to improve knowledge body and to create special skill.
 - Thonburi Hospital is a tertiary care hospital that provides a wide-range of high-quality medical and surgical services, with specialist doctors, Excellence Center to assure our customers' confidence and trust. Our goal is to expand the Excellent Center to hospitals in the Company Group and the area that are in need of hospital care.
 - The Company provides personality development course to improve service mind of our personnel, whereby, the result of training of each department is evaluated regularly in order to build incentive complementary to the personnel or department.
4. To offer new dimension of treatment in the price that most people can afford.
- The Company has set the medical service in medium rate, what patient can receive treatment of complicated disease at affordable price comparing to other private hospitals. As for a non-complicated disease, a patient can choose to be treated in the nursing home or stay in hospitals under the Company Group or hospitals within network of the Company which are located countrywide, in order to minimize medical cost.

- The Company has initiated the Step Down Care to accommodate patients during convalescence after surgery or during therapy section which requires the stay in the hospital longer than 2 days. The Step-Down Care is suitable for family members or relative to take care of patient or those patient that can take care of themselves, another choice of service with cheaper cost.
- The Company is a contractor of medical service for many state hospitals, for example, Mueang Pattaya Hospital, Phuket Provincial Administration Organization Hospital, Bangphli Heart Center Hospital in Samut Prakarn, allowing people to have medical service of good standard at the same price of state hospitals.

Major Standards of the Company

Year	Major Standards of the Company	Authority
2008	The Company has joined a Network of Safety, Occupational health and Working Environment,	by the Department of Welfare and Labor Protection, Ministry of Labor.
2011	Certification of Nursing and Midwifery Standard	Nursing and Midwifery Council
2012-2015	Disease Analysis Unit, Thonburi Hospital receive certification of Quality Management of Medical Technology 2008 for Medical Laboratory.	Council of Medical Technology
2012-2019	The Company is in compliance with the Hospital and Healthcare Standard which is emphasized on quality development of patient care, health promotion and organization management.	The Healthcare Accreditation Institute (Public Organization)
2014	The Laboratory is ranked 'Excellent' for Quality Assessment.	Bureau of Laboratory Quality Standards, Department of Medicine, Ministry of Public Health.
2014	The Company passed the building examination pursuant to Building Control Act B.E. 2522	by the Department of Public Works and Town and Country Planning
2014-2018	Renewal of the Certification of Hemodialysis Treatment, Hemodialysis Unit, Thonburi Hospital	The Medical Council of Thailand
2015	The Company has passed the test of Disbursement System for IPD in Private Hospital by using Diagnostic Related Group (DRGs).	Comptroller General's Department, Ministry of Finance

Corporate Governance

Corporate Governance Policy

The Company operates its business by adhering to the Stock Exchange of Thailand (SET)'s good corporate governance principle. It has realized the importance of the rights of and responsibility towards shareholders and stakeholders, equitable treatment of shareholders, respect for the role of stakeholders, disclosure of information and transparency. The Board of Directors has also gives importance to performing its duty with responsibility and compliance with the corporate governance principle, increasing confidence among shareholders, investors and all concerned parties. In addition to compliance to the good corporate governance guideline of listed companies set by the SET, the company has formulated corporate governance policy covering 5 areas as follows:

1. Right of Shareholders
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Disclosure of Information and Transparency
5. Responsibility of the Board of Directors

Section 1: Right of Shareholders

The Company views the right of shareholders as the top priority. It has been operating business to ensure that its shareholders can completely exercise their basic rights, including (1) right to sell, buy or transfer shares; (2) right to profit sharing; (3) right to receive sufficient information through the company's or SET's website and other channels; (4) right to attend shareholder's meeting to exercise their votes in appointing or terminating directors, considering directors' remuneration, appointing auditor, making decision on dividend payment, capital raising, new share issues and other matters that may affect the company's operations, and the right to ask question on the Board of Directors' report or any matters brought to the general shareholders' meeting for consideration and approval.

(1) Corporate Governance policy related to shareholders'

The Board of Directors also promotes and formulates policy related to shareholders' right as follows:

- (a) The Board of Directors has a duty to protect and respect the basic rights of shareholders, including the right to buy, sell and transfer shares, the right to receive profit sharing, the right to receive sufficient information about the business and the right to attend the shareholders' meeting to appoint or remove directors, appoint auditors, allocate dividend, set or amend regulations or memorandum of association, reduction or increase of capital and approval of special items, etc.

- (b) The Board of Directors shall promote and encourage shareholders to exercise their rights at the annual general shareholders' meeting, including the right to propose meeting agenda prior to the meeting, the right to nominate directors in advance, the right to send questions prior to the meeting and the right to make comment and ask questions at the meeting, for example.
 - (c) The Board of Directors has the responsibility to exempt from action that breach or limit or reduce the right of shareholders to have access to corporate information that must be disclosed in accordance with related rules and regulations and to attend the shareholders' meeting. This includes not proposing document with significant information without prior notice and not adding meeting agenda or changing significant information without advance notice.
 - (d) The Board of Directors has the responsibility to facilitate shareholders in exercising their rights, including providing updated significant information through the company's website.
- (2) Disclosure of Significant Information about Shareholders' Meeting
- (a) The Company has a policy to timely and sufficiently provide details about date, time, venue and agenda of the shareholders' meeting and related information about agendas waiting for the meeting's decision prior to the meeting. It is the company's policy to provide shareholders with sufficient opportunity and time to study the information prior to the meeting by publishing on its website the document which is the same as those sent to shareholders by post.
 - (b) After each shareholders' meeting, the company prepares the "shareholders' meeting report", comprising agenda, meeting resolution, voting results and questions and comment raised during the meeting, and publishes it on the company's website within 14 days after the meeting date in accordance with the regulations set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
 - (c) The Board of Directors encourages shareholders to exercise their rights and does not limit the shareholders' right by disclosing significant information on its website prior to the meeting, will not propose additional documents containing important information during the meeting and will not add meeting agenda or changes important information without prior notice.
 - (d) The company opens an opportunity for the shareholders to regularly receive updated important information through its website.
- (3) The meeting
- (a) The company shall facilitate and enable shareholders to exercise their rights to attend the meeting and vote and shall avoid any action that will limit shareholders' right to attend the meeting

- (b) The company shall inform rules and procedure of shareholders' meeting in the meeting invite and at the meeting. Shareholders are informed of the meeting rules and voting process at the meeting. The actions are recorded in every meeting report.
- (c) The company allows shareholders full opportunity to ask questions related to the meeting agenda and the company and openly express their opinions. The Chairman of the Board shall invite shareholders to ask question during each agenda. Questions and discussions related to each agenda or the company as well as shareholders' opinions and the Board of Directors' or the Management's answers and clarification are recorded in the shareholders' meeting report.
- (d) Being fully aware of the annual general shareholders' meeting and with respect the shareholders' right, the Board of Directors encourages all Directors to attend the meeting.

Section 2: Equitable Treatment of Shareholders

The company treats all shareholders, including shareholders who are the company's executives, non-executives, foreigners and retail investors, with equality and fairness as follows:

- (a) The company organizes the shareholders meeting according to the agenda stated in the meeting invites. Executives who are shareholders shall not propose additional and unnecessary agenda at the meeting, especially issues requiring shareholders' time to study information before decision making.
- (b) The company shall facilitate shareholders in nominating directors by sending their profile and letter of consent of the persons to the Chairman of the Board in accordance with the company's rules, regulations and procedure.
- (c) The company encourages shareholders to use proxy document that is in line with the form issued under the announcement by the Department of Business and Trade Development on Proxy Document Form (Issue No.5, dated 2007), under which shareholders can specify their vote type as agree, disagree or abstain. The Proxy Document is available in 3 forms – Form A, Form B and Form C (for foreign investors with custodian in Thailand).
- (d) The company shall facilitate shareholders who cannot attend the meeting but intend to exercise their votes through proxy appointment. The company nominates independent directors to attend the meeting and vote on behalf of the shareholders who cannot attend the meeting, allowing shareholders to exercise their right by appointing any independent director as their proxy.
- (e) The company provides voting ballots for significant agenda, including connected transaction and the significant asset acquisition or sales.
- (f) The company encourages shareholders to exercise the right to appoint individual director.
- (g) The company shall not provide undisclosed information to any specific group of shareholders and shall equally provide information related to the company to all groups of shareholders.

- (h) The company sets clearly a policy on prevention of conflict of interest and the use of insider's information for personal or other's benefits. The policy is distributed to employees, executives and directors for acknowledgement
- (i) The company provides channels for shareholders to nominate directors prior to the annual general shareholders meeting.
- (j) In case of connected transaction, the company shall clearly disclose information about the name and relationship of the related persons, pricing policy, item value and opinion of directors related to such items for shareholders' consideration.
- (k) The company shall disclose that the connected transactions are conducted at fair and arm's length.

Section 3: Roles of Stakeholders

The company respects the importance of stakeholders' role and appropriately, equally and fairly treats all stakeholders, customers, the general public, community and society as well as related government organizations. The company has clearly prepared the policy and criteria for treatment of stakeholders as part of the good corporate governance principles as follows:

(1) Employees

The company shall appropriately remunerate its employees by considering their performance and providing clear performance indicators within the preset criteria. The company shall promote and develop its employees' capability and knowledge, respects their rights and open an opportunity for employees to lodge their complaints in case of unfair treatment through various channels, including opinion box or at the Human Resource Department. The company has the responsibility to ensure safe and pleasant work environment that enhance effectiveness. Employees' remuneration and benefits shall be regularly reviewed to ensure they meet the standard practice in the business. The company is also committed to improving employees' knowledge and skills crucial to performing the business at its best capacity.

(2) Customers

The company is responsible for creating good and long-term relationship and cooperation with customers based on sincerity, integrity and trust and ensuring customer satisfaction through responsibility, care and priority given to customers' needs and issues. The company's executives and employees shall follow this policy to ensure that the company delivers the best possible and high quality products and services and continually improves product and service development. The company shall operate its business by adhering to business ethics and promoting customers' health.

(3) Creditors

The company shall strengthen relationship with and treat creditors based on integrity, sincerity and trust and be responsible for and respects all terms and conditions agreed with the creditors.

(4) Business partners

The company shall treat its business partners with integrity and equitability to ensure that its business operations is appropriate, fair and of both parties' benefits while promoting sustainable development and maintain long-term relationship of both parties. The company will do business with its partners by considering different conditions, including price, quality, environmental control and protection, technical expertise, legal requirement, trust and integrity.

(5) Shareholders or Investors

The company shall equally and equitably treat all shareholders and ensure all receive related information that delivers significant returns to shareholders. Considering that shareholders' benefits and responsibility towards shareholders are very important, the company shall operate its business with commitment to integrity, transparency and fairness.

(6) Society and Community

The company and employees shall perform their duties with responsibility and for the best benefits of the society and community. They shall treat neighboring community with friendliness, help and improve quality of life of community and operate the business with fairness and equality.

(7) Related government agencies

The company shall respect and comply with related laws and regulations and supports activities initiated by the government agencies in various occasions. The company shall be committed to providing services and products that are of high quality and meet with standards and legal requirement.

Section 4: Disclosure of Information and Transparency

The company has a policy to accurately, completely and transparently disclose significant information about the company, including financial and non-financial information or other information that may affect the company's stock price or investors' or stakeholders' decision making. Such action shall meet with all the measures and regulations set by SET and SEC in order to ensure that all stakeholders has the right to equitably receive information. Such information can be viewed on the company's website at <http://www.thg.co.th>.

The company has a policy to prevent and eliminate conflict of interest in the future and to consider and ensure that the connected transaction of the company and/or subsidiaries with those who may have conflict of interest comply fully with related laws and regulations.

The company will ensure that its directors, executives and/or major shareholders are not involved with other businesses that are of the same nature or competing directly with the company or reducing the company's competitiveness or having connected transaction under which directors, executives and/or major shareholders may have conflict of interest or affect the company's best interests. In case an of the company's directors, executives and/or major shareholders hold stake in other companies which are of the same nature, they shall report to the company to allow the company and the Audit Committee to review and decide whether such action affects the company's best benefits. If a director candidate is involved with other businesses which have the same nature of and compete with the company, or becomes a partner in an ordinary partnership or a partner without limit in a partnership or becomes a director of a private company or other business that operates business of the same nature as the company and competes with the company, he shall report to the general shareholders' meeting before the meeting resolves to appoint the person as a director.

The company gives high importance to good internal control system and has assigned the Internal Control Department to supervise the operation of each business. This will prevent errors and ensure transparency in its operations. The department will regularly review and submit a report to the Audit Committee for consideration.

Section 5: Responsibility of the Board of Directors

The company has set the corporate governance policy by considering significant factors, including the responsibility of directors. Related policies are as follows:

(1) Structure of the Board of Director

- (a) The shareholders meeting will decide the number of directors whose term is 3 years. The directors who vacate the office in rotation can be appointed again by the shareholders.
- (b) Directors shall have the quality and not have the prohibited qualities according to the laws
- (c) The Board of Directors comprises at least one third of independent directors or no less than three persons. The independent directors shall have the quality and do not have prohibited qualities stated by the Board of Directors. The quality of directors shall be no less than that required by the Capital Market Supervisory Board and the SET.
- (d) The company has clearly set the scope of responsibility of the Board of Directors and executives. The Chairman of the Board shall not be the same person as the Chief Executive Officer in order to clearly segregate the responsibility in supervising and management.

(e) The company required the directors and top executives to report to the company their directorship or position as authorized executives in other limited and public companies limited, partnership or management of other ordinary partnership and partner with limit in partnership. The report shall follow the criteria and method earlier set by the Board of Directors.

(2) Subcommittees

The Board of Directors has appointed some of Directors as the members of the committees to perform special tasks. Each committee has similar term as the Board of Directors and responsibility as assigned by the Board of Directors. The committees are the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee.

(3) Self Assessment of the Board of Directors and Committees

After the company is listed on the Stock Exchange of Thailand, the Board of Directors requires directors and committees to conduct self-assessment on yearly basis to review their performance in the past year. This will enable them to find ways to improve efficiency in the following years.

(4) Annual Report

The Board of Directors is responsible for preparation of the company's financial statement and information published in the annual report. The preparation of the financial statements follows the generally accepted accounting standards. The company chooses the accounting policy that is suitable for its nature of business and constantly adopt. The company uses its careful consideration in the preparation of the report and ensures that significant information disclosure in the notes to financial statements is sufficient. The Board of Director has assigned the Audit Committee to be responsible for the quality of the financial statement and provides comment to the Board of Directors.

Risk Management Policy

Thonburi Healthcare Group Public Company Limited (the company) realizes that good corporate management is significant to drive growth and stability as well as establish strong financial status and ability to create appropriate returns for shareholders. The company therefore implements the risk management system which complies with international standard issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This has enabled related persons to have good understanding of the risk management principle and to have the ability to appropriately apply the principle. The company's Risk Management Policy is as follows:

1. It is the duty and responsibility of every employee at all levels to be aware of the risks in their respective department. All aspects of risk management are considered carefully.
2. The corporate risk management process shall be designed and developed based on the international practice guideline. This will result efficient management of risks that may affect the company's operations. The company also ensures that risk management practice is aligned across the entire organization. To achieve this, risk management system has been integrated in the decision making process, strategic planning and its modern operation practice. In the end, this model is expected to bring about operational excellence and more confidence among related parties.
3. The company has clearly designed risk management structure, set the risk rating and acceptable deviation of risk in order to appropriately manage our risks.
4. The company has formulated operational risk mitigation and prevention guidelines to avoid damage and loss that may arise. In addition, risk management is regularly monitored and assessed.
5. Modern information technology has been implemented in the corporate risk management process. Employees at all levels have access to the information related to risk management in accordance with their scope of responsibility. The company also has in place efficient risk management reporting system.
6. The annual corporate security target is communicated throughout the entire organization. Monitoring and implementation of measures and rules are considered everyone's duty so as to prevent risks. Regular monitoring is also implemented.

Related Party Policy

Connected Transaction Policy

Pursuant to Section 89/12 of the Securities and Exchange Act B.E. 2535 (as amended) (the “**Securities Act**”), directors, managements, or related persons who will enter into any transaction with a company listed on the Stock Exchange of Thailand or its subsidiaries (the “**Connected Transaction**”) after such transaction is approved by the shareholders’ meeting saved for the transaction which has a characteristic as set out in the Section 89/12 of the Securities Act.

The Capital Market Supervisory Board has issued the Capital Market Supervisory Board’s Notification no. ThorJor. 21/2551 re: the rules on entry into the Connected transaction on 31 August 2008 (the “**SEC Notification no. 21/2551**”) and has determined that the entry into the Connected Transaction shall comply with the Stock Exchange of Thailand’s Notification (BorJor/Por 22-01) re: the disclosure and the procedure of a listed company in relation to the Connected transaction B.E. 2546 on 19 November 2003 (the “**SET Notification BorJor/Por 22-01**”).

Therefore, the rules in relation to the Connected Transaction shall be considered in accordance with the Securities together with the SEC Notification no. 21/2551 and the SEC Notification BorJor/Por 22-01 (the “**Rules on Connected Transaction**”).

Thonburi Healthcare Group Public Company Limited (the “**Company**”) which is managed in accordance with laws and guideline of good corporate governance of the Stock Exchange of Thailand (the “**SET**”) and the Company understands how importance of shareholders’ right and responsibilities to its shareholders and stakeholders, fair treatment among shareholders, roles of stakeholder’s awareness, and disclosure and transparency. Therefore, the Company has determined the Connected Transaction of which the details are as follows:

1. Definition

“**Connected Transaction**” means any transaction between a listed company or a subsidiary company and the listed company’s connected persons; or any transaction between a subsidiary company and its connected persons.

“**Decision to Enter into a Transaction**” means an entering into or a decision to enter into any contract or agreement, whether direct or indirect, in order to cause an acquisition or disposition of assets and/or rights to acquire or dispose of assets, leasing or renting asset, an offer or a receipt of service, an offer or a receipt of financial assistance and an issuance of new securities, including to create rights or waiver of such right to do the same.

“**Connected Person**” means the following:

- (1) the controlling persons¹ of a listed company of the SET

¹ Pursuant to Section 98/1 of the Securities Act “control” means

- (2) any person which acts by understanding that if a company enters into a transaction which will give a financial benefit to such person and the following persons will receive a financial benefit as well provided that it shall be related to such transaction.
 - (a) directors and managements of a listed company of the SET.
 - (b) controlling persons of a listed company of the SET.
- (3) connected person as set out in the SET Notification BorJor/Por 22-01 including
 - (a) a shareholder who directly or indirectly holds shares in any juristic person in a total amount exceeding 10 per cent of the paid-up capital of that juristic person. Such shareholding shall also include the shares held by related persons (the “Major Shareholder”).
 - (b) any juristic person having a major shareholder or a controlling person as a major shareholder or
 - (c) controlling person of a listed company of the SET.
 - (d) any person whose behavior can be indicated as an acting person or under a major influence of persons from (a) and (b) when making decision, determining policy, handling management or operation.

2. Characteristic of Connected Transaction

The Connected Transaction can be divided into 2 characteristics as follows:

- (1) When a company or its subsidiary enters into a transaction with its management, major shareholder, related person or close relative person of such persons.
- (2) When a company or its subsidiary enters into a transaction with any juristic person which has major shareholder or controlling person as the management, major shareholder, controlling person or person to be nominated as the management or a controlling person of a listed company or its subsidiary including related person or close relative person of such persons.

3. Type of Connected Transaction

Connected transactions can be divided into 6 categories as follows:

- (1) normal business transaction;
- (2) supporting normal business transaction;
- (3) transaction regarding rental or lease of immovable property of not exceeding 3 years;

(1) holding of shares with voting right of a juristic person in an amount exceeding fifty percent of the total number of the voting rights of such juristic person;
(2) having control of the majority voting rights in the shareholders’ meeting of any juristic person, whether directly or indirectly or by any other reasons; and
(3) having control over appointment or removal of at least half of all directors.

- (4) transaction relating to assets or service;
- (5) transaction regarding offer or receipt of financial assistance; and
- (6) other connected transactions other than transaction in (1) to (5).

4. Conflict of Interest Prevention

The Company attaches great importance to the consideration of transactions which are transparent and beneficial to the Company. Therefore, it is important to protect the transactions which may be conflict of interest. The Connected transaction or related transaction will have the key principles as follows:

- (1) Director and management must inform the Company regarding the relationship or related party transactions that may cause a conflict of interest.
- (2) avoid any connected transactions with directors, executives or related persons that may cause conflict of interest with the Company. In case of need to do that transaction, it shall propose such connected transactions to the Audit Committee for consideration before proposing to the Executive Committee or the Board of Directors, as the case may be in accordance with the rules on entering into connected transactions and in accordance with good corporate governance.
- (3) Executives and employees must comply with the Company's regulations and the business ethics of the company, which is important to be strictly enforced in order for the Company to be trusted and trusted by all stakeholders and disseminate information on employee visibility throughout the company.

In addition, all directors and employees of the Company shall avoid any conflict of interest that may impact the duties as follows:

- (1) not competing or similar business of the Company.
- (2) not being a partner or shareholder or executive with having decision-making power in competing businesses or similar to the business of the Company however in case of inevitability, it shall immediately report to the supervisor.
- (3) where employees are involved in the business or any event that may cause a conflict of interest, it shall report to the supervisor immediately.
- (4) do not seek the benefit of information or anything they know from their positions and responsibilities.
- (5) avoid involvement with the activity or cause conflict of interest of the Company or make financial obligations in any form with the business related to the Company or employees of the Company itself.
- (6) avoid work other than the work of the Company that may have an adverse effect on the task in any way.

- (7) employees must not use property or information or position in the Company for personal gain or to compete with the Company.
- (8) all employees must disclose when a situation is believed to cause a conflict of interest. If employees suspect that there will be a conflict of interest or something that could make others think of a conflict of interest, it shall report to the supervisor.
- (9) For the entry into a transaction / Connected Transaction, the Company will consider carefully including the determining of price and the terms of the Connected Transactions as transactions with any third persons without any relevant person who have a conflict of interest in entering into connected transactions present at the meeting and vote at the meeting.

5. Rules and Procedure for Entering into the Connected Transaction or Related Transaction

The Company understands its duty to comply with rules regarding connected transactions and, therefore, has set rules and procedures regarding connected transactions as follows:

In considering connected transactions, the Company shall apply the same criteria for determining price and trade conditions as applicable to general customers. The trade terms and conditions must be fair, reasonable, and create utmost benefits to the Company.

If such criteria applicable to general customers does not exist, the Company shall compare the price of product or service to the market price under the same or similar conditions.

The Company may use report of independent appraiser under the approved list of the Office of the Securities and Exchange Commission (“**Officer of the SEC**”) appointed by the Company or entity within the group company for price comparison to ensure that such price of connected transactions is reasonable and will lead to utmost benefits of the Company and its subsidiary.

Directors, management or related persons may enter into a transaction with the Company or subsidiary only if such transaction has been approved by the Company’s shareholders meeting. Exceptions apply where transaction is with terms and conditions similar to transaction with other counterparties under the same circumstances, the position as director, management or related person, as the case may be, do not have influence on the transaction, and trade terms and conditions of the transaction have been approved by the Board of Directors of the Company or in line with principles as approved by the Board of Directors, or the transaction size does not require approval from the Company’s shareholders meeting.

If the Company has other connected transactions, which are subject to requirements under the relevant rules of the SET, it shall strictly comply with such rules.

The Company must disclose any transactions which might raise conflict of interest, connected transactions or related party transactions according to the relevant rules of the Office of the SEC and SET. Such information shall be disclosed in Annual Registration Statement and Annual Report or any other report, as the case may be. The information regarding connected transactions shall be disclosed to the SET in accordance with the relevant rules of the SET and the connected transactions shall be disclosed according to applicable accounting standards. The connected transactions shall be reviewed in accordance with the internal audit plan. The internal audit shall report such matter to the Audit Committee. Procedures for control and monitoring must be in place for conducting random checks whether actual transactions have taken place and if transactions were carried out accurately and in accordance with relevant agreements or prescribed policies or conditions.

6. Significant Matters for Consideration when Entering into the Connected Transaction or Related Transaction

Reason and necessity for entering into a transaction with connected individuals or organizations or organizations with conflict of interest, reasonableness of price, trade terms compared to transactions with other third parties, opinion of independent appraisers or financial advisors.

The Company is measures for compliance with the relevant rules and regulations whether the Company keeps records on shareholding; directors and important information of its subsidiaries and associated companies up to date.

7. Approval of connected transactions

- (1) If the size of connected transaction is small and the transaction has normal trade terms which has been approved by the Board of Directors of the Company, the management team is authorized to make the decision.
- (2) If the size of connected transaction is medium or large and the transaction has normal trade terms which has been approved by the Board of Directors of the Company, the Executive Committee is authorized to make the decision.
- (3) If the size of transaction is small or medium and the transaction has unusual trade terms, the Board of Directors of the Company shall make the decision whether or not to enter into the transaction.
- (4) If the size of transaction is large and the transaction has unusual trade terms, the shareholders' meeting shall make the decision whether or not to enter into the transaction. Criteria for consideration of transaction size is as follows:
 - (a) small transaction is a transaction with value of less than or equal to Baht 1 million or less than or equal to 0.03% of net tangible assets, whichever is greater;

- (b) medium transaction is a transaction with value of more than Baht 1 million but less than Baht 20 million or more than 0.03% but less than 3% of net tangible assets, whichever is greater;
- (c) large transaction is a transaction with value of equal to Baht 20 million or more or more than 3% of net tangible assets, whichever is greater.

8. Rules on Consideration of Transaction with General Trading Conditions

- (1) Whether characteristic of transaction is a normal business

If such transaction occurs due to a normal business, it shall proceed in accordance with the normal operation as proceed with other transactions and such related transaction is according to a normal business of the Company and reasonable for supporting the normal business and for the best benefits of the Company with the same trading terms as general customers or other persons.

- (2) Whether price and condition are reasonable

If it compares with a transaction between a third person, it shall be considered whether the price and condition will be better or not.

9. Consideration of Price according to General Trading Conditions (pursuant to the regulation of the SET)

A transaction with the general trading conditions means the trading condition having price and reasonable condition and shall not cause the conflict of interest by consideration whether:

- (1) it is a price and condition that the Company or its subsidiary receive or offer to general persons.
- (2) it is a price and condition that the Connected Person offers to general persons.
- (3) it is a price and condition that the Company can proof that any persons who carry out the similar business offer to general persons.

10. Procedure to Propose to the Audit Committee in relation to the Connected Transaction

- (1) A Connected Transaction that under the approval of the management.

If the entry into a Connected Transaction is under the approval of the management, the management will consider the Connected Person such as accounting department, operating department or executives who have the relevant roles and responsibilities on the consideration of the entry into any transactions in accordance with the procedure for approval and authorization manual of the Company after it has been approved by the management, will propose to the Audit Committee to consider the reasonable of a transaction

and will disclose such transaction in the annual disclosure and annual report of the Company. In addition, the directors of the stakeholders who have a conflict of interest in entering into connected transactions should not be present at the meeting and no right to vote at the meeting.

(2) A Connected Transaction that under the approval of the Executive Committee

In the case of a connected transaction under the approval of the Executive Committee, the parties to the matter shall present the necessity and reasonableness of the transaction to the Audit Committee for the Audit Committee to review the reasonableness of the transaction. This is proposed to the Executive Committee for approval. They must report the transaction to the Board of Directors and disclose the transaction on the annual disclosure and annual report of the Company. In addition, the directors of the stakeholders who have a conflict of interest in entering into connected transactions should not be present at the meeting and no right to vote at the meeting.

(3) A Connected Transaction that under the approval of the Board of Directors

In case there is a small transaction or the medium transaction does not meet the normal trading conditions which is under the approval of the Board of Directors. The parties to the matter must present the necessity and reasonableness of the transaction for the Audit Committee to review and comment on such transaction before submitting to the Board of Directors for consideration of the transaction of which the procedures are as follows.

- (a) the primary unit shall summarize the detail of the transaction and provide all relevant information to the Managing Director;
- (b) the Managing Director will assign the internal audit department to coordinate with the Audit Committee to prepare the agenda.
- (c) the internal audit department together with the relevant departments shall prepare the supporting documents and shall have significant conclusions to propose to the Audit Committee for consideration.
- (d) Upon the resolution of the Audit Committee's meeting, the secretary shall propose it to the Board of Directors for further consideration and approval. In this case the Connected Person should not be present at the meeting and no right to vote at the meeting.
- (e) to disclose the transaction in the Company's annual disclosure and annual report including to disclose resolutions of the Board of Directors' meetings to the SET with the minimum information required by the SET.

(4) Connected Transaction that under the approval of the shareholders

In the case of a Connected Transaction is under the approval of shareholders, the primary unit shall propose the details of the necessity and reasonableness of the transaction to seek the opinion of the Audit Committee before proposing to the Board of Directors for approval and present to the shareholders meeting for approval of entering into the transaction.

- (a) the primary unit shall summarize the detail of the transaction and provide all relevant information to the Managing Director;
- (b) the Managing Director will assign the internal audit department to coordinate with the Audit Committee to prepare the agenda.
- (c) the internal audit department together with the relevant departments shall prepare the supporting documents and shall have significant conclusions to propose to the Audit Committee for consideration.
- (d) Upon receipt of a resolution from the Audit Committee, the secretary shall submit the matter to the Board of Directors for consideration and approval of the transaction. In this case the Connected Person should not be present at the meeting and no right to vote at the meeting.
- (e) Upon obtaining a resolution from the Board of Directors, the secretary prepares the meeting documents for the consideration and approval of the transaction from the shareholders. The information must be sufficient to make the decision as specified in the SET regulations. The name and number of shares of Connected Persons who do not have the right to vote are also required. The Company is required to convene the meeting in accordance with the procedures and guidelines in relation to the Connected Transaction of the SET.
- (f) to disclose the transaction in the Company's annual disclosure and annual report including to disclose resolutions of the Board of Directors' meetings to the SET with the minimum information required by the SET.

Policy for investment in subsidiary and associated company and policy for management of such companies, including control and governance mechanisms

The Company manages its business by upholding Guidelines for Good Corporate Governance prescribed by the Stock Exchange of Thailand (“SET”). In investment decisions, not only considering return to all stakeholders, but also the Company operates its business in line with Guidelines for Good Corporate Governance prescribed by the SET and the Office of the Securities and Exchange Commission (“Office of the SEC”), which is a factor of importance to the Company. The Company realizes that adopting the Guidelines for Good Corporate Governance is a method for control and mechanism which will lead to investment governance and transparent and verifiable management system. This will allow the Company as major shareholder to control, manage and be responsible for the operations, including determination of directions for investee company as if it was a unit of the Company. In addition, the Company will be able to monitor management of such business in order to protect its benefits from investment. Such measures for corporate governance will provide added-values and assurance to stakeholders with regards to continuity and sustainability of the Company’s investment.

The Company, therefore, sets this policy for investment in subsidiary and associated company and policy for management of such companies to be in line with rules regarding governance of operations of subsidiary and associated company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares and Guidelines for Good Corporate Governance of the SET, the details of which are as follows:

Policy for investment in subsidiary and associated company

The Company has a policy to invest in subsidiary or associated company which support the Company’s business operations and of which investment would create synergy, generate additional revenue streams, and increase profitability of the Company. The Company will consider proportion of investment, expected profitability, possible risks and financial status of the target companies prior to making investment decision. Any investment decision must obtain a resolution of the Company’s board of directors or shareholders, as the case maybe, approving the transaction. The Company shall appoint qualified representative as director of investee company in order to set key policies and for good corporate governance of subsidiaries and associated company.

Policy for management of subsidiary and associated company

1. The Company has set guidelines in exercising rights by its representatives in shareholders’ meeting of subsidiary and associated company to be consistent with the proportion of shareholding in subsidiary and associated

company. This is also for compliance with Guidelines for Good Corporate Governance and maintain maximum benefits to the Company, its subsidiaries and associated companies, and other shareholders.

(1) **Certification of minutes of the general meeting of shareholders and extraordinary general meeting of shareholders**

Approve if draft minutes records all details of the meeting completely and accurately.

Abstain if the Company's representative did not attend the meeting.

(2) **Certification of annual financial statements**

Approve if auditor expresses his/her opinion unconditionally or with condition which is not material to the financial statements and does not have an impact on overall benefits of the shareholders.

Disapprove if auditor expresses opinion or makes an observation that any part of the financial statements may be incorrect.

(3) **Appointment of directors and determination of directors' remuneration**

Appointment of directors

Approve if the person is nominated by resolutions of the Company's board of directors' meeting and has qualifications and does not possess any prohibited characteristics as specified under the laws or relevant regulations of the Securities and Exchange Commission. The person nominated shall have knowledge, capabilities, and experience beneficial to the business operations, can devote sufficient time as director of the company, and perform his/her roles and responsibilities as director with attention. The consideration whether any person is suitable to act as director of the company shall be on an individual basis.

Disapprove if it is a reappointment of existing director and such director lacks any qualification and possesses any prohibited characteristic as specified under the laws or relevant regulations of the Securities and Exchange Commission, or such person lacks knowledge, capabilities and experience beneficial to the business operations, or such person cannot devote sufficient time as director of the company and did not perform his/her roles and responsibilities as director with attention without reasonable causes. The appointment of new director in associated company or subsidiary shall not be contrary to the Company's rules regarding controlling business specified in Item 2.1 and any other relevant laws.

Determination of directors' remuneration

Approve if the proposed directors' remuneration is appropriate for roles, responsibilities and performance of the Board of Directors as reflected through operating results and operating performance and/or financial positions of such subsidiary or associated company.

Abstain if the proposed remuneration is a special payment of undisclosed amount or ESOP which would generate significant dilution effect to subsidiary or associated company, or is not in compliance with the rules of supervisory agencies and/or is not appropriate for roles, responsibilities and performance of the Board of Directors as reflected through operating results and operating performance and/or financial positions of such subsidiary or associated company.

(4) **Appointment of auditor and determination of audit fees**

Approve if after due consideration, the auditor and the audit firm is reliable and able to perform their roles in auditing and reviewing financial statements correctly and express their opinion independently. The audit fees proposed shall be at a level comparable to similar audit firms.

Abstain if there is any doubt in reliability or independency of the auditor or the audit fees is significantly different from the previous year's audit fees without reasonable cause.

(5) **Appropriation of profits**

Approve As proposed by the board of directors of subsidiary and associated company and consistent with the dividend policy and not contrary to the relevant laws.

Disapprove if payment of dividends is not in line with financial positions, future plan, and/or any other relevant factors of subsidiary and associated company.

(6) **Approval of other matters apart from Items (1) – (5)**

Approve agenda which is beneficial to subsidiary or associated company or to shareholders and with fair and reasonable proposals, and the conduct of business shall be with ethics and in accordance with the relevant laws. The approval process of such matter shall be in accordance with the laws and the Company's Articles of Association.

Disapprove if a transaction is not in the ordinary course of business and is being considered without clarifications and reasons and necessity for the entry into the transaction.

(7) **Approval of any matter which was not specified as one of the agenda items prior to the meeting**

May disapprove consideration of any other matter which was not specified as one of the agenda items prior to the meeting, particularly matter of significant importance, as there should be considerable time spent on studying important information which is critical to decision-making. Such matter or agenda may be proposed for consideration during the next shareholders' meeting.

2. The Company determines management structure of subsidiaries and associated companies in order to oversee management and operations of its subsidiaries and associated companies as if they were units of the Company. To look after its investment, the Company shall have the following procedures for monitoring the management of its subsidiaries and associated companies:

2.1 Nomination of its representative as director of subsidiary and associated company

The Company shall nominate its representative, who has been approved by resolution of the Company's Board of Directors, as director of subsidiary and associated company at the minimum number corresponding to its proportion of shareholding in such subsidiary and associated company. The nominated person shall have qualifications, roles and responsibilities and shall not have prohibited characteristics as specified under the notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand regarding the lack of trustworthiness of directors and management of the company.

2.2 Roles and responsibilities of director of subsidiary and associated company

Person who is nominated by resolution of the Company's Board of Directors as director of subsidiary and associated company shall have the following roles and responsibilities:

- 2.2.1 Director of subsidiary and associated company shall have the roles and responsibilities as determined by the board of directors of subsidiary and associated company and/or the shareholders' meeting of subsidiary and associated company.

Director of subsidiary has discretion to consider and vote during the board of directors' meeting of subsidiary for matters relating to general management and normal business operations of the subsidiary as directors and management of such subsidiary deems appropriate for the utmost benefits of the subsidiary and the Company.

However, consideration and voting of the below matters are considered important matters. The person appointed by resolution of the Board of Directors as director of subsidiary cannot exercise

his/her discretion in voting for those matters during the board of directors' meeting of the Company's subsidiary. Such person shall obtain a prior consent from the Board of Directors' meeting or the shareholders' meeting of the Company (as the case may be).

- A. Entry into a transaction with related person of subsidiary pursuant to the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Company Concerning Connected Transactions B.E. 2546 (2003) and the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (“**Connected Transaction Notifications**”).
 - B. Entry into a transaction which is an acquisition or disposal of assets of the subsidiary pursuant to the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Company Concerning Acquisition or Disposal of Assets and the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (“**Acquisition and Disposal of Assets Notifications**”).
 - C. Entry into significant transactions pursuant to Items 2.2.4, 2.2.5 and 2.2.6
- 2.2.2 Director of subsidiary and associated company must perform his/her duties with responsibilities, care and honesty, and shall comply with the laws, objectives, articles of association of subsidiary or associated company, resolutions of the board of directors' meeting and the shareholders' meetings, and policies of the Board of Directors of which the board of directors of subsidiary has approved as per the resolutions of the Board of Directors.
- 2.2.3 Director of subsidiary has a duty to disclose to the Company complete and accurate information regarding financial status and operating performance, connected transactions, and material acquisition or disposal of assets of subsidiary within the period prescribed by the Company. Acquisition or disposal of any material assets should take the relevant rules and regulations of the Office of the SEC and SET into consideration.
- 2.2.4 Apart from entry into transactions in accordance with Connected Transaction Notifications or Acquisition and Disposal of Assets Notifications, entry into the following transactions are deemed material. Subsidiary has a duty to present information regarding such type of transaction to the Company for approval by the meeting of the Executive Committee of the Company prior to considering it in its meeting of the board of directors. In addition, director appointed by the Company must obtain approval from the Company's Board of Directors prior to voting for the following matters:

- (1) transfer or waiver of benefits with the value exceeding the authorized limit of the Executive Committee of the Company in approving expenses, including waiver of material rights and claim to those causing damages to subsidiary;
- (2) sell or transfer business of subsidiary, whether wholly or material part thereof, to third party;
- (3) purchase or acquire business of another company as subsidiary's own business in the proportion which is considered material;
- (4) entry into, amend or terminate agreement relating to lease of business by subsidiary, whether wholly or material part thereof, including authorization of third party to manage business of subsidiary or merger of business with third party with an objective to share profit and loss;
- (5) lease or hire-purchase of business or assets of subsidiary, whether wholly or material part thereof;
- (6) borrowing, lending, providing credits, guarantees, entry into any juristic which will result in subsidiary carrying significantly increased financial burden due to the third party lacks liquidity or is not able to perform his debt obligations or any other financial supports to any person which is not within the ordinary course of business;
- (7) payment of annual dividends and interim dividends (if applicable) of subsidiary;
- (8) cessation of subsidiary's business where the calculation of transaction size of subsidiary's business which is being ceased compared to size of the Company according to the Acquisition and Disposal of Assets Notifications must fall within the category which requires approval from the Board of Directors of the Company;
- (9) amendment of articles of association of subsidiary.

2.2.5 The following matters are important matters of which subsidiary requires to obtain prior approval from the Company's shareholders meeting:

- (1) if subsidiary agrees to enter into transaction with its related party or acquire or dispose its assets where the relevant rules of the Capital Market Supervisory Board and the Board of Governors of the Stock Exchange of Thailand shall apply, *mutatis mutandis*. The transaction size compared to size of the Company calculated according to such rules must result in the transaction size which requires approval from the Company's shareholders meeting;
- (2) capital increase by issuing and allotment of subsidiary's newly issued shares, including decrease of registered capital which is not proportionate to existing shareholding and would result in decrease of the Company's shareholding in subsidiary at any level, whether directly or

indirectly, by 10% or more of the paid-up capital of subsidiary or would result in decrease of the Company's shareholding in subsidiary at any level, whether directly or indirectly, to less than 50% of the paid-up capital of such subsidiary;

- (3) any other act which would result in decrease of the Company's shareholding in subsidiary at any level, whether directly or indirectly, by 10% or more of the paid-up capital of subsidiary or would result in decrease of the Company's shareholding in subsidiary at any level, whether directly or indirectly, to less than 50% of the paid-up capital of such subsidiary;
- (4) cessation of subsidiary's business where the calculation of transaction size of subsidiary's business which is being ceased compared to size of the Company according to the relevant rules of the Capital Market Supervisory Board and the Board of Governors of the Stock Exchange regarding acquisition or disposal of assets shall apply, *mutatis mutandis*, and the transaction size calculated according to such rules must fall within the category which requires approval from the Company's shareholders meeting;

2.2.6 Apart from transactions under Items 2.2.4 and 2.2.5, if subsidiary will enter into any other transaction which is not in its ordinary course of business and/or any transaction which will materially affect itself, such transaction must obtain prior-approval from the Board of Directors of the Company or the Company's shareholders meeting. The subsidiary shall comply with requirements for the transaction size calculated in accordance with the rules prescribed by the Acquisition and Disposal of Assets Notifications.

- 3. Directors and management of subsidiary must disclose and deliver information regarding personal of interest, including interest of their related persons, in relation to any transaction or in other business which might raise conflict of interest with the Company, subsidiary, board of directors of subsidiary or person authorized by subsidiary within the period of time as prescribed by subsidiary. Such information shall be used as supporting information for decision making or passing any approval by considering overall benefits of subsidiary and the Company as critical factors. Directors and management of subsidiary shall not participate in the consideration of any matter of which they have personal interest or conflict of interest.
- 4. Directors and management of subsidiary, including any person related to such directors and management, have the duty to inform to the board of directors of subsidiary relationship and transaction with subsidiary which might raise conflict of interest and avoid entering into transaction which might raise conflict of interest with subsidiary. The board of directors of subsidiary has the duty to inform such matter to the Company for acknowledgement.

The following acts, which result in directors, management or any person related to subsidiary gaining financial benefits other than that ordinarily received or cause damages to subsidiary, are presumed to be material conflict of interest with subsidiary:

- (a) any transaction between subsidiary and director, management or any connected person which is not in compliance with rules regarding connected transactions;
 - (b) use of known information of the Company and subsidiary, except information which has been publicly disclosed; or
 - (c) use of asset or business opportunity of the Company and subsidiary in a way which violates the rules or general practice as prescribed by the Capital Market Supervisory Board.
5. Subsidiary must deliver to the Company information or documents relating to its operations upon appropriate request.
 6. If the Company finds any material issue, it may request subsidiary to clarify and/or deliver document as supporting information for its consideration.
 7. Directors, management, employees, staff or authorized persons of subsidiary, including their spouse and minor children, are not allowed to use internal information of the Company and subsidiary, whether such information is obtained through performance of duties or through any other method or, whether or not such information has significant impact on the Company and subsidiary, for their own benefits or others, whether directly or indirectly and whether or not for consideration.
 8. Directors, management of, or any person related to, subsidiary may enter into a transaction with subsidiary only upon receiving approval from the Board of Directors of the Company or the Company's shareholders meeting as required based on transaction size calculated pursuant to the rules of the Connected Transaction Notifications. Exceptions apply where transaction is with terms and conditions similar to transaction with other counterparties under the same circumstances, the position as director, management or related person, as the case may be, do not have influence on the transaction, and trade terms and conditions of the transaction have been approved by the Board of Directors of the Company or in line with principles as approved by the Board of Directors.

Policy for financial control of subsidiary and associated company

1. Subsidiary and associated company have duties to submit to the Company monthly operating results and quarterly financial statements reviewed by auditor, including supporting information used for the preparation of such financial statements of subsidiary and associated company. Subsidiary and associated company shall give consent to the Company for the use of such information for the purpose of preparing consolidated financial statements, or quarterly or annual operating results, as the case may be.
2. Subsidiary and associated company have duties to report significant financial issues to the Company upon discovering the issues or upon request of the Company to review and report.

Corporate Social Responsibility Policy

Thonburi Health Care Group Public Company Limited (the “Company”) realizes the importance of social and environmental responsibilities. The Company has set policies regarding Corporate Social Responsibilities, Anti-Corruption and Whistle Blower. To enable the Company’s business operations to comply with corporate social responsibility guidelines issued by the Stock Exchange of Thailand (“SET”), eight principles were established which include Fair Business Practice, Anti-Corruption, Human Rights, Fair Treatment of Employees, Consumer Responsibilities, Environmental Protection, Community Participation and Development, and Innovation and Transfer of Innovation Developed Through Operations Responsible for Society, Environment and Stakeholders. The details of the principles are as follows:

General Principles

1. Fair Business Practice

- 1.1 The Company is determined to operate its business with honesty, ethics, respect for social rules, attention to compliance with the laws, code of conducts and determination to make contributions to individual, community, society, and environment. The Company will operate its business with standardized operating system and control through the exercise of knowledge, judgement, and capabilities with due care with sufficient information and reliable evidence. The Company will strictly comply with the relevant laws and regulations.
- 1.2 Treatment to Business Partners. The Company will treat its business partners fairly and will not claim for any unjustified benefits from its business partners. If the Company is unable to comply with any business terms, it will give prior notification to business partners in order to jointly find agreeable solutions.
- 1.3 Treatment to Competitors. The Company will treat its competitors under the appropriate framework and will not dishonestly seek trade secrets of competitors.

2. Anti-Corruption

The Company’s directors, management, and employees shall strictly comply with the Company’s following Anti-Corruption Policy and Code of Conduct:

- 2.1 do not ask or offer bribery to any person including government authority in order to gain unfair advantage;
- 2.2 omit from accepting gifts, receptions or payments from customers or business partners with excessive values.
If it is a necessity to accept a customary gift with value exceeding the specified value under the Company’s Code of Conduct, the employee shall report the Company and deliver such gift to the Company.
- 2.3 establish internal control system to prevent corruption. The Company’s regulations shall specify work procedures. Approver(s) for payments and payment limits shall be in accordance with the Company’s regulations and should be clearly documented.
- 2.4 if there is any act of corruption or any act susceptibility of corruption, employee shall neither be complacent nor ignore the act and shall immediately report his/her supervisor.

2.5 the hospital has appointed “Ethics Committee” who is responsible for conducting investigation and making decisions regarding employees who are accused of breaching ethics or discipline (corruption).

The Company also provides trainings to its employees so that the employees will possess knowledge regarding policies and guidelines in preventing corruption. The Company’s employees are encouraged to act with honesty and be responsible for their duties and responsibilities, while upholding the code of ethics.

3. Respect for Human Rights

The Company gives importance to respect for life and human rights which are fundamental for management and development of human resources, including establishing social relations.

Therefore, the Company has a policy to promote respect for basic human rights and equality without discrimination and division with respect of nationality, race, gender, religion, political beliefs or any other types of belief, background, assets, origin or status. The Company promotes and gives opportunities to its employees to express opinion or file complaints relating to violation of human rights.

4. Fair Treatment of Employees

The Company believes that human resources is the most important factor for business operations which generate values and return to organization. Each of the Company’s operations require knowledge, capabilities and devotions, both physically and mentally, in order to achieve goals and objectives.

The Company has established a guideline for employee treatment. The management shall treat the employee fairly and without bias. The employees shall be encouraged and supported in developing their potentials and improving work efficiency. Compliance of ethics shall be promoted among employees and appropriate level of employee welfare shall be provided. The employees shall be treated with sincerity - their opinion should be heard and suggestions should be given to them as feedback.

5. Consumer Responsibilities

- 5.1 The Company shall treat customers with fairness in respect of products and services, without discrimination. It shall not disclose customers’ information acquired through business operations of which by nature should be kept confidential, except for disclosures in accordance with requirements under the laws.
- 5.2 The Company shall give opportunities for customers to submit complaints regarding flawed products or services. The Company should give complete and correct information in respect products and services to the consumers.

- 5.3 The Company shall fairly comply with the terms and conditions agreed with its customers. In the event that the Company cannot comply with any term or condition, it shall notify customers in order to seek joint solutions.

6. Environmental Protection

The Company realizes the importance of environment to human living. At the same time, our society has been giving more importance to environmental conservation.

The Company has established an environmental policy as guidelines for conducting its business operations with exercise of due care and diligence in order to prevent or minimize environmental impact to nearby communities. The Company determines to control both water and air pollution by controlling quantity of wastewater released from building and exhaust from exhaust pipe. In addition, the Company promotes waste segregation and recycle in order to reduce quantity of garbage.

7. Community Participation and Development

The Company has established a policy to comply with the relevant laws and regulations and be responsible for its community by giving supports, cooperation, and volunteer for activities beneficial to community and society. Such policy shall help promote economic strength, while restoring society and cultures.

8. Innovation and Transfer of Innovation Developed Through Operations Responsible for Society, Environment and Stakeholders

The Company supports innovations developed both through internal process and through cooperation between organizations. Not only development of new things through new methods, innovations also include changes to idea or production in order to create value-added products or services. The objective of innovations is to create changes in a positive way, so that better things shall be created and productivity shall be increased, which shall ultimately result in maximum benefits to the society.

Transfer of innovation is considered a socially responsible activity. The communication and notification to stakeholders for acknowledgement, both directly and indirectly, through various channels of communication, is necessary to ensure that the Company's information shall be distributed to, and shall reach, all stakeholders.

Activities Beneficial to Society and Environment

Apart from giving importance to responsibilities for society, environment and all stakeholders, the Company has established guidelines for its employees to organize activities beneficial to society every year, with the main objective to promote importance of social development to all employees. Such activities beneficial to society also help promote good relationship among the employees.

Whistleblowing Policy

The Board of Directors of Thonburi Healthcare Group Public Company Limited (the “Company”) has given the opportunity to directors, executives, employees and internal and external stakeholders of the Company and its subsidiaries to report suspected illegal acts, complaints or recommendations relating to illegal or unethical acts, incorrectness of financial reports, corruption or deficiency in internal control system of the Company or its subsidiaries. The Company shall investigate and find facts relating to such report, complaint or recommendation in order to determine appropriate measures or actions. Such information can be reported via the following channels:

Via Phone 02-159-0336-7 or Head of the Internal Audit Department 081-613-3539

Via E-mail BOD@thg.co.th , AC@thg.co.th
Internal Audit Department IA@thg.co.th

Via Website www.thg.co.th

Via Mail Submit Whistleblower Report Form (as enclosed)
To Board of Directors, Chairman of the Audit Committee, Head of the Internal Audit Department

Thonburi Healthcare Group Public Company Limited
518 Kampangetch 2 Road, Chatuchak Sub-district,
Chatuchak District
Bangkok 10900

Whistleblower Procedures

The internal audit department shall preliminary monitor, collect, search for facts and verify the information and prepare summary on complaints to the Chief Executive Officer. The Chief Executive Officer shall set-up Investigating Committee to verify the information and investigate. Members of the Investigating Committee who shall participate and observe in considering the complaints include Director of Human Resource Department or a representative of the unit, supervisor of the informant who shall not have any conflict of interest with the informant, a representative from the Risk Management Committee, Secretary of the Audit Committee or a representative from the Audit Committee.

Following the investigation, the Internal Audit Department shall prepare a report and propose measures for complaints to the Audit Committee. In case of complaints relating to reputation, image or financial positions of the Company or any matter contrary to policies on the Company's business operations or relating to high-level executives, the Audit Committee shall propose such complaints to the Board of Directors for consideration.

Whistleblower Protection Policy and Confidentiality

The Board of Directors has set a policy and procedures for protection of whistleblowers. Information from whistleblowers shall be kept confidential. The person obtaining information from performance of his/her duty relating to such matter shall keep information, complaint and documentary evidence of whistleblowers confidential. Information should not be disclosed to non-related persons, unless the information is required to be disclosed according to the laws.

Insider trading Policy

Thonburi Hospital Public Company Limited ("the Company") performs business based on the Principle of Good Corporate Governance of The Securities Exchange of Thailand ("the SET") and gives importance to the control of insider trading to be in accordance to the Good Corporate Governance adhering to the Good Governance and business honesty to ensure that the investors of the Company receive the reliable information equally and punctually. Therefore, the Company set the Insider Trading Policy as the following details.

Guidelines for Confidentiality, Information Security and Insider Trading Prevention

All staff of all levels in the Company have to acknowledge the process of information security to protect the confidential information and comply with the information security process to prevent the disclosure of confidential information as well as the wrongful insider trading.

"Insider Information" refers to the non-public information or the information that may cause the critical effect on the Company if it has been disclosed to the public as well as all kind of information that the partners and customers provide to the Company.

(1) Guidelines for insider information security

- 1) Set the confidentiality of the information, which are disclosed information, concealed information, confidential information and secret information.
- 2) Security and concealment of customer and commercial information.

The Company shall secure and conceal the customer information and commercial information secretly and shall not disclose to the employees of the Company as well as the outsiders who have no concern unless it is law regulation to disclose which shall be the disclosure for the propose of lawsuit or the Board of Directors approves for the disclosure.

- 3) Providing information to the outsiders

To disclose the information to the public shall have the approval from the President, Executive Officer or Managing Director. Chief Executive Officer or the Managing Director may answer the question in case of the most significant information or may appoint the representative to provide information to the public. The Company has the person who publishes the information to the public who is responsible for the investor relations and communication with investment agencies by coordinating with the internal division who the information belongs to.

2. Practice of insider trading

The Board of Directors and the executives as well as the person holding the position in accounting or financial line shall report the securities holder of oneself, spouse and the child under the age of majority according to the

regulation of The SEC Act B.E. 2535 (including the amendment) (“The SEC Act”), the notification of The Office of the Securities and Exchange Commission and the relevant notification of SEC. The report shall be submitted to the secretary of the Company before submitting to The Office of the Securities and Exchange Commission or the SET.

1) Insider Trading

The Company is aware of the significance and the responsibility for the shareholders and the stakeholders according to the operation based on the Principle of Good Corporate Governance. Therefore, to increase the confidence to the shareholder, the investors and all relevant persons the Company determines the measurement of the insider trading of the employee of the Company which includes the committee, directors and the person holding the position in accounting or financial line, the operator, the executives, auditor, employees, spouse and the child under the age of majority of these people. This measure aims to create the equality and justice in insider trading which would increase the confidence of the shareholders, investors and all relevant people. The Company prohibits the above people who acknowledge insider information which is the crucial fact of the change of securities price that is not disclose to the public to disclose it for securities trading or convincing other people to sell or buy the Company share by themselves or via the brokers for their own benefits or the benefits of others.

Besides, the Company prohibits the above people disclose the fact of the change of securities price that is not disclose to the public for their own benefits.

The Company regards that the wrongful insider trading for the benefits of securities trading of the Company is the trading for speculation or for the advantages of some groups of people which is considered the offence to The SEC Act and the disciplinary offence. The Company sets the policy and announces to the committee and the executives about the period to prohibit the trading 21 days prior to the Board of Directors meeting day.

2) Report on the change of securities holder

The Company assigns the directors, executives as well as the persons holding the position in accounting or financial line who is responsible for the operation, executives, auditors, employees, spouse and and the child under the age of majority of these people to report the amendment of securities holder to the The Office of the Securities and Exchange Commission (“SEC”) according to The SEC Act B.E. 2535 (as the amendment) and submit the copy of report to the Company on the same day of the submission to the SEC.

3) Black Out Period

The Company informs the directors, executives, employees, staff or relevant people that the executives who acknowledge the insider information that is the crucial content affecting the change of securities price shall be

very careful to trade the Company securities and 15 days prior to and one day after the financial statement or the insider information shall be disclosed to the public.

4) Do not disclose information unless information

The Company informs the relevant people to the insider information that they shall not disclose the information to the other unless the information has been informed to the SET.

5) Preventive measure of Computer system and information security

To create the practice based on the policy the Company sets the preventive measure of computer system and information security as follows.

- (1) Restrict the access to the disclose information only for the top level of executives and disclose to the employee as appropriate. Inform the employee that the information is confidential and has limitation on the use.
- (2) Set the security system in the workplace to prevent the access and the use of file data and confidential file.
- (3) The owner of information that is not yet disclosed to the public shall emphasize the relevant person to follow the security process strictly.
- (4) Use log in username and password of the employee to use computer and has the restriction of website access.

6) Penalty for insider trading

The offender shall have disciplinary punishment by having warning letter, reduce wage, suspension without pay or termination depending on the seriousness or shall be punished by law from the relevant organization.

Human Resource Development Policy

Thonburi Healthcare Group Public Company Limited (the “Company”) manages its business by complying with the Guidelines for Good Corporate Governance issued by the Stock Exchange of Thailand (“SET”). The Company believes that human resources is a key and valued factor in driving business operations. Therefore, the Company has established Human Resource Development Policy as framework and guidelines for preparing human resource development plan to create added value in utilization of human resources. The management of human resources shall be with fairness, transparency, examinable and creating happiness to employees. The Human Resource Development Policy consists of the following details:

1. Improvement on work system and manpower

- 1.1 Plan, support and promote establishment of organizational structure, work system, framework for manpower and manage manpower properly and adequately in order to facilitate operations by all units of the Company, including having effective evaluation system in place.
- 1.2 Use human resources management tools, including tools for selection, promotion, performance evaluation, human resource development plan, and management of compensation.
- 1.3 Determine professions within the organization and set paths for development of those professions.
- 1.4 Set-up a system for evaluating performance of each unit.
- 1.5 Prepare succession plan.

2. Human resource development plan

- 2.1 Promote systematic and continuous development of human resources by increasing proper knowledge, capabilities, potentials, and skills in order to operate the business efficiently and successfully in accordance with the Company’s objectives. Employees are promoted to have good moral and ethics in line with their roles and responsibilities.
- 2.2 Prepare human resource development plan according to job positions.
- 2.3 Continuously increase potentials of management and capabilities of employees of every level in their performance of roles and responsibilities.
- 2.4 Promote the Company’s personnel in upholding organizational cultures, complying with code of ethics, having good morals and sacrifice, living together in harmony and devotion to the Company and society.
- 2.5 Develop management of know-how and knowledge in order to create a culture of continuous learning, knowledge transfer and exchange of knowledge and experience.
- 2.6 Support and facilitate trainings regarding Good Corporate Governance for directors and management of the Company in order to continuously improve the Company’s operating performance. The Company support directors in attending relevant trainings to be equip with knowledge and understandings in the roles and

responsibilities of director of listed company, including various trainings by Thai Institute of Directors Association (IOD) such as Director Accreditation Program (DAP), Director Certification Program (DCP), Advanced Audit Committee Program (AACCP), and Company Secretary (CS).

3. Development of Information System

- 3.1 Promote and support implementation of information technology system for management of human resources in order to obtain correct, complete, fast and up-to-date information and reduce certain steps of work procedures, quantity of paperwork, and analyze the collected information to assist in planning, decision-making and management of human resources effectively.
- 3.2 Develop database system for human resources.
- 3.3 Improve and develop information system for human resources management.
- 3.4 Provide additional knowledge on information technology system for the management of human resources to the responsible officers to enable them to use the system and increase the capabilities of personnel to prepare for development of the system in the future.

4. Welfare and lab our relations

- 4.1 Promote security, merits, quality living, happiness and satisfaction to personnel in order to retain talented employees by supporting progress and development of personnel at every opportunity, creating channels for communications, providing incentives and special benefits, welfare, safety and hygiene work environment as necessary and appropriate and in accordance with the laws. Support activities which promote good relationship among management and employees of every levels.
 - 4.1.1 Improve incentive system;
 - 4.1.2 Improve safety, hygiene and environment for work;
 - 4.1.3 Give compliments to good and outstanding employees, including those who contribute to the Company;
 - 4.1.4 Improve welfare and special benefits system.
 - 4.1.5 Improve channels of communication relating to human resources management.
 - 4.1.6 Promote lab our relations.

5. Human resource selection

- 5.1 Select and recruit persons with knowledge, capabilities and experience suitable for the position.
- 5.2 Cooperate with governmental units such as colleges and universities in recruiting graduates.

- 5.3 The Company shall hire personnel necessary and appropriate for the work. Persons recruited must have capabilities appropriate for the position and have qualifications as specified in the Company's regulations.
- 5.4 If any position becomes vacant, the Company will give priority to its existing employees before seeking replacement from outside. The Company will consider replacement applying its pre-determined criteria such as performance evaluation scores, test scores from relevant trainings, knowledge testing or giving employee an opportunity to work in vacant position for a probationary period before recruiting.

6. Human resource retention

- 6.1 Conduct performance evaluation for each unit by using key performance indexes (KPIs) as key assessment.
- 6.2 Prepare human resource development plan for each job level pursuant to succession plan and give opportunity to employees for advancement in their jobs through promotion.
- 6.3 Use information technology system in managing human resources and continuously develop the system in order to reduce procedures, quantity of work and paperwork.
- 6.4 Determine compensation appropriate for each job position by considering roles and responsibilities of each position, economic conditions, living costs, market rate salary, and competition to companies of similar business.
- 6.5 Organize joint activities between management and employees or among employees themselves to promote harmonious workplace.
- 6.6 Accept suggestions and complaints from employees for the Company's acknowledgement and review and consider such suggestions and complaints without delays.

Succession Plan

Thonburi Healthcare Group Public Company Limited (the “Company”) has a policy for selecting key personnel of every level, considering their suitability, with transparency. This is to ensure that the Company has professional executives. The Human Resources Department is responsible for preparing succession plan for Chief Executive Officer, Managing Director and management positions of the Company for consideration by the Company’s Board of Directors.

1. Chief Executive Officer/Managing Director Level

If the position of Chief Executive Officer or Managing Director is vacant or the person holding such position is unable to perform his/her duties, the Company has a policy that an executive with similar or subordinated level shall fill the position as Acting Chief Executive Officer or Acting Managing Director until the Company finds a suitable person with qualifications according to its selection criteria. Through consideration by the Human Resources Department, such person must have vision, knowledge, capabilities and experience that fit with the Company’s organizational culture. The Human Resources Department shall nominate to the Board of Directors qualified and suitable person for the position for further appointment.

2. Management Level

If an executive position at the level of manager and above is vacant or the person holding such position is unable to perform his/her duties, the Company shall propose a successor to the Executive Committee. The succession plan for management level positions are as follows:

1. analyze the Company’s business conditions including strategy, policy, investment plan and expansion plan;
2. assess the readiness of the Company’s workforce to be in line with its short-term and longer-term strategies;
3. set-up a plan for creating workforce readiness by developing or selecting staffs who would be ready to fill vacant positions;
4. establish a nomination and selection plan and provide training for staff 1 year in advance prior to retirement or early resignation;
5. determine capabilities including knowledge, skills, personalities and attitudes required for the position and prepare individual development plan;
6. select, assess performance and potential of employees to consider suitability;
7. utilize tools for testing and evaluation of employees for analysis of capabilities;
8. identify successor for the position from assessment and analysis of capabilities and performance of the employee. Prior notification must be given to successor as preparation.
9. develop and assess the employee who will become successor whether he/she has the expected development and performance. If the development and performance do not meet expectation, the change of successor is possible.

Code of Conduct

Code of Conduct for Director, Executives and Employees

Thonburi Healthcare Group PCL. operates its business by adhering to the corporate governance guideline issued by the Stock Exchange of Thailand (SET). Code of Conduct was prepared and used as guidelines for Directors, executives of all levels and employees to perform their duty with honesty, integrity and ethics, to maintain the company's reputation, to behave appropriately as a professional and to be responsible to the economy and society. The Code of Conduct shall be used as a guideline for business operations and acknowledge by Directors, executives, employees and all concerned parties. The Code of Conduct details are as follows:

11. Practice guideline for the company's business operation

1.1 Legally operate the business

- (1) The company shall operate its business legally
- (2) The company shall encourage Directors, executives and employees to respect and comply with related laws

1.2 Operate business for the benefit of the economy, society and the environment

- (1) The company shall operate business that is beneficial to the overall economy
- (2) The company shall operate business with respect to culture and tradition and without causing damage to the general public
- (3) The company shall have responsibility towards the society and community, including supporting activities that promotes the betterment of the society and environment

1.3 Treat all concerned parties with fairness

- (1) The company shall protect the benefit of all stakeholders with fairness
- (2) The company shall assure that stakeholders' rights are well protected by law
- (3) The company shall treat its customers with sincerity and fairness and be willing to help
- (4) The company shall create pleasant work environment and without threat in all form

1.4 Disclosure of Information

- (1) The company shall sufficiently, timely, accurately, completely, transparently and regularly disclose significant information in compliance with the regulations set by the Securities and Exchange Commission (SEC) and the Guidelines on Disclosure of Information of Listed Companies.
- (2) The company shall not cause confusion or misunderstanding among stakeholders in the essence of the disclosed information

1.5 Treatment of Employees

- (1) The company shall take good care of employees and provide appropriate employee benefits
- (2) The company shall equally treat all employees without discrimination
- (3) The company shall support and promote activities that enhance relationship between employees and between the company and employees.
- (4) The company shall promote knowledge enhancement and career progress for employees.
- (5) The company shall provide fair employee remuneration.

1.6 Creation of Corporate Values Focusing more over Corporate Benefits

The company shall promote and encourage all employees to value corporate benefits over personal benefits.

(2) **Board of Directors' Code of Conduct**

The Board of Directors shall have clear guideline in accordance with the company's Code of Conduct. The directors shall always be aware that its duty is not only the commitment and responsibility towards the company and shareholders but also towards business partners and other stakeholders. All stakeholders' benefit is therefore the ultimate guideline for the Board of Directors' conduct which is as follows:

2.1 Honesty, Fairness, Morality, Carefulness and Prudence

- (1) A Director shall perform his/her duty with integrity, honesty, morality, carefulness and prudence.
- (2) A Director shall perform his/her duty in accordance with the rules, regulations, objectives and order of the company, the Board of Directors' resolution and the shareholders meeting's resolution
- (3) A Director shall sincerely perform his/her duty for the benefit of the company and independently from the management or interest group and shall not use personal benefit as the base for making decision on the company's business activities.
- (4) A Director shall perform duty at his/her best capacity and shall not hold position in other organization that operates similar or competing business. In case a director holds a directorship or management position in other company, the Board of Directors shall acknowledge this and have no objection within 6 months after the director takes such position in other company. It is the director's responsibility to report to the shareholders' meeting of such directorship before the shareholders have a resolution appointing the person as a company's director.
- (5) The Board of Directors shall protect the benefits of shareholders and equally treat all stakeholders.
- (6) The Board of Directors shall take any action with honesty, integrity and ethics and shall make decision for the benefit of the company.

2.2 Information Confidentiality

- (1) A Director shall not intentionally and unintentionally disclose the internal information about the company, customers, employees and business operations to outsiders excepted approved by the company or when the disclosure is part of the Director's responsibility.

(2) A Director shall not use the information obtained on duty for personal and other's benefit and not for the company's benefit.

2.3 Disclosure of Conflict of Interest

Directors shall disclose benefits received from personal and other businesses as well as other matters that may have conflict of interest.

2.4 Legal Compliance

Directors shall respect laws, rules and regulations related to business operations.

2.5 Gift and Other Benefits

Directors shall not abuse authority to gain benefits from business partners, suppliers and people seeking opportunity to do business with the company.

(3) Code of Conduct for the Management

3.1 The management shall not disclose confidential information about the company, customers, employees and business operations with or without intention to outsiders unless approved by the company or it is part of the management's responsibility.

3.2 The management shall behave and act within the moral norm, refrain from inappropriate behavior and sincerely make decision for the best benefits of the company, customers, shareholders and employees.

3.3 The management shall perform their duty with carefulness, honesty, integrity, care and with vision in order to become a role model in promoting efficiency, effectiveness and ethics in order to achieve the company's goals.

3.4 The management shall politely treat employees and justly supervise subordinates and shall not abuse their authority.

3.5 The management shall demonstrate their commitment to moral norm and ethics by behaving well so as to be the role model for employees, promote good work environment that enhance ethical practice, and have commitment to prevent unethical practice in any form.

3.6 The management shall promote employees' capability and efficiency enhancement, provide appropriate employee benefits, be sincere and respect the rights and opinion of employees

(4) Code of Conduct of Employees

To promote efficient operations and happiness in the workplace, employees shall follow the guideline below:

4.1 Self Practice

(1) Employees shall strictly respect the company's rules and regulations.

(2) Employees shall perform their duties with honesty, sincerity and diligence and shall continually improve work efficiency for the benefit of employees and company.

- (3) Employees shall have positive attitude towards the company, respect and follow the instruction of supervisors provided in accordance with the company's policy, rules and regulations.
- (4) Employees shall perform their duties to their best capability and knowledge in efficient manner and according to the standard and scope of responsibility
- (5) Employees shall behave within the moral norm framework and refrain from unethical behaviors.

4.2 Practices towards Colleagues

- (1) Employees shall promote unity, care and sharing and do not cause conflict that may cause damages to other persons and the company
- (2) Employees shall treat colleagues with amicability, sincerity and respect and do not unveil colleagues' professional and personal information to others or criticize them in a manner that may damage the person's or the company's reputation
- (3) Employees shall refrain from giving and receiving high value gifts or for future benefits or cause negative perception towards employees or colleagues or subordinates and supervisors.

4.3 Practices towards the Company

- (1) Employees shall have respect and be loyal, sincere and committed to the company and to protecting the company's reputation.
- (2) Employees shall not abuse own authority for personal and other's direct and indirect benefits that may also cause damages to the company.
- (3) Employees shall immediately report to supervisors the matters that may have negative impact on business operations and company's reputation.
- (4) Employees shall keep the company's confidential information and must not disclose information, news, innovations both in terms of intellectual property and products, to outsiders, which may cause damages to the company, and must not use information obtained within their capacity as employees to their own benefits.
- (5) Employees shall protect the company's benefits and property and maintain them in good conditions so as to optimize their use without wasting or causing immature damages or loss.

4.4 Avoid Practices that May Cause Conflict of Interest

- (1) Employees shall not use their authority or abuse their position for own or friends and relatives' interests and shall not operate business in competition to the company
- (2) Employees shall not directly and indirectly operate business that is competing with or having conflict of interest with the company

- (3) Employees shall not have financial benefits or relationship with customers and suppliers in capacity as their owners, partners, shareholders, directors, creditors, debtors or advisors. In case employees do, they must report to the immediate supervisors.
- (4) Employees must not ask for or collect money or any returns from customers and business partners except for the expenses and fees normally collected by the company.

4.5 Treatment towards Customers

- (1) Employees shall always provide good quality services with honesty and integrity, inform customers of their rights and perform their duty in protecting the benefits of the customers.
- (2) Employees shall provide services to customers with correctness, speed, sincerity and politeness.

4.6 Treatment towards Business Partners

- (1) Employees shall treat business partners with honesty, sincerity and equitability.
- (2) Employees must not disclose business partners' confidential information and business information to others and must not defame or incriminate business partners
- (3) Employees shall not have any financial relations or receive benefits from business partners, e.g. joint venture, lending or borrowing money, etc.
- (4) Employees shall not ask for benefits from business partners for the services provided on duty and within scope of responsibility.
- (5) Employees shall not receive or entertain or provide any incentives, benefits or high-value gifts. Employees shall not receive gifts or offers from business partners in such a way that employees have to act in favor for the business partners, which is against the company's practice guideline.

Roles and Responsibilities of the Chief Executive Officer (CEO)

1. Set policy, vision, objectives, strategies, business plan and budget with the Board of Directors.
12. Oversee, administrate, manage and perform normal course of business for the benefits of the Company according to the policy, vision, objectives, strategies, business plan and budget as agreed and approved by the Board of Directors and/or the shareholders meeting.
13. Perform and administrate the Company's business according to the vision and mission defined by the Board of Directors and the business plan, budget and business strategies as agreed and approved by the Board of Directors and/or the shareholders meeting.
14. Coordinate with the Audit committee to perform business and risk management according to the objectives and regulation as well as the resolution of the Board of Directors and/or the shareholders meeting.
15. Oversee the financial, marketing, human resources and other operational management to be in accordance with the policy and business plan of the Company as agreed and approved by the Board of Directors and/or the shareholders meeting.
16. Negotiate and sign contract and/or any transactions that is the normal course of business (such as investment in products or other assets based on the investment budget or other budgets approved by the Board of Directors, inventory or product distribution) under the transactions credit identified on the Table of Authority for expenditure approval which approved by the Board of Directors meeting.
17. Order and regulate the regulation, announcement and internal memo for the Company operation to be in accordance with the policy and for the benefits of the Company as well as to maintain the Company regulation.
18. Control and perform the business and/or administrate routine business.
19. Follow-up, monitor and control the performance of Company, subsidiaries, and/or joint venture to achieve the business profits and report to the Board of Directors every quarter as well as improve and develop the business profits.
20. Develop organization to have better performance and business profits as well as constantly develop for the sustainable growth.
21. Study an opportunity to invest in the new projects focusing on technical and financial study accordingly for decision-making.
22. Consider to approve the normal course of business and the operation that supports the normal course of business which has the general commercial condition within the approved budget from the Board of Directors and/or the Management Committee under the regulation of The Office of the Securities and Exchange Commission and The Securities Exchange of Thailand regarding connected transactions and the acquisition or disposal of assets as well as the Table of Authority determined by the Board of Directors.
23. Consider to designate the advisors for the Company operation such as Financial Advisor, Legal Consultant and Independent Appraiser.

24. Give power and/or appoint the person or group of persons to act on behalf of the CEO which should be under the responsibilities identified on the Power of Attorney of the Company and/or the rule and regulation or resolution of the Board of Directors. However, the appointment under the roles and responsibilities of the CEO shall not be the authorizations that cause the CEO or the authorized person that has the conflict of interest or other forms of conflict to the Company can approve the transactions. In this case, CEO shall not have any authorization to approve the transaction but purpose it to the Board of Directors and/or the shareholders meeting (depending on the case) for the consideration and approval unless the transaction is the normal course of business and has the same criteria with the Arm's Length.
25. Perform any other acts assigned and authorized by the Board of Director.