

## **16. Conflict of Interest Policy**

The Company has established a policy on conflicts of interest with objectives and sets rules, regulations and guidelines as follows:

### **16.1 Objectives**

(1) In order for the Company's directors, executives and employees to have guidelines to perform their duties honestly and not seek personal benefits.

(2) In order for the transaction to go through a transparent approval process by directors and executives with responsibility, carefulness and honesty, with stakeholders involved in decision making.

### **16.2 Regulations, Requirements and Guidelines**

(1) Disclosure and submit information of interests of oneself and related persons to the Board of Directors for acknowledgment of relationships and transactions with the Company in a manner that may cause conflicts of interest as soon as the transactions are made to ensure that the Company has regular supervision and examination of such matters. Therefore, the company secretary has been assigned the duty to survey the items of interest at end of the year. The survey will be conducted with directors, executives and/or related persons including department managers and employees who are involved and present the information to the Board of Directors at least once a year.

(2) Avoid entering into transactions related to oneself and/or related persons that may cause conflicts of interest with the Company and do not act in any manner that is contrary to the interests of the Company or seek personal benefits for oneself and/or related persons

(3) Stakeholders must not participate in approving matters that they have interests or conflicts of interest, both directly and indirectly.

(4) The following actions which result in the Company's directors, executives or related persons receiving financial benefits other than those normally expected or causing damage to the Company shall be presumed to be contrary to significant benefits of the Company include:

(4.1) Transactions between the Company and the Company's directors, executives or related persons that do not comply with the rules of connected transactions

(4.2) Use of Company information that has been known unless it is publicly available.

(4.3) Use of the Company's assets or business opportunities that violate the rules or general practice as prescribed by the Capital Market Supervisory Board.

(5) In case of normal transactions such as purchases of goods, provision of services or financial support, etc., the Company can enter into a transaction with a person who may have a conflict of interest if the transaction contains a commercial agreement with general trading conditions in the manner that a reasonable person would do with a general counterparty under the same circumstances with the bargaining power without influence in the presence of a director, executive or related person by taking into account the benefits of the Company. A summary of such



**ROYAL PLUS**

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transactions must be prepared for the Board of Directors for acknowledgment and comments every quarter where such transactions occur.

(6) In case of transactions other than normal transactions, the Audit Committee is required to consider and give opinions on the necessity of entering into the transaction and the appropriateness of such transaction price by considering that the conditions are in accordance with normal trading nature of the market, which can be compared to the prices made with third parties and based on fair, reasonable prices. However, entering into such transaction, after being considered by the Audit Committee, must be approved by the Board of Directors' meeting or the shareholders' meeting, depending on the size of transaction by applying the rules prescribed in the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand. The directors who have interests shall not attend the meeting and vote on such agenda. In case that the Audit Committee does not have expertise in considering such transactions, the Company shall assign an independent expert to give opinions on such transactions for use in decision-making by the Board of Directors or shareholders, as the case may be.

(7) Supervise and be responsible for ensuring that the Company has an internal control system, a risk management system, and an anti-fraud and anti-corruption system that are appropriate, efficient and concise enough to ensure that the Company's operations are in accordance with policy, Articles of Association, laws and announcements on good corporate governance of listed companies including the regulations and rules related to the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand.

(8) The Board of Directors shall supervise the Company to comply with the Securities and Exchange Act, regulations, notifications, orders or rules of the Stock Exchange of Thailand, the Securities and Exchange Commission and the Capital Market Supervisory Board. In addition, the company must disclose information about connected transactions in various information according to the regulations of the Stock Exchange of Thailand and related agencies.

(9) Establish a clear work system to show that the Company has an adequate system for disclosing information on significant transactions in accordance with the established rules on a continuous and reliable basis and provide a channel for the company's directors and executives to receive the company's information in order to effectively monitor the company's significant related-party transactions. In addition, there must be a mechanism for auditing such work systems by allowing independent directors, audit committees and internal auditors to have direct access to information and report the audit results to the directors, executive directors and executives of the Company, to ensure that the Company has consistently complied with the established work system.

(10) Related transactions that may cause conflicts of interest in the future, the Board of Directors must comply with the Securities and Exchange Act and the regulations, orders or rules of the Stock Exchange of Thailand as well as complying with the rules regarding disclosure of connected transactions and the acquisition or disposition of assets of the Company.