

Nomination and Appointment of Directors and Executives

Criteria for Director Selection

The Company has set up the Remuneration and Nominating Committee to be responsible for director nomination. The Remuneration and Nominating Committee determines qualifications of the required director positions that fit in with the nature of business operations and strategies of the Company. It also takes into account the needed skill and the policy on board diversity in terms of professional skill and specialized expertise, knowledge and talent, and work experience. The qualified candidates who have amassed professional experience, knowledge and capability that will be useful to the Company will be selected and appointed as the Company's directors or executives. They must also completely meet the qualifications specified in Section 68 of the Public Limited Companies Act B.E. 2535 (and as amended) and the Notification of the SEC and must not possess any prohibited characteristics under the SEC Act (and as amended) and other applicable laws and regulations.

The existing THREL Board of Directors is composed of eight members, the number of which is compatible with the Company's business operation. All of them have had work experience or used to assume a top-ranking position in the business and government sectors. In view of their educational background, most of the directors finished their studies in the field of business administration and economics and some of them graduated in accounting and laws. As such, the Board of Directors is composed of experts with skills and experience in a diverse field of professions that can suitably cover all aspects of the Company's affairs.

Nomination and Appointment Process for Directors

In order to nominate a candidate for director position, the Remuneration and Nominating Committee and shareholders' consent is required. There is also no limit to how many candidates a shareholder can nominate. The Company offers an opportunity to each shareholder to propose appropriate candidates through the Company's website prior to the Annual General Meeting of Shareholders which is usually held 3 months prior to the end of fiscal year. The candidates must be competent and have a proficiency background in various professional fields. Also, the candidates must have leadership skills, vision, virtue and ethic, exceptional working history as well as be able to express opinion freely. The shareholders may cast their votes for each individual candidate in accordance with the rules and regulations of the Company as follows:

a) Each shareholder casts a number of votes equal to the number of the share units.

b) Each shareholder will cast the votes as stated in rule number 1) and the votes can be for one or many candidates. However, the vote must be evenly split. The Company does not apply cumulative voting due to the structure of the shareholders of the Company, which does not have any absolute major shareholder who can influence the Company or decide which candidate to vote for.

c) Those who receive majority of votes from shareholders will be elected as Directors of the Company.

At every annual general meeting of shareholders, one-third of the total number of directors shall vacate office. If the number of directors is not divisible into a multiple of three, the number of directors to retire from office in the first and second years following the registration of the Company shall be drawn by lots. In subsequent years, the directors who have remained in office for the longest time shall vacate office. A vacating director may be eligible for re-election.

Nomination and Appointment of Independent Directors

The Company sets out criteria for selection process of independent directors. A candidate must meet the qualifications for director nomination of the Company as well as the qualifications of 'Independent Director' as defined by the SEC, which are:

Definition of Independent Director

"Independent Director" of the Company means a person who possesses the complete qualifications and has the minimum independency as required under the Notification of the Board of Governors of the Stock Exchange of Thailand as follows:

1. An independent director must not hold more than 1 percent of the total number of shares with voting rights of the Company, parent company, subsidiaries, associated companies or any other juristic persons who may have a conflict of interest, inclusive of number of shares held by his/her related persons.
2. An independent director must not be a director who takes part in management, an employee, a staff member or an advisor who receives a regular salary, or a controlling person of the Company, parent company, subsidiaries, associated companies or subsidiaries of the same rank or juristic persons who may have a conflict of interest, unless the foregoing relationship already ended for at least two years before the date of appointment as the Company's independent director.
3. An independent director must not have relationship, whether by blood or by legal registration, in the form of fatherhood, motherhood, spouse, sibling and child as well as child's spouse of

the executives, major shareholders, controlling persons or persons to be nominated as executives or controlling persons of the Company or its subsidiaries.

4. An independent director must not have existing or previous business relationship with the Company, parent company, subsidiaries, associated companies or juristic persons who may have a conflict of interest in a manner that may obstruct the exercise of his/her independent judgment, and must not be the existing or former major shareholder, non-independent director, or executive of those who have business relationship with the Company, parent company, subsidiaries, associated companies or juristic persons who may have a conflict of interest, unless the foregoing relationship already ended for at least two years before the date of appointment as the Company's independent director.
5. An independent director must not be or have been an auditor of the Company, parent company, subsidiaries, associated companies or juristic persons who may have a conflict of interest, and must not be a major shareholder, non-independent director, executive or managing partner of an audit firm which employs auditors of the Company, parent company, subsidiaries, associated companies or juristic persons who may have a conflict of interest, unless the foregoing relationship already ended for at least two years before the date of appointment as the Company's independent director.
6. An independent director must not be or have been an auditor of the Company, parent company, subsidiaries, associated companies or juristic persons who may have a conflict of interest, and must not be a major shareholder, non-independent director, executive or managing partner of an audit firm which employs auditors of the Company, parent company, subsidiaries, associated companies or juristic persons who may have a conflict of interest, unless the foregoing relationship already ended for at least two years before the date of appointment as the Company's independent director.
7. An independent director must not be or have been a professional advisor including legal advisor or financial advisor the Company, parent company, subsidiaries, associated companies or juristic persons who may have a conflict of interest, and, in case the professional advisor is a juristic person, must not be or have been a major shareholder, non-independent director, executive or managing partner of the professional advisor, unless the foregoing relationship already ended for at least two years before the date of appointment as the Company's independent director
8. An independent director must not be appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder. An

independent director must not have any other characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs.

An independent director has held positions as Audit Committee appointed by the Board of Directors or the annual shareholders' meeting. That an independent directors shall have the qualifications as regulated by the SEC and Corporate Governance. At least one Audit Committee member must have accounting and financial knowledge, was assigned to examine and oversee the Company's operation, financial reporting, internal control system, external auditor selection, and conflict of interest.

A vacating audit committee member may be eligible for re-election. In the case the office of the office of the committee becomes vacant from any legally qualified person to be a member of the committee to comply with the regulations specified by all regulatory agencies. Such member shall remain in office only for the remaining term of office of the member he or she replaces. That is, when the Audit Committee vacancy until there is less than 3, the Board of Directors or the Shareholders' meeting to appoint full within a period not exceeding three months from the date of the audit committee are fewer 3 people.

The Board of Directors has considered, with due care, that all independent directors fully meet the qualifications set forth by the Company and their resuming in such position for several consecutive terms does not have any impact on the discharge of their duty and provision of independent opinions.

Criteria for Executives Selection

The Board of Directors, upon the recommendation of the Remuneration and Nominating Committee, considers an appointment of top management at president level and higher to be responsible for business operation, based on both the candidate's qualifications for an executive position and the Company's succession plan.

Nomination and Appointment Process for Executives

The Remuneration and Nominating Committee is responsible for nominating a qualified candidate for the President position. At the same time, the President and the Board of Directors are jointly responsible for nominating senior executives in the first and second layers below the President. Qualified candidates are screened based on their knowledge, competence, skill and experience that will be useful for the Company's business operation, as well as their profound understanding

of the Company's business and administrative ability to achieve the Company's goals and objectives. After completion of the selection and nomination process, names of the qualified persons will be proposed to the Board of Directors for approval.