

## Part 2

### Corporate Governance

## 6. Good Corporate Governance

The Company has realized the importance of the operation under the good corporate governance where the board of directors is determined to comply with the code of good corporate governance specified by the Stock Exchange of Thailand under the Code of Best Practice for Directors of Listed Companies.

Moreover, the Company is complied with the 5 Principle of Good Corporate Governance set by the Stock Exchange of Thailand for the benefit of the Company's business operation and for the transparency and efficiency enhancement. This should build up the creditability of the Company for the shareholder, the investors and other relevant parties. The details of the Company's good corporate governance practice are as follows:

### (1) Shareholder's Rights

The Company has realized the importance of the equitable treatment to the shareholders where at each shareholder's meeting, the invitation letter and the relevant information shall be sent to the shareholders for not less than 21 days in advance. Moreover, the Company shall equitably encourage the shareholders to review the performance and to express their opinions and/or recommendations. Furthermore, the Company has an effective shareholder's meeting minutes filing system which is easy to refer and check.

For the shareholders who cannot be present at the shareholder's meeting, they can delegate their power of attorney to the independent director and the audit committee to vote for them.

During the shareholder's meeting, the chairman shall equitably encourage all shareholders to raise questions and to express their opinions and other recommendations.

- **Prior to the shareholders' general meeting**

1.1 The Company has upheld the principle to supervise rights of shareholders. It aims to protect and promote the rights of shareholders as follows.

- Shareholders have the right to ownership and controls through the committee to act on their behalf.
- Shareholders have the right to make decisions about significant changes in the Company.
- Shareholders should have the opportunity to propose the agenda and entitle to appoint a proxy to attend the meeting on his behalf.
- Shareholders should have the opportunity to ask questions to directors at the meeting but submit questions in advance.
- Shareholders should receive documents and details or information sufficient to determine the agenda prior to the meeting at the appropriate time.

- Shareholders should aware of the rules and know how to join the meeting at reasonable time.
- Companies should promote the rights of shareholders and does not violate or infringe the rights of shareholders.

1.2 A part from the basic rights or legal rights of the shareholders, the company was also considering the rights and equitable treatment of all shareholders. The actions to promote the rights of shareholders are as follows.

- So that all shareholders receive the necessary information and enough about the meeting date and an agenda in advance, the company has communicated the documents and information relating to the AGM via the company's website ( [www.lohakit.co.th](http://www.lohakit.co.th) / Investor Relations / Shareholder Information) Date: June 23, 2023 onwards, a period of 30 days before the AGM (Shareholders' Meeting on July 26, 2023) by the same set of data as documents that the Company has submitted with the notice of meeting to shareholders by mail prior to the meeting.
- In the invitation that contain information about the agenda, reasons and the opinion of the Committee on the proposed agenda, date, time and place of the meeting, guidelines procedures and documentation to register to attend the meeting.
- For the benefit of the shareholders, the company also provides an opportunity for shareholders to submit questions or the proposal to be included on the agenda and the names of persons to be considered for appointment as directors in advance at website ( [www.lohakit.co.th](http://www.lohakit.co.th) / Investor Relations / Shareholder Information). The criteria and define clear procedures to inform its shareholders through SET system and posting them on the Company's website during April 4, 2023 until May 5, 2023
- **On the day of the shareholders' general meeting**  
At the shareholders meeting for the year 2023, the meeting was conducted by order of the agenda set out in the notice of meeting to inform shareholders in advance. No matters have been added to the agenda or critical data changes without notice to shareholders in advance and to allow shareholders to express opinions and ask questions on various matters. The Directors and senior management participated in meeting to answer the questions of the shareholders at the meeting, which details have been recorded in the minutes of the shareholders.



1.3 Before meeting begun, chairman of the meeting has authorized investor relations officer clearly explained to shareholders of how to vote, the audit of the vote count and the rights of shareholders

- One share represents one vote. For agenda items resolutions shall be passed by a majority votes, acknowledgement matters for shareholders have no votes. Agenda for the capital reduction, capital increased, amendment of company memorandum of association and regulation shall be passed by votes of not less than three in four of the votes of the shareholders present at the meeting and have voting rights. The agenda of the Remuneration of the directors shall be passed by votes of not less than two third of the total votes of the shareholders present at the meeting.
- The vote on the election of directors, each shareholder is entitled to vote are all as discussed above, selecting one person or several persons as directors but can't divide their votes among the candidates.
- The shareholders who give proxies with indicating their votes. Staff will collect votes on their computer. For proxies to attend the meeting without indicating their votes, The Company assigned legal counsel which is an independent agency to act as a counter and check the votes in the AGM so as to be transparent, legalization and regulation.
- The voting ballots with the following characteristics are considered the invalid voting.
  1. The ballots were voted incorrectly to its agenda.
  2. There are no marks in the voting box.
  3. Any ballots marked in more than one ballot box except in the case of a proxy, a custodian who can divide the votes in each agenda item, agree, disagree or abstain.
  4. The damage ballots and it can not be determined what voters wish to vote.

For shareholders who attended the meeting, the officers have prepared a ballot to use in the case of disagree or abstain. And to consider the rights and equitable treatment of all shareholders, the Company provided shareholders in attendance even after the conference has already started with the right to vote on agenda items under the consideration and has not voted yet.

- **Subsequent to the shareholders' general meeting**

The company has submitted its report to the Stock Exchange of Thailand within 14 days of the meeting and the minutes are simultaneously published to the shareholders via the company's website in order for shareholders to comment and review with no need to wait until the next meeting. Including disclosing the vote counting inspectors in the shareholders' meeting in the minutes of the meeting.

Shareholders have the right to review the remuneration of directors. The company offers attendance fee and bonus for shareholders approve every year. This year, the company paid to its directors the attendance fee only and no other benefit paid to directors. "Executive Remuneration" section, other benefits are not paid to the directors.

**(2) The Equitable Treatment to Shareholders**

The Company treats the shareholders equitably in allowing them to check and express their opinions toward the Company's operation. The Company has a policy to comply with the article of association where the shareholders who cannot be present at the shareholder's meeting can delegate their power of attorney to the independent director and the audit committee to vote for them.

At a meeting of shareholders, the company has taken advance notice of the meeting of shareholders into the website at least 30 days before the AGM date and the Company has taken a minority shareholders have the right to propose agenda into AGM in advance and nominate qualified person to be elected as Directors. According to the company scheduled during the April 4, 2023 until May 5, 2023 and informed the shareholders through the Stock Exchange of Thailand and posting them on the Company's website ([www.lohakit.co.th](http://www.lohakit.co.th) / Investor Relations / Shareholder Information) with specifying the clear and transparent procedures and methods. And on the Company's website, predefined form for proposing the agenda and nominating candidates for election as directors can be downloaded as well. During the AGM in 2023, no shareholders propose agenda and nominate candidates for director in.

**(3) Roles of Stakeholders****The Company has taken into account the rights of all stakeholders as follows:**

- (a) Employees: The Company always recognizes that all employees are the key resources of the company. It is the success factor of the company's achievement. The Company provides care and fairness in terms of opportunities, returns, appointments, relocation as well as staff development. The Company has adhered to the following principles.
- Treat employees with respect, honor and privacy.
  - Maintaining a safe working environment for the lives and assets of employees
  - Appointment and relocation Including rewards and punishment for employees, act in good faith and based on the knowledge and ability of each employee
  - Pay attention to the development of staff knowledge. The development of employees in various forms such as seminars, training, etc
  - Determination of employees' compensation policy and welfare are fair. This is consistent with the company's performance both in the short term, such as market conditions, business competition, nature of work, performance and profitability each year, etc. and in the long term such as performance evaluation, Balance Scorecard etc.
  - Listen to comments and suggestions based on professional knowledge.
  - To educate and train staff on environmental issues both in the workplace and outside the organization, this is in order to be aware of the importance of natural resources.
- (b) Suppliers and Creditors: The Company treats all suppliers and creditors equitably and fairly under mutual terms and/or contracts to create the valuable relationship which shall benefit all parties.
- (c) Customers: The Company takes good care and responsibility of the customers by sourcing, fabricating, manufacturing and distributing quality products as well as by taking into consideration the customer's recommendations and opinions.
- (d) Competitors: The Company complies with the framework of fair competition and avoids the use of dishonest means to destroy the competitors's reputations.
- (e) Shareholders: The Company focuses on the sustainable growth in terms of of revenue and profit. As a result, the shareholders will receive the appropriate returns according to the business condition.
- (f) Community and Society: The Company takes the responsibility towards to environment of the community and society by taking part in the social activities.
- (g) Government agencies The Company has established guidelines for transacting with the government in its Code of Business Conduct and Anti-Corruption Policy. They must strictly comply with relevant laws and regulations, including cooperating with government agencies.

- (h) Financial institutions: The Company complies with the terms of the loan agreement and other specific conditions and strictly complies with the rules and regulations of public sector financial institutions.
- (i) Mass media: The Company places great importance on the speedy disclosure of information to the media. Accurate and transparent so that the media can communicate to the public accurately and in a timely manner.

#### (4) Information Disclosure and Transparency

The Company has issued the Code of Ethics for the directors, management and all employees to comply with honest and integrity. The Company shall govern and ensure that such Code of Ethics is strictly complied. The Code of Ethics and the penalty are approved by the board of directors No. 4/2007 on August 15, 2007.

Company committed to social and environmental responsibility, The integrated data management framework, framework for management and organization management. Social responsibility reports are included in the section. "Sustainable Development Page 65."

The company has been giving the important on operation with responsibility to social and environment. By that, company in cooperation with stock exchange of Thailand has set up the activities for social.

The Company has enhanced the efficient internal control and audit systems for both the management and operational levels by issuing the statement of duties and authorities of the management and the employees. The duties of execution, control and evaluate are segregated for the check and balance of power purpose. Moreover, the Company has undertaken the internal control over the financial system with the financial report system for the responsible management. The Company has the internal control system audited and appointed A.M.T. Services Office Limited as the Company's internal auditor for year 2023 (April 1, 2023 – March 31, 2024). The auditing shall emphasize on the internal control system and the analysis of the system risks. The summary of the auditing is as follow:

1. To evaluate the sufficiency of the internal control system.
2. To review the procedure of each working system.
3. To review the accounting transactions with the related parties.
4. To review the obligations.
5. To review the contingent liabilities.
6. To report the sufficient of internal controls during the year.

The internal auditor shall report the result of the auditing to the audit committee on a quarterly basis. In addition, the internal auditor shall review the significant related transactions as per the request of the

audit committee. The secretary of the audit committee shall coordinate between the internal auditor and the audit committee.

Risk Management, the Board of director has been focusing on risk management very seriously. In the meeting of the Board of Directors no. 2/2016 had appointed the Risk Management Committee to define and assess of the business risks, to protect and manage risk. These include risks affecting the Company's operations, as defined in "The Risk Factors".

Board of Lohakit Metal Public Co., Ltd. (the Company) has scheduled its business practices with principles of good governance, adhering to the responsibility of all aspects of the business and to focus on the fight against corruption. On April 3, 2015 the company attended the announcement of the intention of a unified practice (Collective Action Coalition) Thailand's private sector in the fight against corruption.

The Company has been approved as a member of the coalition against corruption in the private sector in Thailand on April 22, 2016 to the guidelines of the Committee, all employees. The company has made "policy against corruption" in writing to provide a clear guideline in the sector which is divided into three main policies

On February 9, 2022, the company approved the use of the 1<sup>st</sup> revised Anti-Corruption Policy as a guideline for directors. All employees are divided into 3 main policies as follows:

### Definition

Corruption refers to bribery in all its forms by offer or promise to provide the money, property or other benefits incorrect and inappropriate to authorities, government agencies or private individuals to do duty, omission to do duty, to obtain or retain any improper business benefits. Unless, they are comply by the law, regulatorion, customs or local tradition.

### 1. Anti-Corruption Policy

Directors, executives and employees of company are prohibited to action or to accept corruption in any form, either directly or indirectly. It covers businesses in all countries and all agencies involved. The review of the implementation of the policy against corruption is required to review regularly, including also review practices and the requirement to take steps to comply with changes in business regulations and legal requirements.

### 2. Policy to protect complainants, witnesses, information user or clue about illegal and unethical (Whistle Blower Policy).

#### Complaint subject or provide information

Corruption, illegal, regulations or ethics that impact on reputation, image, norm, financial position or conflict with the policy of the business and involved with high position management.



**Channels of complaints or information, access to information and advice**

1. Verbal or written to

Company Secretary  
or E-Mail: whistleblower@lohakit.co.th

2. E-mail via the company's website: www.lohakit.co.th

3. Mail sent to

Company Secretary  
Lohakit Metal Public Company Limited  
No. 43, Thai CC Tower, 16th Floor, Room 167-169  
Sathorn Road, Yannawa, Sathorn, Bangkok 10120.

**The protection for complainant or information provider**

1. Protection occurs immediately right after complainant inform and give clues.
2. The relevant information is considered confidential and will be disclosed in consideration of damage and safety of complaints.
3. Where the complaint said, it may not be safe or damage occurred. The complainant may request the Company to determine the appropriate protective measures or the company may impose protective measures for the complainant even with no request if that is likely to be suffered and unsafe.
4. If the investigation does not find any wrongdoing as reported a complaint, the Company will not punish the whistleblower with good faith and person who affected will be compensated as appropriate and fair.
5. The company will not demote, penalize, or give negative consequences to employees who make complaints, employees who cooperate in the investigation or employees who reject corruption. Even if it will be caused the company to lose business opportunities.
6. In case there is clear and sufficient evidence that the whistleblowing, complaints or providing such information is done with dishonest intent which affect the complainant or the company. The company will investigate and punish according to disciplinary measures and/or take legal action against whistleblowers. If whistleblowers are outsiders, the Company will consider legal proceedings.

**3. Policies and procedures to support the political/ charitable donations/ grants. (Sponsorships)/ paying bills/ gift and hospitality expenses.**

The Board of Directors has established business practices with the good governance that recognizes its responsibility for the impact of all aspects of doing business and declared policy against corruption (Anti-Corruption Policy) to guide practice strictly for directors, management and all the staff there. The Company has established policies and measures related to anti-corruption functions in the practice of contributing to political / charitable donations / grants. (Sponsorships) / paying bills / gift and hospitality expenses as following

1. Policies and practices involved in this matter in accordance with the policy set out in the Anti-Corruption policy and the ethical conduct of managers and employees

2. If it is not listed, shall comply with the policies and guidelines that have been identified. Details of the 1<sup>st</sup> revised Anti-Corruption Policy can be found in [www.lohakit.co.th](http://www.lohakit.co.th) topics Investor Relations : Anti-Corruption Policy and Whistle blower Policy

#### **Conflict of Interest**

1. Directors, Executives and employees avoid taking any action that may cause conflicts of interest with the Company and does not act in any manner which is contrary to the interests of the company or is seeking personal gain and/or related persons.
2. Do not use or allow others to use their position directly or indirectly to seek benefits from the company.
3. Do not bring secrets or company information for personal benefits and/or those involved.
4. In the event that directors, executives and employees or related persons to participate or be shareholders in any business which may have benefits or cause conflicts of interest with the Company have to inform the Chief Executive Officer in writing.

In order to avoid the conflict of interests, the delegation of the board of directors specifies that the delegated person must not approve any transactions that may lead to the conflict of interests. In addition, the Company and the subsidiaries shall comply with the regulations of the Stock Exchange of Thailand with regard to the connected transaction and the acquisition and disposition of assets of listed companies as the case may be.

#### **The Company has set the procedure to undertake the related transaction as follows:**

- (a) In case of the normal business transactions or the transactions to support the normal business with general terms and conditions and compensations that can be calculated from assets or reference prices, the procedure to undertake those transactions shall be in accordance with the regulations of the SEC office and the Stock Exchange of Thailand with regard to the connected transaction. The undertaken transactions shall be reported to the audit committee on a quarterly basis.
- (b) In case of other related transactions apart from those described in (a), the audit committee shall provide their opinions with regard to the necessity of the transaction and the reasonableness of the transaction's price by considering the normal business practice of the industry and comparing the undertaken price with the price of others or the market price. In case that the audit committee has no expertise on any transaction, the Company would hire an independent specialist or an auditor to provide their opinion on such transaction for the consideration of the audit committee, the board of directors or the shareholders as the case may be. The directors who may have any conflict of interests of the transaction will not be able to vote on such transaction.

### The Control of the use of internal information

The Company has set the strict procedure to control the use of internal information especially the financial information which has to be audited by the certified auditor and approved by the audit committee before being proposed to the board of directors and disclosed to the Stock Exchange of Thailand and to public.

The Company's policy to control the use of internal information is as follows:

- (1) The directors, management and their spouses or minor child are prohibited to use the internal information to trade or transfer the Company's securities before the public disclosure of such information especially 30 days before the disclosure of the Company's financial statement. In addition, after the disclosure of any information, those specified persons are also prohibited to trade the Company's securities until the public has sufficient period of time to analyst such information (within 7 days after the disclosure).
- (2) The directors and management who are responsible to report the shareholding of them together with their spouses and minor child are educated with the shareholding report procedure in case that any of the directors, management, their spouses or their minor child have purchased, sold, transferred or received the Company's securities as per the regulation of the SEC office, Sor. Jor. 14/2540, Re, The preparation and disclosure of securities holding report and the penalty as per the Securities and Exchange Act B.E. 1992.

In case of violation, the appropriate penalties shall be enforced such as written warning, salary reduction, suspension or employment termination.

The Control of the use of internal information for the benefit of the management, the Company has a procedure to control the use of the undisclosed information for the benefit of the management or their related parties as follows:

- (a) The Company has prevented the use of internal information by specifying that the departments which are accessible to such information must keep the information confidential to other irrelevant departments or parties.
- (b) The management who has accessed the Company's financial information must not use such information for their own benefits before the disclosure of such information to public. The management is prohibited to trade the Company's securities within one month before the public disclosure of the Company's financial statements.
- (c) The Company shall guide the management to report the change of their shareholdings to the SEC office as per clause 59 of the Securities and Exchange Act B.E. 2535. In addition, the management and employees who have accessed to the internal information are prohibited to share such information to others or irrelevant parties. They are also prohibited to trade the Company's securities within 30 days before the public disclosure of the financial statements.

Privacy policy

The Company recognizes the importance of personal data and other information about individuals (collectively referred to as the "Data") and is committed to securing Data as well as privacy of Data, so that the data subject can be confident that the Company will collect, compile, use, disclose or transfer Data of the data subject transparently and responsibly pursuant to the Personal Data Protection Act, B.E. 2562 (2019) and other relevant laws. Therefore, in order to comply with the applicable law, the Company has prepared a Personal Data Protection Notice to clarify to the data subject on details about collection, compilation, use, and disclosure of Data of the data subject as per details in the Personal Data Protection Policy publicized on the Company's website

**(5) Director's Responsibility**

The Company's board of directors participates in setting vision, mission, strategy, business goal, business plan and budget. The Company and also participation in reviewing and approving vision, goals, strategies and directions for each year. The Company also monitors the implementation of the Company's strategy. The board also governs the management to run the business according to the goal, plan and budget efficiently and effectively to increase the economic value of the Company and the stability of the shareholders.

Vision, Mission, and Business Goal**VISION**

Provide Quality Services to Improve and Increase Stakeholders' Competitiveness and Value

**MISSION**

Better customers' benefits through Quality Services

**GOAL**

To be among Top Three in Performance, Market Shares, Quality Assurance, and Market Services within targeted industries

The balance of power of non-executive directors

The Company's board of directors consists of 7 members including

- 3 Executive Directors
- 4 Independent Directors and Non-Executive Directors

The Chairman of the Board of Directors is an independent director

Therefore, the Company has 4 independent directors, accounting for 57.14% of the total number of directors.

The Company has an Audit Committee with expertise and expertise in accounting. (See data from "Director and Executive Profiles: Mr. Wanchai Umpueg-art and Mr. Teera Na Wangkanai) There are

roles in nomination and dismissal of external auditors. (See data from "Title, Scope of Duties, and Responsibilities of the Audit Committee Article 4"

As for the segregation and aggregation of positions, the chairman position is segregated from the Managing Director position to separate the duties of policy governance and day-to-day operation.

**Policies and Procedures for Other Company Directorships of Directors and Chief Executive Officer.**



The Board emphasizes the efficiency of the directors' performance. The directors can devote their time to supervise the company. The policy is to limit the number of listed companies for which no more than 5 directors are present. There are currently no board members who hold the position of listed company directors in excess of the specified criteria.

In addition, the Board of Directors has set the policy for directorships of other companies for directors and Chief Executive Officer as follows: Director and Chief Executive Officer must not conduct business with the same conditions and compete with the business of the company or a partnership in a partnership or a partnership in limited partnership or a director of a private company or other companies operating the same business. It is a competition for the company's business, whether for its own benefit or for the benefit of others except for the notice to the shareholders meeting prior to the appointment.

At present, the directors and the Chief Executive Officer does not hold the position of director of another company that conducts business with the same conditions and is in competition with the Company. In addition, the directors and the Chief Executive Officer do not participate in the partnership or a partnership in limited partnership or a director of a private company or other companies that conduct the same business and compete with the Company.

## 6.2 Significant Change and Development of Corporate Governance in the Previous Year

The Board of Directors requires that the policies be reviewed at least once a year to ensure that the guidelines are effective and in line with the principles of good corporate governance

In 2023, the Company received the Corporate Governance Report of Thai Listed Companies (CGR) project assessment from the Thai Institute of Directors Association at "Very Good"  level and received a score of 100  on the quality assessment of the shareholders' meeting. From the Thai Investors Association

For 2023, the untreated part The Company will use it as a guideline for further appropriate adaptation, including:

**1. Determination of Cumulative Voting Method for Directors**

Article 20 of the Company's Articles of Association stipulates that the shareholders' meeting shall elect the Company's directors. Clause 20(1) requires one shareholder to have a vote of 1 share per 1 vote. However, the Company has established and has a way to take care of the rights of minority shareholders. Thanks. Rights of shareholders to propose agenda for the shareholders' meeting and nominate candidates to be elected as directors, etc

**2. The Board of Directors has set a restrictive policy**

The number of years in office of an independent director shall not exceed 9 years.

The Board of Directors has not established a policy to limit the number of years of office of independent directors because the Company's independent directors continue to perform their duties as directors with independence, have no personal interests that may conflict with the interests of the Company, and make decisions taking into account the best interests of the Company, as well as having independence from the management and major shareholders of the Company

**3. Non-executive accounts for less than 66 percent.**

Since the Company's business requires executives with knowledge, ability, specialized experience, and expertise in stainless steel business, an additional director has been added to assist in sales and marketing. As a result, the proportion of non-administrative directors is less than 66%, but the Company has established authority and guidelines for the balance of power. It does not affect the rights of stakeholders. Under the principles of good corporate governance

**4. The Board of Directors has established a Good Governance Committee.**

The Board of Directors has assigned the Executive Committee to assist the Board of Directors in screening monitor compliance with various policies, especially corporate governance policies, sustainable development and social responsibility, which has been appropriate until the present

5. **The Board of Directors should hold more than 6 Board meetings per year.**

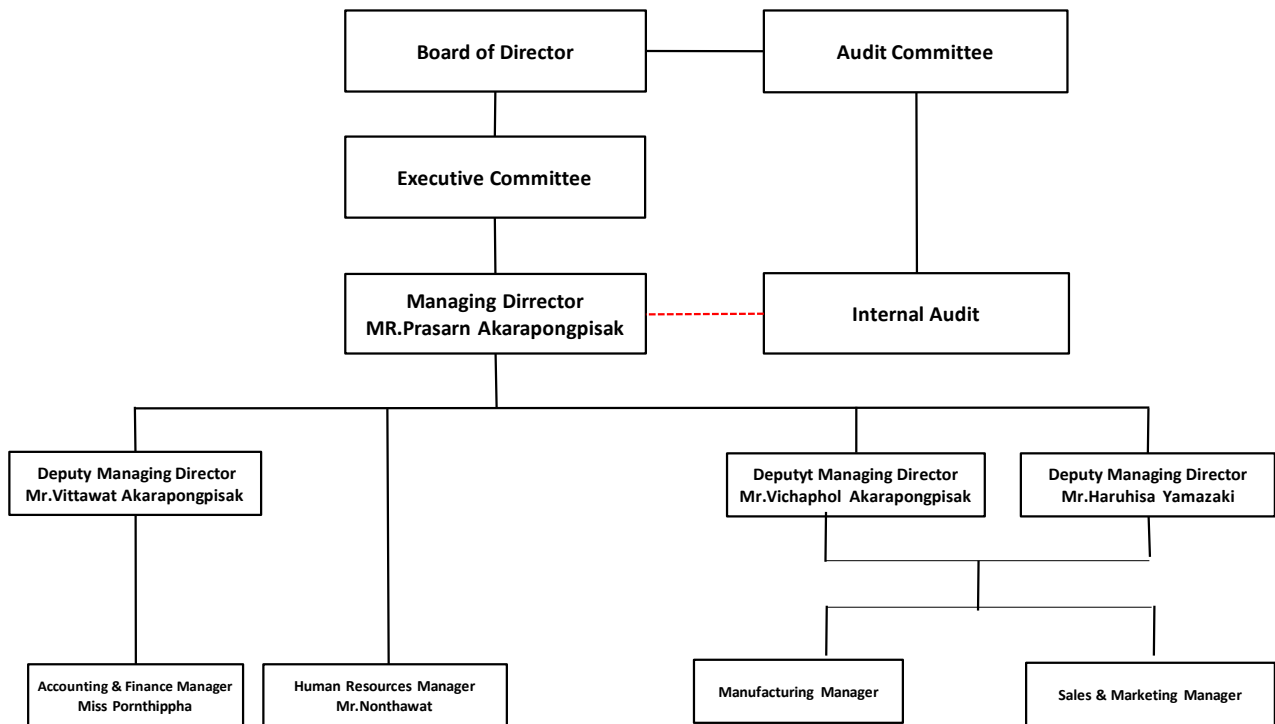
The Board of Directors will consider adjusting the number of Board of Directors' meetings more than 6 times per year to be more in line with the CGR (Corporate Governance Report) criteria and CG Code

The Board of Directors There is a review of the matter that the company still unable to comply with the principles of corporate governance annually

## 7. Corporate Governance Structure and Information of Board of Directors, Sub-committee, Management, Employees and Others

### 7.1 Management Structure

## LOHAKIT METAL PUBLIC COMPANY LIMITED Organization Chart



\* Internal Auditor is A.M.T. Service Office Limited

The company has various committees, including the Board of Directors, Executive Committee, Audit Committee, The Nomination and Compensation Committee and Risk Management Committee as details are as follows:

- (a) The board of directors consists of 7 members including
1. Mr. Wanchai Umpungart  
Chairman of the board, Independent Director, Chairman of the audit committee and Member of The Nomination and Compensation Committee
  2. Mr. Prasarn Akarapongpisakdi  
Director, Chief Executive Officer, and Chairman of the Risk Management Committee
  3. Mr. Teera Na Wangkanai  
Director, Independent director, member of the audit committee,



		Chairman of The Nomination and Compensation Committee
4.	Mr. Lert Nittheranont	Director, Independent director, member of the audit committee, Member of The Nomination and Compensation Committee
5.	Mr. Anurut Vongvanij	Director and Independent director
6.	Mr.Vittawat Akarapongpisak	Director, Executive Director, Deputy Managing Director, Member of the Risk Management Committee
7.	Mr.Vichaphol Akarapongpisakdi	Director, Executive Director, Deputy Managing Director, Member of the Risk Management Committee

Where Mr.Vittawat Akarapongpisak served as the Company's secretary.

#### **The Authorized Director**

The Company's authorized directors include "Mr. Prasarn Akarapongpisakdi and Mr. Vittawat Akarapongpisak and Mr.Vichaphol Akarapongpisakdi are jointly signs with affix the Company's seal."

#### **Scope of authorities, duties and responsibilities of the board of directors**

The board of directors has the authorities, duties and responsibilities to manage the Company to be in compliance with laws, the Company's objectives, the articles of association and the legitimate shareholder's resolutions with honest and care for the benefits of the Company. The major duties and responsibilities can be summarized as follows:

- (1) To convene the annual ordinary general shareholder meeting within 4 months after the end of the accounting period.
- (2) To convene the board of director's meeting at least every 3 month.
- (3) To prepare a balance sheet and a profit and loss statement of the Company as of the end of the accounting period and to propose such reports which are audited by the external auditor to the shareholder's meeting for their consideration and approval.
- (4) The board of directors shall authorize one or many of director(s) or any other person to perform the duties on behalf of the board of directors under the board of directors's supervision or delegate such persons to have authorities and over the period the board of directors deems appropriate where the board of directors can revoke or alter such delegation of authorities as they deem appropriate.

However, the board of directors may delegate their authorities to the management to perform the duties as per the scope of the duties of the management where such delegation must not incur the authorities

for the management to consider and approve the transactions that might lead to any conflicts of interest between the management or their related persons and the Company and its subsidiaries except for the transactions that are complied with the policies or procedures considered and approved by the board of directors.

- (5) To set goals, procedures, policies, plans and budgets of the Company, to govern the administration of the management to be in compliance with the specified policies except for the transactions which the board of directors must have the approval from the shareholder's meeting including the transactions required by laws to have the shareholder's approval such as the capital increase, the capital decrease, the issuance of debentures, the disposition or transfer of the part or the whole of the Company to others, the acquisition of the part or the whole of others, the revision of the memorandum of association, etc.

In addition, the board of directors shall have the duty and responsibility to govern the Company to comply with the laws related to the securities and the stock exchange including the undertaking of the connected transaction and the acquisition and disposition of major assets as per the rules and regulations of the stock exchange of Thailand and other relevant laws.

- (6) To consider the organization structure, to nominate the management and other committee as appropriate.
- (7) To evaluate the operation and ensure that the plan and budget are followed.
- (8) The directors must not operate or compete in the same business as the Company, or be a partner in an ordinary partnership, or be a unlimited partner in a partnership limited, or be a director of a private company and other companies that engage in the same business as and compete with the Company unless the directors have disclosed such facts to the shareholder's meeting before the nomination.
- (9) The directors must report to the Company promptly in case that they have any direct or indirect conflict of interest with any of the Company's contracts or in case of the changes in their shareholding/debenture holding in the Company or its affiliates.

**Scope of authorities, duties and responsibilities of the Chairman of the Board**

- (1) To be responsible as the leader of the Board of Directors to oversee, monitor and supervise the operations of the Executive Board and other Committees to make them achieve the objectives pursuant to the specified plan.
- (2) To act as the Chairman of the Board of Directors' meeting and the Shareholders' meeting.
- (3) To have a casting vote in case the Board of Directors' meeting has a tie vote.

**(b) The Executive Committee consist 3 members including:**

- |    |                                |                    |
|----|--------------------------------|--------------------|
| 1. | Mr. Prasarn Akarapongpisakdi   | Executive Chairman |
| 2. | Mr. Vittawat Akarapongpisak    | Executive Director |
| 3. | Mr. Vichaphol Akarapongpisakdi | Executive Director |

**(c) The delegation of authorities from the board of directors**

The board of directors's meeting No. 1/2007 dated February 21, 2007 which the independent directors and the audit committee were present had considered and approved the scope of authorities, duties and responsibilities of the Executive Committee as follows:

**Scope of Authorities, duties and responsibilities of the Executive Committee**

The Executive Committee have the authorities, duties and responsibilities to manage the normal business operation and administration of the Company, to set policies, business plan, budget, organization structure and administrative authorities of the Company in accordance with the economic condition to propose for the consideration and approval of the board of directors and to review and evaluate the Company's operation to follow the business plan. The authorities, duties and responsibilities of the Executive Committee are as follows:

- (1) To consider and allocate the annual budget as proposed by the management before proposing for consideration and approval of the board of directors as well as to consider and approve the alteration and increase of the annual budget during the period where no urgent board of director's meeting is convened and to report such matter to the next board of director's meeting.
- (2) To approve the normal business transaction of not exceeding Baht 200 million per transaction and not exceeding Baht 600 million per month.
- (3) To approve the investment expenditure (including the maintenance of machine and equipment) that is not included in the annual budget in the amount not exceeding Baht 10 million.
- (4) To approve the major capital expenditure that is included in the annual budget approved by the board of directors or the one which its concept is approved by the board of directors.
- (5) To be the advisor of the management with regard to the policies in finance, marketing, human resource and other operations.
- (6) To allocate the bonus approved by the board of directors to the employees of the Company.
- (7) To operate the Company's businesses.

After the Executive Committee has approved any of the above transactions, such transactions shall be report to the board of directors's meeting.

However, the authorities of the Executive Committee shall not include the approval of any transaction that may lead to a conflict of interest between the Executive Committee or their related parties and the Company or the subsidiaries as per the rules and regulations of the Stock Exchange of Thailand. Such connected transactions shall be proposed to the board of director's meeting and/or the shareholder's meeting for their consideration and

approval in accordance to the article of association or the relevant laws except the approval of the normal business transactions as per the procedure clearly set by the board of directors.

The Board of Directors Meeting No. 3/2019, held on August 14, 2019 with independent directors and the audit committee attended the meeting to consider the scope of duties and responsibilities of the Chief Executive Officer and the managing director. The said authorization can be summarized as follows:

**Scope of duties and responsibilities of the Chief Executive Officer**

- (1) The administration of company, including the supervision and control of operations or operations in accordance with the objectives, regulations, policies, work plans and budgets as approved by the Board of Directors and / or the Executive Committee of the Company and / or other sub-committees.
- (2) Approve the capital investments (including repairs of machinery and equipment) other than those specified in the annual budget in an amount not exceeding 5 million baht per transaction
- (3) Define the organizational structure, administration method, recruitment, training, employment and the determination of salary rates, compensation, bonuses and various benefits including the termination of staff
- (4) Be a leader and act as a role model in accordance with the ethics and business ethics of the company. This also includes promoting, supervising, sustainability principles, social responsibility and act in accordance with anti-corruption measures and practices.
- (5) Being the company's attorney in managing the business of the company to be in accordance with the objectives, regulations, policies, rules, regulations, orders, resolutions of the shareholders' meeting and / or resolutions of the board of directors and the executive committee of the company in all respects.

However, the authority of the Chief Executive Officer does not include approving any transactions that may cause conflicts with any items that the Chief Executive Officer and connected person with the Chief Executive Officer have an interest or any other benefits which conflict with the company or subsidiary in accordance with the regulations of the Stock Exchange of Thailand. Such transaction approval must be proposed to the Board of Directors meeting and / or the shareholders' meeting for consideration and approval as specified by the company's regulations or relevant laws, except for the approval of transactions that are a normal business transaction nature of the company that the Board has clearly defined the consideration framework.

**Scope of duties and responsibilities of the managing director**

- (1) Supervise the business operations and / or manage daily operations of the company
- (2) Approve the purchase and sale which are in the normal course of business in an amount not exceeding 100 million baht per transaction and not exceeding 250 million baht per month

- (3) Perform or operate in accordance with policies, plans and budgets approved by the Board of Directors and / or the Executive Committee of the Company and / or the Chief Executive Officer and / or other sub-committees.
- (4) Monitor and evaluate regularly the company's operations to prevent risks from various factors, whether internal or external
- (5) Having the power to carry out any transaction and present himself as a representative of the company to a third party in a business related to and beneficial to the company.
- (6) Having the power to issue orders, regulations, announcements, memorandums for the operations to be in accordance with the policy to protect the interests of the company and work discipline
- (7) Approve the appointment of various consultants necessary for the company's operations
- (8) Be a leader and act as a role model in accordance with the ethics and business ethics of the company. This also includes promoting, supervising, sustainability principles, social responsibility and act in accordance with anti-corruption measures and practices
- (9) Being the company's attorney in managing the business of the company to be in accordance with the objectives, regulations, policies, rules, regulations, orders, resolutions of the shareholders' meeting and / or the resolutions of the board of directors and the executive committee and the orders of the chief executive officer.

However, the power of the managing director does not include approving any transactions that may cause conflicts with any items that the managing director or the connected persons with the managing director having an interest or any other benefits which conflict with the company or subsidiary in accordance with the regulations of the Stock Exchange of Thailand. Such transaction approval must be proposed to the Board of Directors 'meeting and / or the shareholders' meeting for consideration and approval as specified by the company's regulations or relevant laws, except for the approval of transactions that are a normal business transaction nature of the company that the Board has clearly defined the consideration framework.

**(d) The audit committee consists of 3 members including:**

- |    |                        |                                 |
|----|------------------------|---------------------------------|
| 1. | Mr. Wanchai Umpungart  | Chairman of the audit committee |
| 2. | Mr. Teera Na Wangkanai | Member of the audit committee   |
| 3. | Mr. Lert Nitheranont   | Member of the audit committee   |

Where Ms. Methaporn Sriphraram serves as the secretary of the audit committee.

**The office period of the audit committee**

Chairman of the audit committee	3 Years
Member of the audit committee	3 Years

After the end of the office period, chairman and member(s) of the audit committee can be re-elected to serve the positions.

The Board of Directors Meeting No. 2/2009 held on May 29<sup>th</sup> 2009 with having the independent directors and audit committee in the meeting considered the scope of authority and the responsibilities of the audit committee. The delegation details were concluded as follows.

**Scope of Authorities, Duties and Responsibilities of the audit committee**

- (1) To review and ensure that the Company's financial reports are accurate and sufficiently disclosed where the audit committee shall cooperate with the external auditor and the management who is responsible for the preparation of the quarter and annual financial reports. The audit committee may request the external auditor to review or audit any transactions as appropriate and necessary.
- (2) To review and ensure that the Company's internal control system and internal audit system are appropriate and efficient, independent in auditing. To give the resolution in selecting, rotating and dismissing the internal audit chief or the audit organization that responsible for internal audit.
- (3) To review and ensure that the Company's operation is complied with the Securities and Stock Exchange laws, the rules and regulations of the Stock Exchange and other relevant laws.
- (4) Selection and nomination, reselection and dismiss the auditor of the company and to consider the remuneration of such auditor by taking into consideration their reputation, capability and workload of such office, the experiences of the auditor who is responsible for the Company's accounting audit as well as join the meeting with external auditor at least once a year.
- (5) To consider the disclosure of the Company with regard to the connected transactions or any transactions that may lead to the conflict of interest and to ensure that such disclosure is sufficient and complete.
- (6) To perform any other duties delegated by the board of directors and agreed to do so by the audit committee such as to review the financial and risk management policies, to review the management compliance to the business ethics and to review the major reports required to be disclosed to public i.e. the management discussion and analysis.
- (7) To prepare the report with regard to the activities of the audit committee and disclose such report which is signed by chairman of the audit committee in the Company's annual report. The report must retain at least the following information.
  - (a) The opinion in regarding to the correctness, completeness and reasonably reliable of the financial statements of the Company.
  - (b) The opinions in regarding to the sufficient internal control in placed
  - (c) The opinions in regarding to the company's compliance to the Securities and Stock Exchange laws or the rules and regulations from stock exchange of Thailand and other relevant laws.
  - (d) The opinions for the appropriateness of external audito
  - (e) The opinions for the connected transactions that may have the conflict of interest.

- (f) The numbers of audit committee meeting and the attendance of individual audit committee director during the year.
  - (g) The general opinions or notices that audit committee obtain during the audit performing according to the charter.
  - (h) Disclosure under the assignment from board of director of any information deemed necessary to be known by shareholders or investors.
- (8) To report the audit committee's activities and results to the board of directors at least once every quarter.
- (9) To report to the board of director of the finding or suspect of any transactions that may have the significant impacts to the financial status and operating performance of the Company such as conflict of interest, fraud or dishonest practices, unusual or weakness in internal controls, breach against Securities and Stock Exchange laws or the rules and regulations from stock exchange of Thailand and other relevant laws to the normal business of the Company.

#### **Audit Fees for External and Internal Auditor**

For the year ended 31<sup>st</sup> March 2023, the Company and its subsidiaries had the audit fees for independence auditor, which was EY office Limited by Baht 3,055,000 as the audit fee for the company Baht 1,200,000 by the group Baht 1,855,000 and from the above mention, The Company and its subsidiaries do not have any other fees payable to the auditor, audit firm and the related parties to the auditor or audit firm.

For the year ended 31<sup>st</sup> March 2023, The Company also had an internal audit fee, which was A.M.T Office Services Limited by Baht 496,000 for the year.

**(e) The 4 independent directors include.**

- |    |                        |                      |
|----|------------------------|----------------------|
| 1. | Mr. Wanchai Umpungart  | Independent director |
| 2. | Mr. Teera Na Wangkanai | Independent director |
| 3. | Mr. Lert Nitheranont   | Independent director |
| 4. | Mr. Anurut Vongvanij   | Independent director |

**(f) The Nomination and Compensation Committee consists of members.**

- |    |                        |   |
|----|------------------------|---|
| 1. | Mr. Teera Na Wangkanai | Chairman of The Nomination and Compensation Committee |
| 2. | Mr. Wanchai Umpungart  | Member of The Nomination and Compensation Committee   |
| 3. | Mr. Lert Nitheranont   | Member of The Nomination and Compensation Committee   |

Mr.Vittawat Akarapongpisak is the secretary of the Nomination Committee and Remuneration Committee.

The Board of Directors Meeting No. 2/2016 held on May 26, 2016 with the independent directors and Audit Committee attending the meeting have considered the scope of duties and responsibilities of the Nominating Committee and the Compensation Committee. The delegation concluded such key details as follows

The Nomination and Compensation Committee of the Company is consisting of three independent directors and each meeting must be attended by not less than one-half of the total members in order to qualify as a quorum

The Nomination and Compensation Committee has the term for three years but the term of each director shall hold only for the remaining term of the incumbent directors. It must be selected and appointed by the Board of Directors. Directors who retire by rotation may be appointed again.

The Nomination and Remuneration Committee shall set up meeting according to the necessary and appropriate to the duties and responsibilities in accordance with the Nomination Committee and Remuneration Committee regulation but at least one year a time. The Chairman of the Nomination and Remuneration Committee shall be notified in advance to schedule a meeting, including deliver agendas and supporting documents prior to the meeting in a reasonable time. The Directors have considered the documents before the meeting and to propose to committee. Committee will report its activities to the Board of Directors to note after a meeting of the Nomination Committee and the Remuneration Committee each time.

**Duties and responsibilities of the Nominating Committee and the Compensation Committee as follows:**

- (1) Propose policies to nomination committee, there must be a procedure, clear rules, fair and reasonable in order to be presented to the Board of Directors or the shareholders' meeting for approval, as appropriate
- (2) Propose selection and recruitment policy accordingly, there must be clear guidelines, fair and reasonable in order to be presented to the Board of director for consideration
- (3) Review and approval of the Board of Directors on matters of policy and strategy, human resources, which should be in line with the strategy of the business
- (4) Recruitment, selection and nomination of qualified ethical and qualified candidates deserved appointment as Director or Managing Director, as appropriate
- (5) Review experience and stature of directors, including a recommendation for the nomination of directors to replace the vacant position
- (6) Ensuring there are plans to replace the specific location of Directors and Managing Director
- (7) Define terms in the contract for employing managing director, including evaluation and recommendation qualified candidates to replace the position
- (8) Define policies and forms of remuneration committee and managing director in accordance with the strategy of the business. There must have clear procedures and criteria, fair and reasonable in order to be presented to the Board of Directors or the shareholders for consideration



- (9) Propose guidance on how to pay either in cash or other forms of remuneration to the Board of Directors, other committees appointed by the Board of Directors and managing director of the company.
- (10) Consider and review the structures and systems of remuneration and remuneration in line with the current market conditions and fit for duty, responsibility and results of operations of the Company and the performance of the directors and managing director
- (11) Remuneration to the Directors for propose to the Annual General Meeting of Shareholders of the Company for approval
- (12) The Nomination and Remuneration Committees appointed by the Board of Directors in order to study and review, committee have duty to report to the Board of Directors at all times after the meeting of the Nomination Committee and Remuneration Committee and report the results of operations in recent years to the shareholders in the annual report of the company
- (13) Perform other tasks assigned by the board of director in relating to the nomination and remuneration

**(g) The Risk Management Committee consists of 3 members.**

1. Mr. Haruhisa Yamazaki Chairman of the Risk Management Committee
2. Mr. Vittawat Akarapongpisak Member of the Risk Management Committee and Secretary
3. Mr. Vichaphol Akarapongpisak Member of the Risk Management Committee

The Board of Directors Meeting No. 2/2016 held on May 26, 2016 with the independent directors and Audit Committee attending the meeting has considered the scope of duties and responsibilities of The Risk Management Committee. The delegation concluded such key details as follows

Risk Management Committee of Lohakit Metal Public Company Limited comprised of individuals executive directors of the company and qualified individuals totaling 3 persons. The Board of Directors will appoint one member of the Risk Management Committee as its chairman

Risk Management Committee retired upon death, resignation from the Company, the Board of Directors has resolved to issue to resign and resignation from the member of committee which will take effect when filing the resignation to the Chairman of the Board of Director

**Duties and responsibilities of the risk management committee**

- (1) The review and assessment of the risks that may occur, the likely impacts it may have on the organization, including the risk of internal and external to the Company
- (2) Propose risk management policies and the risk management direction of the Company to the Board of directors which covers risks affecting the operation of various types of risks, such as commodity prices, risks from market, exchange rate risk, liquidity risk and operational risk

- (3) Define risk management strategies to comply risk management policies and business direction of the Company
- (4) Review, monitoring and evaluation of risk management result according to risk management policies defined
- (5) Other issues assigned by the Board of Directors
- (6) The Committee must provide meeting at least twice times per year or as circumstances and needs
- (a) At a meeting of the Board Risk Management Committee, there will be attending at least half of the total members in order to be a quorum
  - (b) Resolution of the Board Risk Management Committee is considered by the majority of the directors present at the meeting
  - (c) If the Chairman of the committee is not present at the meeting or is unable to perform his duties, the members present shall elect one to chaired the meeting
  - (d) Secretary of Risk Management Committee are responsible for preparing for meetings by appointment, preparing documents for the meeting, preparation of reports and other duties as assigned by the Risk Management Committee
- (7) The Risk Management Committee is responsible for reporting duty to the Board of director after the meeting and to prepare a report of doing duties in the past year to shareholders in the annual report. The details are as follows:
- (a) Number of Meetings
  - (b) Number of attending the meeting by individual member
  - (c) The duties prescribed by the Charter
  - (d) **Management**  
The Company's management includes
 

1. Mr. Prasarn	Akarapongpisakdi	Chief Executive Officer
2. Mr. Vittawat	Akarapongpisak	Deputy Managing Director
3. Mr. Vichaphol	Akarapongpisak	Deputy Managing Director
4. Mr. Haruhisa	Yamazaki	Deputy Managing Director
5. Mr. Nonthawat	Khruarattanapaiboon	Human Resource Manager
6. Ms. Pornthippha	Wongphunga	Accounting and Finance Manager
  - (e) **Corporate Secretary**  
As of November 11, 2019: Mr.Vittawat Akarapongpisak Position Corporate Secretary  
Scope, Duties, and Responsibilities of the Corporate Secretary  
Responsible for organizing the meetings of the Board of directors, committees and shareholders, and preparing the minutes of the Board's meeting, the minutes of other Committees' meeting, the minutes of Shareholders' meeting and annual report as well as filing documents as specified by laws. Support and supervise the Company to perform in compliance with the laws and regulation of the Stock Exchange of Thailand.

**The Nomination of directors and management****(a) The nomination of directors**

Board of Directors Assign the Nomination and Remuneration Committee to nominate suitable persons to serve as directors by considering factors such as knowledge, skills and experience relevant to the business or it can be beneficial to the company's future, and to present to the Board of director and further to the annual general meeting. The Company has set the criteria for the appointment of directors as follow:

- (1) The board of directors shall consist of at least 5 directors where not less than half of the directors must be the residents of the Country and must hold the qualifications as specified by law.
- (2) The shareholder's meeting shall elect the directors as per the following procedure:
  - (2.1) Each shareholder shall have the number of votes equal to the number of shares held.
  - (2.2) The shareholder shall be able to exercise the entire votes as described in 2.1 for one person or a group of persons as director or directors but shall not allot his/her votes to any person in any number.
  - (2.3) The voting results of each candidate shall be ranked in order from the highest number of votes received to the lowest, and those candidates shall be appointed as directors in that order until all of the director positions are filled. In case of a tied vote, the chairman of the shareholder's meeting shall vote.
- (3) 1/3rd of the directors shall resign on the annual general shareholder's meeting, however, in case that the number of directors is not dividable by 3, the number of directors closest to 1/3rd shall resign.

The directors resigning in the first and second years after the registration of the Company shall be selected by drawing. In subsequent years, the director who has been in the post longest shall resign. A director who resigns under this procedure may be re-elected.

**Nomination and Appointment of Executives**

Human Resource department will recruit and select qualified individuals with knowledge, experience, skill and understanding of business and propose to authorized persons for consideration.

**Executives shall be nominated and appointed in line with the Corporate Authorization Index as follows:**

1. The appointment of Group Chief Executive Officer and/or Chief Executive Office must be proposed to the Board of Directors for approval.
2. The appointment of executives (C-Level); Chief Finance Officer, Chief Investment Officer, Chief Administrative Officer, Shall be approved by Group Executive Committee.

3. Appointment of executives below the level specified in 2, shall be approved by Group Chief Executive Officer and below level-executives (depending on the case).

**(b) The nomination of independent directors and audit committee**

The independent directors and the audit committee consist of 4 directors who shall be elected by the board of directors's meeting and/or the shareholder's meeting. The term of the independent directors and the audit committee shall be 3 years. The Company has a policy to elect the appropriate person(s) by considering their independence, the capability to represent the minor shareholders, knowledge and relevant experience. The nomination criteria are as follows:

- (1) Holding not more than 5 percent of the paid up shares of the Company, sister companies, affiliates and other related parties where the shareholding of the related parties shall be included
- (2) Neither be a managerial director of the Company, parent company, sister companies, affiliates and other related parties nor be an employee or advisor who receives normal salary from the Company, parent company, sister companies, affiliates, other related parties and major shareholder of the Company.
- (3) Not having any conflict of interests directly or indirectly with regard to the financial and operation affairs of the Company, parent company, sister companies, affiliates, and major shareholder within 1 year before the nomination except for the case that the board of directors have determined that such interests shall not intervene the independence of the audit committee.
- (4) Not being related to the management and the major shareholders.
- (5) Not being a representative of the directors, the major shareholders, or any other shareholders related to the major shareholders.
- (6) Being able to perform duties, provide opinion on and report results of the assignments delegated by the board of directors independently. Not being under the control of management, major shareholder and their related parties.

**(c) The numbers of director representing the major shareholder.**

There are 3 directors who represent the Akrapongpisak family including Mr. Prasarn Akrapongpisakdi and Mr. Vittawat Akrapongpisak and Mr. Vichaphol Akrapongpisakdi

**Remuneration Policy**

**Remuneration for Directors and Executives.**

The Board of Directors set the annual performance for the Chief Executive Officer by using the goals and criteria for the assessment that linked to the Key Performance Indicators (KPIs) and the proper incentive.

The remuneration policy of the Chief Executive Officer, It depends on the performance evaluation (KPI) as mentioned above. Also set in accordance with the capabilities, status including industry compensation. The remuneration has both short-term and long-term compensation such as bonnets and salary etc.

#### Remuneration for Directors and Executives.

The Company provides the Nomination and Remuneration Committee has performed duties within the scope of authority and responsibility of “the Nomination and Remuneration Committee” as assigned by the Board of Directors. The remuneration policy is clearly and transparently set at the same level as the industry include the experience, obligations, scope of roles and responsibilities in order to maintain qualified directors.

#### Management’s Remuneration

##### (a) Cash Remuneration

##### - Director’s Remuneration

Directors	2022		2023	
	(01/04/22 – 31/03/23)		(01/04/23 – 31/03/24)	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
	(Baht)	(Baht)	(Baht)	(Baht)
1. Mr. Wanchai Umpungart	280,000	-	280,000	-
2. Mr. Prasarn Akarapongpisakdi	-	-	-	-
3. Mr. Vittawat Akarapongpisak	-	-	-	-
4. Mr. Anurut Vongvanij	60,000	-	60,000	-
5. Mr. Teera Na Wangkanai	220,000	-	180,000	-
6. Mr. Lert Nitheranont	200,000	-	180,000	-
7. Mr. Vichaphol Akarapongpisakdi	-	-	-	-
Total	760,000	-	700,000	-

##### - Management’s Remuneration (Management whose names is in management list)

Remuneration	2022		2023	
	(01/04/22 – 31/03/23)		(01/04/23 – 31/03/24)	
	Number of Person	Amount (Baht)	Number of Person	Amount (Baht)
Salary	5	18,435,839	6	20,928,245
Bonus	5	1,974,400	6	2,496,640
Other Remuneration	1	12,000	1	12,000

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(Communication expenses)				
<b>Total</b>	5	20,422,239	6	23,436,885

- (b) **Other Cash Remuneration**  
No other remuneration to its directors.

## 8. Corporate Governance Report

### 8.1 The information disclosure and the transparency

The Corporate Governance Policy: the board of directors has specified the corporate governance policy as they deemed that such policy is necessary for the sustainable growth of business. The board of directors is determined and intended to comply with such code of conducts where the business policies and directions have emphasized the importance of the internal control system and internal audit to govern the management to efficiently operate for the long-term benefit of the shareholders under the scope of laws and business ethics. The board of directors is also determined to emphasize the appropriate transparency of business operation, the information disclosure and the risk management. In 2023, the Company achieved significant performance in corporate governance. as follows

#### Nomination, development and evaluation of the performance of the Board of Directors.

- **Nomination of Directors**

In 2023, the company has given shareholders the opportunity to nominate qualified persons to be directors from April 4, 2023, to May 5, 2023, to propose to the 2023 Annual General Meeting of Shareholders. No shareholder nominates any person to be a director. The 2023 Annual General Meeting of Shareholders resolved to re-elect the retiring directors to serve as directors for another term, as follows:

Name	Position
(1) Mr. Wanchai Umpungart	Chairman of the Board, Independent Director, Chairman of the Audit Committee and Member of The Nomination and Remuneration Committee
(2) Mr. Anurut Vongvanij	Director and Independent director
(3) Mr. Lert Nitheranont	Director, Independent director, Member of the audit committee, Member of The Nomination and Remuneration Committee

- **Succession plan**

The Board of Directors has developed a succession plan for management and other key positions based on each individual's performance, potential, and readiness. The company prepares successors by developing the knowledge, abilities, and skills required for their job positions in order to succeed in the event that executives in key positions are unable to perform their duties.

Executives are indicated as persons who will inherit the role. In addition to having the necessary qualifications and experience working in the field, the candidate must be able to transfer knowledge and experience by rotating through other related agencies and undergoing training in accordance with the

necessary training courses to prepare for future performance in the position and to ensure that work is delivered smoothly and continuously managed.

- **Development of knowledge and training of Directors and Executives**

The Board of Directors places importance on developing the knowledge and abilities of directors that will help them perform their duties more efficiently. The company promotes and supports the directors to receive training both internally and externally. As for organizing internal training, the training will be provided by the company's trainers. and/or external speakers. In terms of organizing external training, positions and responsibilities will be considered in determining the curriculum and content of the training. as well as selecting appropriate institutions for training. In 2023, The directors receive training as follows:

Directors Name	Institutions / Associations	Training course	Year
Mr. Vittawat Akarapongpisak	Thai Listed Companies Association (TLCA)	MD&A Best Practice – Learn from the Pros	2023
	Thai Listed Companies Association (TLCA)	IR Sharing No. 2/2023 'Simplifying the IR message'	2023
	Thai Listed Companies Association (TLCA)	Risk Management for CFOs No. 2/2566	2023
	Thai Listed Companies Association (TLCA)	Fintech No. 3/2566	2023
	Thai Listed Companies Association (TLCA)	TLCA CFO CPD No. 4/2023	2023
	Thai Listed Companies Association (TLCA)	“Green Assets: Opportunities for Sustainable Development”	2023
	Thai Listed Companies Association (TLCA)	TLCA CFO CPD No. 5/2023	2023
	Thai Listed Companies Association (TLCA)	“RPA (Robotic Process Automation) in finance and Accounting”	

- **Board of Directors' Meeting** Board of Directors meetings are scheduled in advance every year. Each meeting has a clear agenda for the meeting and the agenda for consideration. There is sufficient documentation for the meeting. The meeting agenda must be submitted to the Board of Directors at least 7 days in advance so that the Board has sufficient time to study the information before attending the meeting. At the meeting, chairman had allocated sufficient time to allow all directors to discuss and express their views in an open manner. Opinions and conclusions reached by the meeting are recorded in writing by the Secretary of the Board of Directors and after being certified by the meeting. They will be stored at the company storage room. The office is located on the 16<sup>th</sup> Floor, Thai CC Tower, to be inspected by directors and related persons.



The company has set a policy on minimum quorum at the Board of Directors' meeting, whereby the Board of Directors is required to have at least two-thirds of the total number of directors.

#### Annual meeting schedule of the Board of Directors for the year 2024

Q1	Q2	Q3	Q4
August 14, 2024	November 11, 2024	February 10, 2025	May 29, 2025

Note: Accounting period start April 2024 to March 2025

- **Meeting Attendance of The Board of Directors**

The board of directors's meeting: The board of directors's meetings shall normally be convened once every quarter where the additional board of directors's meetings can be convened as necessary. The Company's secretary shall submit the invitation letter and the meeting agendas to the directors 7 days in advance thus the directors shall have sufficient time to study the information before the meeting. The minutes of the meetings are recorded in writing where the past minutes which have been approved by the board of directors are filed for the reference of the directors or other relevant parties.

In 2022 and 2023, the details of the board of director's meeting are as follows:

Directors	2022 (01/04/22–31/03/23)		2023 (01/04/23–31/03/24)	
	Number of meetings convened / Number of meetings attended	%	Number of meetings convened / Number of meetings attended	%
1. Mr. Wanchai Umpungart	4/4	100%	4/4	100%
2. Mr. Prasarn Akarapongpisakdi	4/4	100%	4/4	100%
3. Mr. Vittawat Akarapongpisak	4/4	100%	4/4	100%
4. Mr. Anurut Vongvanij	4/4	100%	3/4	75%
5. Mr. Teera Na Wangkanai	4/4	100%	3/4	75%
6. Mr. Lert Nitheranont	4/4	100%	3/4	75%
7. Mr. Vichaphol Akarapongpisakdi	4/4	100%	4/4	100%

In 2022 and 2023, the details of the audit committee meeting are as follows:

Directors	2022 (01/04/22–31/03/23)		2023 (01/04/23–31/03/24)	
	Number of meetings convened / Number of meetings attended	%	Number of meetings convened / Number of meetings attended	%
1. Mr. Wanchai Umpungart	4/4	100%	4/4	100%
2. Mr. Teera Na Wangkanai	4/4	100%	3/4	75%
3. Mr. Lert Nitheranont	4/4	100%	4/4	100%

In 2022 and 2023, the details of The Nomination and Compensation Committee meeting are as follows:

Directors	2022 (01/04/22–31/03/23)		2023 (01/04/23–31/03/24)	
	Number of meetings convened / Number of meetings attended	%	Number of meetings convened / Number of meetings attended	%
1. Mr. Teera Na Wangkanai	2/2	100%	2/2	100%
2. Mr. Wanchai Umpungart	2/2	100%	2/2	100%
3. Mr. Lert Nitheranont	2/2	100%	2/2	100%

In 2022 and 2023, the details of The Risk Management Committee meeting are as follows:

Directors	2022 (01/04/22–31/03/23)		2023 (01/04/23–31/03/24)	
	Number of meetings convened / Number of meetings attended	%	Number of meetings convened / Number of meetings attended	%
1. Mr. Haruhisa Yamazaki	2/2	100%	2/2	100%
2. Mr. Vittawat Akarapongpisak	2/2	100%	2/2	100%
3. Mr. Vichaphol Akarapongpisakdi	2/2	100%	2/2	100%

- **Director's report**

The board of directors is responsible for the Company's financial statements and financial information disclosed in the annual report. The Company's financial statements are prepared in accordance with the general accepted accounting principles where the appropriate accounting policies are adopted and regularly complied with care and the best financial forecasts are prepared. The significant information is sufficiently disclosed in the notes to the financial statements.

In addition, the audit committee is responsible to consider the information and the disclosure of the financial statements.

Investor's Relation: The board of directors shall assign a person to be responsible for the information disclosure of the Company that is accurate, timely and transparently. In the near future, the board of directors shall consider to set up the Investor Relation department to be responsible to communicate with the institutional investors, shareholders and securities analysts.

The committee also gives important on disclosing the complete information with covering both general and financial information. There are press conferences to reporter and 3<sup>rd</sup> parties through the event of SET Opportunity Day every quarter. The company has also assigned investor relation staff to responsible for disclosure the important information and acting for company to relate the communication with institution investor, shareholders and general analysts. All general investors are welcome to contact for company information by phone at 0-2673-9559 ext 210 or by email at [ird@lohakit.co.th](mailto:ird@lohakit.co.th).

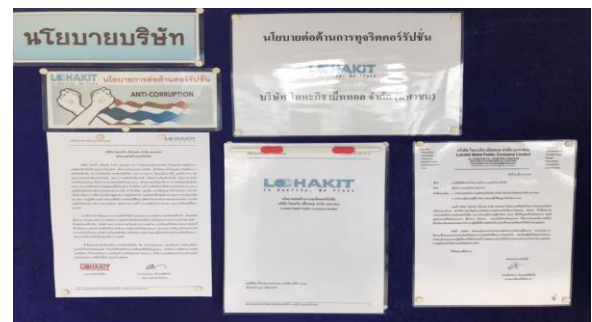
- **Prevention of Misuse of Insider Information**

The company has set guidelines to prevent the misuse of inside information in its Code of Conduct. Details have been disclosed on the company's website. Topic: Investor Relations

In 2023, there was no trading of securities by directors or executives during the blackout period

- **Anti-Corruption**

The Company communicates and disseminates the Anti-Corruption Policy and guidelines for whistleblowing or complaints to the directors, executives and employees in the company and its subsidiaries are informed through various channels, such as director orientation and new employee orientation. Post to the PR Board, New Year's Eve No Gift Policy, Email, Company Website, etc.



- **Whistleblowing**

The Company has the channel to report the offenders about illegal and ethics (Whistle Blower Policy) on the Company's website and channels as defined in the policy covered the complainant or witnesses to report information about illegal and unethical (Whistle Blower Policy)

In 2023, the company did not receive any complaints through its whistleblowing channel

- **Measures to prevent violations of the Code of Business Conduct**

The Company provides a process to help promote and support the organization's culture that gives employees a common practice and a sense of purpose with the organization to create sustainable values for the organization as follows:

- 1) Require the directors, executives, and employees to strictly follow each group's code of conduct, including monitoring of operations.
- 2) Organize training on code of business conduct and code of conduct for employees by integrating the training content into new employees' training course. It ensures that employees at all levels are aware, understand, and can apply them following the principles of good governance, code of business conduct, and work practices.

In 2023, Employees complete an annual review of the understanding of Business Ethics and the Employee Code of Conduct and sign a 100% acknowledgment of compliance.

- **Orientation for new directors**

The Company's policy is to conduct an orientation for all new directors, to build knowledge and understanding of the business and implementation of various aspects of the company to prepare to perform the duties of a director by presentation of the business characters and policies, an overview of business operations and operating results so that the new director has a clear picture.

**Information essential to the duties of directors in the introduction of new directors.**

1. The company must comply with the law such as trading company shares and reporting possible conflict of interest of them, their spouses, close relatives who are the major shareholders, executive director in any businesses relating to the company, etc.
2. Memorandum and Articles of Association
3. The duties and responsibilities of the Board of Directors and Board Committees
4. Board of Directors and meeting schedule
5. Policy on Corporate Governance
6. Maintenance of internal information.
7. Risk Policy
8. Internal Control

9. Relating Transactions (Conflict of Interest).
10. Business Conduct and practices in work (Code of Conduct).
11. Policy against corruption and violations (Whistle Blowing)
12. Legal disputes (if any)
13. Report of organization that supervise the company

The company secretary to prepare the relevant documents.

- **The Board of Directors' Self-assessment**

**Evaluation of Chief Executive Officer and Remuneration Policy.**

The Board of Directors conducts Board Self-Assessment on an annual basis to serve as a framework for examining the performance of the Board of Directors' duties, as well as reviewing comments on various issues related to the Company's operations and the performance of the Board of Directors' duties during the past year. To be able to fix and increase work efficiency.

The Company Secretary shall deliver the performance assessment form to all directors. The Company also collects and reports the assessment results to the Board of Directors for acknowledgement and improvement of operations to be more efficient.

- More than 95% = Excellent
- 90% - 95% = Very Good
- 80% - 89% = Good
- 70% - 79% = Fair
- Below 70% = Need Improvement

**Performance Evaluation of The Board of Directors**

The Board of Directors carried out the board's performance evaluation, which divided in to 6 aspects as follows:

1. Structure and qualifications of the Board of Directors
2. Roles and responsibilities of the Board of Directors
3. Board of Directors' meetings
4. Performance as a director
5. Relationship with the management team
6. Director's personal development and development of the management

In 2023, the evaluation result of The Board of Directors and the individual director were in "Excellent" criteria with the score of 95.45% equally

Performance Evaluation of Individual Director

The Board of Directors carried out the individuals' performance evaluation, which divided in to 3 aspects as follows:

1. Structure and qualifications of the Board of Directors
2. Board of Directors' meetings
3. Roles and responsibilities of the Board of Directors

In 2023, the evaluation result of The Board of Directors and the individual director were in "Very Good" criteria with the score of 90.16% equally

Performance Evaluation of The Sub-Committees

The Board of Directors arranges for performance evaluation of all sub-committees. Each sub-committee member shall evaluate the performance of the sub-committees in which he or she holds positions, and the results of the assessment for the year 2023 are summarized as follows:

The Sub-Committees	Evaluation Result
The Audit Committee	100.00%
the Nominating Committee and the Compensation Committee	98.33%
The Risk Management Committee	86.67%

Performance Evaluation of Chief Executive Officer Criteria

Board of Directors set the annual performance for the Chief Executive Officer by using the goals and criteria for the assessment that linked to the Key Performance Indicators (KPIs) and the proper incentive.

In 2023, the evaluation result of The Board of Directors and the individual director were in "Very Good" criteria with the score of 94.67% equally

## 9. Internal Audit and Connected Transaction

### 9.1 The Internal Control System

#### Summary of the board of directors's opinion on the sufficiency and appropriateness of the Company's internal control system

The Board of Directors No. 2/2023 dated May 29, 2023 which 3 independent directors and the audit committee were present. has assessed 5 aspects of the company's internal control 5 aspects which are Control Organization, Risk Assessment, Control Activities, Information and communications and monitoring activities by assessing the adequacy of the internal control system that has been prepared based on the concept of the COSO (The Committee of Sponsoring Organization of the Treadway Commission), which was optimized for the listed companies in Thailand.

The Board was of the opinion that. Internal control systems of the company are suitable to operate in accordance with the objectives, legal requirements associated with efficiency and sufficient to prevent risks or damage that may occur to the company and stakeholders (For details on the authentication of data in internal control questionnaire of the company).

#### 1. The Control Organization

The company has a corporate structure, Segregation of duties and the clear scope and authorities of the management and staff and having a series of meetings to target to the common goal. The Company specifies the business goals annually where the actual performance is taken into consideration and reviewed with the business goals in board of director every quarter. In addition, the Company has issued the clear organization chart, the line of command, job description in order smooth the management according to its line of command. It also has a policy to sell and to treat customers honestly and fairly. The company also has a written policy on ethics (Code of Conduct) for management and employees, and policies against corruption and bribery. The right practices and penalties if they are violated are stated clearly. All employees have to sign to acknowledge the terms and penalties.

#### 2. The Risk Assessment

Management regularly assesses the situation of the economy and the country's overall to analyze the all relevant risks that may occur in organizations both internal and external factors. This includes risk strategy, operations, reporting, compliance criteria and Information Technology. The company monitors the implementation of operational management on a monthly basis. Meetings are held regularly and continuously to analyze the results and situations, including the risk and the measures to reduce the risks incurred. The Company's risk assessment found no significant impact that may impact on the internal controls and the accuracy of financial statements in conformity with generally accepted accounting principles appropriate to the company.

### 3. The Control Activities

The company has policies, scope of duties, processes and procedures, approval authority, segregation of duties and responsibilities and clear controls in all levels and departments. They are reviewed the appropriateness every year. In addition, the internal auditor has conducted an audit of transactions throughout the year. The company also has adequate and concise measures for transactions with major shareholders, directors and persons connected with them. The audit committee will also consider the transactions on a quarterly basis and assigned internal auditors to audit the transactions and to report directly to the Audit Committee. Moreover, the company disclosed the details and conditions of such transactions in the notes to the financial statements which was audited or reviewed by the auditors of the Company.

### 4. The information and communication

The Company set up Board of Directors meeting at least once every quarter by sending a notice of meeting and meeting documents not less than seven days before meeting. As for storing and maintaining accounting records, the company gave attention on the collection and accounting of the data. The company is using EY office limited as auditors. The company also ensures that the company's accounting policies are complies with generally accepted accounting principles. This is in order to report to management and the board and can be used for the right decisions especially the accounting and financial information.

In addition, as for anti-corruption policy, the company has also opens to receive information from both inside and outside to the secretary of the Board by telephone or email or the Website.

### 5. The monitoring activities

The Audit Committee has assigned the internal auditors to investigate the various types of transactions on a quarterly basis to assess internal controls and report directly to the Audit Committee. Any issues raised from the audits, audit committee will inform the Board of Directors and management in order to take corrective action and will be checked later that issues has been fixed.

In addition, the company set target of the business and compare actual performance against targets set. Difference must be explained why they occurred, including analysis of the cause of the difference in order to find measures to take corrective action in a timely manner.



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**The opinions of the external auditor, the internal auditor and the audit committee over the Company's internal control system**

**(a) The opinion of the external auditor over the internal control system**

After auditing the Company's financial statements for the period ended on March 31, 2023, the external auditor studied and evaluated the efficiency of the internal control system of the Company's accounting system and found that the internal control system of the Company's accounting system is sufficient in good level.

**(b) The opinion of the internal auditor over the internal control system**

A.M.T Services Office Limited has been appointed as the Company's internal auditor where the results of the internal control assessment in corporate level were presented to the audit committee's meeting No. 2/2023 dated May 29, 2023. The evaluation of the internal control systems of Control Organization, Risk Assessment, Control Activities, Information and communications and Monitoring Activities that the Company's system is in the good level.

In addition, internal auditor had audits over company internal controls over the activities and presented the internal audit report to the audit committee every quarter according to quarterly internal audit plans for the year 2023 (April 1, 2023 – March 31, 2024) and found that the audit result according to the audit plans showed the proper and sufficient internal controls.

**(c) The opinion of the audit committee over the internal control system**

The audit committee's meeting No. 2/2023 dated May 29, 2023 considered and acknowledged the reports of the internal auditor and the results of the internal auditing as per the 2023 plan (April 1, 2023 – March 31, 2024) of the major activities which found that the Company has sufficient and appropriate internal control systems of such activities. The audit committee deemed that the Company has sufficient internal control systems.

## 9.2 Related Transactions

1. Summary of related transactions of the Company, the subsidiary, related companies and other parties who may have conflicts of interest with the Company for the accounting period ended on March 31, 2023.

1.1 Normal business transactions, normal business support transactions, Sales and Service and other services.

Type of Transaction / Connected companies	Total Direct Holding (%)	Amount			Pricing Policy
		2021	2022	2023	
<b>Sales and Services to the Group</b>		26.88	41.87	28.69	
Auto Metal Co.,Ltd.	60	9.23	23.73	13.42	Sale of goods : Market price and cost plus a margin at rate of 5%
NSC Metal Co.,Ltd.	100	17.65	18.14	15.27	Service income : Close to the market price Market price
<b>Purchase and Service from the Group</b>		-	42.44	0.30	
Auto Metal Co.,Ltd.	60	-	-	0.22	Purchase of good : Market price and cost plus a margin at rate of 5%
NSC Metal Co.,Ltd.	100	-	42.44	0.08	Service charge : Cost plus a margin close to market price
<b>Other Service Income to the Group</b>		13.02	12.54	12.36	
Auto Metal Co.,Ltd.	60	5.22	4.62	4.80	Accordance with the negotiation price
NSC Metal Co.,Ltd.	100	7.80	7.92	7.56	Accordance with the negotiation price
<b>Sales of Fix assets</b>	60	-	-	0.32	Accordance with the negotiation price
<b>Rental income from the Group</b>	100	2.40	2.04	2.04	Contract price that close to the market price

- 1.2 Transaction in providing or receiving financial assistance Loan Providing The company and the subsidiaries had not provided additional loan to related parties during year, 2023.

**2. The necessity and reasonableness of the transactions**

The audit committee deemed that those related transactions are necessary and reasonable as the undertaken prices were in accordance with the normal business practice where those prices were close to the prices offered to the major customers of the Company.

**3. Procedure to undertake the related transactions**

The related transactions must be considered by the board of directors or the shareholders as the case may be. The board of directors or the person(s) delegated by the board of directors must not approve any transactions that may lead to the conflict of interests between them, their related parties and the Company or its subsidiaries.

The procedure to undertake the related transactions between the Company, the subsidiaries (if any or the affiliates (if any) and the related parties are as follow:

- (1) In case of the normal business transactions or the transactions to support the normal business with general terms and conditions and compensations that can be calculated from assets or reference prices, the procedure to undertake those transactions shall be in accordance with the regulations of the SEC office and the Stock Exchange of Thailand with regard to the connected transaction. The undertaken transactions shall be reported to the audit committee on a quarterly basis.
- (2) In case of other related transactions apart from those described in (1), the audit committee shall provide their opinions with regard to the necessity of the transaction and the reasonableness of the transaction's price by considering the normal business practice of the industry and comparing the undertaken price with the price of others or the market price. In case that the audit committee has no expertise on any transaction, the Company would hire an independent specialist or an auditor to provide their opinion on such transaction for the consideration of the audit committee, the board of directors or the shareholders as the case may be. The directors who may have any conflict of interests of the transaction will not be able to vote on such transaction.
- (3) The Company shall disclose the related transaction in the notes to the audited financial statements, Form 56-1 One Report 2023
- (4) The Company shall comply with the securities and exchange laws and in case that the Company has its securities listed on the Stock Exchange of Thailand, the Company shall comply with rules, announcements, order and regulations of the Stock Exchange of Thailand

as well as the regulation with regard to the disclosure of the connected transaction and the acquisition and disposition of assets.

**4. The policy to undertake the future related transactions**

The policy to undertake the future related transaction, the board of directors shall consider the necessity and reasonableness of the transaction as well as the maximum benefit of the Company. The transaction price and terms shall be in accordance with normal business practice which must be comparable to the price offered to the outsiders. The Company shall direct the audit committee, the accounting auditor or the independent specialist to consider, review and provide their opinions on the appropriateness of the price and the reasonableness of the transactions. Also, the Company shall comply with the regulations with regard to the connected transaction of relevant authorities such as the SEC office and the Stock Exchange of Thailand.