



# Corporate Governance Policy

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of

SISB Public Company Limited

## Corporate Governance Policy

The company board recognizes the importance of good corporate governance, which is essential for sustainable business growth and increased transparency. To enhance the company's competitiveness and build confidence among shareholders, investors, and all stakeholders, the Board of Directors deems it appropriate to develop a new corporate governance policy. This policy should encompass the principles and practices of good corporate governance for listed companies as outlined in the Securities and Exchange Commission's 2017 guidelines, in order to create sustainable value for the company and build confidence among all stakeholders. The policy should cover the following principles:

- Practice 1      Establish Clear Leadership Role and Responsibilities of the Board
- Principle 2     Define Objectives that Promote Sustainable Value Creation
- Principle 3     Strengthen Board Effectiveness
- Principle 4     Ensure Effective CEO and People Management
- Principle 5     Nurture Innovation and Responsible Business
- Principle 6     Strengthen Effective Risk Management and Internal Control
- Principle 7     Ensure Disclosure and Financial Integrity
- Principle 8     Ensure Engagement and Communication with Shareholders

## Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

The company has a policy to clearly define the roles, responsibilities, and duties of the Board of Directors, beyond their legal duties and responsibilities. These duties empower the Board to manage the company in accordance with the law, its objectives, bylaws, and shareholder resolutions. The Board will have the authority and responsibility to determine the company's vision, mission, goals, policies, operational direction, strategic plans, work plans, and annual budget. This includes overseeing and monitoring compliance with laws, policies, work plans, and the annual budget, as well as evaluating performance and overseeing reporting on such performance. Furthermore, the company will ensure that these roles, responsibilities, and duties are communicated to the Board, sub-committees, management, and employees, so that the Board and all parties understand their roles and are aware of their responsibilities as leaders of the organization.

The company has appointed an Audit Committee to support, audit, and oversee operations and management in accordance with laws, policies, plans, and the annual budget. The company has also clearly defined the scope of authority and responsibilities of the sub-committees and the Chief Executive Officer.

Furthermore, the company has established a charter for the Board of Directors and sub-committees, and has ensured that these charters are reviewed regularly to revise them in line with the company's direction. In addition, the company has developed a code of business ethics and a corporate governance policy to guide its operations, ensuring ethical business practices, respect for the rights and responsibilities of shareholders and stakeholders, and business activities that benefit society and the environment, while also being adaptable to changing circumstances.

## **Principle 2 : Define Objectives that Promote Sustainable Value Creation**

The company board of directors has established a clear vision, mission, and values for the organization. This aligns with the organization's direction and business objectives, serving to communicate the organization's core objectives and goals to all stakeholders, and to ensure that personnel at all levels adhere to these principles in performing their duties to achieve the defined objectives and goals.

The company prioritizes strengthening its foundations for the group's growth, focusing on building a strong corporate culture and promoting the adoption of innovative and efficient technologies to maximize customer satisfaction. It also ensures the efficient and effective use of company assets.

The company has a policy to review and reconsider its strategic plan and budget annually to ensure that such plans and budgets are aligned with the economic conditions and the organization's capabilities. The Chief Executive Officer is responsible for overseeing and monitoring the implementation of the established strategies and budget.

## **Principle 3 : Strengthen Board Effectiveness**

The company has a policy of structuring its board of directors to be appropriate and consistent with the business and size of the company, and to comply with legal requirements, consisting of no fewer than 5 directors. Individuals who are highly qualified, possessing the qualifications, skills, expertise, and experience that are beneficial to the company, including skills in business, education, accounting and finance, and investment, in order to ensure diversity in the board structure . Furthermore, they must be individuals with high moral and ethical standards, and a positive attitude towards the organization. In addition... The composition of the company's board of directors must have a ratio between executive and non-executive directors that reflects an appropriate balance of power, and the number of independent directors must exceed half of the total number of directors.

In determining the qualifications of independent directors, the company primarily considers the criteria stipulated in the Capital Market Supervisory Board's regulations. However,

the company has a policy of setting qualifications for its independent directors that go beyond the criteria set by the Capital Market Supervisory Board, as follows:

- The independent director must hold no more than 0.5% of the total voting shares of the company, its parent company, subsidiaries, associated companies, major shareholders, or controlling shareholders. This includes shareholdings of related parties of the independent director.
- Not being a director who is an executive, not being an employee or consultant receiving regular remuneration from the company, or being a personal consultant to an authorized executive of the company, its subsidiaries, affiliated companies, or related companies, and having had no such interests or conflicts of interest for at least 3 years.
- There are no business relationships, such as being a customer, trading partner, trade creditor, lender, or debtor, etc., nor are there any direct or indirect interests or vested interests in the finances and management of the company, its subsidiaries, associated companies, or related companies in a manner that would compromise its independence.
- Not being a close relative or having any other relationship that might compromise the independence of executives, major shareholders of the company, subsidiaries, associated companies, or related companies, nor being appointed as a representative to protect the interests of executives or major shareholders.
- Not being, or ever being, an auditor of a company, subsidiary, associated company, or any entity that may have a conflict of interest, and not being a major shareholder, director who is not an independent director, executive, or managing partner of an audit firm whose auditors are affiliated with the company, its subsidiary, associated company, or any entity that may have a conflict of interest, unless they have ceased to have such characteristics for at least 3 years prior to the date of appointment as an independent director.

one independent director to serve as the Chairman of the Board, and this person will not be the same individual as the Chief Executive Officer, in order to ensure clarity in responsibilities between policy setting, oversight, and routine management.

The company mandates that the Board of Directors hold at least six meetings per year, and directors must attend all board meetings, except in cases of necessity, but not less than 75% of all board meetings held in that year. To ensure that directors can dedicate their time adequately and effectively to their duties within the company, each director may hold positions in other companies subject to the following criteria:

- Directors may hold positions in SISB Public Company Limited, its subsidiaries, and associated companies.
- Each director can hold a total of [number] directorial positions in other listed companies. No more than 5 companies, and each executive director can hold positions in a total of no more than 2 other listed companies. In the event that a director holds directorships in more than five listed companies, they must notify the Board of Directors for acknowledgment prior to accepting a directorship in another listed company on every occasion.
- Directors must not engage in, become partners with, or hold directorships in other companies that conduct similar businesses and compete with the company's business, unless notification is given at a shareholders' meeting prior to the appointment resolution. This exception applies to directors of subsidiary companies.

The company will disclose information on its directors and executives, such as age, educational background, experience, shareholding percentage, number of years served as a director, number of meetings attended, positions as a director in other listed companies, roles and responsibilities, and performance reports of sub-committees in the annual information disclosure statement (Form 56-1) and the company's annual report.

To ensure a clear process for appointing the company's board of directors, the board will select individuals with the appropriate knowledge, skills, and experience, and who can perform duties beneficial to the company's business, in accordance with established criteria and procedures. These individuals will then be presented to the board of directors and/or



shareholders' meetings for consideration and appointment as directors of the company. The company also discloses both monetary and non-monetary remuneration of its board members in the annual information disclosure statement (Form 56-1 ) every year.

In addition, the company has appointed a company secretary to oversee and advise directors and executives on compliance with laws, regulations, rules, and company bylaws; to monitor and ensure correct and consistent compliance; and to be responsible for organizing board meetings and shareholder meetings, as well as coordinating the implementation of resolutions passed at such meetings, and any other duties as prescribed by law.

#### **Principle 4 : Ensure Effective CEO and People Management**

The company has established a succession plan for the Chief Executive Officer, the organization's top executive, to ensure business continuity. A compensation policy is in place to incentivize the CEO and other key executives to work diligently for the best interests of the company and its shareholders.

The company has a policy to provide knowledge enhancement to its directors and key executives by allocating funds for each of them to participate in training courses organized by various organizations. This aims to broaden their knowledge and provide new perspectives. The company also implements executive development programs to inform succession planning and the director's handbook, and provides orientation for new directors to familiarize them with company information, business operations, and relevant regulations.

The company conducts performance evaluations of its Chief Executive Officer and other key executives at least once a year . This evaluation serves as a criterion for compensation decisions and capacity building to enhance operational efficiency. The performance evaluation criteria follow the guidelines of the Stock Exchange of Thailand.

## Principle 5 : Nurture Innovation and Responsible Business

Given the nature of the company's business as an education sector, which relies heavily on the quality of educational services provided to students, the company has a policy of promoting the use of innovation and technology to develop the quality of educational services in order to meet the needs and interests of students and parents.

The company's board of directors recognizes the rights of all stakeholders, both internal and external. This is to foster mutual understanding and cooperation between the company and its stakeholders, which will benefit business operations, build trust, and enhance the company's long-term competitiveness. Therefore, the company has established the following policies and guidelines:

1. **Shareholders** :
  - The company is committed to being a good representative of shareholders in conducting business with prudence, caution, honesty, integrity, and transparency, while keeping in mind the long-term growth and value of the company.
  - Governance must be in accordance with the principles of good corporate governance.
  - We will disclose accurate, complete, and truthful financial performance, data, and other reports.
  - Establish a comprehensive and appropriate internal control and risk management system.
  
2. **Staff, teachers** :
  - Provide fair and appropriate compensation commensurate with the knowledge, skills, responsibilities, and performance of each employee.
  - Supporting the continuous development of professional skills.
  - Appointments and transfers are based on the knowledge, abilities, and suitability, as well as the actions and performance of the employees.
  - Maintain a safe working environment that protects the lives, health, and property of employees at all times.

- Listen to and receive feedback from employees at all levels equally and fairly.
  - Promote employee understanding of ethical conduct and roles to foster ethical behavior throughout the company.
3. Business Partners :
- Comply with all terms and conditions stipulated with business partners and creditors. If unable to comply, promptly notify them so that solutions can be jointly sought and prevent potential damage.
  - Do not solicit, accept, or pay any dishonest benefits in business dealings with trading partners, debtors, or creditors.
  - The financial reports are accurate, complete, and truthful.
4. Creditor :
- Comply with all terms and conditions stipulated with business partners and creditors. Failure to comply will result in consequences. Prompt notification is necessary so that we can work together to find solutions and prevent such incidents from occurring. Damaged
  - Do not solicit, accept, or pay any dishonest benefits in business dealings with trading partners, debtors, or creditors.
  - The financial reports are accurate, complete, and truthful.
5. Student :
- Cultivate positive ethics and performance in all students by instilling in them the qualities of self-reliance and respect for others, and taking responsibility for their actions and learning.
  - Instilling in students an acceptance and awareness of responsibility for their own decisions, actions, and consequences is crucial. Discipline creates an effective learning environment and helps develop positive attitudes and values towards life.
  - All students are expected to uphold honesty and preserve the school's culture, traditions, and beliefs in order to foster a positive working environment.

- We aim to promote and reinforce positive behaviors among our students and reduce undesirable behaviors. The school needs the cooperation of all parents to achieve this objective.
6. Parent : ■ Listen to parents' feedback, encourage open communication with parents, and ensure they report complete and timely information.
- Maintain confidentiality of parental information and strictly adhere to all relevant regulations.
  - Support the development of knowledge and skills among parents through activities organized by the school and the parent representative committee.
  - Cooperate and strictly adhere to the spirit of the relevant policies, parents .
7. Competitors : ■ Behave within the framework of the rules of fair competition.
- Do not damage the reputation and make dishonest accusations against business competitors without factual information.
8. Community and society : ■ Conducting business responsibly towards the community, society, and the environment.
- Provide support for social activities, such as projects to teach English to the community.
  - We do not support any activities that are harmful to society or good morals, or that promote vice.
  - Cooperate and ensure strict compliance with the spirit of the relevant laws and regulations.

## Principle 6 : Strengthen Effective Risk Management and Internal Control

The company has a policy to establish a comprehensive internal control system covering all aspects, both financial and operational, in compliance with relevant laws, regulations, and rules. It also provides for effective checks and balances mechanisms to protect company assets at all times. Furthermore, it defines approval authority and responsibilities for management and employees with checks and balances, and establishes written work procedures.

To ensure the internal audit department is independent and can conduct a full audit. The company has therefore outsourced its operations to independent internal auditors to ensure compliance with established regulations, assess the effectiveness and adequacy of internal controls within the company, and report the audit findings directly to the company. The work will be submitted to the audit committee and evaluated by the audit committee.

The company designates its Board of Directors to establish a comprehensive risk management policy across the organization and to oversee the implementation of risk management systems and processes, including mitigation measures and control methods, to appropriately reduce the impact on the company's business.

Furthermore, the company places great importance on combating corruption, establishing clear policies that are communicated to all relevant parties for their understanding and adherence. A policy for reporting whistleblowers and complaints has also been established as a mechanism to oversee and ensure that stakeholders comply with the established policies.

## Principle 7 : Ensure Disclosure and Financial Integrity

The company is committed to ensuring compliance with all applicable laws, regulations, and rules regarding information disclosure. The company prioritizes the accurate, complete, and transparent disclosure of all company information, financial information, and general non-financial information, to ensure that all relevant parties have equal access to the information, as follows:

- 1 Disclose the shareholder structure transparently.
- 2 The annual report must disclose at least the following information:

- Financial position and performance.
  - Business characteristics and competitive environment.
  - The risks associated with the company's business operations.
  - Background of the board of directors and management.
  - Identifying which directors are independent directors.
  - Disclosure of the criteria for paying directors' remuneration.
  - Policies and guidelines for compensation of senior executives.
  - Disclosure of individual directors' remuneration.
  - Disclosure of the number of times each board member attended meetings.
- 3 Disclosure of related party transactions requires disclosure of information or approval from shareholders as stipulated by the Securities and Exchange Commission before such transaction can take place. The disclosure must include at least the following information: the names of the parties involved in the transaction, their relationship, the nature of the transaction, the terms and conditions, the pricing policy, and the value of the transaction. And the reason for making the program.
  4. Directors and executives report their holdings and / or changes in securities to the Securities and Exchange Commission. The SEC ( Securities and Exchange Commission ) as per Section 59 of the Securities and Exchange Act B.E. 2545 (1997 ). 2535 ( Buddhist Era) and must report to the committee meeting regularly every year.
  - 5 If the company has any information related to its business. For example, any transaction or significant event that shareholders should be aware of, even if it does not meet the criteria for a shareholder meeting resolution or is not legally required to be disclosed, the company will disclose that information to shareholders or other investors through the company's website or the stock exchange.

The Board of Directors is responsible for preparing the annual report, the annual information disclosure statement (Form 56-1), the company's financial statements, and the financial information contained therein. The financial statements are prepared in accordance with generally accepted accounting standards, using appropriate and consistently applied

accounting policies and careful judgment. Sufficient disclosure of material information is required in the notes to the financial statements. The Board of Directors assigns the Audit Committee the responsibility for overseeing the quality of the financial statements and providing opinions to the Board. Furthermore, the company employs independent and reputable auditors approved by the Securities and Exchange Commission of Thailand (SEC) to audit or review the company's financial statements.

The Company has consistently and strictly disclosed corporate information to shareholders and the public through the dissemination channels of the Stock Exchange of Thailand (SET) and the Company's website, as follows:

The company's board of directors has assigned Mr. Yew Hock Koh, Chief Executive Officer, to contact and provide information to shareholders, investors, securities analysts, or related agencies, as well as any other individuals. This information will be accurate, complete, and truthful.

## **Principle 8 : Ensure Engagement and Communication with Shareholders**

The company has a policy of treating and protecting the rights of all shareholders equally and fairly, including executive and non-executive shareholders, Thai and foreign shareholders, major and minor shareholders. The company will provide options for shareholders who cannot attend meetings in person, allowing them to appoint independent directors or other individuals to attend and vote on their behalf. Meetings will be conducted in accordance with the company's regulations, following the agenda items. Each agenda item will be presented in full detail, with clear supporting information for consideration. Furthermore, no new agenda items will be added, especially those of significant importance requiring shareholders to spend time studying the information before making a decision.

Furthermore, the company recognizes and values the fundamental rights of shareholders, including the right to buy, sell, or transfer shares; the right to receive a share of the company's profits; the right to receive adequate information and news about the company; and the right to attend shareholder meetings to exercise voting rights for the appointment or removal of directors, the appointment of auditors, and matters affecting the company, such as dividend

allocation, the determination or amendment of the articles of association and memorandum of association, capital reduction or increase, etc.

In addition to the basic rights mentioned above, the company has also taken various actions to promote and facilitate the exercise of shareholders' rights.

1. Send a meeting notice to shareholders at least 7 days in advance of the meeting date. The notice should specify the date, time, location, and agenda, as well as all relevant supporting information concerning the decisions to be made at the meeting.

2. In the event that a shareholder is unable to attend the meeting, the Company provides the shareholder with the opportunity to authorize an independent director or any other person to attend the meeting on their behalf using one of the proxy forms that the Company has sent along with the meeting notice.

3. Provide shareholders with the opportunity to ask questions, express opinions, and offer suggestions fully and freely.

4. Upon completion of the meeting, the company will prepare a meeting report containing accurate and complete information for shareholder review.

The company will include the opinions of the Board of Directors in the notice of the shareholder meeting and will send the notice of the shareholder meeting in advance within the timeframe stipulated by the SEC or the Stock Exchange of Thailand, to allow shareholders time to review the information before the meeting. In addition, shareholders will receive information through the Stock Exchange of Thailand's electronic media, the company's website, and through newspaper publications in accordance with the Public Limited Company Act. The company's policy is to ensure that all members of the Board of Directors, especially the chairpersons of various subcommittees such as the Chairman of the Audit Committee, attend the shareholder meeting to provide clarification or answer shareholder questions.

Furthermore, the company's board of directors has established measures to prevent insider trading by related parties, including directors, executives, employees, and their spouses and minor children. These measures include penalties for disclosing company information or



using company information for personal gain, in accordance with the insider trading prevention policy. The board has also educated its directors and executives on their obligations to report their own, their spouses', and their minor children's securities holdings in the company, as well as reporting changes in securities holdings to the Securities and Exchange Commission of Thailand (SEC) under Section 59 and the penalties stipulated in the Securities and Exchange Act B.E. 2535 (1992).