



KCE Electronics Public Company Limited

Board of Directors Charter



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Board of Directors Charter

The Board of Directors of KCE Electronics Public Company Limited (the “Board”) firmly believes that effective corporate governance enhances the Company’s operational performance and is a fundamental mechanism for achieving the Company’s paramount objective of maximizing long-term shareholder value.

The Board has statutory duties and responsibilities to supervise the conduct of the Company’s business and is accountable to all stakeholders, including shareholders, customers, employees, business partners, creditors, competitors, the environment, society, and the community.

The relationship between the Board and management is based on constructive collaboration. The Chief Executive Officer and Managing Director are responsible for the Company’s day-to-day operations, including planning, decision-making, and execution. The Board provides guidance, strategic direction, oversight, and monitoring of management’s performance and the Company’s operations.

Objectives

The objectives of this Charter are to ensure that the Company’s governance is conducted properly, transparently, and in a verifiable manner for the best interests of the Company and its shareholders as a whole, and to ensure that the Board performs its duties in compliance with applicable laws, regulations, and requirements, with the highest standards of responsibility and ethical conduct.

Composition and Structure of the Board

1. The Board shall consist of no fewer than 5 directors. At least one-third of the total number of directors, and not fewer than 3 persons, must be independent directors. At least one-half of the total number of directors must have residence in the Kingdom of Thailand.
2. The Board shall elect one director as Chairman of the Board and may elect one or more Vice Chairmen, whose duties shall be as assigned by the Chairman in accordance with the Company’s Articles of Association.
3. The Chairman of the Board shall not be the same person as the Managing Director, in order to ensure the independence of the Board from management. The Managing Director shall be directly accountable to the Board.
4. The Board shall comprise directors with diverse qualifications in terms of education, experience, professional skills, and expertise beneficial to the Company’s business. There shall be no discrimination based on gender, age, race, nationality, religion, or origin. The Board must include at least one director with industry or business expertise relevant to the Company and at least one director with accounting or financial expertise.

Appointment of Directors

The appointment of directors shall be conducted in accordance with applicable laws, regulations, and rules, in a transparent and clearly defined manner.

1. Where directors retire by rotation, the shareholders' meeting shall appoint directors by a majority vote of shareholders present and entitled to vote. In the event of a tie, the Chairman of the meeting shall have a casting vote.
2. In the event of a vacancy on the Board for reasons other than retirement by rotation, the Board may appoint a qualified person without prohibited characteristics under the law to fill the vacancy at the next Board meeting, unless the remaining term is less than 2 months.

Such appointment must be approved by not less than three-quarters of the remaining directors.

Qualifications

1. Directors must be natural persons who:
 - 1) Have attained legal age;
 - 2) Are not bankrupt, incompetent, or quasi-incompetent persons;
 - 3) Have not been sentenced by a final judgment to imprisonment for offenses involving dishonest appropriation of property;
 - 4) Have not been dismissed or removed from government service or state agencies for corruption.
2. Directors must possess knowledge, competence, experience, integrity, honesty, and be able to devote sufficient time to perform their duties effectively and responsibly.
3. Directors may hold directorships in other companies, provided that such positions do not hinder their duties to the Company. Directors may serve as directors in listed companies on the Stock Exchange of Thailand in no more than 5 companies.
4. Directors shall not engage in any act constituting management or administration of other businesses that may prejudice the Company's interests or improperly benefit themselves or others.
5. An independent director is a director who is independent from management, major shareholders, and controlling persons, and has no involvement or interest that may impair independent judgment. The qualifications of independent directors shall be as follows:
 - 1) Holding no more than 0.5% of the total voting shares of the Company*, including shares held by related persons;
 - 2) Not being or having been an executive director, employee, staff member, regular consultant, or controlling person of the Company* within the past 2 years;
 - 3) Not being related by blood or legal registration to any director, executive, major shareholder, or controlling person of the Company or its subsidiaries;

- 4) Having no or no longer having business relationships with the Company* that may interfere with independent judgment, and not being a significant shareholder or controlling person of such business entities within the past 2 years;
- 5) Not being or having been an auditor of the Company* or a significant shareholder, controlling person, or partner of the audit firm within the past 2 years;
- 6) Not being or having been a professional service provider, including legal or financial advisors, receiving fees exceeding THB 2 million per year from the Company*, within the past 2 years;
- 7) Not being appointed as a representative of the Company's directors, major shareholders, or related major shareholders;
- 8) Not engage in any business that is of the same nature and constitutes material competition with the business of the Company or its subsidiaries, nor be a significant partner in a partnership, nor serve as a director with management involvement, employee, staff member, salaried consultant, or hold more than 0.5% of the total voting shares of any other company that engages in a business of the same nature and constitutes material competition with the business of the Company or its subsidiaries.
- 9) Having no other characteristics that impede the ability to express independent opinions;
- 10) Be able to perform duties, express opinions, and report the results of the performance of duties as assigned by the Board of Directors independently, without being subject to the control or influence of the Company's management or major shareholders, including their related persons or close relatives of such persons.

* including parent companies, subsidiaries, joint ventures, major shareholders, or controlling persons of the company

Tenure

1. At each Annual General Meeting of Shareholders, one-third of the total number of directors shall retire from office. If the total number of directors cannot be evenly divided into three parts, the number of directors closest to one-third shall retire.
2. In the first and second years following the Company's registration, the directors to retire shall be determined by drawing lots. In subsequent years, the directors who have held office for the longest period shall retire. Directors retiring by rotation may be re-elected as directors of the Company. In addition to retirement by rotation, a director shall vacate office upon the occurrence of any of the following events:
 - 1) Death;
 - 2) Resignation;
 - 3) Loss of qualifications or possession of prohibited characteristics under the Company's Articles of Association, the Public Limited Companies Act B.E. 2535 (1992), and the Securities and Exchange Act B.E. 2535 (1992), including any amendments thereto;

- 4) Removal by a resolution of the shareholders' meeting passed by not less than three-quarters of the shareholders present and entitled to vote, holding in aggregate not less than one-half of the total voting shares of the shareholders present and entitled to vote;
 - 5) A court order removing the director from office.
3. A director wishing to resign shall submit a written resignation letter to the Company. The resignation shall become effective on the date the resignation letter is received by the Company.
 4. In the event that a director's position becomes vacant for reasons other than retirement by rotation, the director appointed to fill such vacancy shall hold office only for the remaining term of the director whom he or she replaces.
 5. The tenure of each Board subcommittee shall be 3 years and shall be aligned with the tenure of the Company's directors.
 6. The Board has a policy that an independent director may serve no more than 3 consecutive tenure and for a total period not exceeding 9 years. Notwithstanding the foregoing, the Board may, at its discretion, consider extending the tenure of an independent director. In the year in which such independent director is due to retire by rotation, the Board may propose such director to the Annual General Meeting of Shareholders for re-election as an independent director.

Roles, Duties, and Responsibilities

1. The Board has the duty to direct, manage, and oversee the Company's affairs to ensure that all directors and executives conduct the Company's business in the best interests of shareholders (Fiduciary Duty), based on the following 4 fundamental principles:
 - 1) Performance of duties with due care and prudence (Duty of Care);
 - 2) Performance of duties with honesty and integrity (Duty of Loyalty);
 - 3) Compliance with applicable laws, the Company's objectives, Articles of Association, and resolutions of shareholders' meetings (Duty of Obedience);
 - 4) Accurate, complete, and transparent disclosure of information to shareholders (Duty of Disclosure).
2. To determine the Company's business policies and strategies; consider, approve, endorse, and review the Company's vision, mission, policies, operational plans, and budgets; and oversee management's performance to ensure effective and efficient implementation in accordance with such policies, in order to achieve stability and balanced and sustainable benefits for all relevant stakeholders on an annual basis.
3. To oversee and review the establishment of financial reporting systems and the disclosure of material information to shareholders and all stakeholder groups in an accurate, transparent, and sufficient manner.
4. To strictly adhere to the Company's principles of good corporate governance and to consider and make decisions with honesty, integrity, reasonableness, and based on adequate and appropriate information, without any direct or indirect conflicts of interest.

5. To determine and review the structure of the Board with respect to the number of directors, the proportion of independent directors, and diversity of qualifications appropriate to the Company's business, as well as to consider appropriate remuneration for directors and subcommittee members, as proposed by the Nomination and Remuneration Committee.
6. To oversee the director nomination and election process to ensure transparency and clarity.
7. To establish corporate governance policies and oversee and develop the Company's governance framework to align with internationally recognized standards.
8. To consider and approve significant transactions relating to the Company's business operations, financial position, and operating results, or matters that may give rise to inappropriate actions or conflicts of interest, within the scope of authority of the Board as prescribed by applicable laws and the Company's Articles of Association, including the approval of budgets.
9. To consider the appointment of Board subcommittees as appropriate and necessary to support the Board's responsibilities, and to appoint chairpersons of such subcommittees where appropriate, in order to ensure that subcommittees perform their duties in accordance with their objectives and that their performance is regularly monitored.
10. To establish an internal audit function, as well as effective and efficient internal control and internal audit systems, ensuring independence from management and direct reporting to the Audit Committee.
11. To establish appropriate and effective risk management policies and processes, and to regularly monitor and assess the effectiveness of risk management.
12. To appoint a Company Secretary to support the Board's activities and to ensure that the Board and the Company comply with applicable laws and regulatory requirements.
13. To establish a code of business ethics for directors, executives, and employees as a standard guideline for the Company's business operations, whereby all directors, executives, and employees shall perform their duties ethically and strictly comply with the Company's code of business ethics.
14. To ensure the implementation of good corporate governance principles and to promote effective communication of such principles to employees at all levels of the organization for strict adherence.
15. To establish clear and transparent processes for related-party transactions, and to oversee and review the existence of transparent, accurate, and sufficient financial reporting systems.
16. To oversee and manage any conflicts of interest within the Company and to promote awareness among employees at all levels of the importance of internal control and audit systems in order to reduce the risks of fraud and abuse of authority, and to prevent unlawful acts.
17. To ensure the establishment of a succession plan for the Company's senior executives.
18. To regularly review and update key policies and plans to ensure their relevance and appropriateness to the prevailing business environment.
19. To conduct annual performance evaluations of the Board as a whole and individual directors, and to monitor and consider the evaluation results of the Board and Board subcommittees collectively at Board meetings.

20. To attend meetings of the Board and shareholders' meetings, except in cases of force majeure. Directors who are unable to attend a meeting shall notify the Board or the Company Secretary in advance of the meeting.
21. To oversee the establishment of an information security system, including policies and practices to ensure confidentiality, integrity, and availability of information, as well as the management of market-sensitive information, and to ensure that directors, senior executives, employees, and relevant external parties comply with such information security requirements.
22. To oversee the establishment of effective processes and channels for receiving and handling complaints or whistleblowing reports from stakeholders and persons wishing to report concerns.
23. To continuously develop knowledge and capabilities by attending or participating in training programs related to directors' duties or other activities that enhance operational knowledge, and to promote and support training to strengthen the knowledge and skills necessary for the performance of duties of relevant personnel on a regular basis.
24. To review and revise approval authority frameworks, operational procedures, and the Board of Directors Charter to ensure alignment with prevailing circumstances.
25. To perform any other duties relating to the Company's business as assigned by shareholders.
26. To oversee and monitor transactions involving the acquisition or disposal of assets of material value, transactions with related parties, as well as fund-raising transactions of the Company and its subsidiaries, both domestically and internationally.
27. To oversee the Company's disclosure of information, transactions, and business operations to ensure that they are conducted accurately, appropriately, timely, comprehensively, and fairly for all investor groups, within the timeframes prescribed by applicable laws and regulations.
28. To oversee and monitor controls over securities trading by directors, executives, and employees who have access to material non-public information of the Company.

Meetings of the Board

1. The Board shall hold regular meetings at least once per month, with meeting dates scheduled in advance for the entire year. Special meetings may be convened as necessary.
2. The Chairman of the Board and the Company Secretary shall jointly consider and clearly determine the agenda for each meeting in advance. Directors shall be given the opportunity to propose agenda items freely, subject to the Chairman's consideration of the appropriateness of such proposed agenda items.
3. At least 2 directors shall have the right to request that a Board meeting be convened. In such case, the Chairman of the Board or a person designated by the Chairman shall schedule the meeting within 14 days from the date of receipt of such request.
4. The convening of a Board meeting shall be carried out by the Chairman of the Board or a person designated by the Chairman by sending a written notice of meeting to all directors, specifying the date, time, venue, and matters to be discussed, at least 5 days in advance of the meeting date. In urgent

cases necessary to protect the Company's interests, the notice may be given by other means and the meeting date may be scheduled sooner.

5. A quorum for a Board meeting shall consist of not less than one-half of the total number of directors. The Chairman of the Board shall preside over the meeting. If the Chairman is absent or unable to perform his or her duties, the directors present shall elect one director to act as Chairman of the meeting.
6. Resolutions of the Board meeting shall be passed by a majority vote. Each director shall have one vote. In the event of a tie, the Chairman of the meeting shall have a casting vote. Any director who has an interest in any agenda item shall not be entitled to vote on such agenda item.
7. The Board shall have the authority to invite management, executives, or any relevant persons of the Company to attend meetings, provide opinions, or furnish information for consideration.
8. Non-executive directors shall meet among themselves without management present at least once per year to discuss and exchange views on matters relating to their roles and responsibilities.
9. The Company Secretary or a person assigned by the Company Secretary shall be responsible for recording the minutes of meetings and preparing the minutes of the Board meetings.

Directors' Remuneration

The Nomination and Remuneration Committee shall consider and determine the remuneration of the Company's directors and Board subcommittee members and submit its proposal to the Board of Directors for consideration and approval, prior to submission to the shareholders' meeting for approval.

Performance Evaluation

The Board of Directors shall conduct annual performance evaluations of the Board as a whole, individual directors, and Board subcommittees, as well as the performance evaluation of the Chief Executive Officer, at least once per year, in order to assess the performance of duties. The evaluation results shall be jointly considered by the Board to review performance outcomes and issues for improvement, and the results of the Board evaluation shall be used as supporting information for considering the appropriateness of the Board's composition. The evaluation criteria, procedures, and a summary of the evaluation results shall be disclosed in the Company's Annual Report.

Director Development

In order to enhance the knowledge, capabilities, and skills of newly appointed directors and incumbent directors to enable them to perform their duties effectively and in accordance with good corporate governance principles:

1. Newly appointed directors shall receive an orientation program providing an overview of the Company's business operations and operational plans, as well as the roles, duties, and responsibilities of directors and Board subcommittees, prior to attending their first Board meeting.

2. All directors shall be encouraged to continuously develop their knowledge and capabilities by attending training programs related to directorship and corporate governance, organized by external institutions or through internal training programs of the Company.


Reporting

The Board of Directors shall report the Company's performance to shareholders by disclosing such information in the Company's Annual Report (Form 56-1 One Report), with details at least as required by applicable laws, regulations, and rules.

Review of the Board of Directors Charter

The Board of Directors shall review the details of, and compliance with, this Board of Directors Charter at least once per year to ensure its appropriateness to the Company's business operations and compliance with applicable legal requirements.

This Board of Directors Charter shall be effective as from **11 November 2025**.


.....
(Mrs. Siriphan Suntanaphan)

Chairman of the Corporate Governance
and Sustainability Committee


.....
(Mr. Bancha Ongkosit)

Chairman of the Board of Directors