



Board of Directors Charter

The Board of Directors represents the shareholders and has a crucial role in creating values to the organization, shareholders and stakeholders. The Board also plays a role in determining policies and directions to reach the Company's vision of being a leading enterprise in packaging business while maintaining operational integrity.

The Board of Directors with leadership, vision and independence in decision making, realizes the importance of good corporate governance and corporate social responsibility for the greatest benefit to the Company and shareholders.

This charter was made from a resolution of the Board Meeting, to be the guideline for the Board to realize its duties and responsibilities in compliance with the principles of good corporate governance, and perform their duties legally and entirely.

1. Composition of the Board of Directors

- 1.1. The Board shall comprise of no fewer than 5 members that would be appointed and removed by shareholders' meeting. Not less than half of the total number of directors shall have residence in the Kingdom.
- 1.2. The Board shall comprise of independent directors of at least one-third of the entire Board, but no fewer than three persons. Non-executive directors shall not be less than half of the total number of directors in order to maintain a balance of power between Non-executive Directors and Executive Directors.
- 1.3. The Board of Directors shall elect one director to be the chairman.
- 1.4. The Chairman of the Board, the Chairman of the Executive Board or the President, shall not be the same person in order to maintain a balance of power between supervisory and management functions.
- 1.5. Appointment of the Board shall comply with the Articles of Association of the Company and the prescribed relevant laws. Selection of directors shall be processed through the Remuneration and Nomination Committee.

2. Quality of the Director

- 2.1. Directors should be competent with skills and extensive experience to benefit the Company's operation, with various skill mixes and integrity. At least one director shall be an expert in the area of accounting finance and must act in an ethical manner.
- 2.2. Directors must possess relevant qualifications and shall not possess prohibited characteristics, according to the Public Limited Company Act or other related laws.



- 2.3. Directors should have the ability to exercise sound and independent judgments, free from any conflict of interest from the management and other stakeholders.
- 2.4. Directors could dedicate appropriate time, knowledge and capabilities to the Company that he/she serves as director.
- 2.5. Independent Directors must possess the qualifications as specified by the Notification of the Capital Market Supervisory Board.

3. Term of Directorship

- 3.1. Directors shall have a term of 3 years and any director vacating the office on due term may be re-elected, with the exception to the independent directors who may serve on the directorship for a maximum of 3 consecutive terms, or no longer than 9 years. However, for the benefit of the Company, the Board may review to extend the independent director's term by proposing in the shareholders' meeting for approval.
- 3.2. At every annual general meeting, one-third of the directors shall vacate their office. If the number of directors cannot be divided into a multiple of three, the number of directors nearest to one-third shall vacate the office.
- 3.3. Apart from vacating office at the end of the term, the director shall vacate office upon;
 - 1) Death
 - 2) Resignation, effective from the date the Company received resignation letter
 - 3) Being disqualified under Articles of Association of the Company or prohibition in accordance with the law
 - 4) Being removed by a resolution passed by the shareholders' meeting
 - 5) Being removed by order of the court
- 3.4. In the case the office of director becomes vacant from any causes other than due term, the Board shall select any legally qualified person to be a director at the next meeting of the Board of Directors except the remaining term of office of the director is less than 2 months. Such director shall remain in office only for the remaining term of office of the director he replaces.

The above resolution shall receive not less three-fourth of votes of the remaining directors.

4. Duties and Responsibilities of the Board of Directors

- 4.1. To oversee that the Company's operations are operated in accordance with the objects, the articles of association of the Company, and the resolutions of the shareholders' meeting, as well as the regulations specified by related laws in good faith and with due care to preserve the greatest interests of the Company.



- 4.2. To consider and approve vision, mission, directions, as well as overseeing and superintend the management to be in line with the vision or framework with effectiveness and efficiency.
- 4.3. To regularly monitor and evaluate the implementation of the corporate governance policy and the code of conduct of the Company at least once a year.
- 4.4. To approve connected transactions and any transactions in compliance with the laws and regulations specified by all regulatory agencies such as OIC, SEC Etc., to prevent transactions that may have a conflict of interest.
- 4.5. To approve the acquisition and disposition of assets and any transactions in compliance with the laws and regulations specified by all regulatory agencies such as OIC, SEC Etc., to prevent transactions that may have a conflict of interest.
- 4.6. To approve a significant matters submitted by the management such as business plan, budget or any project that the transaction value is greater than the authority of the management.
- 4.7. To set up a control system for financial reports, compliance with regulatory, risk management and internal control as well as providing units or personnel with an independent duty to act in the audit practice to ensure the efficient and transparent management.
- 4.8. To oversee selection of directors and set up the efficient succession plan of the top executives.
- 4.9. To appoint subcommittees to be adequate and appropriate of its duties, and to appoint or delegate any power to any other person(s) to conduct the Company's business subject to the control of and within the time frame as may be specified by the Board.
- 4.10. Assessing the performance of the Board of Directors and its subcommittees annually.
- 4.11. To approve the criteria for annual special bonus payment for the employees.
- 4.12. To appoint the Company Secretary.

5. Board of Directors' Meetings

- 5.1. The Board holds at least 6 meetings a year with one meeting to be with non-executive directors only. All meetings will be scheduled at the beginning of the year. The extraordinary meetings are allowed if required.
- 5.2. The Chairman of the Board and the topmost position of executive shall consider and agree to the meeting agenda.
- 5.3. The Chairman of the Board or the director authorized by the Chairman of the Board shall call the meeting.



- 5.4. The Company Secretary is responsible for the agenda and supporting documents that shall send to all members not less than 7 days before the date of meeting, except in the case of emergency.
- 5.5. At the meeting of the Board, there shall be not fewer than one-half of the total number of directors to constitute a quorum.
- 5.6. In the case the Chairman is unable to perform his duty, the directors attending the meeting shall elect a director to preside over the meeting.
- 5.7. Resolutions are passed with a majority vote. The protestation shall be recorded in the minutes of the meeting if there is any director vote against a resolution of the meeting.
- 5.8. The director with a vested interest in the issue under consideration shall be excused and/or abstain from voting.

6. Remuneration of Directors

- 6.1. The directors shall receive remuneration that is suitable for their duties and responsibilities.
- 6.2. The Remuneration and Nomination Committee shall annually consider and review a policy of the remuneration payment, and propose to the Board and the shareholders meeting for approval.

7. Performance Evaluation

- 7.1. The directors are required to evaluate their performance annually.
- 7.2. The 2 performance evaluations of the Board consist of self-assessment (individual) and self-assessment (as a whole).
- 7.3. The assessment process and result would be disclosed in the annual report.

8. Directors Training and Development

- 8.1. The Company encourages all members of the Board to attend various training and seminar courses beneficial to their responsibilities.
- 8.2. A newly appointed director shall be provided with the directors' handbook and the annual report of the Company to be able to perform his/her duty as director completely.

This Charter shall come into force as from 16 December 2011.

(Revised Version 17 December 2019)