

The Charter of the Board of Directors of Banpu Public Company Limited

The Board of Directors deemed appropriate to formulate the Charter of the Board of Directors of Banpu Public Company Limited, in order to gather the components, duties, responsibilities and Charter of the Board of Directors which were reviewed to be in line with the Securities and Exchange Act B.E. 2535 (as amended), rules and regulations of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand. Therefore, the Board of Directors has formulated the mentioned Charter which are as follows:

Clause 1. This document shall be called the “Charter of the Board of Directors of Banpu Public Company Limited”.

Clause 2. This Charter shall be effective from the date of approval by the Board of Directors' meeting.

Clause 3. Definitions:

3.1. “Company” means Banpu Public Company Limited

3.2. “Board of Directors” means the Board of Directors of Banpu Public Company Limited

3.3. “Director” means the director of Banpu Public Company Limited

3.4. “Chairman of the Board” means the Chairman of the Board of Directors of Banpu Public Company Limited

3.5. “Sub-committees” means the four sub-committees; namely, the Audit Committee, the Compensation Committee, the Corporate Governance and Nomination Committee and the Environment, Social and Governance Committee.

3.6. “Related Person” means the person referred to Notification of the Securities and Exchange Commission no. KorChor 17/2551 Re: Determination of Definitions in

the Notifications Relating to Issuance and offer for Sale of Securities (as amended).

- 3.7. "Subsidiary" means a company in which the Company holds directly or indirectly more than fifty per cent of the issued shares.
- 3.8. "Associated company" means a company in which the Company holds directly or indirectly not less than twenty per cent but not exceeding fifty per cent of the issued shares.
- 3.9. "Major Shareholder" means a shareholder who holds shares in any company in the amount of 10 per cent of the total voting stock.
- 3.10. "Independent Director" means an independent director according to the Notification of Capital Market Supervisory Board governing application for and approval of an offer for sale of newly issued shares as in effect from time to time (as per the attached documents). Independent directors are entitled to hold Banpu shares not exceeding 0.5% of the total shares.

Clause 4. Composition and Criteria of the Board of Directors:

- 4.1. The Board of Directors shall consist of at least five directors appointed by shareholders.
- 4.2. No less than half of the directors shall be non-executive directors.
- 4.3. No less than one-third of the directors and at least three directors shall be directors who are independent of management and have no business relationship or any other relationship which may affect the director's independent exercise of discretion with the Company.
- 4.4. No less than half of the directors shall have residence in the Kingdom of Thailand.
- 4.5. The Chief Executive Officer shall be proposed for appointment as a director.
- 4.6. The Chairman of the Board shall be designated from a director who is not the Chief Executive Officer.
- 4.7. The Chairman of the Board shall not be any chairman or member of the other sub-committees.

4.8. The Chairman of sub-committees should be independent director.

4.9. Each member of sub-committees could also be a member of the other sub-committees but shall not exceed two sub-committees. If any director is the chairman of sub-committee, such director shall not be the chairman of any other sub-committees.

4.10. The Company Secretary should be the Secretary to the Board of Directors.

Clause 5. Qualifications of the Directors

The Corporate Governance and Nomination Committee has set up the criteria and qualifications of the directors with the following three items:

5.1. General Qualifications

- (1) Shall not be a person of unsound mind or a person who has mental infirmity;
- (2) Shall never been imprisoned by the final judgment of a court, unless it is an offence committed with negligence;
- (3) Shall never been under judgment or court order to enforce the asset belonging to the State
- (4) Shall not be or never been a bankrupt;
- (5) Should be able to dedicate adequate time to the Company and shall not simultaneously serve in more than 5 listed companies;
- (6) Shall have integrity and accountability;
- (7) Shall make judgment based on fact and reason;
- (8) Shall be a prudent person who is able to advance constructive debates and independent opinions;
- (9) Shall be a person working with professional standards and principles;
- (10) Other qualifications as the Corporate Governance and Nomination Committee deems necessary.

5.2. Specific competency and expertise, accounting and finance, law, industry knowledge and marketing, etc., are considered for the appropriation of the Board of Directors

5.3. The independent directors shall have general qualifications and specific competency expertise, and shall also have qualifications of “Independent Directors” stipulated in these Charter. The independent directors are entitled to hold shares not exceeding 0.5% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the applicant, provided that the shares held by the related parties of such independent director shall be included.

Clause 6. Term of Office and Retirement

- 6.1. The Directors shall serve a term of office of three years.
- 6.2. Independent directors shall serve term of office for no more than nine years or 3 consecutive terms
- 6.3. One-third of the total number of directors shall be required to vacate their offices by rotation at every general meeting of shareholders. If the number of directors is not a multiple of three, then the number of directors nearest to one-third shall retire from their offices.
- 6.4. The Director who retire by their rotation in clause 6.3 are eligible for reelection.
- 6.5. The Director shall retire at 75 years of age with effect from the day following the Annual General Meeting held after the director in question has attained that age.
- 6.6. In addition to retirement, the office of the Director shall be vacated if the director:
 - (1) dies,
 - (2) resigns by submitting a letter of resignation to the Company, and resignation shall take effect on the date that the letter of resignation reaches the Company.
 - (3) is disqualified or forbidden from being a director by the Public Company Act B.E. 2535 and the Securities and Exchange Act B.E. 2535 (as amended), including the relevant rules and regulations of the Securities and Exchange Commission.
 - (4) is removed by the shareholders’ meeting with votes not less than three quarters of number of shareholders attending the meeting and having

the right to vote and the total of shares being not less than half of shares held by shareholders attending the meeting and having the right to vote.

(5) is ordered by final judgment of the court.

Clause 7. Duties and Responsibilities of the Board of Directors

In pursuance of the corporate governance of the Company, subsidiaries associated companies, in addition to any other action taken in compliance with the laws, the Company's objectives, the Articles of Association and the resolutions of the shareholders' meeting, the Board of Directors in monitoring the business of the Company, hereby stipulate that the consideration and approval of the following matters shall be vested under the authority, duty and responsibility of the Board of Directors:

- 7.1. The Company's policy, strategic plan, business plan and annual budget.
- 7.2. Monthly and quarterly performance report in comparison of the Company's plan, budget, and business outlook in the following period of the year.
- 7.3. Investment in the project having a worth more than THB 1,500 million.
- 7.4. Approve capital investment in project exceeding 15 percents of the previously approved budget. Such amount is not more than THB 1,000 million.
- 7.5. Approve purchase and disposal of assets, acquisition and participation in a joint venture project beyond the CEO's authority. Such transactions shall fully comply with the SEC's and SET's rules.
- 7.6. Transactions causing material effects on the Company's financial status, liabilities, business strategy and reputations.
- 7.7. Entering into a contract not related to a normal course of business and a contract related to significant normal business.
- 7.8. Parts of a connected transaction between Banpu, its subsidiaries or affiliates and related individuals according to the Securities and Exchange Act B.E.2535 (as amended).

- 7.9. Any transaction which may cause the Debt-to-Equity Ratio of the Company's consolidated balance sheets to exceed 2:1.
- 7.10. Payment of an interim dividend.
- 7.11. Total borrowing that exceeds THB 5,000 million from the amount previously approved in a budget.
- 7.12. Changes in policy and practice with material implications for accounting, risk management and financial reserves.
- 7.13. Significant changes in financial and management control.
- 7.14. Determination and review of authorization granted to CEO and Executive Officers (EO).
- 7.15. Appointment of CEO, EO, COO and CFO.
- 7.16. Approval of salary structure, budget for salary, other benefit or formula to adjust other remuneration packages for senior executives and employees.
- 7.17. Nomination, appointment and termination of directors, and the Company Secretary or Secretary to the Board of Directors.
- 7.18. Authorization given to Chairman of the Board of Directors, CEO or any director, and amendments to such authorization.
- 7.19. Appointment and determination of duties of sub-committees as well as appointment of an independent director as "Lead Independent Director", in the event that the Chairman of the Board is not an independent director.
- 7.20. Establishing and supervising the management on the basis of the Corporate Governance principles, encouraging consciousness of ethics & morality and performing duties in compliance with Corporate Governance Policy, Code of Conduct and Anti-Corruption Policy.
- 7.21. Appointment of directors or executives as directors of subsidiary and affiliated companies.
- 7.22. Registration of a new company and dissolving the company.
- 7.23. Revision of company's Vision and Mission at least once every 5 years.
- 7.24. Directors have a duty to keep corporate information strictly confidential especially internal information not to be disclosed to the public or information

that may affect its business or share price pursuant to the Securities and Exchange Act B.E.2535 (as amended) and other applicable laws and regulations. The following are practices in regard to the use of Company information by performing the following:

In case the information is a report based on an accounting period such as an operating result, financial statements and an annual report, directors must refrain from trading Banpu's shares not less than 30 days prior to the information disclosure to the public.

In case the information is a report of Banpu's action in a particular situation, such as acquisition/disposal of assets, connected transactions, joint venture/cancellation of joint venture, capital increase/capital reduction, issuance of new securities, repurchase of own shares, payment or non-payment of dividend or incidents that affect Banpu's share prices, in such cases, directors shall refrain from trading the Company's shares from the period he/she learns of the information to the day Banpu discloses the information to the public.

7.25. Amendment of the Board of Directors' scopes of approving power as described in Clause 7.1 – 7.24.

Clause 8. Meetings of the Board of Directors and their votes

- 8.1. The Board of Directors meetings shall be held at least once a month. If the Board of Directors meetings held via electronic media, it must comply with the applicable laws of Thailand.
- 8.2. The Chairman of the Board shall convene the Board of Directors meetings or may assign any person to do so.
- 8.3. The Chairman of the Board determines the agenda for Board meetings together with the Chief Executive Officer.*
- 8.4. The Chairman of the Board or the person assigned by him shall send out a notice of meeting to the directors not less than seven days in advance of the meeting date.

- 8.5. At least half of the directors shall be required to form a quorum. To pass resolutions, the quorum of the meeting shall be at least two-thirds of all the directors.
- 8.6. The Chairman of the Board of Directors shall be the Chairman of the Board meetings. In the event that the Chairman of the Board is absent, the Vice-Chairman shall preside over the meeting. If there is no Vice-Chairman, or if he is unable to perform the duty, the meeting shall elect one among themselves to preside over the meeting.*
- 8.7. The decisions at the meeting shall be based on a majority vote of the directors attending the meetings.
- 8.8. In the case of a vacancy of directorship for reason other than expiration of term of office, the Board of Directors shall elect a new director. The resolution of the Board of Directors shall consist of the votes not less than three quarters of number of the remaining directors.
- 8.9. Each director shall have one vote. The directors who have interest in any matter shall have no right to vote in such matter. In the case of an equality of votes, the Chairman of the meeting shall give the casting vote.

Remark : * In case of an appointment of the Lead Independent Director, the duties shall include:

1. Work with the Chairman of the Board and CEO to establish the agenda for regular Board meeting.
2. Serve as Chairman of Board of Directors meetings in the absence of the Chairman of the Board.

APPENDIX

The qualifications of Independent Directors under the Notification of Capital Market Supervisory Board governing application for and approval of an offer for sale of newly issued shares as in effect from time to time.

- (1) Holds shares not exceeding 1% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the applicant, provided that the shares held by the related parties of such independent director shall be included.
- (2) Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission (SEC), provided that such prohibition shall not include the case that such independent director has ever been official or advisor of the government sector that is the major shareholder or controlling party of the applicant.
- (3) Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of director, management, major shareholders, controlling party or the person who is in the process of nomination to be the director, management or controlling party of the applicant or its subsidiary.
- (4) Have no or never had business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

The business relationship mentioned under the first paragraph shall include business transaction in ordinary business manner of rent, or lease the immovable property, transaction related to assets or services, or the financial support regardless of being lent or borrowed, guaranteed, secured, by assets, debt, and any otherwise similar performance which causes liability or obligation to the applicant or counter party, have provided that such liability is equal to or exceed 3% of the net tangible assets of the applicant or equal or above 20 million baht, whichever is lower. In this regard, the calculation of such liability shall be in

accordance with the calculation method of the value of connected transaction under the Notification of Capital Market Supervisory Board governing the conditions of connected transaction mutatis mutandis. The liabilities incurred during a period of 1 year prior to the date of having business relationship with the above party shall be included on calculation of such liabilities.

- (5) Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
- (6) Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received the service fee more than 2 million per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
- (7) Is not the director who is nominated to be the representative of directors of the applicant, major shareholders, or any other shareholder related to the major shareholders.
- (8) Do not operate the same and competitive business with the business of the applicant, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds share for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the applicant, or its subsidiaries.
- (9) Is not any otherwise which is unable to have the independent opinion regarding the business operation of the applicant.

After being appointed as the independent director in accordance with the conditions under the article (1) - (9), such independent director may be assigned by the board of directors to make decision in respect of collective decision on business operation of the applicant, its

parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of applicant.

Where the person appointed by the applicant to be the independent director is the person who has or ever had the business relationship with or ever rendered professional service with higher service fees specified under the article (4) and (6), the applicant shall be relaxed from such prohibition related to the conditions of having the business relationship with or ever rendered professional service with higher specified service fees if only the applicant has provided the opinion of the board of directors of the company showing that the board has considered the issue in accordance with the Section 89/7¹ and found that there is no interference in the independent opinion, and the following information shall be disclosed in the notice of shareholders meeting under the agenda considering the appointment of independent director.

- the business relationship or the professional service provided which cause such person being unqualified.
- reasons and necessity to insist on the appointment of such person as the independent director.
- the opinion of the board of directors of the applicant to propose such person to be the independent director.

For the benefit of the article (5) and (6), wording “partner” shall mean the person who is assigned by the auditing firm, or the professional service provider to be the signatory in the audit report or the report of rendering the professional services (as the case may be) on the behalf of the firm.

¹ Section 89/7 pursuant to the Securities and Exchange Act B.E.2535 (as amended)