



Corporate Governance Policy

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Good Corporate Governance Policy

Introduction

Precise Corporation Public Company Limited ("the Company") and its subsidiaries recognize the importance of developing and elevating existing corporate governance for long-term sustainable growth and to promote transparency. This principle not only builds confidence for shareholders, investors, and all stakeholders, but also creates benefits and good business performance, enhancing overall competitiveness. The Board of Directors mandates the establishment of this Good Corporate Governance Policy, based on the Corporate Governance Code for listed companies 2017 of the Securities and Exchange Commission, which aligns with the international principles of the Organization for Economic Co-Operation and Development (OECD). This policy serves as a key guideline for practices that support value creation for business and promote a culture of corporate governance for sustainable growth.

Principles of Good Corporate Governance

The essence of the policy is divided into 8 practices as follows:

Principle 1: Role and Responsibilities of the Board of Directors as a Leader Creating Sustainable Value for the Business

1.1 Role and Responsibilities as a Leader to Oversee Good Organizational Management

Board of Directors understands and recognizes its role and responsibilities as a leader who must oversee good organizational management, which covers the following matters:

- (1) Defining objectives and goals.
- (2) Determining strategies, operational policies, and allocating key resources to achieve objectives and goals.
- (3) Monitoring, evaluating, and overseeing the reporting of operational performance.

1.2 Creating Sustainable Value for the Business

The Board of Directors specifies its corporate governance oversight to lead to sustainable success, as follows:

- (1) Long-term competitiveness and good operating results.
- (2) Conducting business ethically, respecting rights, and being responsible to shareholders and all stakeholders.
- (3) Considering social benefits along with developing/reducing negative environmental impacts.

- (4) Ability to adapt under changing factors.

1.3 Performing Duties with Responsibility, Care, Honesty, and in compliance with Laws, Regulations, and Shareholder Resolutions

The Board of Directors has a duty to ensure that all directors and executives perform their duties with responsibility, care (Duty of Care), and honesty towards the organization (Duty of Loyalty) for the utmost benefit of the Company.

- (1) Considering that directors and executives perform their duties with responsibility, care, and honesty, which must at least comply with relevant laws/regulations and the Company's Articles of Association.
- (2) Overseeing the establishment of adequate systems and mechanisms to ensure that the Company's operations comply with relevant laws/regulations, Articles of Association, Board resolutions, shareholder resolutions, and the Company's various policies. This also includes having a process for approving significant operations (e.g., investment, significant transactions affecting the business, related-party transactions, acquisition/disposal of assets, and dividend payments, etc.) in accordance with the law.

1.4 Clear Definition of the Scope of Duties and Responsibilities of the Board and Management

The Board defines the scope of duties and responsibilities of the Board of Directors, sub-committees, Chief Executive Officer, and management clearly, and monitors the Chief Executive Officer (Management) to perform duties as assigned.

- (1) The Board of Directors defines the charters of the Board, sub-committees, and the roles and responsibilities of the Chief Executive Officer in writing. It also mandates that these roles and responsibilities be reviewed regularly, at least once a year, to align with the Company's direction.
- (2) The sub-committees are appointed by the Board of Directors to consider, screen, propose opinions or guidelines (on specific matters) to the Board as assigned, which consist of:
 - Audit Committee
 - Executive Committee
 - Nomination & Remuneration Committee
 - Risk Management Committee
 - Corporate Governance and Sustainability Committee

(3) Scope of Authority, Duties, and Responsibilities of the Board and Management

(3.1) Primary Responsibilities of the Board of Directors

- Considering and approving the Company's main objectives, such as Vision, Purpose, and key objectives for business operations.
- Creating an organizational culture committed to ethics and setting an example.
- Overseeing the structure and performance of the Board to be appropriate for the objectives and key goals of the business operation effectively.
- Selecting, developing, defining compensation, and evaluating the performance of the Chief Executive Officer.
- Defining a compensation structure that incentivizes personnel to perform their work in line with the organization's objectives and key goals

(3.2) Responsibilities shared by the Board of Directors and Management

- Defining and reviewing annual goals, business plans, and budgets.
- Arranging for adequate and appropriate internal control and risk management systems.
- Defining appropriate operational approval authority (Delegation of Authority).
- Monitoring, overseeing, and evaluating the performance of tasks assigned to the management to operate according to the defined policies and plans.
- Overseeing the disclosure of information to the public (both financial and non-financial information) to be accurate and reliable.

(3.3) Responsibility of the Chief Executive Officer (Management)

The CEO (Management) is responsible for execution in accordance with the strategy, policies, and plans approved by the Board of Directors.

Principle 2: Define the Purpose and Key Objectives of the Business for Sustainability

2.1 Defining the Purpose and Key Objectives of the Business

The Board of Directors gives high importance to defining the organization's purpose and key objectives for sustainability, by setting objectives and goals that align with creating value for the business, customers, stakeholders, and society, as follows:

- (1) The Board of Directors ensures that the organization's purpose and key objectives are clearly defined, appropriate, and consistent with the economic, social, and environmental context. This is defined as Vision and Core Value and communicated so everyone in the organization moves in the same direction.
- (2) The Core Values of the organization reflect the attributes of good corporate governance:
 - P: Professionalism
 - C: Commit for Sustainable Development Goals
 - C: Co-Creation of the Innovation Clusters
- (3) The Board of Directors promotes communication and reinforces that the organization's purpose and key objectives are reflected in the decision-making and operations of personnel at all levels, until it becomes organizational culture.

2.2 Medium-Term Strategy and Annual Plan consistent with the Business's Purpose and Key Objectives

The Board of Directors oversees the definition of objectives, goals, and business strategies to cover the following important matters:

- (1) The preparation of strategies and annual plans must be consistent with the purpose and key objectives, considering environmental factors, opportunities, and risks acceptable to the Company. It also supports the definition of medium-term strategies (3-5 years) to ensure that annual strategies and plans consider the impact over a longer, reasonably foreseeable period.
- (2) The preparation of strategies and annual plans must include analysis of the environment and risk factors that may affect stakeholders throughout the value chain, as well as factors that may impact the achievement of the organization's key goals. A mechanism must be in place to truly understand the needs of stakeholders.

- (3) The preparation of both short-term and long-term strategies and plans must incorporate innovation and technology to build competitiveness and appropriately respond to the needs of stakeholders, based on social and environmental responsibility.
- (4) The defined goals must be appropriate for the business environment and the organization's potential. Setting goals (both financial and non-financial) must be aware of the risks that could lead to illegal or unethical conduct.
- (5) Objectives, strategies, and plans are communicated throughout the entire organization.
- (6) Resources are appropriately allocated, and performance monitoring according to strategies and annual plans is regular.

Principle 3: Strengthening the Effectiveness of the Board of Directors

3.1 Defining and Reviewing an Appropriate Board Structure to Lead the Organization towards the Defined Purpose and Key Objectives

The Board of Directors is responsible for defining and reviewing the Board's structure, including size, composition, and the appropriate proportion of independent directors necessary to lead the organization towards the defined purpose and key objectives.

- (1) The Board of Directors structure comprises directors with diverse qualifications in terms of skills, experience, and specific expertise, as well as gender and age, which are necessary for achieving the organization's purpose and key objectives, in accordance with the Board Skill Matrix defined by the Company for the benefit of the Company's operations.
- (2) The appropriate number of directors is not less than 5, with at least half of all directors residing in the Kingdom.
- (3) The ratio between executive directors and non-executive directors reflects an appropriate balance of power, as follows:
 - Most directors are non-executive directors who can provide opinions on the management's work independently.
 - The number of independent directors is at least one-third of the total Board, but not less than 3, and they must meet the criteria set by the Securities and Exchange Commission, and the Stock Exchange of Thailand. Independent directors must be able to work efficiently with the entire Board and express opinions independently.

- (4) The Board of Directors discloses information about the Board in the Annual Report (56-1 One Report) as follows:
- Criteria for defining a diverse Board composition (Board Diversity), considering appropriateness and diverse composition to support participation from individuals with different backgrounds, which will enhance the Board's performance and effective decision-making for the utmost benefit of the Company and stakeholders in all dimensions.
 - Information on individual directors, such as name-surname, position, age, gender, education history, experience, shareholding proportion, number of years in office, and positions held in other listed companies.

3.2 Scope of Duties and Qualifications of the Chairman of the Board

The Board of Directors selects an appropriate person as the Chairman and ensures that the Board's composition and operations facilitate independent judgment in decision-making.

- (1) The Chairman must be an independent director.
- (2) The Chairman and the Chief Executive Officer have different responsibilities, and the Board clearly defines the authorities and duties of the Chairman and the Chief Executive Officer.
- (3) The Chairman, as the leader of the Board of Directors, has duties that cover at least the following matters:
 - Overseeing and monitoring to ensure that the Board's performance is efficient and achieves the organization's purpose and key objectives.
 - Ensuring that all directors participate in promoting a culture of ethics and good corporate governance.
 - Defining the Board meeting agenda in consultation with the Chief Executive Officer and establishing measures to ensure important matters are included in the agenda.
 - Allocating sufficient time for management to present matters for the directors to discuss key issues comprehensively and encouraging directors to use prudent judgment and express opinions independently.
 - Fostering good relationships between executive and non-executive directors, and between the Board and management.
- (4) In cases where the Chairman and the Chief Executive Officer are not clearly separated, such as when they are members of the same family, the Board will

promote a balance of power between the Board and management. The Board will appoint one independent director to jointly consider defining the meeting agenda to ensure important matters are included in the Board meeting agenda.

- (5) The Board of Directors stipulates that independent directors should serve continuously for no more than 9 years from the date of their initial appointment as an independent director.
- (6) The Board of Directors considers appointing sub-committees to consider specific issues, screen information, and propose guidelines for consideration before submitting them to the Board for approval (as the case may be). The composition, scope of duties, and responsibilities are defined in the charter of each sub-committee.
- (7) The Board of Directors ensures the disclosure of information regarding the roles and duties of the Board and sub-committees, the number of meetings, the number of times each director attended meetings in the past year, and the performance reports of all sub-committees.

3.3 Transparent and Clear Process for the Selection and Nomination of Directors

The Board of Directors oversees the transparent and clear process for the selection and nomination of directors to ensure a Board with qualifications that align with the defined composition.

- (1) The Board of Directors appoints the Nomination and Remuneration Committee, chaired by an independent director, with majority of members being independent directors.
- (2) The Nomination and Remuneration Committee considers and defines the criteria and methods for selection to ensure directors have the qualifications that will result in a Board with a diverse composition of knowledge, capabilities, experience, and expertise (Board Diversity) for the benefit of overseeing the Company's operations. It also submits the results of the Board Skill Matrix assessment to the Board of Directors for approval.
- (3) The Nomination and Remuneration Committee reviews the criteria and methods for director selection to propose to the Board of Directors before nominating new directors to replace those whose term has ended. In case of nominating the same director, the performance of that director will also be considered.

3.4 Proposal of Director Remuneration for Shareholder Approval

The Board of Directors considers a compensation structure and rate that is appropriate for the responsibilities and incentivizes the Board to lead the organization to achieve its goals in both the short and long term.

- (1) The Board of Directors has appointed the Nomination and Remuneration Committee, with majority of members being independent directors, to consider the criteria for defining director remuneration.
- (2) Director compensation must align with the Company's long-term strategy and goals, the scope of duties and responsibilities (Accountability and Responsibility), and the expected benefits from each director. Directors assigned additional duties and responsibilities, such as serving on a sub-committee, will receive additional compensation. This compensation is considered comparable to companies in similar industries and sizes.
- (3) Shareholders approve the rate of director remuneration, both monetary and non-monetary forms. The Board of Directors considers each type of compensation to be appropriate, including fixed compensation (monthly compensation, meeting allowance) and performance-based compensation (bonus, gratuity (if any)). This must be linked to the value the company creates for shareholders but not be so high as to focus only on short-term benefits.
- (4) The Board of Directors discloses the criteria for defining director remuneration, reflecting the duties and responsibilities of each person, as well as the form and amount of compensation.
- (5) In cases where the Board appoints any person as an advisor to the Nomination and Remuneration Committee to provide consultation and recommendation in actions, the Board must arrange for the disclosure of information about that advisor in the Annual Report (56-1 One Report), which includes information indicating independence or lack of conflict of interest.

3.5 Sufficient Time Commitment of the Board

The Board oversees all directors are responsible for performing their duties and allocating sufficient time, as follows:

- (1) Ensuring mechanisms are in place to support directors in understanding their roles and duties.
- (2) Establishing criteria that limit the holding of directorships in other listed companies to a maximum of 5 in total, to ensure directors can dedicate sufficient time to their duties. It also mandates the reporting of other

directorships of directors for disclosure in the Annual Report (56-1 One Report).

- (3) Establishing a system for reporting other directorships of directors, which must be disclosed to the Company.
- (4) Directors and/or executives must report their interests (including related persons) in other businesses to the Company, according to the criteria and methods defined by the Company. This information is used by the Company to prevent conflicts of interest. Directors and/or executives who have an interest are prohibited from participating in proposing, considering, or approving transactions the Company enters if they have an interest in that matter.
- (5) Each director is required to attend at least 75% of all Board meetings held during the year.

3.6 Oversight of Subsidiaries' Operations and Other Significant Investments

The Board of Directors establishes a clear, written policy for overseeing the operations of the Company and associated companies that conduct core business, covering the following important matters:

- (1) The Board of Directors appoints or nominates individuals to be directors and/or executives of subsidiaries and other businesses in which the Company invests, at least in proportion to the Company's shareholding.
- (2) Mandating the individuals mentioned in point (1) to act as representatives of the Company in overseeing, defining policies, monitoring operations, and managing important matters of the subsidiaries and invested businesses to the best of their ability, to protect the interests and ensure operations align with the Company's policies.
- (3) Mandating the individuals mentioned in point (1) to oversee the internal control system of the subsidiaries to be appropriate and robust, and ensure that all transactions comply with relevant laws and regulations.
- (4) Mandating the individuals mentioned in point (1) to disclose important information of the subsidiaries to the Board of Directors accurately and promptly. This includes, but is not limited to, significant information such as financial position and operating results, related-party transactions, acquisition/disposal of assets, or any other significant transactions, capital increase/decrease, company dissolution, etc.
- (5) In case of joining an investment in another significant business, such as holding a share proportion of 20% to not more than 50% with the investment

amount or potential additional investment being significant to the Company, the Board of Directors will ensure that a Shareholders' Agreement is established. This is to clarify the authority in management, participation in major decision-making, and performance monitoring, enabling the Company to use this information for preparing financial statements according to standards and timelines.

3.7 Annual Performance Evaluation of the Board, Sub-Committees, and Individual Directors

The Board of Directors arranges for an annual performance evaluation of the Board, sub-committees, and individual directors, with the evaluation results used for further performance development.

- (1) The Board and sub-committees conduct a performance evaluation at least once a year, to allow directors to jointly consider performance and problems, and find ways for improvement.
- (2) The performance evaluation is conducted both collectively and individually. The Company discloses the criteria, process, and overall results of the evaluation in the Annual Report (56-1 One Report).
- (3) The Board of Directors may consider having an external consultant assist in defining guidelines/suggesting topics for the performance evaluation of the Board and sub-committees at least once every 3 years and disclose this action in the Annual Report (56-1 One Report).
- (4) The evaluation results of the Board should be used in considering the appropriateness of the Board's composition.

3.8 Oversight to Ensure Each Director Understands Their Role, Duties, and the Company's Business Nature

The Board of Directors oversees that each director has the knowledge and understanding of their roles, duties, the business nature, and laws related to the business operation. It also supports all directors in regularly enhancing their skills for performing their director's duties.

- (1) The Board of Directors ensures that newly appointed directors are introduced and provided with the necessary information for performing their duties, including understanding the organization's purpose, key objectives, vision, mission, core values, as well as the Company's business nature and operational guidelines.

- (2) Directors receive continuous training and knowledge development.
- (3) Directors understand the laws, regulations, standards, risks, and environment related to the business operation, including receiving up-to-date information regularly.
- (4) Information on the training and knowledge development of the Board and sub-committees is disclosed in the Annual Report (56-1 One Report).

3.9 Access to Information Necessary for the Board's Operations

The Board of Directors ensures that the Board's operations proceed smoothly, that it has access to necessary information, and has a Corporate Secretary with the necessary knowledge and capability appropriate to support the Board's operations.

- (1) The Corporate Secretary schedules meetings in advance for the entire year to allow directors to allocate time and attend meetings.
- (2) The number of meetings is set appropriately to the duties and responsibilities of the Board, with a minimum of 6 meetings per year. In months without a Board meeting, management may be required to report operating results to the Board, to continuously and timely oversee the management's performance.
- (3) The Board of Directors has a mechanism that allows each director, as well as the management, the independence to propose matters beneficial to the Company for inclusion in the agenda.
- (4) For each Board meeting, the Corporate Secretary notifies the meeting notice along with the agenda to the directors at least 7 days in advance of the meeting date, and the meeting documents at least 5 days in advance for directors to have sufficient information for decision-making, except in urgent cases.
- (5) The Board of Directors supports the Chief Executive Officer inviting senior executives to attend Board meetings to provide information and additional details in their capacity as being directly related to the issue, and to allow the directors to get to know the senior executives for use in considering the succession plan.
- (6) The Board of Directors can access necessary information from the Chief Executive Officer, Corporate Secretary, or other assigned executives within the defined scope. If necessary, the Board may seek independent opinions

from external consultants or professionals, which is considered an expense of the Company.

- (7) The Board of Directors arranges for a meeting of non-executive directors at least once a year, to allow them to meet privately as necessary to discuss various management issues without the management present, and to inform the Chief Executive Officer of the meeting results.
- (8) The Board of Directors appoints a person with appropriate qualifications and experience necessary for performing the duty of providing advice on laws and regulations that the Board needs to know, managing meeting documents, important Company documents, and organizing Board activities, as well as coordinating the implementation of Board resolutions. The Board of Directors discloses the qualifications, experience, and duties of the Corporate Secretary in the Annual Report (56-1 One Report).
- (9) The Board of Directors supports the Corporate Secretary receiving continuous training and knowledge development for the benefit of their duties. Specifically, the Corporate Secretary must attend professional development courses certified by credible institutions, such as the Thai Institute of Directors (IOD) or the Thai Listed Companies Association (TLCA), etc.

Principle 4: Selection and Development of Senior Management and Personnel Management

4.1 Selection of the Chief Executive Officer and Development of Senior Management

The Board of Directors ensures that the Chief Executive Officer and senior management are selected and developed to have the necessary knowledge, skills, experience, and qualifications to drive the organization towards its goals.

- (1) The Board of Directors assigns the Nomination and Remuneration Committee to define the criteria and methods for selecting a suitable person for the position of Chief Executive Officer.
- (2) The Board of Directors monitors the Chief Executive Officer to ensure the presence of suitable executives. At a minimum, the Board of Directors or the Nomination and Remuneration Committee, together with the Chief Executive Officer, considers the criteria and methods for selection and approves the individuals proposed by the Chief Executive Officer as senior executives.
- (3) To ensure continuous business operation, the Board of Directors oversees the preparation of a Succession Plan to prepare for the succession of the Chief

Executive Officer and senior executives. The results of the implementation of the Succession Plan are reported to the Board of Directors for acknowledgement at least once a year.

- (4) The Board of Directors promotes and supports the Chief Executive Officer and senior executives to receive training, development, and enhancement of knowledge and experience beneficial to their work.
- (5) The Board of Directors clearly defines the policy for the Chief Executive Officer and senior executives holding directorships or executive positions in other companies. They may hold positions as directors in other companies but must not participate in management and must not be an obstacle to their time commitment to their duties. They are also prohibited from becoming partners or directors in other legal entities of the same nature and competing with the business of the Company and its subsidiaries, whether for their own benefit or the benefit of others.

4.2 Defining Appropriate Compensation Structure and Performance Evaluation

The Board of Directors oversees the definition of an appropriate compensation structure and performance evaluation.

- (1) Defining a compensation structure that incentivizes the Chief Executive Officer, senior executives, and personnel at all levels to perform their work in line with the organization's purpose and goals, and aligns with the long-term interests of the business, which includes:
 - Considering the appropriateness of the compensation structure, including salary, short-term performance results (e.g., bonuses), and long-term performance results (e.g., Employee Stock Ownership Plan).
 - Defining compensation payment, considering factors such as a compensation level comparable to the industry average.
 - Defining performance evaluation criteria and communicating them for awareness.
- (2) The non-executive directors (NED, ID) have a role regarding the compensation and performance evaluation of the Chief Executive Officer in at least the following matters:
 - Approving the performance evaluation criteria for the Chief Executive Officer. The evaluation criteria should incentivize the CEO to manage the business in line with the purpose, key objectives, and strategy, which aligns with the long-term interests of the business. The evaluation criteria must be communicated to the Chief Executive Officer in advance.

- The Chief Executive Officer's performance is evaluated annually. The Chairman of the Board communicates the evaluation results, including areas for development, to the Chief Executive Officer.
- (3) The Board of Directors assigns the Nomination and Remuneration Committee to consider the compensation structure of senior executives for submission to the Board of Directors for approval.
- (4) The Board of Directors assigns the Executive Committee to consider defining performance evaluation criteria for employees throughout the organization.

4.3 Shareholder Structure and Relationships

The Board of Directors should understand the shareholder structure and relationships that may affect the management and operation of the organization.

- (1) The shareholder structure and relationships may be in the form of internal family agreements (whether written or unwritten), shareholder agreements, or group company policies, which affect the power to control the management of the business.
- (2) The Board of Directors should oversee the following:
- Preventing agreements according to point (1) that would obstruct the Board's performance of its duties.
 - If such agreements cannot be avoided or prevented, the various agreements that affect the control of the business must be appropriately disclosed.

4.4 Personnel Management and Development

The Board of Directors monitors the management and development of personnel to ensure an appropriate number, knowledge, skills, experience, and motivation.

- (1) Ensuring human resource management aligns with the organization's direction and strategy. Employees at all levels have appropriate knowledge, abilities, and motivation, and are treated fairly, to retain talented personnel within the organization.
- (2) Ensuring the establishment of a provident fund to ensure employees have sufficient savings to support retirement. This includes supporting employees in financial management knowledge and understanding, selecting investment policies that align with their age and risk level, etc.

Principle 5: Promoting Innovation and Responsible Business Conduct

5.1 Creating Innovation to Add Value to the Business and Benefit Stakeholders

The Board of Directors gives importance to and supports the creation of innovation that adds value to the business and benefits stakeholders, with responsibility towards society and the environment, as follows:

- (1) Creating an organizational culture that promotes innovation and ensures management incorporates it as part of strategy review, planning for development and operational improvement, and regular monitoring of results.
- (2) Promoting the creation of innovation to enhance the value of the business in accordance with ever-changing environmental factors. This includes defining business models, mindset, perspectives on product design and development, research, process improvement, and collaboration with partners. (However, this innovation must not be one that promotes inappropriate, illegal, or unethical behavior).

5.2 Monitoring Management to Conduct Business Responsibly towards Society and the Environment

The Board of Directors ensures mechanisms are in place to confirm that the Company conducts business ethically, responsibly towards society and the environment, and does not violate the rights of stakeholders. This is to guide all parts of the organization towards achieving the purpose and key objectives sustainably. This is established as a written policy covering the following matters:

- (1) Responsibility towards employees and staff.
- (2) Responsibility towards customers.
- (3) Responsibility towards business partners.
- (4) Responsibility towards the community.
- (5) Responsibility towards the environment.
- (6) Fair competition.
- (7) Anti-corruption and anti-bribery.

5.3 Monitoring and Reviewing Compliance with Responsibility to Society and the Environment

The Board of Directors (the Board) shall oversee the management to ensure that resource allocation is undertaken efficiently and effectively, considering the impact and development of resources throughout the **Value Chain**. This is to enable the achievement of the principal objectives and goals in a sustainable manner, as follows:

- (1) Be aware of the necessity of various resources required, including Financial Capital, Manufactured Capital, Intellectual Capital, Human Capital, Social and Relationship Capital, as well as Natural Capital, and recognize that the use of each type of resource can have interrelated impacts.
- (2) Recognize that different business models create different impacts on resources. Therefore, decisions regarding the choice of business model should take into consideration the potential impacts and value creation for resources, while maintaining ethical conduct, responsibility, and long-term sustainable value for the organization.
- (3) Accordingly, the Board of Directors ensures that in achieving the organization's objectives and key goals, management regularly reviews, develops, and oversees the efficient and effective use of resources, taking into account ongoing changes in both internal and external factors.

5.4 Corporate IT Governance and Management

The Board of Directors establishes a corporate-level framework for IT governance and management that aligns with the needs of the business. The Board also ensures that technology is utilized to create business opportunities, enhance operational performance, and support risk management so the organization can achieve its objectives and key goals, as follows:

- (1) Establish IT resource management policies that cover adequate resource allocation to support business operations and define guidelines for situations where resources cannot be allocated as planned, for the following purposes:
 - Comply with all applicable laws, regulations, rules, and standards related to the use of information technology.
 - Maintain information security by ensuring confidentiality, integrity, and availability of data, and prevent unauthorized use, access, or alteration of information.

- Consider IT-related risks and implement appropriate risk management measures, including business continuity management, incident management for information security events, and information asset management.
- Evaluate and allocate IT resources based on established criteria and prioritization factors for IT projects, such as alignment with business plans, impact on business operations, urgency, budget availability, IT personnel resources, and consistency with the business model.

Principle 6: Ensuring Appropriate Risk Management and Internal Control Systems

6.1 Establishing and Overseeing an Effective Risk Management System

The Board of Directors assures that the Company has an effective risk management and internal control system that supports the achievement of its objectives and compliance with applicable laws and standards through the following actions:

- (1) Understand the key risks of the business and approve the acceptable risk level.
- (2) Review and approve the risk management policy that aligns with the Company's objectives, key goals, strategies, and acceptable risk levels. This policy serves as a framework to ensure that all employees manage risks in a consistent manner. The Board also places importance on early warning signals and ensures that the risk management policy is reviewed at least once a year.
- (3) Establish guidelines for identifying and assessing the Company's risks, covering both external and internal factors that may impact the achievement of objectives and targets. The assessment must consider key risk categories such as Strategic Risk, Operational Risk, Financial Risk, Compliance Risk, Sustainability (ESG) Risk, as well as Emerging Risks.
- (4) Oversee the risk management process to ensure that impacts and likelihoods are assessed, risks are prioritized, and appropriate risk management measures are determined.
- (5) Assign the Risk Management Committee to review items (1)–(4) before submission to the Board of Directors for consideration.
- (6) Monitor and evaluate the effectiveness of risk management at least once a year.

- (7) Oversee that the Company conducts its business in compliance with applicable laws and relevant domestic and international standards.
- (8) In cases where the Company has subsidiaries or other entities in which it holds a significant investment (voting rights of 20% to 50%), the Board of Directors incorporates the results of those entities' internal control and risk management assessments in its consideration of items (1)–(7).

6.2 The Audit Committee can perform its duties effectively and independently

- (1) The Board of Directors appoints an Audit Committee consisting of at least three independent directors who possess the qualifications and perform the duties required by the Securities and Exchange Commission and the Stock Exchange of Thailand.
- (2) The Board of Directors defines the duties of the Audit Committee in writing. At a minimum, the Audit Committee shall:
 - Review to ensure that the Company's financial reporting is accurate and complete.
 - Review to ensure that the Company has an appropriate and effective internal control and internal audit system.
 - Review to ensure compliance with applicable laws and relevant standards.
 - Review the independence of the Internal Audit Unit and provide approval regarding the appointment, transfer, or dismissal of the Head of Internal Audit.
 - Select and propose an independent auditor and recommend the auditor's remuneration, as well as meet with the auditor without management present at least once a year.
 - Review related-party transactions or transactions that may involve conflicts of interest to ensure compliance with laws and relevant regulations, and that such transactions are reasonable and in the best interests of the Company.
 - Review the accuracy of supporting documents and the self-assessment form related to the Company's anti-corruption measures under the Thailand Private Sector Collective Action Against Corruption (CAC) program.
- (3) The Board of Directors provides mechanisms or tools that enable the Audit Committee to access necessary information to perform their assigned duties, including the ability to:

- Able to summon relevant individuals to provide information in support of its duties.
 - Consult with the external auditor.
 - Seek independent professional opinions from external advisors to support their decision-making.
- (4) The Board of Directors provides an internal audit function or personnel with independence to perform their duties. This function is responsible for developing and reviewing the effectiveness of the Company's risk management and internal control systems and reporting to the Audit Committee, as well as disclosing such information in the Annual Report (Form 56-1 One Report).
- (5) The Audit Committee provides an opinion on the adequacy of the Company's risk management and internal control systems, and this information is disclosed in the Annual Report (Form 56-1 One Report).

6.3 Monitoring and Managing Conflicts of Interest

The Board of Directors monitors, oversees, and manages potential conflicts of interest between the Company and management, directors, or shareholders. This includes preventing the improper use of the Company's assets, information, and opportunities, and transactions with related parties in an inappropriate manner, by taking the following actions:

- (1) Oversee the establishment of an information security system, including policies and procedures to ensure confidentiality, integrity, and availability of information, as well as the management of market-sensitive information. The Board also ensures that directors, senior executives, employees, and relevant external parties such as legal advisors and financial advisors comply with the information security requirements.
- (2) Oversee the management and monitoring of transactions that may involve conflicts of interest and ensure that guidelines and procedures are in place so that such transactions follow the required processes and disclosures as stipulated by law. The primary consideration must be the best interests of the Company and its shareholders, and any interested persons must not participate in the decision-making process.
- (3) Require directors and/or executives to report their interests at least twice a year. Additionally, prior to any meeting where a matter is to be considered, if any director and/or executive has a vested interest, they must report it to the

Board, and such disclosure must be recorded in the meeting minutes. The interested individual must also refrain from participating in the deliberation of that agenda item.

6.3 Establishing a clear anti-corruption policy and guidelines.

The Board of Directors oversees the establishment of a clear anti-corruption and anti-bribery policy and guidelines, communicating it at all organizational levels and to external parties for practical implementation. It also supports activities that instill in all employees' compliance with relevant laws and regulations.

6.4 Mechanisms for Receiving Complaints and Handling Whistleblowing Reports

The Board of Directors undertakes the following actions:

- (1) Oversee the establishment of mechanisms and processes for managing stakeholders' complaints, including recording, monitoring progress, and tracking the resolution of issues.
- (2) Oversee the establishment of a Whistleblowing and Complaint Policy that outlines procedures and provides more than one convenient channel for reporting concerns. Reporting channels include the Company's website and direct communication with independent directors or the Audit Committee. These channels are disclosed on the Company's website and in the Annual Report (Form 56-1 One Report).
- (3) Oversee the implementation of appropriate protection measures, including keeping all reported information confidential to ensure the safety of whistleblowers.

Principle 7: Maintaining Financial Credibility and Information Disclosure

7.1 Ensuring Financial Credibility and Accuracy in Financial Reporting

The Board of Directors oversees the financial credibility and accuracy of financial reporting, as follows:

- (1) Ensure that personnel involved in the preparation and disclosure of information possess the appropriate knowledge, skills, and experience for their responsibilities, and that there are sufficient personnel in place. Such personnel include, but are not limited to, the chief accounting and finance executives, accountants, internal auditors, the company secretary, and investor relations officers.
- (2) Approve disclosures by considering relevant factors. For financial reports, the Board considers at least the following:

- The result of assessment adequacy of internal control systems
 - The auditor’s opinion on the financial statements and any observations regarding internal controls, including observations communicated through other channels (if any)
 - The Audit Committee’s opinion
 - Alignment with the Company’s objectives, key goals, strategies, and policies
- (3) Ensure that disclosures—including financial statements and the Annual Report (Form 56-1 One Report)—adequately reflect the Company’s financial position and performance. The Board should also encourage the preparation of a Management Discussion and Analysis (MD&A) to accompany each quarterly financial statement, enabling investors to better understand changes in the Company’s financial position and operating results beyond numerical figures alone.
- (4) When a disclosure relates specifically to any individual director, that director is responsible for ensuring the accuracy and completeness of such information—e.g., shareholding information of their group, or disclosures related to their shareholder agreements.

7.2 Monitoring the Adequacy of Financial Liquidity and Debt-Servicing Capability

The Board of Directors monitors and oversees the Company’s financial liquidity and ability to meet its debt obligations as follows:

- (1) Oversee management’s ongoing monitoring and assessment of the Company’s financial position and require regular reporting to the Board. If there are any indicators of liquidity issues or concerns regarding the Company’s debt-servicing ability, the Board and management shall work together to promptly implement corrective measures.
- (2) When approving any transactions or providing recommendations for shareholder approval, the Board ensures that such transactions will not adversely affect the Company’s business continuity, financial liquidity, or ability to meet its debt obligations.

7.3 Resolving Financial Difficulties or Potential Financial Distress

When the Company is facing financial difficulties or is at risk of encountering such problems, the Board of Directors assures the Company has a plan or appropriate

mechanisms to address the situation, while considering the rights of stakeholders, as follows:

- (1) In cases where the Company is likely to be unable to meet its debt obligations or is experiencing financial problems, the Board closely monitors the situation, ensures that the business is operated with caution, and complies with all disclosure requirements.
 - Continuous losses
 - Low cash flow
 - Incomplete financial information
 - Inadequate accounting systems
 - Lack of cash flow forecasting and budgeting
 - Absence of a business plan
 - Liabilities exceeding assets
- (2) Ensure that the Company establishes a financial recovery plan that is fair to stakeholders, including creditors, and monitor the progress of corrective actions by requiring management to provide regular status updates.
- (3) Ensure that any decisions made to resolve the Company's financial problems, regardless of the method used, are reasonable and appropriate.

7.4 Sustainability Reporting

The Board of Directors ensures the preparation of sustainability reports as appropriate by undertaking the following actions:

- (1) Assess the appropriateness of disclosing information regarding compliance with laws, the code of conduct, anti-corruption policies, fair treatment of employees and stakeholders, adherence to human rights principles, as well as social and environmental responsibility. Such disclosures should follow nationally or internationally recognized reporting frameworks. The Company has disclosed this information in the Annual Report (56-1 One Report) and prepares a separate Sustainability Report.
- (2) Ensure that disclosed information is material and reflects practices that contribute to long-term value creation for the organization.

7.5 Oversight of Management in Establishing an Investor Relations Function

The Board of Directors oversees management to ensure that the Company has an Investor Relations (IR) unit or designated personnel responsible for

communicating with shareholders and other stakeholders, through the following actions:

- (1) The Board of Directors oversees management to ensure that the Company has an Investor Relations (IR) unit or designated personnel responsible for communicating with shareholders and other stakeholders, through the following actions:
 - Reporting through information dissemination channels of the Stock Exchange of Thailand
 - Communications via the Company's website (www.precise.co.th)
 - Participation in the Stock Exchange of Thailand's Opportunity Day
 - Providing information to shareholders, analysts, or investors during Company Visits
 - Analyst or investor meetings (Analyst Meeting), etc.
- (2) Assign appropriate personnel to communicate with external parties, ensuring they possess the qualifications required to perform the role effectively. They should have a strong understanding of the Company's business, objectives, core goals, and values, and be capable of communicating effectively with the capital market. Suitable representatives may include the Chief Executive Officer, the head of Finance and Accounting, or the head of Investor Relations.
- (3) Oversee management in setting direction and supporting IR operations, such as establishing guidelines for information dissemination, adopting policies for managing information that may affect the Company's securities price, and clearly defining the duties and responsibilities of Investor Relations to ensure effective communication and disclosure.

7.6 Promoting the Use of Information Technology in Information Disclosure

In addition to disclosing information through the channels prescribed by the Stock Exchange of Thailand, the Board of Directors considers disclosing information in both Thai and English through other channels, such as the Company's website, while ensuring the consistency and timeliness of information provided.

Principle 8: Supporting Stakeholder Engagement and Communication with Shareholders

8.1 Ensuring Shareholder Participation in Major Company Decisions

The Board of Directors gives importance to the rights of shareholders to receive Company news accurately, completely, sufficiently, timely, and equally, as follows:

- (1) Oversee key matters prescribed by law or those that may significantly impact the company's direction. Such matters must be reviewed and/or approved by shareholders and will be included as agenda items for shareholders' meetings.
- (2) Promote shareholder participation by establishing criteria that grant minority shareholders the right to:
 - Propose additional meeting agenda items in advance of the shareholders' meeting. The Board will consider including the proposed matter in the agenda. If the Board rejects a proposed agenda item, the reasons will always be communicated to the shareholders' meeting.
 - Nominate candidates for directorship positions.
 - The Company will disclose such criteria to shareholders in advance.
- (3) Ensure that the Notice of the Shareholders' Meeting contains accurate, complete, and sufficient information for shareholders to exercise their rights.
- (4) Ensure that the Notice of the Shareholders' Meeting and all related documents:
 - Prepared and disclosed in both Thai and English.
 - Published on the Company's website at least 28 days prior to the meeting date.
- (5) Allow shareholders to submit questions in advance of the meeting by establishing criteria for advance question submission and publishing such criteria on the Company's website.

8.2 Conducting Shareholders' Meetings in a Manner That Facilitates the Exercise of Shareholders' Rights

The Board of Directors ensures that the shareholders' meeting is conducted smoothly, transparently, efficiently, and in a manner that enables shareholders to fully exercise their rights, as follows:

- (1) Set the meeting date, time, and venue with consideration for shareholders' convenience, such as choosing an appropriate time that allows sufficient discussion and selecting a location that is easily accessible.
- (2) Avoid any actions that hinder or place an undue burden on shareholders' ability to attend the meeting. For example, shareholders or proxies are not required to present documents or identification beyond what is required by relevant regulatory guidelines.
- (3) Promote the use of technology for shareholder registration, vote counting, and result display to ensure the meeting proceeds quickly, accurately, and reliably.
- (4) The Chairman of the Board presides over the meeting, ensuring that it complies with laws, regulations, and the Company's Articles of Association. The Chairman allocates appropriate time for each agenda item and allows shareholders to express opinions and raise questions related to the Company.
- (5) To enable shareholders to make informed decisions, directors attending the meeting in their capacity as directors or shareholders do not support adding agenda items without prior notice, unless necessary especially for important matters requiring shareholders to review information in advance.
- (6) The Company has a policy requiring all directors and relevant executives to attend the meeting, allowing shareholders to ask questions on related matters.
- (7) Prior to the start of the meeting, shareholders are informed of the number and proportion of attending shareholders, both in person and by proxy, as well as the meeting procedures, voting methods, and vote-counting processes.
- (8) If an agenda item contains multiple issues, the Chairman should arrange separate voting for each item. For example, in the agenda for director election, shareholders should vote on each candidate individually.
- (9) The Board of Directors encourages the use of ballots for important agenda items and supports the engagement of an independent party to count or verify votes. The meeting results—including Vote for approval, against, and abstentions should be disclosed to the meeting and recorded in the minutes.

8.3 Resolutions and Minutes of Shareholders' Meetings

The Board of Directors ensures that the disclosure of meeting resolutions and the preparation of shareholders' meeting minutes are accurate and complete, as follows:

- (1) Ensure that the Company discloses shareholders' meeting resolutions along with the voting results by the next business day through the Stock Exchange of Thailand's news system and on the Company's website.
- (2) Ensure that copies of the shareholders' meeting minutes are submitted to the Stock Exchange of Thailand within 14 days from the date of the meeting.
- (3) Ensure that the shareholders' meeting minutes record at least the following information:
 - Names of directors and executives attending the meeting, and the proportion of directors present or absent.
 - Voting and counting procedures, meeting resolutions, and voting results (for, against, abstained) for each agenda item.
 - Questions raised and answers provided during the meeting, including the full names of the persons asking and answering.