

(Translation)



CHARTER OF THE BOARD OF DIRECTORS
PRIMA MARINE PUBLIC COMPANY LIMITED

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30th March 2017

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1. Objective

The Board of Directors has its significant roles in supervising the management of the Company's businesses, including the determination of directions, policies and business strategies of the Company for the utmost benefits of the Company and its shareholders and in monitoring the operations of subcommittees of the Company; provided that the Board of Directors shall also have powers, duties and responsibilities as prescribed by laws, regulations, objectives and resolutions of the shareholders' meetings of the Company.

2. Components

The Board of Directors shall have its components, as follows:

- (1) Members of the Board of Directors need not be shareholders of the Company.
- (2) The number of members of the Board of Directors shall be as fixed by the shareholders' meetings but shall not be less than 5 people, and at least half of the total number of members of the Board of Directors shall reside in the Kingdom.
- (3) Members of the Board of Directors shall consist of independent directors equal to at least one-third of the total number of members of the Board of Directors but shall not be less than 3 people.

Provided that the Board of Directors shall select one director as the Chairman of the Board of Directors; and in case, the Board of Directors may deem expedient, one or several director(s) may also be selected as Vice Chairman (Vice Chairmen) of the Board of Directors.

3. Qualifications of Members of the Board of Directors

Members of the Board of Directors shall have qualifications, as follows:

- (1) Shall have knowledge, abilities, honesty, business ethics and enough time to devote knowledge, abilities and performance of duties for the Company;
- (2) Shall have full qualifications and shall not have any prohibited characteristics under the law governing limited public companies, the law governing securities and exchange and other related laws; and shall not have any characteristics indicating inappropriateness to be entrusted for management of businesses of which shares are owned by the general public as prescribed and announced by the Capital Market Supervisory Board;
- (3) Shall not operate businesses similar to or in competition with the Company's businesses, or shall not be partners or directors in other corporations that have operated businesses similar to or in competition with the Company's businesses no matter whether for personal benefits or for benefits of others unless having notified the same to the shareholders' meetings in advance and having been appointed by resolutions of the shareholders' meetings;

(4) Independent directors shall have qualifications relating to independency as prescribed by the Company and in accordance with guidelines prescribed in announcements of the Capital Market Supervisory Board, including announcements of future amendments thereof, and shall be able to take care of benefits of all shareholders on an equal basis, thus, to prevent any conflict of interests; moreover, independent directors shall be able to attend the Board of Directors' meetings and to give their independent opinions therein;

Provided that the Company required non-executive directors to be independent directors from the Management, major shareholders and authorized controllers and to be non-related parties to the Company in the manner of limiting the expression of independent opinions, and shall have additional qualifications as per regulations of the Office of Securities and Exchange Commission and regulations of the Stock Exchange of Thailand, i.e.,

(a) Holding not exceeding 1% of the total voting shares of the Company, parent corporations, subsidiaries, associated companies or authorized controllers of the Company, thus, including the shareholding of related parties of such independent directors;

(b) Not being or used to be executive directors, workers, employees, consultants with regular salaries, or authorized controllers of the Company, parent corporations, subsidiaries, associated companies, subsidiaries of the same class, major shareholders or authorized controllers of the Company, except for being released from such offices for not less than 2 years prior to the appointment; provided always that such prohibited characteristics shall not include the event that such independent directors used to be government officials or consultants of government agencies and major shareholders or authorized controllers of the Company;

(c) Not being persons with blood relations or by lawful registration as father, mother, spouse, siblings and children, including spouses of children of other directors, executives, major shareholders, authorized controllers or persons nominated as directors, executives or authorized controllers of the Company or subsidiaries;

(d) Not having or used to have business relationship with the Company, parent corporations, subsidiaries, associated companies, major shareholders or authorized controllers of the Company in the manner which may prevent the use of their independent discretion, and not being or used to be significant shareholders or authorized controllers of persons who have business relationship with the Company, parent corporations, subsidiaries, associated companies, major shareholders or authorized controllers of the Company, except for being released from such offices for not less than 2 years prior to the appointment;

Such business relationship shall include normal commercial transactions for business operation, leasing or letting of real property, particulars relating to assets or services, provision or receipt of financial assistance by means of receipt or provision of loans, guarantee, giving of assets as guarantee of debts, including any other similar circumstances which may incur any burden of debts to the Company or contractual parties payable to the other party thereto equal to at least 3% of the net tangible assets of the Company or equal to at least 20 million Baht, whichever is lower.

Provided that the calculation of such burden of debts shall be, *mutatis mutandis*, in accordance with the method of calculation of value of related transactions as per the Announcement of the Capital Market Supervisory Board Governing the Criteria for Making Related Transactions. Regarding the consideration of such burden of debts, it shall include burden of debts incurred during a period of 1 year prior to the occurrence of business relationship with the same persons;

(e) Not being or used to be auditors of the Company, parent corporations, subsidiaries, associated companies, major shareholders or authorized controllers of the Company, and not being significant shareholders, authorized controllers or partners of audit offices which are original affiliation of auditors of the Company, parent corporations, subsidiaries, associated companies, major shareholders or authorized controllers of the Company, except for being released from such offices for not less than 2 years prior to the appointment;

(f) Not being or used to be any professional service providers, including provision of legal or financial consulting services with amount of service fees of more than 2 million Baht per year from the Company, parent corporations, subsidiaries, associated companies, major shareholders or authorized controllers of the Company, and not being significant shareholders, authorized controllers or partners of such professional service providers, except for being released from such offices for not less than 2 years prior to the appointment;

(g) Not being directors who have been appointed as representatives of the Company's directors, major shareholders or shareholders who are related parties to major shareholders;

(h) Not being persons who have operated similar and significantly competitive businesses to businesses of the Company or subsidiaries or becoming significant partners in partnerships or being executive directors, workers, employees, consultants with regular salaries or holding exceeding 1% of the total voting shares of other companies that have operated similar and significantly competitive businesses to businesses of the Company or subsidiaries;

(i) Not having any other characteristics that impaired their abilities of giving independent opinions on the Company's operations;

4. Election and Term in Office

(1) The Nomination and Remuneration Committee shall recruit and nominate persons with full qualifications as specified in Clause 3 above to the Board of Directors' meetings and with the term in office of not exceeding 3 years to assume the office of the Company's directors;

(2) The shareholders' meeting shall elect the Company's directors; however, in case of election of directors to fill vacancies due to reasons other than retirement by rotation, the Board of Directors may elect persons with full qualifications as specified in Clause 3 above to assume the office of directors; provided that persons who have assumed the office of directors in such case shall be in office for the remaining term in office of the retiring directors;

(3) At each annual ordinary meeting of shareholders, one-third of the total number of directors shall vacate the office; in case, the number of directors may not be divided into 3 equal parts, the nearest rounding number to one-third of directors shall vacate the office; whereas, the retiring directors may be reelected; provided that the directors who shall vacate the office in the first year and in the second year after incorporation shall be selected by means of drawing lots; meanwhile, in the subsequent years, the directors who have longest been in office shall vacate the office;

In addition to vacating the office at the end of such term, the Company's directors shall vacate the office upon:

- (a) Death
- (b) Resignation
- (c) Disqualification or having any prohibited characteristics under the law governing limited public companies or having any characteristics indicating inappropriateness to be entrusted for management of businesses of which shares are owned by the general public under the law governing securities and exchange
- (d) Resolutions of the shareholders' meeting for vacation of office;
- (e) Dismissal by the Court's order;

Any director of the Company who intends to vacate the office shall submit a resignation form to the Chairman of the Board of Directors.

5. Powers, Duties and Responsibilities

The Board of Directors, in the capacity of representatives of shareholders, shall have powers, duties and responsibilities, as follows:

(1) To perform duties and supervise businesses of the Company and subsidiaries in accordance with the policies on supervision of subsidiaries/associated companies, laws, objectives, regulations, resolutions of the Board of Directors' meetings, as well as resolutions of shareholders' meetings with responsibilities, due care and honesty to protect rights and benefits of the Company and all shareholders; and to be obliged to supervise the Company and subsidiaries for compliance with laws relating to business operation of the Company and subsidiaries, including laws relating to the prohibition of bribery or support of corruption;

(2) To determine vision, strategies, directions of business operation, policies, goals, business plans, budgets, management structure and approval powers of the Company and subsidiaries as proposed by the Management, and to supervise the management and operating results of the Management or any persons who have been assigned to perform such duties to be in accordance with the prescribed policies efficiently and effectively for addition of optimal value to the Company, subsidiaries and shareholders;

(3) To follow up and evaluate the performance of duties of the Management continuously and consistently to achieve the strategies and in accordance with the work plans and budgets, and to supervise the system of proper payment of the Management's remuneration;

- (4) To determine framework and policies for determination of salaries, salary raises, bonuses, remuneration and pension of the Chief Executive Officer;
- (5) To provide proper and effective accounting system for the Company and subsidiaries and to provide financial reporting and reliable audit, including internal control system and adequate and proper internal audit system and documentation system for subsequent verification of correctness of data;
- (6) To acknowledge audit reports of the Audit Committee;
- (7) To consider and approve the acquisition or disposal of assets (in case, sizes of transactions need not be approved by the shareholders' meeting), investment in new businesses and any operations shall be in accordance with the laws, announcements and related rules and regulations;
- (8) To consider, approve and give opinions on the related transactions (in case, sizes of transactions need not be approved by the shareholders' meeting) of the Company and subsidiaries, it shall be in accordance with the laws, announcements and related rules and regulations;
- (9) To consider and approve payment of interim dividends to the Company's shareholders;
- (10) To consider and determine policy of risk management covering the entire organization and to supervise the provision of system or process of risk management, with supporting measures and methods to properly reduce impacts on businesses of the Company and subsidiaries, and to follow up the performances of work;
- (11) To prevent any conflicts of interests between stakeholders of the Company and subsidiaries; provided that, in case, any director who is a stakeholder in any transaction with the Company or having an increased or decreased proportion of shareholding in the Company and/or subsidiaries, such director shall notify the same to the Company without delay;
- (12) To determine policies on corporate governance and corporate social responsibility, including anti-corruption and effective implementation of the said policies;
- (13) To appoint subcommittees such as the Audit Committee, the Executive Committee and/or any other subcommittees to assist and support the performance of duties of the Board of Directors as may be suitable;
- (14) To appoint the Company's secretary to assist the Board of Directors in performance of works so that the business operation of the Company shall be in accordance with the laws, announcements and related rules and regulations;
- (15) To ask for professional opinions from outside organizations, if necessary, for proper decision making;
- (16) To provide annual reports and to be responsible for provision and disclosure of financial statements to show financial position and the operating results of the Company in the previous year to be proposed to the shareholders' meeting;
- (17) To convene an annual ordinary meeting of shareholders within 4 months as from the last date of the accounting year of the Company;
- (18) To consider and approve matters by taking account of benefits of shareholders and all groups of stakeholders of the Company in a fair manner;
- (19) To assign one or several directors or any other person to take any action in lieu of the Board of Directors;

Provided that the assignment of powers, duties and responsibilities of the Board of Directors shall not be in the manner of authorization or sub-authorization that enables the Board of Directors or its attorneys-in-fact to approve transactions that the Board of Directors or persons with potential conflicts of interests (as defined in the Announcement of the Securities and Exchange Commission or in the Announcement of the Capital Market Supervisory Board) may have interests or may receive benefits in any respect or may have any other conflicts of interests with the Company or its subsidiaries, except for approval of transactions in accordance with the policies and criteria as considered and approved by the shareholders' meetings or by the Board of Directors' meetings.

6. Meetings

(1) The Board of Directors' meetings shall be convened for not less than 6 times per year; whereas, dates of meetings shall be fixed in advance throughout the year, and special sessions of meetings may be additionally convened as may be necessary.

(2) Regarding the summoning of the Board of Directors' meetings, the Chairman of the Board of Directors or any assigned person shall send invitations for the meeting, together with meeting agenda and documents to all directors in advance for not less than 7 days prior to the meeting date so that all directors shall have enough time to study the data, except in case of exigency to protect the Company's rights or benefits, such invitations for the meeting may be notified by other methods or the meeting date may be fixed sooner;

(3) Directors who are stakeholders in any matters shall not be entitled to cast their votes in such matters; and such directors who are stakeholders therein shall leave the meeting during the consideration of such matters to provide an opportunity for the meeting to discuss and express their opinions freely;

7. Quorum and Casting of Votes

(1) At a meeting of the Board of Directors, at least half of the total number of members of the Board of Directors shall attend the meeting to constitute a quorum. In case, the Chairman of the Board of Directors is not present in the meeting or unable to perform his or her duties, the Vice Chairman of the Board of Directors who is present in the meeting shall preside over the meeting; however, in case, there is no Vice Chairman of the Board of Director, or in case, there is Vice Chairman of the Board of Directors but is not present in the meeting or unable to perform his or her duties, members of the Board of Directors who are present in the meeting shall elect one member of the Board of Directors to preside over the meeting;

(2) The adjudication of the meeting shall be based on the majority votes;

(3) Regarding the casting of votes, one member of the Board of Directors shall be entitled to cast one vote, except that directors who are stakeholders in any matters shall not be entitled to cast their votes in such matters; provided that, in case of a tie, the Chairman of the Meeting shall have one additional casting vote.

This Charter of the Board of Directors shall come into force as from 30th March 2017.