

8. Report on Key Actions under Corporate Governance

8.1 Board of Directors' Performance in 2020

GGC has been complying with the Code of Good Corporate Governance for Listed Companies (CG Code) of the Stock Exchange of Thailand (SET), Corporate Governance Report (CGR) of Thai Listed Companies, and Dow Jones Sustainability Indices (DJSI). In 2020, GGC operated its business in accordance with the CG Code as detailed below:

Principle 1: Establish Leadership Role and Responsibilities of the Board of Directors as the Leader in a Sustainable Organization

Responsibilities of the Board of Directors

The Board of Directors formulates policies in relation to their responsibilities. In 2020, the Board of Directors has taken the following actions:

1. Define Policy, Strategy and Business Direction

The Board of Directors considered, reviewed and made decisions on business policy, vision, mission, business plans, budget and strategy in corporate development in line with the changing business situation. The Board also defined indicators and business goals and advised Management in their conduct of business to achieve the goals, and tasked the Managing Director with reporting of progress of the operation to the Board on a regular basis. The Board also held an annual meeting to review the long-term 10-year corporate direction and strategy plan (2020 – 2029).

2. Good Corporate Governance and Code of Business Conduct

The Board of Directors established a policy for Corporate Governance and Code of Business Conduct for the Directors, Executives and employees to adhere to as guidelines in the business operation of GGC Group to ensure standards, transparency, efficiency and accountability of the operation, based on business ethics and virtue taking into account equitable benefits and rights of all stakeholders. The Corporate Affairs and Corporate Secretary has been assigned as the central unit to oversee related matters. Details of performance in compliance with corporate governance are as shown under “Corporate Governance”

In the fourth quarter of 2019, all Directors, Executives and employees put their signatures in the Acknowledge and Conformity Form agreeing to adopt the principles, policies and ethics in the "CG Handbook" in their conduct of business up to standard.

3. Internal Control and Internal Audit

The Board of Directors is aware of the importance of internal control and internal audit systems and mandated that GGC Group be equipped with a standardized internal control system of acceptable risk level, by taking into account appropriate control environment factors. Internal Audit has been tasked with the review of the systems and

monitoring of the implementation and is to report the progress to the Audit Committee and the Board of Directors to ensure that the Company can achieve its goals of the operations, the reporting and the compliance with relevant laws, rules and regulations to foster stakeholders' confidence. Details are as shown under "Internal Control".

4. Risk Management

The Board of Directors, in accordance with the stipulated Roles, Duties and Responsibilities of the Board of Directors, identifies key potential risks and formulated comprehensive risk management guidelines. The Risk Management Committee has been assigned to define a risk policy, monitor and promote efficiency of GGC Group's risk management, identify significant risks, formulate action plans, monitor, assess and improve the risks to an acceptable level (risk appetite), and report progress of the risk management to the Board. Details are as in "Risk Management and Risk Factors".

5. Conflict of Interest

GGC places high importance on the policy on conflict of interest and included it in the "Corporate Governance and Code of Business Conduct Handbook". The policy prohibits Directors, Executives and employees from exploiting their positions for personal gain which might lead to transactions of conflict of interest with GGC. In the event that the transaction is necessary, Directors, Executives and employees with such conflict of interest transactions must refrain from participating in the approval process for such transactions which are defined as connected transactions under SEC's and SET's notifications.

GGC also prohibits and regularly warns its Directors, Executives and employees not to take advantage of their positions in trading GGC's stocks or disclose inside information not yet made public and still under consideration to others for personal gain in trading GGC's stocks. Moreover, Directors and Executives from the range of vice president or higher and those with finance-related positions under SEC's criteria must submit the report on their interests or those of their related persons to the Company. Employees at all levels are also required to report their conflicts of interest via GGC's intranet annually or file such report promptly upon potential conflicts of interest in relation to any consideration process or decision-making in GGC's projects.

6. Social and Environmental Responsibility

The Board of Directors assigned the Corporate Governance and Sustainable Development Committee to be responsible for approving the workplan and following up implementation under the sustainable development roadmap to improve the well-being of the community and society and conserve the environment in a sustainable manner.

In 2020, GGC held a meeting of the working group on sustainable development which consisted of Executives from different departments. The meeting shared opinions and provided recommendations, followed up on the results

in problem-solving or obstacles confronting GGC's sustainable development. The meeting also considered the preparation of the Stakeholder Engagement Plan and the Integrated Sustainability Report 2020. An external consultant was hired to assess the comprehensiveness of the report to ensure that it was credible and up to international standard.

Principle 2 : Define Objectives that Promote Sustainable Value Creation

Define and Monitor Implementation under GGC's Strategies

The Board of Directors and the Management Committee (MC) at the Meeting of the Board of Directors No.22/2020 held on July 13, 2020 considered the long-term corporate direction and business strategy and human resource development plan, and an annual agenda of the meeting of the Board of Directors, to ensure that the such direction and plan correspond with the changing economic and social environment, current as well as in the future. The meeting also considered the risk assessment and preparedness of business operations under different situations with efficiency and followed up on the progress of the implementation under the corporate strategy through the monthly Board of Directors meetings.

In addition, the Good Corporate Governance Plan and the Sustainable Development Roadmap were implemented simultaneously to ensure more efficient corporate development and move the business in the same direction.

Principle 3 : Strengthen Board Effectiveness

Composition and Balance of Authorities of Non-Executive Directors

The Board of Directors determined the appropriate number of Directors. The current Board of Directors comprises 11 members, one of whom is an Executive Director and 10 Non-Executive Directors. 8 members are Independent Directors, or 72.72% of the entire Board, which exceeds half of the Board.

Roles of Chairman and Managing Director

The Chairman and the Managing Director must not be the same person. The Chairman does not engage in the day-to-day management and has different roles from the Managing Director which are described below:

Chairman of The Board of Directors

1) Eventhrough the Chairman is not Independent, but his role is completely separated from the excutives role according to the Corporate Governance Code (CG Code) He is responsible for setting the agenda of the Board of Directors' meetings together with the managing director who serves as the secretary of the Board of Directors.