



Micro Leasing Public Company Limited

Subsidiary and Associate Company Governance  
and Management Policy

# Subsidiary and Associate Company Governance and Management Policy

Micro Leasing Public Company Limited (the “Company”) has established this policy on the governance and management of subsidiaries and associates with the objective of setting measures and mechanisms, both direct and indirect, to enable the Company to oversee and manage the operations of its subsidiaries and associates. This includes monitoring to ensure that subsidiaries and associates comply with the established measures and mechanisms to protect the Company's investment interests in these subsidiaries and associates. Additionally, it ensures compliance with the Public Limited Companies Act, the Securities and Exchange Act, and relevant announcements, regulations, and guidelines of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. The details are as follows:

1. Appointment of Directors or Executives in Subsidiaries and Associates: To ensure that subsidiaries adhere to the Company's policies, goals, vision, business plans, and growth strategies effectively, and that associates follow financial and operational policies that comply with relevant laws and regulations, the Company will appoint individuals as directors or executives in subsidiaries and associates at least in proportion to the Company's shareholding in those subsidiaries or associates. However, if the Board of Directors deems that the board and management structure with fewer representatives than the Company's shareholding proportion does not affect the Company's authority to set policies and make significant decisions impacting the financial status and performance of the subsidiaries or associates, or if there is an appropriate balance of power, this requirement may be adjusted.

2. Shareholders' Meetings of Subsidiaries and Associates: The Company will consider sending appropriate representatives to attend shareholders' meetings of subsidiaries and associates. The Company will exercise its voting rights in proportion to its shareholding in these subsidiaries and associates to ensure that they operate in compliance with relevant laws, good corporate governance policies, and other Company policies. The selection of representatives to attend such meetings must be considered and approved by the Board of Directors, taking into account the appropriateness for each company.

3. Delegation of Authority: The Board of Directors assigns the Managing Director to consider the appointment and transfer of individuals to represent the Company as directors or executives in subsidiaries and associates and report to the Board of Directors. Individuals

appointed or nominated as directors or executives in subsidiaries and associates must have the following qualifications:

a) Possess all qualifications and not have any prohibited characteristics as specified by relevant laws or regulations.

(b) Have knowledge, skills, and experience beneficial to the business operations of the subsidiaries and associates.

(c) Exhibit leadership qualities, providing broad and necessary perspectives to drive and achieve the objectives of the subsidiaries and associates.

(d) Make reasonable decisions based on the company's code of ethics.

However, in considering the appointment of any individual, in addition to the above criteria, the specific characteristics or other conditions of each subsidiary and associate should be taken into account, such as:

(a) Being a company subject to complex or high-risk regulations or requirements, such as being a public company listed on stock exchanges both domestically and internationally.

(b) The shareholding proportion in the subsidiary in cases where there are joint ventures, considering the provisions of the joint venture agreement.

(c) Legal requirements of the country where the subsidiary and associate operate or are established.

4. Individuals appointed as directors and/or executives of the company in subsidiaries and associates must perform their duties with responsibility, caution, and honesty. They must oversee and monitor the business operations of the subsidiaries and associates to ensure compliance with relevant laws, regulations, and guidelines. They should use their discretion in considering matters related to general management and normal business operations of the subsidiaries and associates for the benefit of the company, subsidiaries, and associates. They must also ensure that subsidiaries set policies and operate in alignment with the company's policies, laws, regulations, and guidelines, and ensure that associates comply with relevant laws and regulations.

5. Individuals appointed as directors or executives of subsidiaries and/or associates, or those already serving as directors or executives of subsidiaries and/or associates as of the effective date of this policy, must disclose information about the operations of the subsidiaries and associates that may cause conflicts of interest with the company at least 30 (thirty) business days in advance before entering into such transactions. This includes related party transactions, acquisitions or disposals of assets, significant transactions related to the business operations of the subsidiaries and associates that may impact the company, and transactions involving related persons and close relatives (as defined by relevant laws) of the directors or executives of the subsidiaries and associates.

Individuals appointed as directors or executives of subsidiaries and/or associates, or those already serving as directors or executives of subsidiaries and/or associates as of the effective date of this policy, must disclose information about transactions between subsidiaries, between subsidiaries and associates, or between associates, including transactions involving related persons and close relatives (as defined by relevant laws) of the directors or executives of the subsidiaries and associates, to the company at least 30 (thirty) business days in advance before entering into such transactions, for the company to acknowledge, approve, or review.

The purpose of such disclosure is to ensure compliance with relevant laws, regulations, and other applicable requirements, such as guidelines on transactions that may cause conflicts of interest between the company and its subsidiaries or associates (Conflict of Interest), related party transactions, or significant asset acquisitions or disposals that may impact the company. When such transactions occur, the company must seek approval from the Board of Directors and/or the shareholders' meeting and/or relevant regulatory authorities before entering into the transactions. Subsidiaries or associates can only proceed with the transactions after receiving approval from the Board of Directors, shareholders' meeting, and/or relevant regulatory authorities, as applicable.

Additionally, if the occurrence of certain transactions or events in subsidiaries requires the company to disclose information to the Stock Exchange of Thailand according to the specified criteria, the board of directors of the subsidiaries must immediately notify the company's management upon learning that the subsidiaries plan to enter into such transactions or events.

6. The Board of Directors and Executives of Subsidiaries and Associates have the following key powers, duties, and responsibilities according to relevant laws:

(a) Oversee that subsidiaries and associates comply with laws, regulations, rules, and relevant guidelines, maintain good governance, adhere to the company's code of ethics, and follow other company policies.

(b) Set the direction for strategies, policies, and business plans of subsidiaries to align with the company's direction, and promote innovation and the use of technology to enhance the competitiveness of subsidiaries.

(c) Report the performance and disclose information about the financial status and performance of subsidiaries to the company accurately, completely, and timely, applying relevant announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand by analogy. They must also disclose and submit information about their interests and those of related persons to the Board of Directors, informing them of relationships and transactions with the company, subsidiaries, and associates that may cause conflicts of interest, and avoid transactions that may cause conflicts of interest.

Directors of subsidiaries must not participate in approving matters in which they have direct and/or indirect interests or conflicts of interest.

The following actions, which result in directors or related persons of subsidiaries receiving financial benefits beyond normal or causing damage to the company or subsidiaries, are presumed to significantly conflict with the interests of the subsidiaries:

(a) Transactions between subsidiaries and directors or related persons that do not comply with the criteria for related party transactions and/or applicable announcements at that time.

(b) Using confidential information of the company or subsidiaries, unless it is publicly disclosed information.

(c) Using the company's or subsidiaries' assets or business opportunities in a manner similar to the company and violating the general principles or practices set by the Capital Market Supervisory Board and/or the Stock Exchange of Thailand.

7. Directors and executives of subsidiaries must ensure that there are appropriate, effective, and sufficient internal control systems, risk management systems, and anti-corruption systems to ensure that the operations of subsidiaries comply with the company's policies, regulations, laws, and good corporate governance guidelines for listed companies. This includes relevant announcements, regulations, and guidelines of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. They must also establish clear systems to demonstrate that subsidiaries have sufficient systems for information disclosure and provide channels for the company's directors to monitor subsidiaries' disclosure of financial status, performance, related party transactions, asset acquisitions or disposals, potential conflicts of interest, and other significant transactions effectively. Additionally, there must be mechanisms to audit these systems, allowing internal audit teams and the company's directors to access information directly and report the audit results to the company's directors and executives to ensure consistent compliance with the established systems.

8. Directors and/or executives of subsidiaries and associates, including their spouses and minor children, are prohibited from using inside information of the company, subsidiaries, and associates, obtained through their duties or otherwise, that is material and not yet publicly disclosed, for their own or others' benefit, whether directly and/or indirectly, and regardless of whether they receive compensation.

9. Directors and/or executives of subsidiaries can only conduct transactions with subsidiaries if such transactions are approved by the subsidiaries' board of directors and/or the company's board of directors and/or the subsidiaries' shareholders' meeting and/or the company's shareholders' meeting (as the case may be), depending on the calculated transaction size (applying the calculation criteria specified in the announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding related party transactions and/or applicable amended announcements by analogy). However, this does not apply to transactions that are commercial agreements similar to those that reasonable persons would engage in with general counterparties under the same circumstances, with bargaining power free from the influence of their status as directors, executives, or related persons, as the case may be, and commercial agreements approved by the company's board of directors or in accordance with principles approved by the company's board of directors.

10. Directors and/or executives of subsidiaries and associates must report significant operational and financial issues to the company when detected or upon request, along with providing relevant information or documents as appropriate.

11. Matters requiring approval from the company's Board of Directors or shareholders' meeting before proceeding:

Directors and/or executives of subsidiaries or associates appointed or nominated by the company must ensure that before the subsidiary or associate enters into any transaction or action that is significant or affects the financial status and performance of the subsidiary or associate, as specified in the operational authority manual and regulations of the subsidiary or associate, such matters must be approved by the company's Board of Directors or shareholders' meeting (as the case may be). The subsidiary or associate must hold a board meeting and/or shareholders' meeting to consider and approve before proceeding with the transaction or action.

The following cases require approval from the company's Board of Directors:

(a) Increasing capital by issuing new shares of the subsidiary and allocating shares, including reducing registered capital and/or paid-up capital of the subsidiary, which is not in proportion to the existing shareholding of shareholders, or any other action that results in the reduction of the company's direct and indirect voting rights in the subsidiary's shareholders' meeting, causing the company to lose control over the total votes of the subsidiary, unless it is part of the subsidiary's business plan or annual budget already approved by the company's Board of Directors.

(b) Approving the annual dividend payment and/or interim dividend (if any) of the subsidiary.

(c) Amending significant regulations of the subsidiary.

(d) Approving the annual budget of the subsidiary (unless specified in the subsidiary's Delegation of Authority).

(e) Any other transactions that are not normal business transactions of the subsidiary or associate and significantly impact the subsidiary or associate.

(f) Dissolving the subsidiary.

(g) Changing the shareholding proportion in the subsidiary or associate.

(h) Borrowing money, lending money, providing credit, guaranteeing, entering into legal obligations that increase the subsidiary's financial burden, or providing financial assistance in any other significant amount that is not the subsidiary's normal business, unless it is borrowing between the company and the subsidiary or between subsidiaries within the group.

(i) The subsidiary entering into transactions with related persons of the company or transactions related to the acquisition or disposal of the subsidiary's assets, including but not limited to the following cases:

(1) Transferring or waiving benefits, including waiving claims against those who caused damage to the subsidiary.

(2) Selling or transferring all or significant parts of the subsidiary's business to persons other than the company's affiliates.

(3) Purchasing or receiving the transfer of another company's business, other than the company's affiliates, to the subsidiary.

(4) Entering into, amending, or terminating contracts related to leasing all or significant parts of the subsidiary's business, including assigning others to manage the subsidiary's business or merging the subsidiary's business with others, other than the company's affiliates.

(j) Significant transactions that, if entered into, will significantly impact the financial status and performance of the subsidiary. This applies when the transaction size, calculated according to the criteria specified in the announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding asset acquisitions or disposals and/or related party transactions and/or applicable amended announcements, falls within the criteria requiring approval from the company's Board of Directors.

12. The company's Board of Directors will closely monitor and ensure that the directors and executives of subsidiaries and associates appointed by the company perform their duties and responsibilities in accordance with the law, regulations, and company policies as mentioned above.

## **Policy Review**

The Corporate Secretary will review this policy annually, subject to the approval of the Executive Committee, and present it to the Board of Directors for approval.

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