

CORPORATE GOVERNANCE REPORT

The Board of Directors is the main driver in defining the direction of the Company's performance, achieving its goals and objectives and defining the Company mission, vision, core values, strategic business plan, appointment of competent and effective management and managing the Company's affairs with good corporate governance. The Board of Directors is responsible for overseeing the strategic direction of the Company and ensuring compliance with the business plans. The Executive Board is delegated to manage the day-to-day operations of the Company and reports the results thereof to the Board. These reports are typically given at quarterly board meetings, with the goal of achieving company objectives and staying within legal guidelines.

At the Board of Directors' meeting held on 10 November 2023, the Board reviewed the Company's vision and mission statement and core values and found that they are in line with the Company's strategic objectives and the principles of sustainable development.

This corporate governance report not only captures the relevant principles of corporate governance that the Company follows, but also the key performance of the Board in respect of corporate governance for the year 2023.

1. Nomination, Development and Performance Assessment of the Board

The Nomination and Remuneration Committee shall recommend candidates to the Board of Directors to replace retiring directors or to fill any other vacancy.

Independent director

The independent directors are independent from the management and have no business or activities with the Company and must not be involved in the day-to-day management of the Company or an affiliated company which may compromise the interests of the Company and/or the shareholders.

Qualifications of independent directors of the Company

The following qualifications of independent director of the Company are more rigorous than the requirements set by the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC").

- The independent director must not hold shares exceeding 0.5 percent each, including shares held by a related person, of paid-up capital of the Company, a subsidiary or of an affiliated, associated or a related company.
- The independent director must not be involved in the day-to-day management and must not be an executive director, employee or advisor who receives salary or other kinds of compensation from the Company, its subsidiaries, or affiliated companies, associated companies or related companies or with the major shareholders of the Company during the period of two (2) years before the date of appointment as independent director.
- The independent director must not have any business relationship pursuant to the regulations of the SEC and also must be free of any present, direct or indirect, financial or other interest in the management and business of the Company, its subsidiaries, associated companies, or its major shareholders during the period of two (2) years before the date of appointment as independent director.

The term 'business relationship' under the above paragraph, such as any normal business transaction, rental, or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action whose value exceeds THB 20 million or more than 3% of the net tangible assets, whichever is lower.

- The independent director must not be the external auditor of the Company, its subsidiaries, or affiliated companies, associated companies or related companies, or with its major shareholders nor be a significant shareholder, a controlling person or a partner of such audit firm which employs external auditors of the Company, its subsidiaries, or affiliated companies, associated companies or

related companies, or with its major shareholders during the period of two (2) years from the date of appointment as independent director.

- The independent director must not be a provider of any professional services, such as legal advisor, financial advisor or asset appraisal who receives service fees exceeding Baht 2,000,000 per year from the Company, its subsidiaries or affiliated companies, associated companies or related companies, or with its major shareholders during the period of two (2) years from the date of appointment as independent director.
- The independent director must not be a blood relative or legal relative of any executive director, management team, major shareholder or significantly influential person in/of the Company.
- The independent director must not be acting as a nominee or representative of any director, major shareholder or shareholders, who are a relative of any major shareholders of the Company.
- The independent director must be able to carry out their duties, exercise their judgment, and report the committee's performances, which are assigned by the Board of Directors without being influenced by executive directors or major shareholders of the Company, including related persons or relatives.

Independent director's roles and duties

- Independent directors should have access to adequate financial and other business information for them to perform their duties effectively.
- They should regularly attend every board meeting, including committee meetings, and raise questions to ensure the interests of Company's shareholders' and the protection of rights of other stakeholders', and that the Company complies with best practices.
- Independent directors should possess abilities and display willingness to learn the Company's businesses, and express their views independently, as well as dedicate time and attention to the Company as needed.
- Independent directors should regularly hold meetings among themselves and try in every way possible to look for opportunities in which they can discuss business management issues with the management.
- Independent directors are expected to submit a confirmation letter to the Company verifying their independence in accordance with the Company's definition, on the date they accept the appointment and every subsequent year if required.
- It is expected that there should be specific terms given to independent directors, and no director is expected to stay on beyond a certain time limit. Nonetheless, the difficulties of searching an appropriate replacement and the benefits of the working relationship built up over the years within the independent directors and their understanding of the business must also be taken into account. Accordingly, at present no time limit has been set up for the independent directors apart from the statutory limits placed under applicable law.

Nomination and selection of directors and top executives

The Nomination and Remuneration Committee shall review the structure and composition of the Board of Directors, set nomination criteria and search for candidates with qualifications appropriate for the Company's situation and needs.

Board diversity policy

The Company considers increasing diversity at the board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. The board members represent diversity from a range of perspectives including gender, age, educational background, skills, knowledge, and professional experience. This diversity is important to ensure that the Company has a well-rounded and balanced perspective on the issues and opportunities it faces. A diverse Board with a significant number of female directors, can lead to better decision-making which provides a competitive advantage for the Company. Accordingly, it is recommended that at least 30% of the board be composed of female directors, as it is a good practice for diversity and inclusivity.

Furthermore, having a diverse Board of Directors with members who possess a range of skills and experiences is important for the Company. This diversity can bring valuable insights and perspectives to the table, particularly in areas such as shipping, financial management, technology, risk management, law and compliance. These sets of skills are referred to as a 'board skill matrix', which can help the Company make well-informed decisions and navigate potential challenges in these areas.

A board skill matrix is used annually for the Nomination and Remuneration Committee to identify gaps in the current composition of the Board of Directors, to assess the overall skills and qualifications of present directors, and to set criteria for the suitable profile of newly nominated directors.

When selecting new directors, the Board of Directors evaluates candidates based on their qualifications and the mix of skills they bring to the table. They also take into account diversity and how the candidate aligns with the Company's strategic direction.

Criteria and procedure for selection and appointment of new directors

The criteria and procedure when selecting and appointing new directors varies depending upon the circumstances of the Company at the particular time. In general, when the Board of Directors intends to appoint a new director (as a vacancy occurs or as an additional member on the Board), the following criteria and procedure are followed in selecting and appointing a new director to the Board of Directors:

- The Nomination and Remuneration Committee evaluates the range of skills, experience, expertise, and diversity of the existing directors using the board skills matrix. Additionally, the committee identifies other appropriate qualifications giving consideration in line with the Company's strategic direction, and gaps which need to be filled. Consideration is given to the balance of independent directors on the Board and the best practice recommendations as set out in the SET corporate governance principles.
- For seeking suitable candidates, the Nomination and Remuneration Committee may utilize the personal network of the board members and top executives of the Company and may consider the proposals from the shareholders or may engage an external search firm or may use director pool information from the Thai Institute of Directors (IOD).
- The Nomination and Remuneration Committee screens the director candidates, and then interviews each interested preferred candidate to identify those individuals who best fit the target candidate profile. Once the Nomination and Remuneration Committee has identified an appropriate candidate for the Board to consider, it may also arrange the board members to meet with the candidate.
- The Nomination and Remuneration Committee submits its recommendations to the Board of Directors, which is proposed for the shareholders' approval at the shareholders' meeting or which is proposed for the Board's approval as a temporary replacement if a director resigns during his or her term in office and a casual vacancy is created.

Criteria and procedure for the re-election of directors who retire by rotation

In accordance with section 71 of the Public Limited Companies Act B.E. 2535 and Article No.17 of the articles of association of the Company, at every annual general meeting, at least one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third, must retire from office. In every subsequent year, the director who has been longest in office shall retire. A retiring director is eligible for re-election. The following criteria and procedure are followed for the re-election of a director who retires by rotation:

- The Nomination and Remuneration Committee considers the past performance of the retiring directors e.g. attendance, participation in meetings, and other contributions to the activities undertaken by the Board of Directors.
- After reviewing, the Nomination and Remuneration Committee submits its recommendations to the Board of Directors, which is proposed for the shareholders' approval at the shareholders' meeting.

Nomination of directors for the year 2023

The Company invited the shareholders to nominate a candidate to be elected as a member of the Board of Directors in the Annual General Meeting of Shareholders (AGM) No. 1/2023 through the Company's website from 1 October 2022 to 31 December 2022. However, there were no proposals from the shareholders.

The Board of Directors proposed the re-election of the following four (4) directors who retired by rotation at the AGM No. 1/2023 for the shareholders' consideration and approval:

- | | |
|--------------------------------|--|
| 1. Mr. Khalid Moinuddin Hashim | Executive Director / Managing Director / Sustainability and Risk Management Committee member |
| 2. Mr. Khushroo Kali Wadia | Director |
| 3. Mr. Gautam Khurana | Executive Director / Director (Finance) / Director |
| 4. Ms. Sirasa Supawasin | Director |

The Board of Directors, on the recommendation of the Nomination Committee, was of the opinion that the above four (4) directors were eligible to be and should be nominated for re-election. They were mature, highly qualified, and widely experienced in international business and have vast experience, in international trading, finance, and shipping which will enable them to provide valuable inputs to the existing operations as well as give direction for the future growth and sustainability of the Company. It was expected that the Company would benefit immensely from their knowledge, ideas, and suggestions that they would bring to the Board of Directors.

The shareholders approved the re-election of the four (4) directors who retired by rotation, with the majority votes cast by all shareholders who were present and eligible to vote. The shareholders who were eligible to vote had one vote for each share they held.

2. Directors' Development

The Board of Directors continues to try and enhance their value by participation in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge. All board members (100% of the Board of Directors) have attended the Director Certification Program (DCP) and/or the Director Accreditation Program (DAP) held by the Thai Institute of Directors Association (IOD).

The Company encourages every director to acquire further knowledge through training imparted by the Thai Institute of Directors Association (IOD), Thai listed Companies Association (TLCA) and other leading organizations as well as attend seminars to enhance their ability to perform their roles.

In 2023, the Company's management attended a "Strategy Review" session together with the Board of Directors. Besides presentations by members of the management, there was also a presentation on the outlook of the shipping market, by an industry expert.

Details of directors who attended training programs/seminars in 2023

Director's name	Seminar/Training course	Conducted by
Ms. Pensri Suteerasarn	Refreshment Program (RFP 9/2023)	Thai Institute of Directors (IOD)
Professor Dr. Pavida Pananond	Director Leadership Certification Program (DLCP 12/2023)	Thai Institute of Directors (IOD)
Ms. Qiyu (Jakie) Wang	Director Certificate Program (DCP 351/2023)	Thai Institute of Directors (IOD)

Director's name	Seminar/Training course	Conducted by
Mr. Gautam Khurana	TLCA CFO professional development program on the topic 'Debt securities for environmental conservation'	Thai Listed Companies Association (TLCA)
	TLCA CFO professional development program on the topic 'Economic update for CFO'	Thai Listed Companies Association (TLCA)
	Speaker at Capital Link International Shipping China Forum	Capital Link
	Speaker at Commodity Trading Week APAC	Commodities People
	TLCA CFO Professional Development Program (TLCA CFO CPD) No. 5/2023 Topic "RPA (Robotic Process Automation) in finance and accounting"	Thai Listed Companies Association (TLCA)
	The Board's Role in Mergers and Acquisitions (BMA) Class 5/2023	Institute of Directors (IOD)
	Speaker at Marine Money, Hong Kong	Marine Money
Ms. Sirasa Supawasin	Thailand Data Protection Officer (T-DPO) certificate	The Digital Council of Thailand
	The Board's Role in Mergers and Acquisitions (BMA) Class 5/2023	Institute of Directors (IOD)

Directors' orientation

The Company secretary provides any newly appointed director with the background of the Company's business, profile and industry along with all the relevant documents such as the director's handbook, the Company's corporate documents, CG policy manual, business ethics and code of conduct manual, anti-corruption policy, laws, regulations and practices which are related to the trading of Company's shares.

The Company arranged such a directors' orientation program for the new director who was appointed in 2023.

3. Performance Evaluation of the Board, the Sub-committees and the Managing Director

Criteria

The Company conducts an evaluation of the performance of the Board of Directors, the sub-committees, and the Managing Director at least once a year.

Procedures

- The Company secretary is responsible for distributing evaluation forms to the directors of the Company, which include forms for evaluating the Board as a group and on an individual basis, as well as forms for evaluating sub-committees. The Managing Director's evaluation form is specifically distributed to the non-executive directors.
- The performance evaluation results of the Board of Directors, sub-committees, and the Managing Director are presented for discussion at the non-executive directors' meeting.
- In the Board meeting, a summary of the recommendations from the performance evaluations of the Board of Directors, the sub-committees, and the Managing Director is presented to the Board for consideration.

Board self-assessment

Board members conducted a self-assessment as a group through a questionnaire following the IOD guidelines which covered the subjects as follows:

- Structure and characteristics of the Board
- Roles and responsibilities of the Board
- Board of Directors' meetings
- The Board's performance of duties
- Relationship with management
- Self-development of directors and executive development

In addition to the performance evaluations mentioned previously, the board members also conduct a self-assessment on an individual basis through a questionnaire following the IOD guidelines, which covered the subjects as follows:

- Personal qualifications
- Readiness to perform duties
- Participation in Board of Directors' meetings
- Roles, duties and responsibilities
- Relationship between the Board and management

At the Board of Directors Meeting held on 10 November 2023, the board members acknowledged the scores of the board's self-assessment as a group and as individuals. Both assessments fell in the level of "Excellent". The Board of Directors intends to use this result to further improve its performance. The Company intends that the self-assessment be done every year in order to comply with the good corporate governance practice and accordingly this exercise will be conducted again in the year 2024.

The board committees' self-assessment

The Company has four (4) board committees i.e., the Audit and Corporate Governance Committee, the Sustainability and Risk Management Committee, the Executive Board of Directors, and the Nomination and Remuneration Committee. In the Board of Directors meeting held on 10 November 2023, the Board of Directors acknowledged the results of each board committee self-assessment conducted by members of each board committee through a questionnaire following the IOD guidelines which covered the subjects as follows:

- Structure and characteristics of the board committees
- Board committees meeting
- Roles and responsibilities of the board committees in each particular committee

The scores of each board committee self-assessment are summarized as follows

Board committees	2023 results of self-assessment
Audit and Corporate Governance Committee	Excellent
Sustainability and Risk Management Committee	Excellent
The Executive Board of Directors	Excellent
Nomination and Remuneration Committee	Very Good

Each board committee intends to use this result to further improve its performance. The Company intends that the self-assessment be done every year in order to comply with good corporate governance practice and accordingly, this exercise will be conducted again in the year 2024.

Managing Director evaluation

In the Board of Directors meeting held on 10 November 2023, the Board of Directors acknowledged the results of Managing Director evaluation conducted by non-executive directors through a questionnaire following the SET guidelines which covered the subjects as follows:

- Leadership
- Strategy formulation
- Strategy execution
- Financial planning/performance
- Relationships with the Board
- External relations
- Human resources management/relations
- Succession
- Product/service knowledge
- Personal qualities

The score of Managing Director evaluation fell in the level of “Excellent”. The Company intends that the Managing Director evaluation be done every year in order to comply with good corporate governance practice and accordingly this exercise will be conducted again in the year 2024.

4. Meeting Attendance and Remuneration of Directors

4.1 Board of Directors’ meetings

The Board of Directors meetings for the coming year are scheduled and informed the board members in advance by the end of each year.

For each meeting, through the year, an agenda is predetermined by the Chairman of the Board of Directors and Managing Director. The meeting has a specific agenda, which would include a review of the Company’s operations.

The Company secretary sends the notice of the meeting and relevant documents to all directors, at least seven (7) days prior to the meeting date, so as to allow sufficient time for them to review the information before joining the meeting.

Board of Directors’ meetings are held after the Audit and Corporate Governance Committee meeting so that the minutes of the Audit and Corporate Governance Committee meeting can be sent to the Board of Directors for their consideration and discussion during the Board meeting. Directors are free to contact an executive director directly, should they feel the need to obtain any additional clarification.

Unless there is reasonable ground or necessity, each director must attend at least 75% of all board meetings held in a year.

In every meeting, the minutes of the meeting are recorded, reviewed and adopted by the Board of Directors. The minutes of the meeting are kept with the Company secretary for ready reference and review by other concerned parties.

A Board meeting via electronic means is held in accordance with relevant laws and regulations concerning electronic meetings.

Details of directors’ attendance for Board of Directors and sub committee meetings held in 2023 are set out in the following table

Director's name	Board of Directors and Sub Committee meetings														Annual General Meeting of the Shareholders (E-AGM)	
	Attendance / Total meetings (times)															
	Board of Directors		Audit and CG Committee		Sustainability and Risk Management Committee		Executive Board of Directors		Nomination Committee		Remuneration Committee		Nomination and Remuneration Committee*			
	In-person	By electronic means	In-person	By electronic means	In-person	By electronic means	In-person	By electronic means	In-person	By electronic means	In-person	By electronic means	In-person	By electronic means		
1. Mr. Chaipatr Srivisarvacha	3/3	3/3														1/1
2. Mr. Kamtorn Sila-On	5/5	1/1	4/4		4/4				1/1		1/1					1/1
3. Ms. Pensri Suteerasarn	4/4	2/2	3/3	1/1	3/3	1/1			1/1				1/1			1/1
4. Professor Dr. Pavida Pananond	5/5	1/1	4/4		4/4				1/1		1/1					1/1
5. Ms. Qiyu (Jackie) Wang **, ***	4/4				1/1	1/1							1/1			
6. Mr. Khushroo Kali Wadia	5/5	1/1														1/1
7. Ms. Nishita Shah	1/1	3/5														1/1
8. Mr. Kirit Shah	5/5	1/1									1/1		1/1			1/1
9. Mr. Ishaan Shah	4/4	2/2														0/1
10. Mr. Khalid Moinuddin Hashim	5/5	1/1			4/4		10/10									1/1
11. Mr. Gautam Khurana	5/5	1/1					10/10									1/1
12. Ms. Sirasa Supawasin	5/5	1/1														1/1
13. Mr. Chandrasekhar Sivaraman Venkatraman							10/10									
Total meetings	6 times	4 times	4 times	4 times	10 times	1 time	1 time	1 time	1 time	1 time	1 time	1 time	1 time	1 time	1 time	1 time
Percentage of meeting attendance	97%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	91%

* Reorganizing by combining the Nomination Committee and the Remuneration Committee into the Nomination and Remuneration Committee by a resolution of the Board of Directors in the Board meeting no. 3/2023 held on 15 May 2023

** New director appointed by shareholders' resolution in the Annual General Meeting of the Shareholders (AGM) No. 1/2023 held on 10 April 2023

*** Appointed by the Board of Directors as the Sustainability and Risk Management Committee member and the Nomination and Remuneration Committee member during the Board meeting no. 3/2023 held on 15 May 2023

For the year 2023, all resolutions of the Board of Directors were passed by the vote of the directors present at the Board of Directors' meetings with a quorum of more than two-thirds of all the board members.

On 10 November 2023, the non-executive directors held a meeting among themselves to discuss the business management issues and performance of the executive directors. The results from the meeting were reported to the Board of Directors.

On 22 December 2023, a meeting was held between the independent directors and executive directors to discuss the business strategies of the Company.

4.2 Directors' remuneration

The Board of Directors appointed the Remuneration Committee in its meeting held on 15 November 2007. Subsequently, the Board restructured the committees by combining the Remuneration Committee and the Nomination Committee into one committee, namely the "Nomination and Remuneration Committee" by the resolution of the Board of Directors in the Board meeting No. 3/2023 held on 15 May 2023. The Nomination and Remuneration Committee is responsible for overseeing the remuneration of directors. The details of Nomination and Remuneration Committee such as members, qualification, duties and responsibilities are disclosed on the website of the Company and under the subject "**Organization Structure**" of this annual report.

The proposal of the directors' remuneration and the recommendations and opinion of the Board of Directors regarding the directors' remuneration would be presented for approval in shareholders' meeting. Any recommendations on directors' remuneration must meet the criteria specified by the Board of Directors. The criteria are clearly laid out in the corporate governance policy of the Company.

In the years 2023 and 2022, the Company proposed the directors' remuneration for the year as a fixed retainer fee without any other compensation which was paid quarterly in equal installments for each respective quarter, which was approved in the shareholders' meeting as follows:

(In million baht)

Name of directors	Amount									
	Position	2023				2022				Total
		Board of Directors	Audit and Corporate Governance Committee	Sustainability and Risk Management Committee	Total	Board of Directors	Audit and Corporate Governance Committee	Sustainability and Risk Management Committee	Total	
1	Mr. Chaipatr Srivisarvacha	Chairman of the Board of Directors, Independent Director	1.20			1.20	1.20			1.20
2	Mr. Kamtorn Sila-On	Chairman of the Audit and CG Committee, Member of the Sustainability and Risk Management Committee, Independent Director	0.55	0.40	0.13	1.08	0.55	0.40	0.11	1.06
3	Ms. Pensri Suteerasarn	Member of the Audit and CG Committee, Member of the Sustainability and Risk Management Committee, Independent Director	0.55	0.20	0.10	0.85	0.55	0.15	0.08	0.78
4	Professor Dr. Pavida Pananond	Chairperson of the Sustainability and Risk Management Committee, Member of the Audit and CG Committee, Independent Director	0.55	0.20	0.13	0.88	0.55	0.20	0.08	0.83
5	Ms. Qiyu (Jackie) Wang**	Member of the Sustainability and Risk Management Committee, Independent Director	0.41		0.05	0.46				-
6	Ms. Lyn Yen Kok*	Member of the Audit and CG Committee, Member of the Sustainability and Risk Management Committee, Independent Director	-	-	-	-	0.14	0.05		0.19
7	Mr. Khushroo Kali Wadia	Director	0.55			0.55	0.55			0.55
8	Ms. Nishita Shah	Director	0.55			0.55	0.55			0.55
9	Mr. Kirit Shah	Director	0.55			0.55	0.55			0.55
10	Mr. Ishaan Shah	Director	0.55			0.55	0.55			0.55
11	Mr. Khalid Moinuddin Hashim	Managing Director, Executive Director	0.55			0.55	0.55			0.55
12	Mr. Gautam Khurana	Executive Director	0.55			0.55	0.55			0.55
13	Ms. Sirasa Supawasin	Executive Director	0.55			0.55	0.55			0.55
Total annual remuneration***			7.11	0.80	0.41	8.32	6.84	0.80	0.27	7.91

* Retired by rotation from the Board of Directors on 4 April 2022

** New director appointed by shareholders' resolution in the Annual General Meeting of the Shareholders (AGM) No. 1/2023 held on 10 April 2023

*** Paid quarterly to the Chairman of the Board of Directors Baht 300,000 per quarter, each board member Baht 137,500 per quarter, the Chairman of Audit and CG Committee an additional Baht 100,000 per quarter, each Audit and CG Committee member an additional Baht 50,000 per quarter, the Chairperson of Sustainability and Risk Management Committee an additional Baht 37,500 per quarter and each Sustainability and Risk Management Committee member (only a member who is an independent director) an additional Baht 25,000 per quarter

The comparison of remuneration of the Chairman, directors, the Chairman of Audit and Corporate Governance Committee, Audit and Corporate Governance Committee members, the Chairperson of Sustainability and Risk Management Committee, Sustainability and Risk Management Committee members and management between the Company and other listed companies and listed companies in the service sector is as follows:

(In million baht/person/year)

Description	* PSL		** Service sector							
	2023	2022	Mean		Median		Min		Max	
			Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus
Chairman of the BOD	1.20	1.20	0.97	1.95	0.77	1.24	0.22	0.27	4.04	9.29
Executive Directors	0.55	0.55	0.50	1.17	0.38	0.70	0.16	0.22	2.01	4.63
Non-Executive Directors	0.55	0.55	0.54	1.07	0.43	0.73	0.16	0.21	2.67	5.29
Management	9.72	8.17	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chairman of Audit and CG Committee ***	0.40	0.40	0.62	1.91	0.44	1.73	0.14	0.26	2.03	4.48
Audit and CG Committee members ***	0.20	0.20	0.41	1.49	0.26	1.34	0.07	0.19	1.58	3.63
Chairperson of Sustainability and Risk Management Committee ****	0.15	0.11	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sustainability and Risk Management Committee members ****	0.10	0.08	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* PSL's figures are actuals of respective years

** From IOD's Thai Directors Compensation Survey 2022 (latest available survey results) – No survey was conducted in the year 2023

*** Additional Remuneration as Chairman of Audit and CG Committee/Audit and CG Committee member

**** Additional Remuneration as Chairperson of Sustainability and Risk Management Committee/Sustainability and Risk Management Committee member

N.A. Not available since not reported

(In million baht/person/year)

Description	* PSL		** All listed companies with revenue 5,001 - 10,000 MB							
	2023	2022	Mean		Median		Min		Max	
			Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus
Chairman of the BOD	1.20	1.20	0.81	1.47	0.69	1.19	0.29	0.35	3.15	5.49
Executive Directors	0.55	0.55	0.50	0.91	0.44	0.77	0.19	0.24	1.72	2.59
Non-Executive Directors	0.55	0.55	0.51	0.93	0.44	0.76	0.19	0.24	1.93	3.14
Management	9.72	8.17	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chairman of Audit and CG Committee ***	0.40	0.40	0.48	0.68	0.37	0.57	0.14	0.34	1.38	1.58
Audit and CG Committee members ***	0.20	0.20	0.35	0.50	0.25	0.40	0.08	0.23	1.10	1.25
Chairperson of Sustainability and Risk Management Committee ****	0.15	0.11	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sustainability and Risk Management Committee members ****	0.10	0.08	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* PSL's figures are actuals of respective years

** From IOD's Thai Directors Compensation Survey 2022 (latest available survey results) – No survey was conducted in the year 2023

*** Additional Remuneration as Chairman of Audit and CG Committee/Audit and CG Committee member

**** Additional Remuneration as Chairperson of Sustainability and Risk Management Committee/Sustainability and Risk Management Committee member

N.A. Not available since not reported

(In million baht/person/year)

Description	* PSL		** All listed companies with the market capital 10,001 - 50,000 MB							
	2023	2022	Mean		Median		Min		Max	
			Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus	Retainer & Attendance	Retainer, Attendance & Bonus
Chairman of the BOD	1.20	1.20	1.13	2.24	0.80	1.45	0.23	0.28	7.34	13.63
Executive Directors	0.55	0.55	0.63	1.36	0.51	0.90	0.19	0.24	3.49	6.64
Non-Executive Directors	0.55	0.55	0.68	1.39	0.54	0.94	0.19	0.24	4.05	7.20
Management	9.72	8.17	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chairman of Audit and CG Committee ***	0.40	0.40	0.62	0.62	0.53	0.53	0.09	0.09	2.56	2.56
Audit and CG Committee members ***	0.20	0.20	0.43	0.43	0.44	0.44	0.07	0.07	1.84	1.84
Chairperson of Sustainability and Risk Management Committee ****	0.15	0.11	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sustainability and Risk Management Committee members ****	0.10	0.08	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* PSL's figures are actuals of respective years

** From IOD's Thai Directors Compensation Survey 2022 (latest available survey results) – No survey was conducted in the year 2023

*** Additional Remuneration as Chairman of Audit and CG Committee/Audit and CG Committee member

**** Additional Remuneration as Chairperson of Sustainability and Risk Management Committee/Sustainability and Risk Management Committee member

N.A. Not available since not reported

5. Supervision of Subsidiaries and Associated Companies¹

The Company shall at all times, ensure that all the subsidiaries' and associated companies¹ are in compliance with applicable laws and regulations.

The Board has set up the following mechanism in order to supervise and monitor corporate governance of the Company's subsidiaries and associated companies¹.

- The Company shall nominate directors in each subsidiary as appropriate for the business operations of such subsidiary and the governing laws and regulations. For associated companies¹, director appointment shall be as per an investment agreement (if any).
- The Board of Directors considers proposed candidates for executive directors on the Executive Board of Directors of the Company. The executive directors are generally appointed as directors in the Company's subsidiaries. However, the number of directors in each subsidiary depends on business requirements and governing laws.
- Directors of the subsidiaries perform their duties in conformity with applicable laws and ensure that the business of the subsidiaries operates in accordance with applicable laws. The directors, in their business conduct, are expected to generally act with care to preserve the interest of the Company.
- Financial performance of the subsidiaries shall also be reported to and considered by the Company's Board of Directors on a regular basis.
- The executive directors shall ensure that the Company and its subsidiaries comply with the disclosure requirements of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). They shall also ensure that all material information is disclosed in a timely and accurate manner.
- The internal control systems and policies of the Company shall extend to its subsidiaries. The internal audit department will monitor the implementation of these policies and procedures at the subsidiaries and report any issues to the Audit and Corporate Governance Committee. The committee will then review the findings and take appropriate action to address any issues identified.

¹ "associated company" means:

- (a) a company whose shares are held by the parent company or the subsidiary company in an aggregate number of more than twenty percent but not exceeding fifty percent of the total number of shares with voting rights of the company being held;
- (b) a company in which the parent company or the subsidiary company has the power to participate in making decisions on financial policies and operational matters of the company but not insomuch as to have control over such policies and not deemed as a subsidiary company or joint venture.

The Company's implementation of good corporate governance principles is outlined hereunder:

1. Rights of shareholders and equitable treatment of shareholders

The Company recognizes the rights of shareholders as well as its fiduciary duty to ensure equitable treatment of all shareholders and to safeguard the interests of all shareholders. The basic legal rights comprise the right to buy/sell or to transfer securities held, the right to share in profits of the Company, the right to receive dividend, the right to attend the shareholders meetings, the right to propose agenda in the shareholders meetings, the right to vote for the appointment of directors and fixing of director remunerations, the right to vote for the appointment of auditors and fixing of auditors' fees and the right to take part in decision-making of the Company's material issues, such as approval of key activities affecting business direction.

Apart from the basic rights of shareholders above, the shareholders have the right to receive information on operating performance, newsletters from management and other key information via the Company's website. In accordance with good corporate governance guidelines, the Company has conducted its affairs with a view to protecting shareholders' rights and also encouraging all shareholders to exercise their rights. The policy for maintaining rights of shareholders is part of the Company's corporate governance policy manual which is disclosed on the Company's website.

The Board of Directors respects the rights of shareholders by way of facilitating the following for them to attend the annual general meetings of shareholders.

- All shareholders including the institutional shareholders are continuously encouraged to participate and vote in the shareholders' meetings.
- Proxy forms for attending the shareholders' meetings, and proxy delegation process are enclosed with the meeting invitations.
- Duty stamps are available to facilitate the proxies.
- In case of face-to-face meetings, the Company arranges the shareholders' meetings at the center of town, where it is convenient for the shareholders to get to the venue. In case of electronic meetings, the Company ensures that the selected e-meeting platform for the shareholders' meetings is secure, reliable, and user-friendly.
- The Board is committed to not adding any new agenda item without notice to shareholders in advance.

The Company takes care and treats all shareholders, both major shareholders and minority shareholders as well as foreign shareholders on a fair and equal basis. The Board ensures that all shareholder rights are protected and that they all get fair treatment.

2. Role of stakeholders

The Company recognizes the importance of all stakeholder groups whether it is the internal stakeholders such as shareholders, employees and management of the Company and subsidiaries or external stakeholders such as creditors, suppliers, customers, communities, government agencies and other related organizations. The Company is aware that the support from each stakeholder would help establish the Company's competitive advantages and profitability, which would contribute greatly to the Company's long-term success and prosperity. The Company has also amended the Company's website to include, under the subject of "Stakeholder Activities", the policy and code of conduct towards stakeholders in business ethics and code of conduct manual and included therein a way whereby the website can be used as one of the intended channels for any stakeholder to express his/her opinion and contact the Board of Directors in case they wish to contact the Board of Directors directly without going through the management. The Board will treat such information seriously and will maintain utmost confidentiality. If the complaints are not unfounded, the Board would take all remedial action that may be necessary.

- **Management:** The Company recognizes that management is one of the key determinants of success for the Company's operations and accordingly, management remuneration is appropriately structured and comparable with the industry norms and other equivalent listed companies in Thailand. The management is also allowed to work independently without interference as defined in their duties and responsibilities, which are approved by the Board of Directors.

- **Employees:** The Company recognizes that employees are key drivers for smooth and successful operations. The Company provides equal opportunities in employment and career advancement without prejudice to race, gender, religion and age. The Company emphasizes its recognition and commitment towards gender equality by way of including a separate diversity and inclusion policy in its business ethics and code of conduct to ensure that all job applicants and employees are treated with fairness and dignity at the workplace, regardless of their gender and background. In October 2021, the Company has also become a signatory to the women's empowerment principles established by UN Global Compact and UN Women, which are a set of principles offering guidance to business on how to promote gender equality and women's empowerment in the workplace, marketplace and community. Human resource policies conform to local labor law regulations. The Company ensures that employees possess adequate knowledge and skills to perform their jobs for the Company's business and understand relevant code of conduct and practice and are encouraged to gain knowledge and ability and keep them updated following industry trends. The subject of safety and occupational health of all seafarers serving onboard the Company's ships has been explained under the subject of "**Sustainable Development**" of this annual report.

The Company provides remuneration to office employees as salary, bonus, and other benefits, like provident fund on a voluntary basis, although such other benefits are not required by law. Remuneration is based on their performance, roles and duties and incentives/ increments/ bonuses are also based on financial status/performance and future plans of the Company. As a long-term incentive, the Company does not have an employee stock option plan in place since the Company feels that to a large extent, the share price of the Company depends on a number of factors beyond the employees' direct control like the state of the international freight markets and therefore, the Company's share price may not adequately reflect the better performance of the employees. Therefore, the Company has implemented a profit-sharing scheme, which ensures that the employees are paid bonuses annually based on the performance of the Company against specified quantitative targets, which are laid down annually in advance.

The Company provides in-house and external training for officers of the Company both at head office as well as on the ships. The costs of such training are borne by the Company. Moreover, the Company allows special leave and flexible working hours for employees who are undergoing longer term professional or degree courses. Moreover, the Company supports a good relationship between all employees including the management.

The Company has appointed the welfare committee consisting of five (5) employees from various departments to oversee employee well-being, consult with the management on employees' welfare issues, provide advice, and make recommendations to the Company regarding employee welfare.

- **Brokers:** The Company recognizes that shipbrokers with whom the Company regularly deals with for obtaining business for Company's ships are one of the Company's key success factors. Accordingly, terms are negotiated with a view to ensuring fairness and in keeping with industry norms so as to ensure a mutually beneficial long-term working relationship.
- **Creditors:** The Company recognizes that financial creditors are an important determinant of the success for the Company, given the Company's highly capital-intensive business. The Company values its relationship with and its commitment towards all of its lenders and therefore, the Company generally complies with all terms in borrowings including compliance with the objectives of using the borrowed funds, repayment, collateral, and other conditions as may be agreed. Moreover, if there is any covenant in any of the loan agreements with which the Company is unable to comply, the Company proactively approaches the lenders to seek a waiver or achieve other mutually acceptable solutions.
- **Suppliers:** The Company recognizes the importance of satisfied suppliers and so the Company always ensures that suppliers are provided with equal information. Terms and conditions for suppliers are based on industry norms and practices and thereafter, agreed terms and conditions are strictly followed by the Company. Furthermore, the Company keeps the suppliers' information confidential and does not use such information for any inappropriate benefit.

- **Customers:** The Company recognizes that its customers are a key driver of success. The Company always protects customers' interests, is attentive and ultimately responsible for the needs of the customers with regard to service, and in setting and maintaining steady standards of service. The customers' confidential information is used exclusively for concerned business, without revealing it unless required by laws, regulations, or with consent from the information owners, including issues related to marketing, market power exercises, price setting, and details of services, quality and safety.
- **Competitors:** The Company acts within the rules of fair trade and refrains from making any attempt to damage trade competitors' reputations with false allegations against their companies. The Company does not make any attempt to access competitors' confidential information or use dishonest or inappropriate means for any purpose. The Company is proactive in sharing information that can benefit the shipping industry as a whole and contribute to sustainable economic, social, and environmental development of society.

In 2023, there were no disputes or lawsuits between the Company and its competitors.

- **Social responsibility to the community:** The Company recognizes its responsibility to the community and is often involved in supporting community activities and being attentive to the consequences of the Company's conduct that affect the people more than what the laws require, including making efforts to absorb social accountability. The Company has provided a separate detailed report under the subject of "**Sustainable Development**" of this annual report.
- **Regulators:** Apart from the various regulations which the Company's ships are subjected to and explained hereunder in this report, on a corporate level, the Company recognizes that the government is a regulator who is in control of the Company's operations in respect of the fairness and transparency of trading. The Company recognizes the significance of compliance with related laws and regulations and has included its review of compliance as one of the duties of the internal audit department headed by a qualified internal auditor. The internal audit department provides an annual compliance review report of related laws and regulation and directly report to the Audit and Corporate Governance Committee as explained under the "**Audit and Corporate Governance Committee Report**" of this annual report.
- **Environment:** The Company recognizes that shipping operations if conducted irresponsibly may affect the environment, particularly in terms of air and/ or water pollution.

As part of its environmental protection policy, the Company is committed to the protection and conservation of the environment and ranks environmental considerations equally with commercial and operational factors in managing its operations and implements this policy. The Company has provided a separate detailed report under the subject of "**Sustainable Development**" of this annual report detailing the steps taken by the Company and its compliance with various regulations/norms.

- **Respect for human rights principles:** The Company requires that all of its directors, management, and employees strictly respect human rights laws including those that relate to forced labor or child labor. The Company does not tolerate any violations thereof. All stakeholders are treated fairly and in a dignified manner, without any discrimination on the basis of national origin, race, gender, age, skin color, religion, physical condition, status, or birth. The Company also promotes the monitoring of human rights compliance within the Company and encourages business partners, suppliers, and other relevant parties in the supply chain of the Company and its controlled entities in Thailand and overseas to conduct business in a manner that respects human rights.

In 2023, the Company did not receive any complaints or reports on human rights issues.

- **Ethics for intellectual property rights:** The Company requires that all of its directors, the management, and employees respect the intellectual property rights of others, whether in relation to trademarks, patents, copyrights, classified commercial information, or other stipulated categories of intellectual property, such as using only licensed software that has been inspected and installed by the Company's information technology department, and encouraging our employees to ensure that the application of research findings or other data in their work does not constitute a violation of other people's intellectual property rights.

3. Disclosure and transparency

The Company has tightened procedures to take care of important information to be disclosed, including both financial and non-financial statements and reports. The information is disclosed correctly, accurately, on a timely basis and transparently through the proper channels that users can conveniently access.

3.1 Board of Directors' report

The Board of Directors is responsible for the Company and its subsidiaries' financial statements and financial information presented in this annual report. The report on the Board of Directors' responsibilities for financial statements is presented along with the report of independent auditor and audited financial statements in this annual report.

3.2 Relations with investors

The Board of Directors recognizes the importance of accurate, complete and transparent disclosure of financial information and general information, which may affect the Company's share price. The Company provides the information through the SET, the Company's website and through regular newsletters and communications from the Managing Director. The Company has established an investor relations division to disseminate information to shareholders and other stakeholders including investors and analysts so as to foster a deep understanding of the Company and its business. The corporate information and performance data is posted in both Thai and English on the Company's website and through various media.

The following three channels to contact investor relations

- By email: ir@preciousshipping.com
- By fax: +662-236-7654
- By contact IR persons: information of IR persons is hereabove in "**Organization Structure**" of this report

The Company has joined many events for press/analyst briefings, which are attended personally by the Managing Director and/or the executive directors. Some of the major events in which the Company participated in the last three (3) years are enumerated herein as under:

Year / Times	Analyst meetings / Communications	Investor meetings / Communications	Presentations Roadshows	Press and TV interview	Total
2023	25	25	15	2	67
2022	29	15	9	11	64
2021	69	19	11	14	113

4. Responsibilities of the Board

4.1 Explicit responsibilities of the Board of Directors

The Board of Directors performs its duties and carries on the business of the Company in conformity with applicable laws, the Company's objectives and the memorandum and articles of association, as well as the resolutions of the shareholders' meetings. The Board shall be involved in any matters that may have a significant impact on the Company's business. The following matters require decision or approval from the Board:

- Designation of the authorized directors to bind the Company.
- Appointment of executive directors and members of the sub committees, in the manner prescribed by law.
- Authorizing the sale or mortgage any of the Company's immovable properties, to let any of the Company's immovable properties for the period more than three (3) years, to make a gift, to compromise, to file complaints to the court and to submit the dispute to the arbitration.
- Approval of annual and quarterly financial results.

- Approval of the vision and mission statement, core values and code of business conduct.
- Approval of major decisions in respect of the Company's business direction and policies.
- Decision on major investments and contracts with significant impact to the Company.
- Any matters and/or transactions within the ambit of the Board pursuant to the memorandum and articles of association of the Company, the Public Limited Companies Act B.E. 2535, and other relevant laws and regulations.

The Board of Directors has clearly defined and demarcated duties and responsibilities between each committee as mentioned under the **“Organization Structure”** section of this annual report.

4.2 Board diversity

The Company developed board skill matrix in order to create a wide range of expertise in line with the Company's business operations. The Company considers increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. The Board members represent diversity from a range of perspectives including gender, age, educational background, skills, knowledge, and professional experience. And for the selection of new directors, the Board of Directors will consider the candidate's qualifications, having regard to the mix of skills, diversity and in line with the Company's strategic direction.

The number of members on the Board of Directors is commensurate with the size and complexity of the Company's business. As of 31 December 2023, there are twelve (12) directors on the Board of Directors of the Company which consists of three (3) executive directors who hold executive roles and are full-time employees of the Company and nine (9) non-executive directors, five of whom are independent directors (42% of the Board). Moreover, the Board consists of five (5) female directors (42% of the Board).

4.3 Succession plan

The Board of Directors shall ensure a systematic nomination for the proper candidate to replace a director or top executive position suitably in line with the succession planning policy. The Nomination and Remuneration Committee is appointed to propose the appointments of new directors and key executives (Managing Directors and executive directors) to the Board by considering the proper candidate both from internal and external candidates. The Nomination and Remuneration Committee is responsible for considering candidates' skills, experience, and specific qualifications for the best interest of the Company. To support its succession planning process, in 2023 the Company has hitherto been quite successful in sourcing and retaining such highly skilled and qualified personnel. The Company continues to take a number of initiatives including establishing a detailed succession plan to attract and retain talent. Moreover, the Company has prepared and enhanced critical mechanisms, for instance, knowledge management, succession plan management and leadership development program as part of our management development and succession planning cycle.

4.4 Controlling system and internal audit

The Company recognizes the importance of internal control systems on an operational level to ensure that the operations are conducted efficiently. Duties of operations and management level personnel are laid down clearly. There is a proper level of control maintained on the utilization of the Company's property/assets for the highest benefit of the Company and there is clear segregation between the operations units, control units and assessment units for the purpose of maintaining appropriate checks and balances. Moreover, an internal control system for the financial and accounting functions of the Company is clearly set up which allows adequate reporting to the relevant management.

The Company has a robust internal audit department in order to ensure that the key operations and financial activities are conducted efficiently under the guidelines and relevant laws. Moreover, to ensure that the Company has complied with laws and regulations relating to the business of the Company, the internal audit department conducts regular checks. Internal auditors report directly to the Audit and Corporate Governance Committee on all matters, in order to make the internal audit department completely independent of the management.

Moreover, an internal control system for the financial and accounting functions of the Company is clearly set up which allows adequate reporting to the relevant managers to achieve the following objectives:

1. Efficient and effective operations, including skillful use of resources for the best benefit of the Company.
2. Accurate, reliable and prompt financial reporting.
3. Full compliance with the Company's policies, laws and regulations.

The Board of Directors recognizes the importance of risk management and is responsible directly for the risk management of the organization with the objectives to support the work performance of the management of the Company to be efficient and effective and to achieve the business objectives. The Board of Directors has specified the Company's policy on risk management and internal control on the website of the Company and under the topic "**Internal Controls**" of this annual report.

The Company also established the legal and compliance department to review and evaluate compliance issues/concerns within the organization in order to mitigate legal risk and to ensure the Board of Directors, management, and employees are in compliance with the rules and regulations of regulatory agencies, that Company policies and procedures are being followed, and that behavior in the organization meets the Company's standards of conduct.

Monitoring the compliance with policies and guidelines of corporate governance

The Board of Directors defines the duties and responsibilities for the directors, management, and employees to acknowledge and comply with the policies and terms indicated in the Company's corporate governance policy and business ethics and code of conduct. Moreover, the Company put in place a whistleblowing policy and the internal audit processes as mechanisms to monitor compliance to assure that all operations abide by such policy and principles. If the directors, management, and employees violate these principles, they will face strict disciplinary punishment.

1. Conflict of interest

The Board of Directors, through the Audit and Corporate Governance Committee, has stipulated a policy outlining the process through which transactions with a potential conflict of interest are approved.

Policy on conflict of interest

The Company has set up an important policy concerning the conflict of interests and related transactions for directors, management, and employees as laid down under the following guidelines:

- Avoid any transaction related to oneself, which may lead to a conflict of interest with the Company.
- If it is necessary to carry out such transaction for the Company's benefit, conduct it as if it is a transaction done with a third party. However, any such transaction must be fully disclosed and approved by the relevant authority within the Company in advance.
- Furthermore, directors and management, or employees having an interest in a transaction must not be involved in its approval process.
- If a transaction is considered as a related party transaction under the SET notification, director, management, and employees must strictly comply with the rules and procedures regarding information disclosure by listed companies for such transactions.
- If a director, management, employee or a member of their family is involved with or becomes a shareholder in a business in competition with the Company or any other business that may cause a conflict of interest with the Company, he/she must inform the Board in writing.
- If a director, management, and employee become a director, partner, advisor or participant in any other capacity in another company or business organization, such position must not conflict with the Company's business or that person's direct responsibilities in the Company.

The Company has implemented measures to prevent conflicts of interest as follows:

- Directors disclosing their interests and those of their related parties to the Board.
- Directors report their ownership of Company's shares and warrants to the Board regularly.
- Director/top executive, who has a conflict of interest on a particular issue, is prohibited from participating in the decision-making process related to that issue. Normally a director/top executive, who has a conflict of interest on an issue, will leave the meeting and join back once the issue has been discussed and a decision on the same is made.
- Directors and management team disclose and report their conflict of interests, including dealings with their relatives, if any, to the Company for the Company's use in complying with the regulation about connected transactions. Such report on interest is also useful in monitoring their adherence to their duties, by the following practices;
 - A new director/management submits the "Report on Conflict of Interest Transaction" form within thirty (30) days after appointment.
 - Thereafter, if there is a change, director/management submits the updated "Report on Conflict of Interest Transaction" form immediately or no later than seven (7) working days from the transaction date.
 - The Company secretary submits a copy of the report on interest to the Chairman of the Board of Directors and the Chairman of Audit and Corporate Governance Committee within seven (7) working days from the date on which the Company has received such a report.
- All management and employees are required to report potential conflicts of interest on an annual basis. If a conflict of interest occurs, the person must promptly inform their supervisor using the electronic form for acknowledgment and further action.
- In 2023, 100% of management and employees submitted their annual conflict of interest disclosure reports through electronic forms.

Potential conflict of interest transactions

Any transaction which could lead to a potential conflict of interest and/or a related party transaction is considered very carefully by the Board of Directors with a view to full compliance with the relevant rules and regulations of the SET and the SEC, apart from compliance with the internal policies and guidelines set up by the Company. Moreover, such transactions are entered into strictly on an "Arms-Length" basis. The terms and conditions of such transactions are always in compliance with generally acceptable, standard commercial terms and conditions and appropriate disclosure regarding the details of the transactions viz. value, counter-party, reason and necessity of the transaction is made in this annual report.

In addition to the above, the Audit and Corporate Governance Committee and the internal audit department prepared the annual audit plan to review transactions that may cause conflict of interest. For the year 2023, the internal auditors audited the aforesaid transactions and reported the results thereof to the Audit and Corporate Governance Committee in the Audit and Corporate Governance Committee's meeting No. 1/2024 held in February 2024. The Audit and Corporate Governance Committee found that the Company has a proper policy for approval and prevention of abuse in such transactions. The existing conflict of interest transactions are made only on the basis of proper comparison of market prices and for the benefit of the Company. Adequate disclosures of all such material transactions have been made in this annual report.

Moreover, the internal audit department has reviewed the compliance of the Company in respect of the Notifications of the SET Re: The Disclosure of Information and Acts of Listed Companies Concerning Connected Transactions 2003 as amended from time to time and Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions as amended from time to time including the circular of the SEC about the recommended practice to be followed under section 89/12 (1) of the Securities and

Exchange Act (No.4) B.E.2551. The details of the connected transactions have been explained under the topic “**Connected Transactions**” of this annual report. The results of the review have been reported to the Board of Directors of the Company. The Board of Directors of the Company is of the opinion that such transactions are fair and for the full benefit of the Company.

2. Reporting changes in holding of the Company’s shares/warrants

To prevent abuse of inside information, all directors and management team must report any changes in their (and that of their spouses and minor children) holding of the Company’s shares and/or warrants to the Company and the office of the SEC within three (3) business days from the date of trading/transfer of the Company’s shares and/or warrants (as the case may be). The changes in Company’s shares and warrants of the directors are reported to the Board of Directors meeting every quarter.

3. Insider trading controls

Precious Shipping Public Company Limited has a policy of disseminating all significant information (both financial and non-financial) to shareholders, investors and the general public on a timely basis. Strong internal controls are in place to ensure that information released is comprehensive and accurate.

The Board is committed to comply with rules and regulations in relation to the disclosure of significant information in a timely manner and with full transparency. Monitoring the use of insider information is the responsibility of the directors, and management team who are obliged to strictly monitor and prevent any leaks of the Company’s confidential and privileged information including information not yet revealed to the public or any data that might affect the Company’s operations or share price. This includes the prohibition on use of Company’s information obtained from directorships or employment for personal benefit or conducting business or other activities in competition with the Company. The Company has documented these principles and provided guidelines in the business ethics and code of conduct manual which is disclosed on the website of the Company under the corporate governance section.

Pursuant to section 59 of the Securities and Exchange Act B.E. 2535, all directors and management team members have signed and acknowledged that they are required to report the changes in their shareholding to the Company secretary and the office of the Securities and Exchange Commission within three (3) business days from the date of trading/transfer of the Company’s shares and/or warrants (as the case may be). Such reporting shall extend to any change in shareholding of any director/management team member’s: (i) spouse, (ii) cohabiting partner, (iii) minor children, and (iv) any juristic person in which such director/management team member holds more than 30% of the total voting rights of such juristic person (including that of his/her spouse, cohabiting partner and minor children), ((i) to (iv) referred to as “relevant persons”).

The Company secretary reports to the Board of Directors at the Board of Directors meetings every quarter on any changes in the shareholding of board members and top executives.

In accordance with the Company’s corporate governance policy, the Company does not allow the following persons to trade/transfer the Company’s shares/warrants (as the case may be) during the period of one (1) month before and two (2) days after any financial announcement of the Company and also at least five (5) days before the Company makes any significant announcement (known as the “silent period”).

- All directors and management team members (including their relevant persons); and
- The Company’s personnel in the finance and accounts department, the legal department, the internal audit department, the information system department and the investor relations department who are close to the relevant inside information of the Company.

The head of legal and compliance regularly notifies the above personnel of the silent period in advance by email and monitors compliance therewith.

According to the Company’s corporate governance policy, all directors and management team members are encouraged to inform the Company secretary their intention (including that of their relevant persons) to trade/transfer the Company shares/warrants (as the case may be) at least a day in advance.

In addition to the above, the Company's corporate governance policy sets out an investor relation policy which stipulates that for a period of two (2) weeks prior to the planned release of financial reports (known as the "silent" or "quiet" period), the spokesperson as a representative of the Company will not discuss matters related to the Company's future financial performance or expectations with financial media, analysts and investors.

During the year, the above policy has been fully complied with and no non-compliance cases have been observed.

4. Anti-corruption

Policy on preventing corruption and bribery

The Company has a policy prohibiting all forms of bribery or corruption, either directly or indirectly to advance its business interests or those of its associates. The Company has a zero-tolerance policy for fraudulent and/or corrupt behavior and takes corruption and bribery transactions, if any, very seriously. Any violation of this policy is regarded as a serious matter by the Company and will result in disciplinary action, including termination, consistent with local law.

To affirm its resolve to combat corruption, the Company signed a Declaration of Intent of the Thai Institute of Directors' Private Sector Collective Action Coalition Against Corruption (CAC) in 2018, whereby the Company vowed to adhere to the coalition's aim to fight corruption in all forms. On 5 August 2019, the Company was officially certified as a member of the CAC.

The Company implemented the "No Gift Policy" in accordance with the suggestion from the CAC, whereby the Company requested all business partners to not give any gifts for any occasion to any of its personnel, including its directors, management, and employees at all levels. The Company continued with this practice in 2023. This no gift policy reinforces the Company's compliance with the anti-corruption policy and good corporate governance principles.

In 2023, the Company continued to maintain high ethical standards, with a view to upholding its position against any form of bribery and corruption. The continual activities throughout the year are as follows:

- Provided a training program for all directors, management, and employees in line with its code of conduct and corporate governance policy and anti-corruption policy.
- A regular bribery and corruption risk assessment to review the mitigation measures and ensure they are appropriate.
- Prescribes strict guidelines for preventing corruption and bribery such as the guideline for giving and receiving gifts and gratuities, transactions with government, etc. Details of this policy and guidelines are presented in the Company's business ethics and code of conduct and anti-corruption policy which are informed to all the employees and posted on the Company's website.
- A regular review of the internal control systems and procedures to ensure they are effective in countering bribery and corruption.
- A monitoring system to ensure that the policies and procedures are effective.

Moreover, the Company has established channels for reporting any misconduct, fraudulent act or corruption and provides protection and remedies for any person who files a complaint or cooperates in the investigation of the charge.

5. Whistleblowing policy

To ensure fair treatment of all stakeholders under the code of conduct, the Company has set up a channel to contact the Board of Directors directly (without passing through the management of the Company) for any business suggestions, complaints, or recommendations indicating impact or risks of impact on stakeholders arising from its business or from wrongful action, or violation of the code of conduct, and complaints for special cases like immoral/dishonest acts of management, breach of code of conduct, illegal acts, etc. Any employee or any other stakeholder is accordingly welcome to send a message by email or mail a letter to Khun Chaipatr Srivisarvacha, independent director and Chairman of the Board of Directors, at the following address:

By mail:

Mr. Chaipatr Srivisarvacha
217/79 Crystal Garden Condominium, Soi Sukhumvit 4, Sukhumvit Road, Klongtoey Bangkok 10110
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The complaint handling procedure

When the whistle is blown or a complaint is filed, the Company will collect evidence, evaluate and formulate measures to relieve damages caused to the affected person(s) by considering the overall impact. Afterward, the person responsible for the case will follow up results of the relief and report to the appropriate staff and the filer of the complaint. Results of action will be reported to the Chairman of the Board of Directors, the Chairman of Audit and Corporate Governance Committee and/or all relevant directors, respectively, depending on each case.

Confidentiality

The Company recognizes that some individuals who observe a breach and wish to report it will seek to do so in confidence under this policy. In principle, the Company will handle all reports confidentially and equally expects employees reporting a breach keeping this confidential. Confidentiality will always be maintained to the largest extent possible. Therefore, the Company will protect the identity of an employee who discloses a breach according to this policy.

The Company does, however, acknowledge that in some circumstances the investigation process may reach a point where the employee who reported the breach is required to make a statement or provide evidence. In such circumstances, where finding the truth would be hindered by maintaining complete confidentiality, the Company cannot guarantee complete confidentiality to the reporting employee. The Company will maintain confidentiality as much as possible in such situations. Finally, the Company will not disclose employees' identities without his/her knowledge and consent.

Protection of whistleblower

In order to protect the rights of whistleblowers, the Company will not reveal the name, address, picture or other information of the whistleblower or those who participated in the investigation. No whistleblower who in good faith reports a violation of the code of conduct or files a complaint or expresses concern involving matters covered by the whistleblowing policy shall suffer harassment, retaliation or adverse employment consequences as a result of such a report. Persons affected by the damage will be relieved with procedures that are appropriate and fair. An employee who retaliates against someone who has reported a violation, complaint or concern in good faith is subject to disciplinary action up to and including termination of employment.

The Complaint handling procedure and guidelines to protect whistleblowers have been presented in the **"Business Ethics and Code of Conduct"** which is informed to all employees and posted on the Company's website.

To prevent all forms of corruption from occurring, a risk assessment was conducted to identify potential corruption risks. The Company communicated with its employees and business partners about the Company's business ethics and code of conduct and practice to raise awareness and encourage the prevention of corruption.

Penalties for offenses

Penalties for offenses shall be in accordance with the Company regulations and/or applicable laws.

Monitoring the implementation of anti-corruption measures

The Board of Directors has assigned the Audit and Corporate Governance Committee to monitor actions concerning anti-corruption measures. The Company secretary, as this committee's secretary, gathers such outcomes to annually report to the committee and the Board of Directors and summarized for the shareholders in the annual report of violation.

In 2023, the Company did not engage any significant dispute with any stakeholders. There were zero whistleblowing incidents and zero violations of our ethical principles.