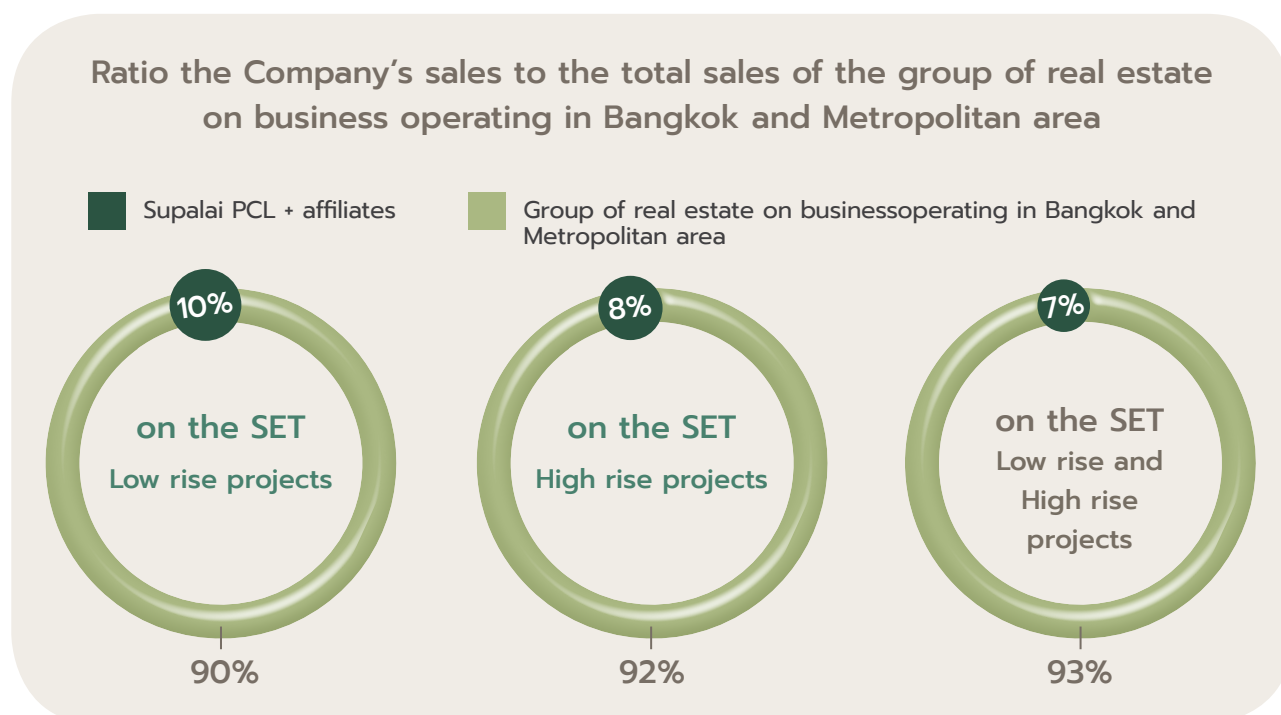


### 3.6 Market Share

The Company has a ratio of sales to the total sales made by the group of listed companies on the Stock Exchange of Thailand (SET) in the year 2022 as summarized below:

- For the group of low rise projects, the Company has a market share of approximately 10%
- For the group of high rise projects, the Company has a market share of approximately 8%

The Company's total market share amounts to approximately 7% of the entire shares achieved by the group of listed companies on the Stock Exchange of Thailand, details of which are illustrated below:



Source : AGENCY FOR REAL ESTATE AFFAIRS : AREA

## Chapter 4: Board of Directors' Responsibilities

### 4.1 Leadership and Visions

The Board of Directors has set a vision of being with a mission to Therefore, every kind of housing (single house, twin house, townhouse, and condominium) had been developed for the purpose of risk diversification and creating of growth potential. The Company had also developed energy-saving homes, paying attention to details in range of utilization, activity area placement, as well as materials and home-style designs. Furthermore, it was well aware that the energy and natural resources have been under depletion. It had, therefore, applied both science and art for home design and construction with energy efficiency and maximum benefits to the residents for customer satisfaction, whereby the Board of Directors has reviewed and granted approval to the visions and mission every year in order for the executives and the employees to set the goals in the same direction.

In 2022, the Board of Directors' Meeting No. 12/2022, held on December 13, 2022, considered and reviewed the vision and mission to be consistent with goals and business strategy as well as monitored the implementation of such matters and ensured that the Management performed operations according to the established policies and action plans efficiently and effectively.

#### **4.2 Holding Position of Director in Other Companies by Chief Executive Office of the Executive Committee and the Deputy Managing Director**

The Company complies with a policy on restriction of number of director positions in other companies that the CEO and the Deputy Managing Director can take. Such policy has been publicized on the Company's Website, [www.supalai.com](http://www.supalai.com). If the CEO and the Deputy Managing Director take too many director positions in other companies may affect the performance of duties for the Company. The Company's Board of Directors has, therefore, established the policy on holding of position of director in other companies by the Chief Executive Office of the Executive Committee and the Deputy Managing Director for maximum benefit of the Company in order for them to devote more time to perform their duties effectively follows:

1. The Chief Executive Office of the Executive Committee and the Deputy Managing Director can hold positions in Supalai Public Company Limited and its subsidiaries and associated companies.
2. To be a director in other companies, of which the business is similar to or competitive with the business of the Company, a request must be submitted for opinion of the Audit Committee prior to submission for approval by the Board of Directors and the shareholders respectively before being appointed to such position.
3. The holding of position of director in any organization other than specified in Clauses 1 and 2, which when combined is more than 5 places, must be approved by the Board of Directors' meeting before being appointed to such position.

In 2022, the President and the Deputy Managing Director of the Company strictly complied with the policy on the limitation of directorship in other companies (for details, please see Section: Board of Directors).

#### **4.3 Orientation for New Directors**

The Company is well aware of the importance of duty performing of new directors, it has, therefore, defined guideline regarding preparation for duty performing of directors to enable new directors to know the Company's expectations of their roles, duties, responsibilities, policies, businesses and corporate governance practice. These include enabling them understand about the Company's business and operation, as well as to visit its business units for being prepared to perform the duty of director promptly follows:



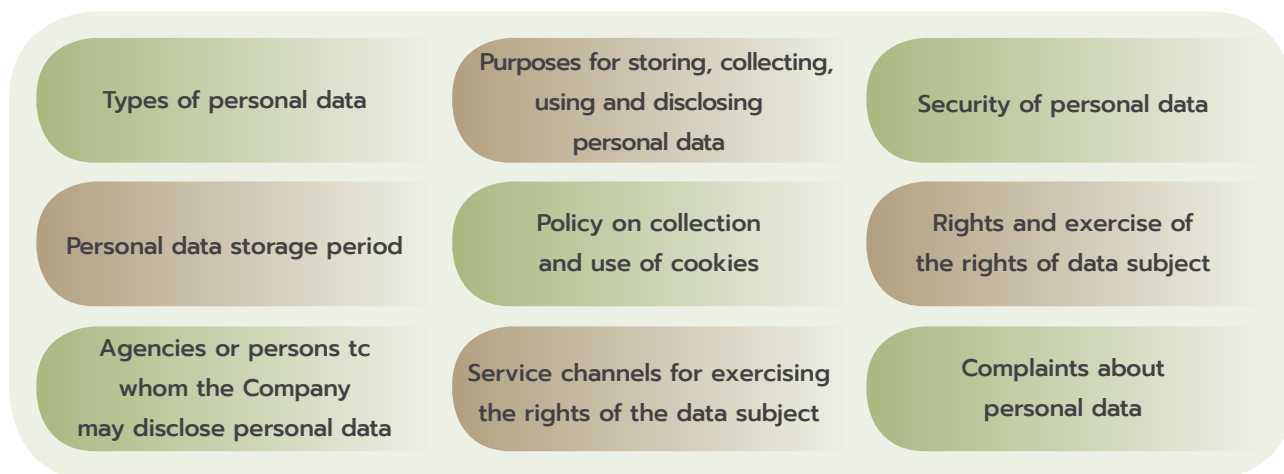
- 1) Coordinate in providing of the Company's data in legal area and others to the Board of Directors.
- 2) Submit "Directors Guidebook" to new directors, the guidebook contains the Company's information and relevant crucial laws which will be useful for members of the Board of Directors. The Company Secretary is responsible for coordinating to deliver this guidebook to the Board of Directors. Contents of the guidebook are as follows.
  1. Articles of Association of the Company.
  2. Objectives of the Company.
  3. Affidavit of the Company.
  4. Public Limited Companies Act.
  5. Securities and Exchange Act.
  6. Guidebook for Directors of Listed Companies.
  7. Charter of the Board of Directors and Charter for Sub-Committees.
  8. Business Ethics of the Board of Directors.
  9. Guidebook for good corporate governance, and other policies of the Company.
- 3) Arrange meetings with the Chairman, Board of Directors, committees and executives to make them informed of the Company's business operation for using as their principles in performing duty. The presentation is made as a whole picture and in details under the following topics:
  1. The Company's vision mission and goals
  2. Strategy and Management structure
  3. Management structure
  4. Operating data and Company's activities
  5. Roles, duties and responsibilities of directors
  6. Good corporate governance policy
  7. Summary profiles of other directors and executives management
  8. Qualifications and remuneration of directors

The Board of Directors assigned the Company Secretary to hand over "Director's Handbook" to newly appointed directors and Advisory of the board. The Company also organized an orientation course for the new directors on topics relevant to the Company such as the Company's business, operational plans, goals, visions and mission, structure of the Company and shareholding, managing operation, roles and duties as well as responsibilities of the Board of Directors, philosophy and ethics as well as business code of conduct of directors, executives and the employees, good corporate governance, corporate social responsibility, the corporate governance policy. The Company also arranged various project site visits for the directors. In 2022, the Company have no newly appointed.

#### 4.4 Supervision on Personal Information Protection

The Company is aware of all customers or service users or stakeholders who contact the Company and its website. As a result, the Company has established the policy on personal information protection in order to manage personal information safely and appropriately. Appointing a Personal Data Protection Officer to have powers and duties

in accordance with the framework which is consistent with the Personal Data Protection Act (PDPA), establishing a personal data storage system to provide appropriate mechanisms and techniques, restricting access to personal data of customers or service users or stakeholders from directors, executives, employees, workers, and representatives of the Company, and covering access to the service through the Company's website to prevent the personal data of service users from being used, disclosed, destroyed, or accessed without permission; The Company has channels to provide advice on which issues are covered as follows:



In 2022, 100% of employees were trained for the use of personal data through online channels in 2 courses: knowledge and understanding of the Personal Data Protection Act B.E. 2562 (2019) and PDPA in Action.

The Company has published the policy on its website ([www.supalai.com](http://www.supalai.com)) in both Thai and English versions. Additional details can be found under the topic of "Monitoring of compliance with corporate governance policy and practices - Insider Trading for Exploitation".

## Contact Channels

Customers, service users or stakeholders who have any inquiries can contact the Company via e-mail: [dpo@supalai.com](mailto:dpo@supalai.com).

## 4.5 The Internal Audit

The Board of Directors has established the Internal Audit Unit within the Company. Also, to facilitate the Internal Audit Unit to be independent from the management, the Board of Directors has ordered that the Internal Audit Unit report to the Audit Committee in order for the Board of Directors to be able to follow up the Company's operations efficiently. The Internal Audit Unit has set objectives, main engagement, scope of operations, powers and duties, and responsibilities in writing in the Internal Audit Charter approved by the Chairman of the Audit Committee.



In 2022, the Internal Audit Department was able to carry out the duties and responsibilities in accordance with the Internal Audit Charter completely, independently and in compliance with the Code of Conduct and commitment of the Internal Audit Unit as summarized as follows:

### **1. Development to Add Value to Audit Work**

- Focus has been placed on assurance and consulting services with independence and equity to add value and improve the operations of the Company, ensure the governing of the operations. Arrangements have also been provided for risk management and good internal control so as to achieve the operational objectives of the Company.
- Prepare an annual risk-based audit plan according to the strategic direction of the Company and important risks that impact the operation of the Company; carry out the operations in accordance with the Standard for the Professional Practice of Internal Auditing which includes the laws, regulations and regulations relating to the Company (Compliance Audit).
- Focus on the Proactive and Preventive Audit
- Arrange for monitoring of implementation of the recommendations generated from the auditing to achieve good corporate governance and adequate internal control.

### **2. Development of Internal Auditors**

- Arrange a test according to Standard for the Professional Practice of Internal Auditing and encourage internal auditors to develop themselves by pursuing a certificate for professional auditors or other professions relevant to internal auditing; also promote further education in other professions related to the business of the Company.

### **3. Internal Audit Charter**

The Internal Audit Charter has been established as guidelines for operating personnel of the Company at all levels to understand lines of command, objectives, scope of work and responsibilities of the Internal Audit Department, and liabilities of audited units by taking into consideration the importance of the good corporate governance as an important tool in supervising and managing the operations, and to ensure that there are correct standards and trustworthiness by maintaining pure and fair standards according to prescribed practical professional dignity of internal auditing.

#### **3.1 Objectives**

The Internal Audit Department has been established with the aim to build confidence to the executives in controlling, supervising and giving advice and to provide useful information for their decision making regarding the improvement of the Company's operations.

### **3.2 Line of command**

- 1) The Internal Audit Department is an independent unit reporting directly to the Audit Committee.
- 2) The head of Internal Audit Department is the top senior personnel of the Department and report directly to the Audit Committee.
- 3) The head of Internal Audit Department shall propose the Risk - Based Audit Plan to the Audit Committee.
- 4) The head of Internal Audit Department directly reports the result of the audit to the Audit Committee, and the Audit Committee must report every audit result to the Board of Directors accordingly.

### **3.3 Main Engagement**

- 1) Provide advice and information relating to the audit, assess risk management and internal control including standards of operations, generally accepted accounting principles, policies, laws, rules, regulations for enhancing efficiency and effectiveness in governing process to add value and ensure the creditability of the financial information system and the operations of internal departments.
- 2) Be committed to practice to enhance their own knowledge and also the organization's on the internal audit and various technical matters relating to the provision of advice and suggestions to build confidence in operating work.

### **3.4 Scope of Operations**

- 1) The Scope of Operations of the Internal Audit Department includes providing advice and information regarding the audit, operations, assessment and improvement of risk management, internal control, generally accepted accounting principles, policies, rules, regulations and laws as well as supervising process and all relating procedures to the departments in the organization to add value and improve the operations of the audited units as well as relevant units to achieve the set goals and objectives.
- 2) The performing of any other non-audit tasks must always be approved by the Audit Committee.

### **3.5 Powers and Duties**

- 1) The Internal Audit Department is independent in auditing the operations of all departments within the organization.
- 2) Internal Audit Department can have access to personnel, information, documents and assets of the employees in connection with the audit except for information on salary of the personnel in the Company.
- 3) The Internal Audit Department has no authority to set policy, working methods and internal control systems or modify the internal control system



because such duties are under the responsibilities of related executives. The internal auditor's duties are only providing advice and recommendations. However, the Internal Audit Department has the rights and duties to review the compliance with the Company's policies in order to assess the adequacy and effectiveness of the control so as to respond to the risks.

- 4) The Internal Audit Department shall carry out the audit in accordance with the International Standard for the Professional Practice of Internal Auditing.
- 5) Internal Audit Department has the right to attend training courses or participating in activities to increase their relevant knowledge by using the resources of the Company.
- 6) In case of the internal audit performance on any matters or any other performance of the internal audit is necessary to rely on the expertise of specialists, the head of Internal Audit shall present the Audit Committee and the Board of Directors respectively in order to be considered for an invitation or engaged specialists.

### **3.6 Duties and Responsibilities**

- 1) To prepare the annual audit plan to the Audit Committee for approval and shall comply with the annual audit plan.
- 2) To review the internal audit charter at least once a year, so that it is consistent with the scope of responsibilities for the operations of the Company and shall be approved by the Audit Committee.
- 3) Verify the accuracy and reliability of data and figures by using techniques and generally accepted auditing methods. The quantities for auditing will be determined as deemed necessary and as appropriate taking into account the efficiency of the internal control system and the importance of the matter to be audited including analysis / evaluation of the management and operations of the audited unit by considering the priority for auditing. Also, with regard to time spent in the operation, significant risks shall be taken into consideration.
- 4) Preparation of risk-bases audit programs on strategic risk, operational risk, financial risk, regulatory risk, and social and environmental risks.
- 5) Provide assessment of the conflict of interest of the Company on a yearly basis and audit the connected transactions or operational activities to ensure the compliance with policies, laws, regulations, orders including the segregation of tasks, maintenance of properties and the use of all resources taking into account the efficiency and effectiveness of the operations.
- 6) Evaluating the performance and reporting the results of the audit and suggesting improvements in order to ensure the efficiency and effectiveness of the performance of the audit unit In accordance with the internal control framework of COSO-ERM (Enterprise Risk Management Integrating with

Strategy and Performance), providing the performance evaluation of the internal audit unit whereby the auditor uses the suggestions to improve the service in order to achieve internal audit objectives efficiently and effectively.

- 7) Monitor and evaluate the implementation of the jointly discussed conclusions to ensure the audited units have improved the operations as discussed.
- 8) Coordinate with persons involved to facilitate the audit to achieve the goals and to be efficient.
- 9) Assess risks in all processes of the Company relating to measures against corruption and provide appropriate risk management procedures.
- 10) Audit the compliance with measures, practical principles and the internal control relating to anti-corruption measures for all tasks assigned including financial and accounting internal controls and record-keeping to ensure that control relating to prevention on corruption is in place.
- 11) To receive corruption complaints and search additional information as assigned by the Audit Committee or the Senior Executive used supporting the consideration.
- 12) Perform other auditing work as assigned by the Audit Committee.

#### **4. Details on the Chief of the Internal Audit Department**

At the Audit Committee Meeting No. 8/2008, held on September 9, 2008, Ms.Toopthong Hirunyanulak has been appointed to be the supervisor of the internal auditor since August 18, 2008 as she has knowledge, good business understanding, including skills, qualifications, and experiences in performing internal audit work, corruption detection, assessment of internal control systems, and risk management in accordance with COSO ERM guidelines. As a result, she is suitable for performing such duties adequately and appropriately. Roles, duties and responsibilities are as follows:

1. Perform duties as "Internal Auditor" responsible for assignments in accordance with the Audit Committee Charter approved by the Audit Committee.
2. Act as the "Secretary of the Audit Committee" by organizing meetings, preparing meeting document and taking note of the minutes of the Audit Committee meetings.

#### **4.6 Company's Operation Supervision**

The Company emphasizes on the compliance, which is one of the important mechanisms, that makes all processes and procedures of the Company correct and prudent, including promotes the Company to be able to perform operations according to the strategic plan, achieve goals, and comply with the rules, Company's Articles of Association, and regulations of the relevant agencies so that directors, executives, and employees can adhere to the principles in performing their duties in accordance with the laws, rules, regulations, directives, and announcements from both internal and external





organizations strictly. In addition, the Company has followed up the issuance of new laws affecting the Company's business operations and any draft legislation, such as new bills, to study, prepare, and / or join to clarify problems and obstacles of the Company (if any) so that the Company's business operations are in accordance with new laws that will be enforced in the future. The responsible departments are assigned as follows:

- The Company Secretary is responsible to ensure that the operations of the Company are in compliance with rules and regulations for listed companies including regulations of the Company and articles of association as well as being center for compiling and keeping abreast of information on external rules and regulations concerned. The Company Secretary shall also act as communication center to provide knowledge and advice on external rules and regulations for listed companies.
- Legal Department is responsible for supervising legal affairs relating to the Company's business and providing knowledge for the internal departments on various issues in order for the business operations to be handled correctly in accordance with laws of external agencies.
- The Internal Audit Department is responsible for assessment of the efficiency and adequacy of the internal control system. It must also audit and ensure the compliance with rules and regulations of the Company along with continuous personnel development and technology adoption in further audit operations.
- The Quality System Department has the duty to establish operational guidelines in the procedure, work instruction and other concerned documents for all employees to use as a manual for operations including a process of problem analysis to contribute to the solution and improvement of the operational system to ensure the management system of planning, designing, construction, sales and community management to meet the requirements of the laws, professional standards, and documented agreements with customers and stakeholders are appropriate with extensive coverage, and also ensure that the implementation of the quality system is in accordance with the requirements of international standard ISO 9001 : 2015.