



ESG Performance Report for Listed Companies in 2024

Tanachira Retail Corporation Public Company Limited

Fiscal Year End 31 December 2024

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ESG Performance

Company Name : Tanachira Retail Corporation Public Company Limited

Symbol : TAN

Market : SET

Industry Group : Services

Sector : Commerce

Environmental management

Information on environmental policy and guidelines

Environmental policy and guidelines

Environmental policy and guidelines : Yes

Environmental guidelines : Electricity Management, Water resources and water quality management, Waste Management, Greenhouse Gas and Climate Change Management, Air Quality Management

Tanachira Retail Corporation Public Company Limited ("the Company") is committed to conducting business responsibly towards the community, society, and the environment throughout the value chain of the organization. Therefore, the Company has developed an environmental policy with the objective of establishing operational frameworks to ensure that the Company conducts its business while considering the reduction of negative environmental and community impacts. The policy also supports the conservation of ecosystems, biodiversity, and mitigating the effects of climate change, with the following details:

- Comply with all applicable environmental laws, regulations, rules, and requirements related to the Company's operations strictly.
- Foster environmental awareness among all employees and provide necessary support, including human resources, budget, time, training, and employee involvement in offering feedback to implement operations while reducing negative environmental impacts.
- Promote the conservation of natural resources and ecosystems, including protecting biodiversity through the Company's operations, integrating the Mitigation Hierarchy practices, which include Avoidance, Reduction, Restoration, and Offsetting.
- Set environmental goals and plans, such as energy conservation, waste reduction, and water management, both in the short and long term, while communicating these clearly to all employees so that they understand and can implement them properly.
- Continuously strive to develop and improve operational processes to optimize the use of natural resources efficiently and effectively.
- Promote pollution reduction, including the reduction of greenhouse gas emissions, and actively participate in addressing climate change from the Company's business processes, as well as supporting policies and regulations related to climate change, both from the government and associations or agencies the Company is a member of, integrating climate change risk management into the Company's overall risk management processes.
- Support environmentally friendly projects and reduce air pollution that align with the Company's business operations throughout the value chain.
- Provide environmental conservation training and operations for relevant employees and stakeholders in the value chain to achieve the Company's environmental goals.
- Regularly review the environmental policy, action plans, environmental goals, and energy conservation efforts.

Information on review of environmental policies, guidelines, and/or objectives over the past years

Review of environmental policies, guidelines, and/or goals over the past year

Review of environmental policies, guidelines, and/or goals : No
over the past year

Information on compliance with environmental management principles and standards

Compliance with environmental management principles and standards

Compliance with energy management principles and standards

Compliance with water management principles and standards

Compliance with waste management principles and standards

Information on incidents related to legal violations or negative environmental impacts

Number of cases and incidents of legal violations or negative environmental impacts

	2022	2023	2024
Number of cases or incidents of legal violations or negative environmental impact (cases)	0	0	0

Energy management

Disclosure boundary in energy management in the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	-
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

Information on energy management

Energy management plan

The company's energy management plan : Yes

Efficient Use of Resources

The Company places great importance on operating its business in an environmentally responsible manner, minimizing negative impacts across all dimensions. It fully recognizes the increasing severity of climate change, and understands that the use of natural resources in business operations contributes to this global issue. Furthermore, the Company acknowledges the continuously rising costs of these resources, which pose a potential risk to overall business expenses.

Therefore, efficient management and utilization of resources is considered a key factor in reducing operational costs and enhancing the Company's adaptability and resilience to environmental changes. The Company has established guidelines for resource usage as follows:

Energy Management

Given the nature of the Company's service-based business, with no manufacturing involved, energy consumption primarily arises from office operations and retail branches. As such, the company has implemented measures to reduce energy usage across all stores and office locations, including:

- 1. Replacing fluorescent lighting (36W) with LED lighting (14–18W):** LED lights consume significantly less electricity and have a longer lifespan. The company began gradually replacing existing lights across all departments at the end of 2024, with the goal of reducing electricity usage by more than 40% compared to the previous lighting system.
- 2. Switching from desktop computers to laptops:** Laptops consume far less energy, dropping from approximately 200–250W for a desktop to only 60–70W for a laptop. The company plans to continue this transition throughout 2025.
- 3. Raising awareness and promoting energy and water conservation:** The Company regularly educates and encourages employees in both factories and offices to use resources efficiently and with care. Communication efforts include emails, bulletin board notices, and awareness materials such as stickers placed near usage points — promoting practices like turning off lights after use, unplugging devices, and switching off all electrical equipment when not in use.

Information on setting goals for managing energy

Setting goals for managing electricity and/or oil and fuel

Does the company set goals for electricity and/or fuel : Yes
management

Details of setting goals for electricity and/or fuel management

Target(s)	Base year(s)	Target year(s)
Reduction of electricity purchased for consumption	2024 : purchased electricity for consumption 128,171.89 Kilowatt-Hours	2027 : Reduced by 2.5%

Information on performance and outcomes of energy management

Performance and outcomes of energy management

Performance and outcomes of energy management : Yes

Due to the Company's offices and retail stores are located within leased office buildings and shopping centers, actual electricity consumption data is not directly available. Therefore, the Company began collecting electricity expense data based on actual charges incurred from operating its retail stores and related office buildings during 2023–2024. This data serves to provide insights into electricity costs and will be used to establish targets for electricity reduction and to support effective energy management. Details are presented in the table below.

Diagram of performance and outcomes in energy management



Note: In 2024, when comparing electricity usage costs for the same branches as in 2023, electricity expenses increased by 11%.

Information on electricity management

Company's electricity consumption (*)

	2022	2023	2024
Total electricity consumption within the organization (Kilowatt-Hours)	N/A	N/A	128,171.89
Intensity ratio of total electricity consumption within the organization to total number of employees (Kilowatt-Hours / Person / Year)	N/A	N/A	175.34

Additional explanation : (*) Exclude electricity consumption outside of the Company

Information on total energy management (electricity + fuel)

Energy Consumption

	2022	2023	2024
Total energy consumption within the organization (Megawatt-Hours)	0.00	0.00	0.00

Energy Consumption Intensity

	2022	2023	2024
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	2022	2023	2024
Intensity ratio of total energy consumption within the organization to total revenues (Megawatt-Hours / Thousand Baht of total revenues) ^(*)	0.00000000	0.00000000	0.00000000

Additional explanation : ^(*) Total revenues and expenses from consolidated financial statement

Water management

Disclosure boundary in water management over the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	-
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

Information on water management plan

Water management plan

The Company's water management plan : Yes

"Water" is one of the world's most valuable resources and a vital input in the economic system. However, due to climate variability caused by global warming, water-related natural disasters are becoming more frequent and severe. Additionally, economic growth and industrial expansion have led to issues such as water scarcity, flooding, and water pollution.

The Company places strong emphasis on effective water management within the organization by promoting mindful and efficient water usage. Awareness campaigns are regularly conducted to instill water-conscious behaviors among employees at both corporate offices and retail branches across all brands, through the following ongoing measures:

1. In 2025, the Company plans to control water usage levels and regularly inspect potential leak points across all stores and offices. This ensures the plumbing systems remain in good condition and reduces the risk of leaks due to aging infrastructure. Maintenance will be carried out to ensure plumbing systems remain efficient and fully operational, with water-saving fixtures and certified sanitary ware being installed where appropriate.
2. Water conservation campaigns: The Company continues to promote water and energy-saving initiatives to raise awareness of efficient and responsible resource usage. Guidelines and reminders are shared via email, bulletin boards, and visual signage such as stickers placed near water usage areas, encouraging employees to turn off taps properly after use.
3. Environmental impact from food operations: The Company is committed to minimizing environmental impacts from its food and beverage businesses. Measures include monitoring water use and wastewater quality, maintaining grease traps regularly before releasing water into public sewage systems, and requiring all employees to strictly follow water-related protocols and standard operating procedures.

Information on setting goals for water management

Setting goals for water management

Does the company set goals for water management : No

Information on performance and outcomes of water management

Performance and outcomes of water management

Performance and outcomes of water management : Yes

Due to the Company's offices and retail stores are located within leased office buildings and shopping centers, actual water consumption data is not available. Instead, the company receives water-related charges based on invoices issued by the building management. Nevertheless, the Company has begun collecting and recording water expense data from its office buildings and restaurants to gain insights into overall water costs. This information will be used to set future water expense reduction targets. However, the Company has carried out a public awareness campaign to promote water conservation in order to instill a sense of responsibility in using resources efficiently and valuing their importance. This has been done through email communications and announcement boards, as well as by producing promotional materials in the form of stickers placed at various water usage points.

Diagram of performance and outcomes in water management

TANACHIRA

SAVE
WATER
SAVE
LIFE

Information on water management

Water withdrawal by source

	2022	2023	2024
Total water withdrawal (Cubic meters)⁽¹⁾	N/A	N/A	385.73
Intensity ratio of total water withdrawal to total number of employees (Cubic meters / Person / Year)	N/A	N/A	0.53
Intensity ratio of total water withdrawal to total revenues (Cubic meters / Thousand Baht of total revenues) ^(*)	N/A	N/A	0.00

Additional explanation : ^(*) Total revenues and expenses from consolidated financial statement

Remark: ⁽¹⁾ It is only the water consumption data for the Company's warehouse building, as the company's office is located in a rented space. The company cannot collect water usage data and pay for water based on a flat-rate charge. Additionally, the Company does not have other branches where water usage data can be recorded.

Water consumption

	2022	2023	2024
Total water consumption (Cubic meters)	N/A	N/A	385.73

Water Consumption Intensity

	2022	2023	2024
Intensity ratio of total water consumption to total revenues (Cubic meters / Thousand Baht of total revenues) ^(*)	N/A	N/A	0.00021705

Additional explanation : ^(*) Total revenues and expenses from consolidated financial statement

Water withdrawal expenses

	2022	2023	2024
Total water withdrawal expense (Baht)	0.00	40,754.00	116,993.00
Percentage of total water withdrawal expense to total expenses (%) ^(*)	0.00	0.00	0.01
Percentage of total water withdrawal expense to total revenues (%) ^(*)	0.00	0.00	0.01
Intensity ratio of total water withdrawal expense to total number of employees (Baht / Person / Year)	0.00	63.98	160.05

Additional explanation : ^(*) Total revenues and expenses from consolidated financial statement

Waste management

Disclosure boundary in waste management over the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	-
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

Information on waste management plan

Waste management plan

The company's waste management plan : Yes

Waste Management within the Organization

The Company places great importance on conducting business sustainably by focusing on reducing environmental impacts from operations in all dimensions, including systematic and efficient waste management within the organization, to create a corporate culture that recognizes the importance of the environment. The Company has established comprehensive guidelines for waste management, which are as follows:

Reducing the Use of Single-Use Resources

The Company begins by changing the behavior of employees in their daily lives by encouraging everyone to participate in reducing the use of single-use resources, such as plastic cups or disposable packaging. This is done by promoting employees to bring their own containers to use at the office, such as water cups, lunch boxes, or personal eating utensils. The Company also reduces the use of plastic bags by encouraging employees to use cloth bags when shopping, replacing plastic bags from stores.

Waste Management in the Office

The Company supports and promotes employees to bring reusable cups, lunch boxes, and utensils to the office to reduce waste from single-use plastics. Furthermore, to improve the efficiency of waste management, the Company has organized training to educate employees on how to properly separate waste through public communication media, such as posters on waste separation. The Company also supports training on waste management, both internally and externally.

Recyclable waste, such as paper and packaging boxes, is separated and sent to a certified recycling company through projects with private-sector partners. Additionally, designated recycling bins for paper and packaging boxes are provided to properly recycle or dispose of waste.

Reduction of Food Waste

The Company is committed to managing food waste efficiently to reduce its environmental impact and optimize resource use. The following measures have been implemented, covering food waste reduction from the source, managing excess food, and maximizing the benefit of food waste:

1. Efficient Management of Raw Materials – Control the quantity of raw material purchases to reduce waste from expiration. Encouraging Customers to Order the Right
2. Amount of Food – Offering various menu sizes or options for customers to choose the desired portion size.
3. Utilizing Food Waste – Converting food scraps into organic fertilizer or bioenergy. The company also campaigns to reduce food waste within the organization by training employees on food waste reduction and raising awareness about effective raw material management.

Information on setting goals for waste management

Setting goals for waste management

Does the company set goals for waste management : No

Information on performance and outcomes of waste management

Performance and outcomes of waste management

The company's performance and outcomes of waste management : No

Greenhouse gas management

Disclosure boundary in greenhouse gas management over the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	-
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

Information on greenhouse gas management plan

Greenhouse gas management plan

The company's greenhouse gas management plan : Yes

The Company places great importance on operating its business sustainably, recognizing the impact of greenhouse gas (GHG) emissions on the environment and climate change. As a result, the Company has initiated various projects to support the reduction of GHG emissions from its activities. These efforts aim to mitigate the environmental impact of its operations and strike a balance between business growth and environmental responsibility.

1. Energy Saving Projects in Office Buildings and Retail Stores

The Company focuses on improving energy efficiency in office buildings and retail stores to reduce greenhouse gas emissions from the use of fossil fuels. Key measures include:

- Installing energy-saving electrical systems, such as using LED lighting
- Promoting employee participation in energy-saving initiatives, such as turning off electrical equipment when not in use and reducing unnecessary printing
- Replacing photocopiers with energy-efficient models. Photocopiers are one of the main devices used in office settings, typically operating 8–10 hours per day. Therefore, choosing energy-efficient models helps the company save on electricity costs and contributes to lowering greenhouse gas emissions.

Expected Outcome: Reduced energy consumption in office buildings and retail stores, along with a decrease in carbon dioxide emissions from electricity usage within the organization.

2. Use of Clean Energy from Renewable Sources

To reduce reliance on fossil fuels, the Company leases office space in buildings that utilize clean energy. The Company follows these approaches:

- Use of Solar Energy
 - Solar panels are installed on the office building to reduce electricity consumption from fossil fuels.
- Water Resource Management System
 - Water-saving systems are implemented, such as automatic faucets and water recycling systems.

Expected Outcome: Reduced electricity consumption from fossil energy sources and decreased greenhouse gas emissions from energy use in office buildings.

Information on setting greenhouse gas emission goals

Setting greenhouse gas emission goals

Does the company set greenhouse gas management goals : No

Information on performance and outcomes of greenhouse gas management

Performance and outcomes of greenhouse gas management : Yes

In 2024, the Company replaced two photocopiers with energy-efficient models, resulting in an annual reduction in electricity costs of 8,194.56 baht and a reduction in greenhouse gas emissions of 1,160.35 kgCO₂e per year.

Diagram of performance and outcomes in greenhouse gas management



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Information on greenhouse gas management

The company's greenhouse gas emissions

	2022	2023	2024
Total GHG emissions (Metrics tonne of carbon dioxide equivalents)	0.00	0.00	64.07
Total greenhouse gas emissions - Scope 2 (Metric tonnes of carbon dioxide equivalent) ⁽²⁾	N/A	N/A	64.07

Remark: ⁽²⁾ Calculate only the electricity consumption of the office building and the warehouse.

Greenhouse Gas Emissions Intensity

	2022	2023	2024
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	2022	2023	2024
Intensity ratio of total GHG emissions to total revenues (Metric tonnes of carbon dioxide equivalent / Thousand Baht of total revenues) ^(*)	0.000000	0.000000	0.000036
Intensity ratio of total GHG emissions to total number of employees (Metric tonnes of carbon dioxide equivalent / Person)	0.00	0.00	0.09

Additional explanation : ^(*) Total revenues and expenses from consolidated financial statement

Information on verification of the company's greenhouse gas emissions over the past year

Verification of the company's greenhouse gas emissions over the past year

Verification of the company's greenhouse gas emissions : No

Information on reduction and absorption of greenhouse gas

Reduction of Greenhouse Gas

Absorption and removal of Greenhouse Gas

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ESG Performance

Company Name : Tanachira Retail Corporation Public Company Limited

Symbol : TAN

Market : SET

Industry Group : Services

Sector : Commerce

Human rights

Information on social and human rights policies and guidelines

Social and human rights policy and guidelines

Social and human rights policy and guidelines : Yes

Social and human rights guidelines : Employee Rights, Child Labor, Consumer/customer rights, Community and environmental rights, Non-discrimination, Supplier rights

Tanachira Retail Corporation Public Company Limited and its subsidiaries ("the Company") recognize the significance of international human rights principles and are committed to conducting business responsibly by respecting the human rights of employees, business partners, suppliers, customers, and all stakeholders. In support of sustainable development and good corporate governance, the Company has established this Human Rights Policy to demonstrate its commitment to promoting and protecting human rights in accordance with international standards. This policy aligns with the Universal Declaration of Human Rights (UDHR), the United Nations Global Compact (UNGC), and the UN Guiding Principles on Business and Human Rights (UNGPs) as follows:

1. Respect human rights and treat all stakeholders and vulnerable groups with respect, equality, and dignity, without discrimination based on physical or mental abilities, ethnicity, nationality, origin, race, religion, gender, language, age, skin color, education, social status, culture, traditions, or any other factors. This includes practices for all stakeholder groups and vulnerable populations that align with international best practices, such as respecting children's rights and business principles in accordance with the guidelines of the United Nations Children's Fund (UNICEF), among others.
2. Promote fair employment by treating all employees and workers equally. Employment terms and conditions will be mutually agreed upon by both parties. Wage rates, benefits, working hours, overtime, work on holidays, leave, and other benefits will be no less than those stipulated by law. There will be no forced labor, illegal labor, or child labor throughout the company's supply chain. The criteria and age requirements for employment will be strictly in accordance with the provisions of the Labor Protection Act.
3. Respect the rights of consumers and customers by ensuring fair practices, protecting their personal data, and providing clear and accurate information about products and services. Product quality and service safety must meet high standards.
4. Respect the rights of partners by treating them fairly, ensuring a transparent procurement process to promote fair competition, and encouraging compliance with human rights principles.
5. Respect and recognize the rights of communities by actively listening to their opinions and suggestions. Foster and support community engagement with the Company through various activities and projects.
6. Exercise caution in performing duties to minimize the risk of human rights violations in business operations and actively prevent all forms of harassment, including sexual harassment and other types of misconduct. This policy ensures that any complaints received by the Company will be taken seriously, handled confidentially, and addressed with compassion. If an allegation is confirmed, appropriate remedial measures will be implemented, and disciplinary actions, including termination of employment or legal proceedings, will be enforced in accordance with the company's regulations.
7. Support and promote actions to protect human rights by communicating, disseminating information, educating, raising awareness, setting guidelines, and providing other forms of support to employees and stakeholders throughout the business value chain, including suppliers, contractors, and joint ventures. Foster participation in ethical business practices, uphold respect for human rights, and ensure that everyone is treated in accordance with human rights principles as outlined in this policy.
8. Monitor and uphold respect for human rights; do not neglect or ignore any potential violations. If you encounter any actions that may constitute a human rights violation related to the Company, report them to your supervisor or the designated responsible person and cooperate in the investigation. If you have any doubts or questions, consult your supervisor or the appropriate personnel through the specified channels.
9. Develop a comprehensive human rights due diligence system and process within the Company and the businesses it manages throughout the supply chain to identify human rights risks, assess impacts, and establish preventive and

mitigation measures. This includes implementing appropriate, legitimate, or widely accepted remedial measures and mitigation processes, conducting audits of human rights violations, monitoring compliance with the human rights policy, and regularly reporting and disclosing relevant information." Key Improvements:

10. Regularly review the human rights policy, taking into account any significant changes within the organization to ensure its appropriateness and relevance.

Information on review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/or : No
goals over the past year

Information on compliance with human rights principles and standards

Compliance with human rights principles and standards

Human rights management principles and standards : The UN Guiding Principles on Business and Human Rights

Information on Human Rights Due Diligence : HRDD

Human Rights Due Diligence : HRDD

Does the company have an HRDD process : No

Information on incidents related to legal or social and human rights violations

Number of cases and incidents of significant legal or social and human rights violations

	2022	2023	2024
Total number of cases or incidents of significant legal or social and human rights violations (cases)	0	0	0
Total number of cases or incidents leading to significant labor disputes (cases)	0	0	0
Total number of incidents or complaints related to consumer rights violations (cases)	0	0	0
Total number of incidents or complaints related to business partner's rights violations (cases)	0	0	0
Total number of cases or incidents leading to disputes with the community/society (cases)	0	0	0
Total number of cases or incidents related to cybersecurity or customer data breaches (cases)	0	0	0
Total number of cases or incidents related to workplace safety and occupational health (cases)	0	0	0

Fair labor practice

Disclosure boundary in fair labor practice in the past years

Boundary type	:	Company
Data disclosure coverage (%)	:	0.00

Information on employees and labor management plan

Employees and labor management plan

The company's employee and labor management plan	:	Yes
Employee and labor management plan implemented by the Company in the past year	:	Employee training and development, Occupational health and safety in workplace

1. Employee Capability Development

The Company places great importance on the continuous development of its employees by focusing on enhancing knowledge, skills, and work capabilities to improve performance and outcomes. The training programs are regularly updated to align with current business trends and needs.

The approach to employee development is divided into two main groups: the management group and the general employee group. Each group is developed according to their respective roles and responsibilities.

1) Management Group (Department Manager and above)

The Company focuses on developing its executives to be leaders who can drive the organization into the future. A Business Plan Workshop is organized, covering key topics such as:

- **Strategic Planning:** Helps executives analyze the strengths and weaknesses of their work and use this information to define business strategies.
- **Goal Setting:** Encourages leaders to set clear, measurable goals that align with the company's vision.
- **Cross-Functional Collaboration:** Promotes cooperation between departments to create a unified business plan.

Additionally, the Company tracks and evaluates post-training results by having executives create departmental action plans and present these plans to management for feedback, helping to refine and improve their effectiveness.

2) Employee Group (Below Department Manager Level or Equivalent)

The Company promotes the development and management of employee potential to support future business expansion. Various forms of training are provided, such as workshops, to help employees develop skills and expertise based on their roles and responsibilities.

Sales Staff Capability Development

Sales staff play a crucial role, as they are directly engaged with customers and contribute to building the company's image. The Company places great importance on developing the necessary skills for this group of employees by offering training programs such as "New Staff Training" and "Group Store Manager Development" to enhance knowledge, abilities, and skills in alignment with business goals. These programs also prepare employees for industry growth and changes, enhancing the Company's competitiveness both now and in the future.

Additionally, the Company continuously monitors and evaluates the effectiveness of the training by conducting knowledge tests after training sessions. For example, in the "New Staff Training" program, employees must pass tests on the brand and products, as well as role-playing exercises to simulate customer service scenarios. The "Group Store Manager Development" program focuses on planning and presenting strategies for developing store operations, to assess the readiness of store managers in efficiently managing operations.

2. Promoting Health

The Company promotes the health and well-being of employees to reduce illness or accidents at work. Therefore, it has initiated projects that help promote health and reduce work-related stress, as well as support visually impaired individuals to create income and provide opportunities for a better quality of life. As part of this, the Company offers a relaxation massage service for employees provided by visually impaired individuals (at no charge) every Thursday.

Additionally, this initiative is part of the Company's sustainability efforts aligned with the Sustainable Development Goals (SDGs), specifically SDG 3: Good Health and Well-being. Maintaining physical and mental health is a key factor in creating an efficient and happy work environment, which benefits both employees and the organization in the long term. It also provides opportunities for people with disabilities to engage in and pursue work, which aligns with SDG 10: Reduced Inequalities.

Information on setting employee and labor management goals

Setting employee and labor management goals

Does the company set employee : Yes
and labor management goals?

Details of setting goals for employee and labor management

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Employee training and development	Training hours/person/year	2024: 11 hours/person/year	2024: 10 hours/person/year
• Occupational health and safety in workplace	no. of accident	2024: accident = 0	2024: accident = 0

Information on performance and outcomes for employee and labor management

Performance and outcomes for employee and labor management

Performance and outcomes for employee and labor : Yes
management

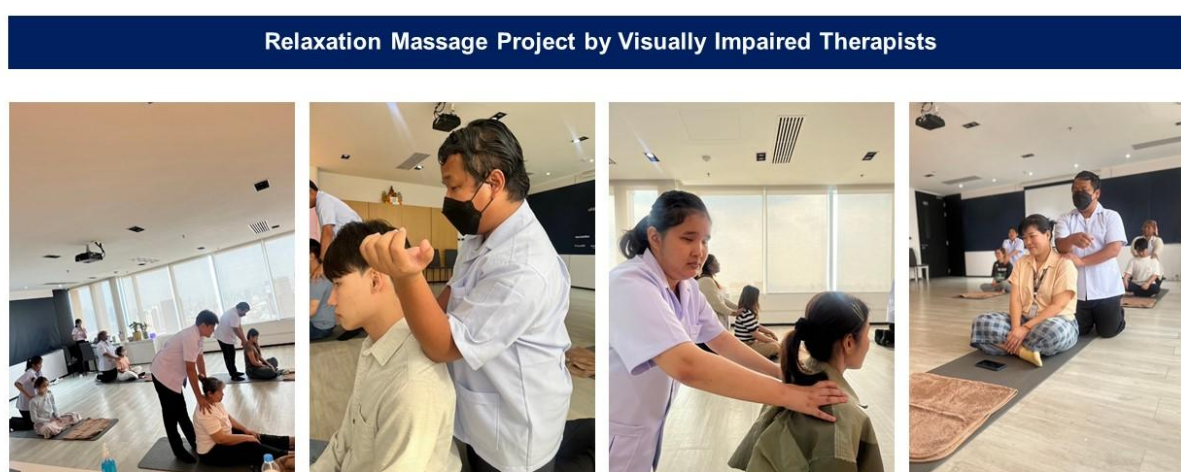
Employee Development

In 2024, the Company supported employees in attending 25 training programs, totaling 7,361 hours, with an average of 11.0 hours of training per employee (compared to the target of 10.0 hours of average training per employee per year).

Health Promotion

The Company provides a complimentary relaxation massage service by visually impaired therapists every Thursday. This initiative supports the skills and careers of individuals with disabilities while also helping employees relieve stress and alleviate work-related muscle pain (Office Syndrome). The program aims to promote good health and enhance the quality of life for both employees and individuals with disabilities. Each week, 20 employees participate in this service.

Diagram of performance and outcomes for employee and labor management



Information on employment

Employment

	2022	2023	2024
Total employees (persons)	496	637	731
Male employees (persons)	75	128	153
Percentage of male employees (%)	15.12	20.09	20.93
Female employees (persons)	421	509	578
Percentage of female employees (%)	84.88	79.91	79.07

Number of employees categorized by age

	2022	2023	2024
Total number of employees under 30 years old (Persons)	178	241	303
Percentage of employees under 30 years old (%)	35.89	37.83	41.45
Total number of employees 30-50 years old (Persons)	309	383	410
Percentage of employees 30-50 years old (%)	62.30	60.13	56.09
Total number of employees over 50 years old (Persons)	9	13	18
Percentage of employees over 50 years old (%)	1.81	2.04	2.46

Number of male employees categorized by age

	2022	2023	2024
Total number of male employees under 30 years old (Persons)	19	46	60
Percentage of male employees under 30 years old (%)	25.33	35.94	39.22
Total number of male employees 30-50 years old (Persons)	55	81	89
Percentage of male employees 30-50 years old (%)	73.33	63.28	58.17
Total number of male employees over 50 years old (Persons)	1	1	4
Percentage of male employees over 50 years old (%)	1.33	0.78	2.61

Number of female employees categorized by age

	2022	2023	2024
Total number of female employees under 30 years old (Persons)	159	195	243

	2022	2023	2024
Percentage of female employees under 30 years old (%)	37.77	38.31	42.04
Total number of female employees 30-50 years old (Persons)	254	302	321
Percentage of female employees 30-50 years old (%)	60.33	59.33	55.54
Total number of female employees over 50 years old (Persons)	8	12	14
Percentage of female employees over 50 years old (%)	1.90	2.36	2.42

Number of employees categorized by position

	2022	2023	2024
Total number of employees in operational level (Persons)	480	611	706
Percentage of employees in operational level (%)	96.77	95.92	96.58
Total number of employees in management level (Persons)	15	24	25
Percentage of employees in management level (%)	3.02	3.77	3.42
Total number of employees in executive level (Persons)	1	2	0
Percentage of employees in executive level (%)	0.20	0.31	0.00

Number of male employees categorized by position

	2022	2023	2024
Total number of male employees in operational level (Persons)	68	121	147
Percentage of male employees in operational level (%)	90.67	94.53	96.08
Total number of male employees in management level (Persons)	6	5	6
Percentage of male employees in management level (%)	8.00	3.91	3.92
Total number of male employees in executive level (Persons)	1	2	0
Percentage of male employees in executive level (%)	1.33	1.56	0.00

Number of female employees categorized by position

	2022	2023	2024
Total number of female employees in operational level (Persons)	412	490	559
Percentage of female employees in operational level (%)	97.86	96.27	96.71
Total number of female employees in management level (Persons)	9	19	19
Percentage of female employees in management level (%)	2.14	3.73	3.29
Total number of female employees in executive level (Persons)	0	0	0
Percentage of female employees in executive level (%)	0.00	0.00	0.00

Significant changes in the number of employees

Significant changes in number of employees over the past 3 : No
Years

Employment of workers with disabilities

	2022	2023	2024
Total employment of workers with disabilities (persons)	0	0	0
Total number of employees with disabilities (Persons)	0	0	0
Total male employees with disabilities (persons)	0	0	0
Total female employees with disabilities (persons)	0	0	0
Percentage of disabled employees to total employees (%)	0.00	0.00	0.00
Total number of workers who are not employees with disabilities (persons)	0	0	0
Contributions to empowerment for persons with disabilities fund	Yes	Yes	Yes

Information on compensation of employees

Employee remuneration by gender

	2022	2023	2024
Total employee remuneration (baht)	173,016,240.95	204,664,008.03	261,404,434.03
Total male employee remuneration (baht)	N/A	N/A	60,654,060.53
Percentage of remuneration in male employees (%)	N/A	N/A	23.20

	2022	2023	2024
Total female employee remuneration (baht)	N/A	N/A	200,750,373.50
Percentage of remuneration in female employees (%)	N/A	N/A	76.80
Average remuneration of employees (Baht / Person)	348,823.06	321,293.58	357,598.40
Average remuneration of male employees (Baht / Person)	N/A	N/A	396,431.76
Average remuneration of female employees (Baht / Person)	N/A	N/A	347,318.98
Ratio of average remuneration of female employees to male employees	N/A	N/A	0.88

Provident fund management policy

Provident fund management policy : Have

The Company has established a provident fund managed by Kasikorn Asset Management Company Limited under the name “K Master Pool Fund,” in accordance with the Provident Fund Act B.E. 2530 (and its amendments). Employees and the Company Group contribute to the fund monthly at a fixed rate based on the employee’s basic salary.

Provident fund for employees (PVD)

	2022	2023	2024
Number of employees joining in PVD (persons)	147	184	212
Proportion of employees who are PVD members (%)	29.64	28.89	29.00
Total amount of provident fund contributed by the company (baht)	2,385,825.00	2,852,951.00	3,972,969.00
Percentage of total amount of provident fund contributed by the Company to total employee remuneration (%)	1.38	1.39	1.52

Information on employee development

Employee training and development

	2022	2023	2024
Employee development plans as part of annual performance reviews	-	Yes	Yes
Average employee training hours (Hours / Person / Year)	N/A	3.18	11.00

Additional explanation : ^(*) Total revenues and expenses from consolidated financial statement

Information on safety, occupational health, and work environment

Number of working hours

	2022	2023	2024
Total number of hours work (Hours)	N/A	N/A	1,625,736.00
Total number of hours worked by employees (Hours)	N/A	N/A	1,625,736.00

Statistic of accident and injuries of employees from work

	2022	2023	2024
Total number of lost time injury incidents by employees (Cases) ⁽³⁾	0	1	0
Total number of employees that lost time injuries for 1 day or more (Persons)	0	1	0
Percentage of employees that lost time injuries for 1 day or more (%)	0.00	0.16	0.00
Total number of employees that fatalities as a result of work-related injury (Persons)	0	0	0
Percentage of employees that fatalities as a result of work-related injury (%)	0.00	0.00	0.00
Lost time injury frequency rate (LTIFR) (Persons / 1 million-manhours) ^(*)	N/A	N/A	0.00
Lost time injury frequency rate (LTIFR) (Persons / 200,000 manhours) ^(**)	N/A	N/A	0.00

Additional explanation : ^(*) The company with the total number of employees over 100 or more

^(**) The company with the total number of employees less than or equal to 100

Remark: ⁽³⁾ In 2024, the Company had no employee fatalities from work-related incidents.

Information on promoting employee relations and participation

Employee engagement

	2022	2023	2024
Total number of employee turnover leaving the company voluntarily (persons)	212	191	261
Total number of male employee turnover leaving the company voluntarily (persons)	33	30	82
Total number of female employee turnover leaving the company voluntarily (persons)	179	161	179
Proportion of voluntary resignations (%)	42.74	29.98	35.70
Percentage of male employee turnover leaving the Company voluntarily (%)	6.65	4.71	11.22
Percentage of female employee turnover leaving the Company voluntarily (%)	36.09	25.27	24.49

	2022	2023	2024
Evaluation result of employee engagement	No	No	No

Employee internal groups

Employee internal groups : Yes

Types of employee internal groups : Welfare Committee

Responsibility to customers/ consumers

Information on responsibility to customers/consumers policy

Consumer data privacy and protection policy and guidelines

Consumer data privacy and protection policy and guidelines	:	Yes
Consumer data privacy and protection guidelines	:	Collection of personal data, Use or disclosure of data, Rights of data owners, Retention and storage duration of personal data, Security measures of personal data
Reference link to consumer data privacy and protection policy and guidelines	:	https://www.tanachira.co.th/storage/document/governance/personal-data-protection-policy-th.pdf

Responsible sales and marketing policy and guidelines

Responsible sales and marketing policy and guidelines	:	No
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Policy and guidelines on communicating the impact of products and services to customers / consumers

Policy and guidelines on communicating the impact of products and services to customers / consumers	:	No
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Information on customer management plan

Customer management plan

Company's customer management plan	:	Yes
Customer management plan implemented by the company in the past year	:	Development of customer satisfaction and customer relationship

Providing health and beauty services to customers is not only about meeting their needs but also about creating a positive experience. To ensure our products and services meet high-quality standards and customer expectations, we are committed to maintaining, developing, and improving our services in all aspects. This includes the quality of products used, cleanliness of the facilities and equipment, treatment techniques, and attentiveness of our staff. Customer satisfaction is assessed after each service through our in-store evaluation form, and the collected data is analyzed to develop further improvements.

Service Procedures

1. Customers complete a Health Questionnaire, specifying personal preferences such as areas to avoid and preferred massage pressure.
2. Staff provide treatment based on the information in the questionnaire.
3. Staff observe and inquire about customer satisfaction during the treatment.
4. After the treatment, customers complete a Service Satisfaction Survey.
5. The receptionist records customer information into the system.
6. The spa manager reviews daily records. If any dissatisfaction or complaints are found, the customer will be contacted for further inquiry the following day.
7. Each month, the spa manager compiles satisfaction scores for analysis and presents an improvement plan to enhance service quality.

Customer Satisfaction Evaluation Areas

1. Arrival Journey – Customer reception and welcome experience.
 2. Treatment Journey – Experience during the treatment.
 3. Departure Journey – Experience after the service.
 4. Facility – Cleanliness and quality of spa amenities.
 5. Overall Experience – General satisfaction with the service.
- All feedback scores are recorded at the end of each business day to ensure up-to-date information, enabling quick problem resolution and minimizing complaints or dissatisfaction.

Information on setting customer management goals

Setting customer management goals

Does the company set customer management goals : Yes

Details of setting customer management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Development of customer satisfaction and customer relationship	Customer satisfaction	2024: 3.84	2025: Customer satisfaction > 3.90

Information on performance and results of customer management

Performance and outcomes of customer management

Performance and outcomes of customer management : Yes

Based on the results from the 2024 assessment, the satisfaction score was 3.84. It was found that the topic with a score below the set threshold was "Receiving services that are worth the money spent." Therefore, further investigation was conducted through the additional comments section in the survey, which helped summarize the issues that customers felt were not worth the value as follows:

1. Quality of towels and bathrobes.
2. Reduced service time due to delays.

Based on this feedback, the Company has implemented the following service improvement plan:

1. Conduct a Brand Standard Audit quarterly, led by the Spa Equity & Training team, to ensure that all spa branches maintain high-quality operations aligned with brand standards.
2. Regularly inspect and maintain equipment and tools to ensure it are in good condition and safe for use.
3. Provide ongoing staff training on treatment techniques, customer service, and health and wellness knowledge enhancement.
4. Keep employees informed about emerging trends relevant to their work, such as consumer behavior and wellness trends, to better adapt to evolving customer needs.

Customer satisfaction

	2022	2023	2024
Evaluation results of customer satisfaction	Yes	Yes	Yes

Channels for receiving complaints from customers/consumers

Company's channels for receiving complaints from : Yes
customers/consumers

Telephone : -

Fax : -

Email : companysecretary@tanachira.co.th

Company's website : -

Address : -

Responsibility to community/ society

Information on community development and engagement policies

Community development and engagement policies

Community development and engagement policies : No

Information on community and social management plan

Community and social management plan

Company's community and social management plan : No

Information on setting of community and social management goals

Setting of community and social management goals

Does the company set community and social management : No
goals

Information on outcomes and results of community and social management

Performance and outcomes of community and social management

Performance and outcomes of community and social : Yes
management

- The Company group has expressed concern and provided support to employees as well as the public in the southern region affected by flooding. The Company have contributed to alleviating the hardships by donating funds to help through the Friends in Need (of "PA") Volunteers Foundation, Thai Red Cross Society.

- HARNN Wellness & Hospitality, under Tanachira Group and led by Ms. Apiradee Thammasorn, HARNN Spa Equity & Training Director, takes pride in participating and supporting the charitable activity "IHG Run for Good," organized by IHG Hotels and Resorts. This running event was held to raise funds for the Foundation for the Blind in Thailand, under the Royal Patronage of Her Majesty the Queen, to support and improve the quality of life and create equal career opportunities. It reflects the commitment of HARNN Wellness & Hospitality to promoting the health and well-being of society and the community.

Benefit from implementing social development project

Financial benefits

Does the company measure the financial benefits from social : No
development?

Non-financial benefits

Does the company measure the non-financial benefits from : No
social development?

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ESG Performance

Company Name : Tanachira Retail Corporation Public Company Limited

Symbol : TAN

Market : SET

Industry Group : Services

Sector : Commerce

Corporate Governance Policy

Information on overview of the policy and guidelines

Corporate governance policy and guidelines

Corporate governance policy and guidelines : Yes

The Company recognizes the importance of corporate governance, understanding that it is an essential element for promoting efficient operations and sustainable growth within the corporate group and will lead to achieving optimal benefits for all stakeholders, including employees, investors, shareholders, and other relevant parties.

The Company has established the corporate governance policy based on the Corporate Governance Code for listed companies 2017. This policy was developed by the Securities and Exchange Commission to provide guidance for overseeing the company's operations. The policy consists of 8 Corporate Governance Code principles as follows:

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

Principle 2: Define Objectives that Promote Sustainable Value Creation

Principle 3: Strengthen Board Effectiveness

Principle 4: Ensure Effective CEO and People Management

Principle 5: Nurture Innovation and Responsible Business

Principle 6: Strengthen Effective Risk Management and Internal Control

Principle 7: Ensure Disclosure and Financial Integrity

Principle 8: Ensure Engagement and Communication with Shareholders

In this regard, the relevant information and details pertaining to the corporate governance policy are presented in Attachment 5, the full version of the Corporate Governance Policy and Practices, and the Business Ethics that the Company has prepared.

Reference link for the full version of corporate governance policy and guidelines : <https://www.tanachira.co.th/en/about-us/governance-and-ethics>

Policy and guidelines related to the board of directors

Are there policy and guidelines related to the board of directors : Yes

Guidelines related to the board of directors : Nomination of Directors, Determination of Director Remuneration, Board Performance Evaluation, Corporate Governance of Subsidiaries and Associated Companies

Nomination of Directors

The Board of Directors shall oversee that the nomination and selection of directors have a transparent and clear process to ensure the appointment of a Board of Directors with qualifications in accordance with the specified criteria. The Board of Directors shall delegate the Nomination and Remuneration Committee to be responsible for the selection and nomination of directors, aiming to assemble a board with suitable expertise and knowledge. The Committee will consider the background of the individuals, provide opinions to the Board of Directors prior to propose candidates to the shareholders' meeting for appointment.

Determination of Director Remuneration

The Board of Directors shall assign the Nomination and Remuneration Committee to consider policies and criteria for determining remuneration. The shareholders must approve the board remuneration structure, both cash-based and non-cash compensation. The Board shall consider the appropriateness of each pay component, both in terms of fixed rates (such as retainer fee and attendance fee) and remuneration paid according to the Company's performance (such as bonus and rewards), which reflect the values that the Company creates for shareholders.

Board Performance Evaluation

The Board of Directors' and Sub-Committees' performance evaluation shall be conducted at least once a year to facilitate and improve the Board's performance and effectiveness and consideration of any problems. Moreover, The Board of Directors shall appoint an external consultant to assist in setting guidelines and providing recommendations for a Board assessment at least once every three years. This information should be disclosed in the form 56-1 one re.

Corporate Governance of Subsidiaries and Associated Companies

In the supervision of subsidiaries, the Company will appoint any persons as representatives to serve as directors in each subsidiary and/or joint venture company, based on the proportion of shareholding in each respective entity. This is to ensure that the subsidiaries and/or joint venture companies operate in compliance with the laws, as well as other relevant policies of the company, as appropriate. The appointment of representatives from the Company to serve as directors in each subsidiary and/or joint venture company must be considered and approved at the Board meetings by considering the suitability of each subsidiary.

Furthermore, the Company will establish plans and implement necessary actions to ensure that subsidiaries and/or joint venture companies disclose operational and financial performance to the parent company. The Company will undertake necessary actions and closely monitor to ensure that subsidiaries and/or joint venture companies have adequate and appropriate systems for disclosing information and internal controls to conduct their business operations.

Policy and guidelines related to shareholders and stakeholders

Policy and guidelines related to shareholders and stakeholders	:	Yes
Guidelines and measures related to shareholders and stakeholders	:	Shareholder, Other guidelines regarding shareholders and stakeholders

Shareholder

Rights and Equitable Treatment of Shareholders

The Board of Directors shall ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters. Additionally, they will ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights, as follows:

1. The Board of Directors will set the date, time, and place of the meeting by facilitating to shareholders, such as allocating sufficient time for debate, and choosing a convenient location, etc.
2. The Board of Directors will ensure that the Company will not limit opportunities or prerequisites prevent meeting attendance by or places an undue burden on shareholders, including as a result of identification requirements that exceed applicable legal and regulatory requirements.
3. In the interest of transparency and accountability, the Board of Directors will promote the use of information technology to facilitate the shareholders' meetings, including for registration and vote counting.
4. The Chairman of the Board is the Chairman of the shareholders' meeting with responsibility for compliance with applicable legal requirements and the Company's Articles of Association, allocating sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the Company.
5. To ensure the right of shareholders to participate in the Company's decision-making process in relation to significant corporate matters by participating and voting at shareholder's meetings on the basis of sufficient notice and information, directors who are shareholders will not be allowed to add items to the meeting agenda that have not been duly notified in advance.
6. All directors and relevant executives will attend the meeting to answer questions from shareholders on company-related matters.
7. The attending shareholders will be informed of the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, the meeting method, and the voting and vote counting methods before the start of the meeting.
8. There will not be any bundling of several items into the same resolution. For example, the appointment of each director should be voted on and recorded as a separate resolution.
9. The Board of Directors will promote the use of ballots for voting on resolution proposed at the shareholders' meeting and designate an independent party to count or to audit the voting results for each resolution in the meeting, and to disclose such voting results at the meeting by identifying the number of "approval", "disapproval" and "abstain"

votes. The voting results for each proposed resolution

Responsibility to Stakeholders

The Board of Directors shall oversee that the Company's objectives are pursued for sustainability by creating value for the Company, in extension to its customers, stakeholders, and society at large. To achieve these objectives, the Board of Directors shall define a business model capable of generating value for the Company, stakeholders, and society simultaneously. In addition, when formulating strategies and annual plans, the Board of Directors shall ensure that the business environment is considered together with factors and various risks that may impact stakeholders throughout the value chain, including the different risk factors that may affect the achievement of the Company's objectives. Furthermore, there should be mechanisms in place to genuinely understand the needs of stakeholders.

The Board of Directors shall ensure the establishment of a dedicated Investor Relations function responsible for regular, effective, and fair communication with shareholders and other stakeholders such as analysts and potential investors.

Ensure Disclosure and Financial Integrity

(1) The Board of Directors must ensure the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.

(2) The Board of Directors will monitor the Company's financial liquidity and solvency. Also, they will ensure that management regularly monitors, evaluates, and reports on the Company's financial status. The Board of Directors and management will ensure that any threats to the Company's financial liquidity and solvency are promptly addressed and remedied.

(3) The Board of Directors will seek to ensure confidence that risks to the financial position of the Company or financial difficulties are promptly identified, managed, and mitigated, and that the Company's governance framework provides for the consideration of stakeholders' rights.

(4) The Board of Directors will ensure sustainability reporting, as appropriate.

(5) The Board of Directors will ensure the establishment of a dedicated Investor Relations function responsible for regular, effective, and fair communication with shareholders and other stakeholders such as analysts and potential investors.

(6) The Board of Directors will ensure the effective use of the Company's information technology in disseminating information. In addition to the Company's mandatory periodic and non-periodic disclosure of information pursuant to applicable requirements, the Board of Directors will consider regularly disclosing relevant information in both Thai and in English through other channels, such as the Company's website.

Prevention of Use of Inside Information

The Company conducts its business with transparency and awareness of the importance of using inside information in compliance with the Securities and Exchange Act B.E. 2535 (1992) (As Amended) ("the Securities and Exchange Act"). This includes relevant announcements, regulations, and/or guidelines. (Please view the full policy details at <https://www.tanachira.co.th/th/about-us/governance-and-ethics>)

The Company will organize training to educate newly appointed directors and executives about their responsibilities to prepare and disclose securities holding reports and changes in the securities holdings, as well as those related to their securities holdings, in accordance with Section 59 of the Securities and Exchange Act and related notifications of the SEC.

Furthermore, the Company has established penalties for directors, executives, and employees who violate this policy, which may include disciplinary actions deemed appropriate. There may also be legal consequences both criminally and civilly, in accordance with the Securities and Exchange Act.

Prevention of Conflict of Interests

The Board of Directors has established a policy for preventing conflict of interests on the basis that any decision-making on business transactions must be made only for the best interests of the Company and its shareholders, and that any acts which may cause a conflict of interests should be avoided. It is required that a person involved in or having a conflict of interests in any agenda item to be discussed in a meeting shall report the relationship or conflict of interests in such agenda item to the Company, as well as abstain from voting and shall have no authority to grant approval for such transaction. (Please view the full policy details at <https://www.tanachira.co.th/th/about-us/governance-and-ethics>)

Anti-Corruption

The group of companies (“the Group”) is committed to conducting business with honesty, transparency, and in accordance with good corporate governance principles. The Group recognizes the importance of resisting corruption in all forms and has established an Anti-Corruption Policy as guidelines for the practices of the Board of Directors, executives, and employees of the Group. The policy aims to prevent and counteract corruption issues within the Group, outlining clear guidelines for action. (Please view the full policy details at <https://www.tanachira.co.th/th/about-us/governance-and-ethics>)

Information on business code of conduct

Business code of conduct

Business code of conduct : Yes

The Company is committed to conducting business in accordance with good corporate governance principles, firmly adhering to legal and ethical standards, managing operations with transparency, and taking responsibility towards stakeholders. In order to ensure sustainable growth, the Group has established a Code of Conduct, serving as a guideline for executives, employees, consultants, representatives, or individuals acting on behalf of the Group. They are expected to adhere to and act in accordance with the principles outlined therein.

Reference link for the full version of business code of conduct : <https://www.tanachira.co.th/en/about-us/governance-and-ethics>

Policy and guidelines related to business code of conduct

Guidelines related to business code of conduct : Anti-corruption, Whistleblowing and Protection of Whistleblowers, Prevention of Misuse of Inside Information, Gift giving or receiving, entertainment, or business hospitality, Information and assets usage and protection, Anti-unfair competitiveness, Information and IT system security, Human rights, Safety and occupational health at work

Anti-corruption

Act with honesty, integrity, morality, and responsibility. Do not unfairly seek any position, recognition, or other benefits from superiors or others, whether directly or indirectly. This includes actively opposing all forms of fraud and corruption.

Whistleblowing and Protection of Whistleblowers

Mail: Tanachira Retail Corporation Public Company Limited
999/9 The Office at Central World,
Room OFMH2807 and OFMH 2812,
Floor 28, Rama I Road, Patumwan Sub-district, Patumwan District Bangkok 10330

E-mail: companysecretary@tanachira.co.th

Suggestion / Feedback / Complaint Box within the Company

Notify the Chief Executive Officer or the Chairman of the Board as follows:

If the respondent holds a position lower than the Chief Executive Officer: Notify the Chief Executive Officer or the Company Secretary (acting on behalf of the Chief Executive Officer).

If the respondent is an executive at the level of Chief Executive Officer or higher, or a director: Notify the Chairman of the Board or the Company Secretary (acting on behalf of the Chairman of the Board).

In 2024, no complaints regarding non-compliance with the Code of Conduct were reported.

Prevention of Misuse of Inside Information

- Do not engage in any occupation, profession or action that may affect the performance of duties or the reputation of oneself and the Company. Prevent or avoid any actions that may lead to a conflict of interest.
- Employees must not seek personal gain for themselves or others by using confidential information of the Company or its subsidiaries, such as plans, revenue, meeting minutes, business forecasts, and research results, for personal gain, whether or not the Company is damaged. Employees must also strictly comply with the Company's internal data use policy.

Gift giving or receiving, entertainment, or business hospitality

The giving or receiving of gifts or donations may be made in accordance with customary practice. The value must not exceed 3,000 Baht (three thousand Baht) and must not be intended to influence, induce, or reward any person to gain an advantage through improper or hidden means, to obtain assistance, or to obtain unfair benefits. This is in accordance with this Code of Ethics, the anticorruption policy, relevant laws, regulations, and rules of the Company.

Information and assets usage and protection

- Keep confidential and do not use inside information or confidential information for personal or other improper gain.
- Strictly keep confidential the information of customers, partners, other relevant parties and the Company. They must be careful not to let confidential documents or information of the Company leak or fall into the hands of unauthorized persons, which may cause damage to all stakeholders and the Company. They must comply with the personal data protection policy (if any) and the personal data protection law.

Anti-unfair competitiveness

- Treat competitors within the framework of free and fair trade competition rules. Do not attempt to destroy the reputation of competitors by making false and unfair accusations. Additionally, avoid any practices that may distort market prices and negatively impact consumers.

Information and IT system security

- The use of the Company's computers must be limited to legally licensed software authorized by the Company to prevent intellectual property infringement.
- Strictly comply with the Company's guidelines on the use of computer equipment, communication, and electronic data. Refrain from any actions that violate the law or serve personal interests.

Human rights

- Treat all employees equally and fairly. It must not discriminate against employees unfairly

Safety and occupational health at work

- Maintain a safe working environment for the life and property of employees.
- Comply with the occupational health, safety, and work environment policy.

Promotion of compliance with the business code of conduct

Promotion for the board of directors, executives, and employees to comply with the business code of conduct : Yes

The Company encourages the Board of Directors, executives, and all employees to adhere to the Code of Conduct. The Board of Directors is responsible for approving the Code of Conduct, while the Company provides training for executives and employees and includes it as a topic in the new employee orientation program.

Participation in anti-corruption networks

Participation or declaration of intent to join anti-corruption networks : No

Information on material changes and developments in policy and corporate governance system over the past year

Material changes and developments related to the review of policy and guidelines in corporate governance system or board of directors' charter

In the past year, did the company review the corporate governance policy and guidelines, or board of directors' charter : Yes

Material changes and developments in policy and guidelines : Yes
over the past year

1. Reviewed and revised the Company's policies and procedures, such as the Corporate Governance Policy, Code of Conduct, Anti-Corruption Policy, Board of Directors and Sub-Committee Charters.
2. Promoted adherence to the Code of Conduct and Anti-Corruption Policy among employees by conducting orientation for all new employees to ensure they are aware and comply with the Company's Code of Conduct and Anti-Corruption Policy.
3. Provided opportunities for stakeholders to contact the Company for inquiries, complaints, and suggestions through various channels established by the Company, including allowing shareholders to propose meeting agendas and nominate individuals for election to the Board of Directors for the Annual General Meeting.

Implementation of the CG Code for listed companies

Implementation of the CG Code as prescribed by the SEC : Mostly used in practice

The Company has adopted the principles of the Corporate Governance Code (CG Code) for listed companies 2017, issued by the Securities and Exchange Commission of Thailand, and applied them appropriately in accordance with the Company's business context. However, certain practices may not fully comply with the criteria of the Corporate Governance Report of Thai Listed Companies (CGR), as detailed below:

- The Company has not stipulated a policy limiting the number of directorships in listed companies to a maximum of five per director within its corporate governance policy. However, such a limitation is specified as part of the qualifications required for individuals to be appointed as directors, as outlined in the Board of Directors' Charter.

Other corporate governance performance and outcomes

1. Provided an opportunity for shareholders to propose agenda for the annual shareholder meeting 2024, as well as nominate qualified persons to be elected as directors for consideration and appointment. In addition, the Company also allows shareholders to submit questions related to the proposed agenda in advance for shareholders. The details and procedures are placed on the Company's website and SET's system from 22 December 2023 to 25 January 2024.
2. The Company published the AGM invitation notice 2023 via the Company's website in both Thai and English for at least 28 days prior to the date of the AGM (1 April 2024) and distribute the AGM invitation notice along with its annual report and in the QR Code format to shareholders no less than 21 days prior to the meeting (9 April 2024).
3. The Company held the AGM 2024 on 30 April 2024 via Electronic Meeting (E-Meeting). The resolutions of the meeting and the voting results were published in the evening of the meeting day via the electronic system of the Stock Exchange of Thailand. Additionally, the minutes of the Annual General Meeting of Shareholders were prepared and announced through the electronic system of the Stock Exchange of Thailand within 14 days from the meeting date (14 May 2024) and were also published on the Company's website.
4. The Company participated in Opportunity Day, organized by the Stock Exchange of Thailand, providing an opportunity for a wide range of investors to learn about the vision and business outlook, as well as to engage in a Q&A session with executives via live streaming. In 2024, the Company took part in this event four times and held four analyst meetings.

Corporate Governance Structure

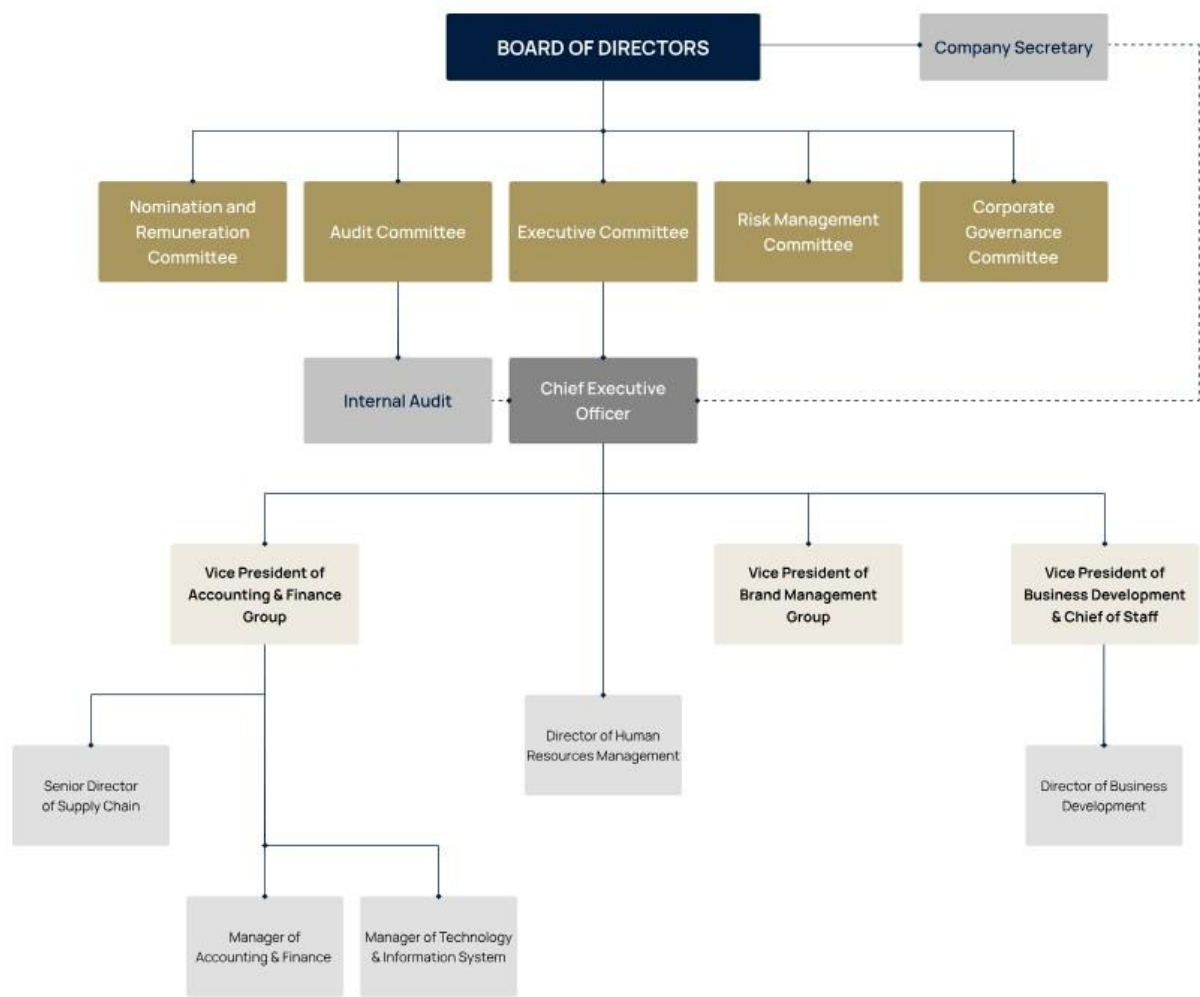
Information on corporate governance structure

Corporate governance structure

Corporate governance structure diagram

Corporate governance structure as of date : 31 Dec 2025

Corporate governance structure diagram



Information on the board of directors

Information on the board of directors

Composition of the board of directors

	2024	
	Male (persons)	Female (persons)
Total directors	9	
	7	2

	2024	
	Male (persons)	Female (persons)
Executive directors	1	
	1	0
Non-executive directors	8	
	6	2
Independent directors	6	
	4	2
Non-executive directors who have no position in independent directors	2	
	2	0

	2024	
	Male (%)	Female (%)
Total directors	100.00	
	77.78	22.22
Executive directors	11.11	
	11.11	0.00
Non-executive directors	88.89	
	66.67	22.22
Independent directors	66.67	
	44.44	22.22
Non-executive directors who have no position in independent directors	22.22	
	22.22	0.00

Additional explanation : Displayed % (percentage) from proportion of total board of directors

	2024	
	Male (years)	Female (years)
Average age of board of directors	48	
	48	50

The information on each director and controlling person

List of the board of directors

List of directors	Position	First appointment date of director	Skills and expertise
1. Mr. KITTIPOL PRAMOJ NA AYUDHYA Gender: Male Age : 52 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : Yes DCP course : Yes	Chairman of the Board of Directors (Non-executive directors, Independent director) Authorized directors as per the company's certificate of registration : No Type of director : Continuing director (Full term of directorship and being re-appointed as a director)	26 Feb 2020	Business Administration, Engineering
2. Mr. TANAPONG CHIRAPANIDCHAKUL Gender: Male Age : 48 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : No DCP course : Yes Shareholding in the company • Direct shareholding : 222,971,700 Shares (74.323900 %) • Shareholding by persons related to the directors, executives according to Section 59 (shares) : 61,000 Shares (0.020333 %) <u>Indirect shareholding details</u> Spouses	Director (Executive Directors) Authorized directors as per the company's certificate of registration : Yes Type of director : Existing director	5 Nov 2010	Business Administration, Engineering, Marketing, Leadership, Fashion

List of directors	Position	First appointment date of director	Skills and expertise
3. Mr. SARIT CHOKCHAINIRAND Gender: Male Age : 48 years Highest level of education : Doctoral degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : Yes DCP course : Yes	Director (Non-executive directors) Authorized directors as per the company's certificate of registration : Yes Type of director : Existing director	16 Aug 2019	Business Administration, Finance
4. Mr. WUTTI SRIKHAM Gender: Male Age : 51 years Highest level of education : Master's degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : No DCP course : Yes	Director (Non-executive directors) Authorized directors as per the company's certificate of registration : Yes Type of director : Existing director	16 Aug 2019	Economics, Engineering
5. Mrs. PEERAMAN WARUNPANTULAK Gender: Female Age : 55 years Highest level of education : Master's degree Study field of the highest level of education : Accounting Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : No DCP course : Yes	Director (Non-executive directors, Independent director) Authorized directors as per the company's certificate of registration : No Type of director : Continuing director (Full term of directorship and being re-appointed as a director)	26 Feb 2020	Accounting

List of directors	Position	First appointment date of director	Skills and expertise
6. Mr. AKARIN PHUREESITR Gender: Male Age : 52 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : No DCP course : Yes	Director (Non-executive directors, Independent director) Authorized directors as per the company's certificate of registration : No Type of director : Existing director	26 Feb 2020	Business Administration, Engineering
7. Mr. NATHASORN BOONTANORM Gender: Male Age : 46 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : No DCP course : Yes	Director (Non-executive directors, Independent director) Authorized directors as per the company's certificate of registration : No Type of director : Existing director	26 Feb 2020	Business Administration, Engineering
8. Mrs. CHATAYA SUPANPONG Gender: Female Age : 45 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : Yes DCP course : No	Director (Non-executive directors, Independent director) Authorized directors as per the company's certificate of registration : No Type of director : Existing director	1 Dec 2020	Business Administration

List of directors	Position	First appointment date of director	Skills and expertise
9. Mr. WARATHORN WONGSAWANGSIRI Gender: Male Age : 42 years Highest level of education : Master's degree Study field of the highest level of education : Law Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : No DCP course : Yes	Director (Non-executive directors, Independent director) Authorized directors as per the company's certificate of registration : No Type of director : Newly appointed director to replace the ex-director	14 Aug 2024	Law

Additional explanation:

(*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(**) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

List of board of directors who resigned / vacated their position during the year

List of directors	Position	Date of resignation / termination	Replacement director
1. Mrs. PATRAPORN MILINDASUTA Gender: Female Age : 61 years Highest level of education : Master's degree Study field of the highest level of education : Law Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years : Doesn't Have DAP course : No DCP course : Yes	Director (Non-executive directors, Independent director) Authorized directors as per the company's certificate of registration : No	1 Jun 2024	Mr. WARATHORN WONGSAWANGSIRI Appointment date of replacement director : 14 Aug 2024

Additional explanation:

(*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(**) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

List of the board of directors by position

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
1. Mr. KITTIPOLO PRAMOJ NA AYUDHYA	Chairman of the Board of Directors		✓	✓		
2. Mr. TANAPONG CHIRAPANIDCHAKUL	Director	✓				✓
3. Mr. SARIT CHOKCHAINIRAND	Director		✓		✓	✓
4. Mr. WUTT SRIKHAM	Director		✓		✓	✓
5. Mrs. PEERAMAN WARUNPANTULAK	Director		✓	✓		
6. Mr. AKARIN PHUREESITR	Director		✓	✓		
7. Mr. NATHASORN BOONTANORM	Director		✓	✓		
8. Mrs. CHATAYA SUPANPONG	Director		✓	✓		
9. Mr. WARATHORN WONGSAWANGSIRI	Director		✓	✓		
Total (persons)		1	8	6	2	3

Overview of director skills and expertise

Skills and expertise	Number (persons)	Percent (%)
1. Economics	1	11.11
2. Fashion	1	11.11
3. Law	1	11.11
4. Marketing	1	11.11
5. Accounting	1	11.11
6. Finance	1	11.11
7. Engineering	5	55.56
8. Leadership	1	11.11
9. Business Administration	6	66.67

Information about the other directors

	2024
The chairman of the board and the highest-ranking executive are from the same person	No
The chairman of the board is an independent director	Yes

	2024
The chairman of the board and the highest-ranking executive are from the same family	No
Chairman is a member of the executive board or taskforce	No
The company appoints at least one independent director to determine the agenda of the board of directors' meeting	No

Additional explanation : (*) Composition of the Board of Directors is calculated from the Board of Directors data in the year 2022 onwards

(**) If a remark is specified, the remark from the most recent year will be displayed

The measures for balancing the power between the board of directors and the Management

The measures for balancing the power between the board of directors and the Management : Have

Methods of balancing power between the board of directors and Management : Appointing an independent director to jointly consider the agenda of the board of directors' meeting

If the Chairman of the Board is not an independent director, the Board shall appoint an independent director to jointly consider and determine the agenda for Board meetings, ensuring compliance with the principles of good corporate governance for listed companies.

Reference link for the measures for balancing the power between the board of directors and the management : <https://www.tanachira.co.th/storage/document/governance/corporate-governance-policy-th.pdf>

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Information on the roles and duties of the board of directors

Board charter : Have

Scope of Authorities, Duties, and Responsibilities of the Board of Directors.

(1) Perform duties in accordance with the laws, objectives, and regulations of the Company, as well as resolutions passed at shareholder meetings with responsibility, vigilance, and integrity, aiming to be fair and appropriate, and not engage in actions that significantly contradict or undermine the interests of the company.

(2) Determine to approve and setting of the corporate vision, mission, goals, objectives for conducting business, business strategies, business plans, and annual budgets of the Company and its subsidiaries.

(3) Supervise and manage the performance of any individual involved to ensure alignment with the Company's vision, mission, goals, business objectives, business strategies, business plans, and annual budgets as determined by the Board of Directors.

(4) Establish the organization structure and define the authority for managing the organization.

(5) Monitor the performance of the Company and its subsidiaries continuously to ensure alignment with the business plan and budget. Ensure that the Company and its subsidiaries implement suitable and efficient accounting systems, along with establishing internal control systems and ensure that an adequate and effective internal audit system is in place. This may involve hiring external service provider to audit the internal control systems alongside company personnel. Regular assessments of the adequacy of the internal control systems of the Company and its subsidiaries should also be organized.

(6) Financial statements are prepared at the end of the accounting period for the Company and its subsidiaries, to be presented at the Annual General Meeting for shareholders' consideration and approval.

(7) Consideration and approval of the selection and nomination of auditors, as well as reviewing the appropriate compensation as proposed by the Audit Committee, are conducted before presenting them to the shareholders' meeting for approval at the Annual General Meeting.

(8) Consider appointing, modifying, or changing the Sub-Committee and defining the roles and responsibilities of such sub-committee to assist and support the duties of the board. Also, review and establish the total remuneration for the Sub-Committees members as budgeting (not exceeding the total amount approved by the shareholders).

(9) Consider appointing and defining the roles and responsibilities of the Chief Executive Officer (CEO),

including evaluating performance and determining compensation for the CEO.

(10) Consider approving the appointment of a Company Secretary, based on the necessary qualifications and experience required to support the company's operations, including defining the scope of authorities and responsibilities of the Company Secretary.

(11) Supervise and oversee the management and operations of the Company and its subsidiaries to comply with various company policies, securities laws, relevant regulations and criteria set forth by the Securities and Exchange Commission, the Office of the Securities and Exchange Commission (SEC), and the Stock Exchange. This includes ensuring transactions with related parties, significant asset acquisitions or disposals, without conflicting with other laws. Additionally, establish adequate and appropriate internal control and internal audit systems which should be enforceable once the Company's shares are listed as registered securities on the Stock Exchange.

(12) Consider approving principles regarding general trade agreement conditions for transactions between the Company and its subsidiaries, directors, executives, or related parties. This is to establish a framework for management to have the authority to conduct such transactions within the boundaries and scope of relevant laws and criteria. This is done for the benefit of engaging in interrelated transactions.

(13) Ensure there are appropriate communication channels with each group of shareholders and oversee the disclosure of information to ensure accuracy, completeness, appropriateness, and timeliness

(14) Consider approving interim dividends payout when it is deemed that the Company has sufficient profits to do so and report such dividend payouts to shareholders at the next shareholders' meeting.

(15) Consider establishing and amending changes to the list of authorized signatories who have the authority to bind the company.

(16) Seek professional advice from external organizations if necessary to make informed decisions.

(17) Oversee the Company's operations to ensure efficiency and safeguard any benefits related to all stakeholders.

(18) Ensure that the Shareholders' Meeting is held as an Annual General Meeting within 4 months from the end of the Company's accounting period.

(19) Ensure that the Board of Directors' Meeting is held at least once quarterly.

(20) Prepare the Company's annual report and take responsibility for compiling and ensuring the disclosure of the Company's consolidated financial statements to reflect the financial position and operating results of the Company and its subsidiaries for the previous year, and present to the shareholders' meeting for consideration and approval.

(21) Monitor the operating results, financial position, and ensure the adequacy of the financial liquidity and debt repayment capability of the Company and its subsidiaries continuously, in line with the business plan and related budget.

(22) Evaluate the performance of committees to review achievements, problems, and obstacles each year in order to facilitate development and improvement initiatives across various operational areas.

(23) Review the Board of Directors Charter at least once a year.

(24) The Board of Directors may delegate authority and/or assign specific tasks to other persons on behalf, within the scope of authority as defined in the power of attorney letter provided and/or as prescribed by regulations, provisions, or orders set forth by the Board of Directors and/or the Company. However, the delegation of duties and responsibilities of the Board of Directors shall not include delegating or assigning tasks that would enable the Board of Directors or the person delegated authority by the Board of Directors to consider and approve transactions that may present conflicts of interest (as defined by the Securities and Exchange Commission and/or the Stock Exchange Commission and/or relevant regulatory agencies). Such transactions may result in gains or losses, or may involve other conflicting interests with the Company or its subsidiaries, unless they are approved in accordance with policies and criteria as approved by the Shareholders' Meeting or the Board of Directors. Approved transactions should align with normal business practices and normal trade conditions, as prescribed by announcements of the Securities and Exchange Commission and/or the Stock Exchange Commission and/or relevant regulatory agencies.

Reference link for the board charter : <https://www.tanachira.co.th/storage/document/governance/board-of-directors-charter-th.pdf>

Information on subcommittees

Information on subcommittees

Information on roles of subcommittees

Roles of subcommittees

Audit Committee

Role

- Audit of financial statements and internal controls

Scope of authorities, role, and duties

- (1) To review the financial reporting of the Company and its subsidiaries to ensure that it is accurate and adequate in accordance with financial reporting standards by coordinating with external auditors and responsible managers who prepare financial reports for both quarterly and annual periods. The Audit Committee may suggest that the external auditors examine or review any transactions deemed important and necessary during the audit of the Company's and its subsidiaries' accounts.
- (2) To review the Company and its subsidiaries both internal control system and internal audit system to ensure that they are suitable, adequate, and effective.
- (3) To consider the independence of the internal audit function, as well as approval on the appointment, transfer, termination, or change of the head of the internal audit function or any other unit responsible for internal audit, including external auditors hired by the Company for internal control system auditing.
- (4) To access company information with authority at all levels, including inviting executives, management, department heads, employees, or relevant individuals to meetings to provide information. It also involves sending and providing relevant information as part of the duties and responsibilities assigned by the Company's Board of Directors.
- (5) To review and approve the staffing levels and necessary resources for the internal audit department, approving the annual audit plan, including considering and approving any significant changes to the audit plan, overseeing the implementation of the approved annual audit plan, ensuring compliance with international standards for internal audit practices, evaluating the quality of internal audit work on a regular basis, and participating in meetings with the head of the internal audit department to discuss important issues at least once a year.
- (6) To reviewing the Company's compliance with securities laws, regulations of the Stock Exchange of Thailand ("SET"), and regulations of the Securities and Exchange Commission, as well as any other relevant laws pertaining to the Company's business operations.
- (7) To evaluate, select, and propose the appointment of an independent individual to serve as the Company's auditor and propose their remuneration. Additionally, participate in meetings with the auditor without management present at least once a year.
- (8) To review transactions with related parties or transactions that may present conflicts of interest, such as acquisitions or disposals of assets by the Company and its subsidiaries. Ensure that the company's and subsidiaries' assets are accurately and completely accounted for, in accordance with relevant laws and regulations of the Stock Exchange and the Securities and Exchange Commission. This ensures confidence that these transactions are reasonable and beneficial to the Company and its shareholders.
- (9) To prepare the Audit Committee's report to be disclosed in the Company's annual report, which must be signed by the Audit Committee Chairman and consists of information as required by law.
- (10) To verify and monitor the results of risk management by the management team and/or related departments.
- (11) To review and propose amendments to the Audit Committee Charter as deemed necessary, at least once a year.
- (12) To review and approve the Charter of the internal audit function, and conduct an adequacy review at least once per year. Additionally, conduct a review of the scope of internal audit activities jointly with the external auditors of the internal control system, if engaged by the company.
- (13) To assess the performance for the previous year by preparing a work performance report and presenting it to the Board of Directors at least once a year.
- (14) To seek independent professional advice from other consultants to provide opinions or recommendations within the scope of their responsibilities as deemed appropriate and necessary, with the expenses incurred by the Company.
- (15) Perform other duties as assigned by the Board of Directors, with the approval of the Audit Committee.

Reference link for the charter

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Executive Committee

Role

• Others

- Follow up on the operations and manage the business of the Company and its subsidiaries in accordance with the objectives, regulations, policies, rules, directives, and resolutions of the Board of Directors and/or resolutions of the Shareholders' meetings.

Scope of authorities, role, and duties

(1) Conduct the operations and manage the business of the Company and its subsidiaries in accordance with the objectives, regulations, policies, rules, directives, and resolutions of the Board of Directors and/or resolutions of the Shareholders' meetings.

(2) Evaluate and develop policies, directions, business strategies, objectives, and operational plans, financial goals and budgets, human resource management, investments, expansion plans, public relations of the Company and its subsidiaries. Ensure that the operations of the appointed team achieve the objectives by considering appropriate business factors, to the extent that it does not conflict with the policies or guidelines set by the Board of Directors (if any), and present them for approval by the Board of Directors.

(3) In such a case where the Board of Directors has already established operational guidelines, if the proposed facts to the Board of Directors have changed, the Executive Committee will review the approved budget to ensure its appropriateness to the current situation, as long as it does not conflict with the Delegation of Authority.

(4) Oversee, examine, and monitor to ensure that the business operations of both the Company and its subsidiaries are align with the approved policies on business strategies, objectives and operation plans, financial goals, and budgets set forth by the Board of Directors. This oversight should be conducted efficiently and effectively to benefit the business environment concurrent with providing advice and guidance to senior management executives.

(5) Study the feasibility of investing in new projects and undertake the authority to consider and approve investments or joint ventures with individuals, legal entities, or other business organizations, in a manner deemed appropriate by the Executive Committee to pursue the objectives of the Company and its subsidiaries, as well as to consider and approve expenditures for such investments, entering into contracts, and/or any related operations until completion within the authorized budget, as long as it does not conflict with the Delegation of Authority and/or applicable laws and regulations,

including but not limited to the criteria of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET") regarding the sale of assets and related transactions, under the Public Limited Companies Act B.E. 2535 (1992) (As Amended) and the Securities and Stock Exchange Act B.E. 2535 (1992) (As Amended) ("Applicable Laws for Registered Companies"), and/or according to the company's regulations and those of its subsidiaries.

(6) Monitor the progress and outcomes of each business investment project and report the overall results, including any problems or obstacles encountered, along with suggestions for improvement to the Board of Directors.

(7) Review the profits and losses of the Company and its subsidiaries and provide recommendations regarding dividend payments to be proposed to the Board of Directors.

(8) Review and provide recommendations or comments to the Board of Directors regarding any projects, proposals, or transactions related to the Company's business operations and its subsidiaries. This includes considering options for fundraising when necessary and proposing actions to be taken in accordance with relevant laws, regulations, and company policies. Present these proposals for consideration and approval by the shareholders' meeting and/or the Board of Directors.

(9) Review and approve financial transactions with financial institutions, including opening accounts, borrowing loans, requesting credit, pledging assets, mortgaging, providing guarantees, and any other financial transactions necessary for the Company's and its subsidiaries' business operations. This also includes purchasing, registering land rights, and conducting legal transactions, submitting applications, proposals, contacting with government agencies to acquire various rights for the benefit of the Company and its subsidiaries. Ensure that these transactions are completed within the specified limits in the Delegation of Authority approved by the Board of Directors and/or in compliance with relevant laws, regulations, or company policies. Additionally, the Board of Directors has the authority to consider and approve financial transactions with financial institutions to open accounts if necessary.

(10) Approve the establishment of subsidiaries, capital increases or reductions, or seeking other sources of funding for subsidiaries. Adjust the shareholding structure within the subsidiary group, as well as engage in transactions and operations of the subsidiaries which does not conflict with the guidelines set by the Board of Directors. This should comply with relevant laws and regulations, including but not limited to those applicable to registered companies and/or according to the company's regulations and those of its subsidiaries.

(11) Consider and approve regulations, rules, management policies, and business operations of the Company and its

subsidiaries, or any actions that bind the Company and its subsidiaries, within the limits specified in the Delegation of Authority table approved by the Board of Directors.

(12) Appoint and/or delegate any individual or individuals to perform any actions within the authority of the Executive Committee, as deemed appropriate by the Executive Committee, and within the timeframe deemed appropriate by the Executive Committee, with the Executive Committee having the authority to revoke, rescind, or modify the individuals granted authority, as deemed appropriate.

(13) In this regard, the delegation of authorities, duties, and responsibilities of the Executive Committee shall not be of

a nature that empowers the delegate from the Executive Committee to approve transactions that may result in the delegate or any person having a conflict of interest (as defined by the Securities and Exchange Commission and/or the Stock Exchange of Thailand, and/or relevant regulatory bodies) to benefit or potentially harm the Company, its subsidiaries, and/or related parties. The Executive Committee shall not have the authority to approve such transactions. Such matters shall be presented to the Board of Directors meeting and/or the shareholders' meeting (as applicable) for approval, except for the approval of transactions conducted in the ordinary course of business and under normal trading conditions, as defined by the regulations of the Securities and Exchange Commission and/or the Stock Exchange of Thailand, and/or relevant regulatory bodies.

(14) Arrange for executives, management, or employees to participate in the Executive Committee's Meetings or prepare and provide relevant information on matters to be discussed at the Executive Committee's Meetings.

(15) Undertake authorities, duties, and responsibilities as assigned or as per policies delegated by the Board of Directors as needed.

(16) Engage consultants or independent individuals to provide necessary and appropriate opinions or recommendations as needed.

(17) Regular report to the Board of Directors on the Company's operations conducted within the scope of authorities and duties of the Executive Committee, including any other matters necessary and appropriate to be presented

(18) Review and approve regular business transactions of the Company according to the investment budget or budget approved by the Board of Directors, within the limits specified in the Delegation of Authority that has been approved by the Board of Directors. This includes entering into contracts related to such transactions, provided that they must not exceed the approved annual budget allocated by the Board of Directors.

(19) Review and approve the remuneration structure of the Company and its subsidiaries.

(20) Review, assess, and amend the Executive Committee Charter at least once a year, and present it to the Board of Directors for approval.

(21) Establish written policies on good corporate governance and implement these policies effectively to ensure confidence that the Company is responsible to all stakeholders fairly.

(22) Perform any other tasks as assigned by the Board of Directors. for the Board of Directors' acknowledgment.

Reference link for the charter

<https://www.tanachira.co.th/storage/document/governance/executive-committee-charter-th.pdf>

The Risk management Committee

Role

- Risk management

Scope of authorities, role, and duties

(1) Establish a comprehensive risk management policy and framework for the Company and its subsidiaries, covering various types of significant risks and encompassing core risks. Consideration must be a balance between risk and return from operations, aligning with the objectives, core goals, strategies, and acceptable risks of the business. This framework should serve as a guideline for all individuals within the organization in managing risks uniformly.

Present this to the Board of Directors for consideration and ensure that both the Company and its subsidiaries identify risks, considering both internal and external factors that may affect their ability to achieve stated objectives.

Additionally, specify preventive, corrective, and risk-limiting measures for related departments or units.

(2) Oversee and ensure continuous compliance with the risk management policy and framework to establish a suitable and effective risk management system throughout the organization. This includes both the Company and its subsidiaries, ensuring consistent implementation across the entire organization.

(3) Conduct reviews of risk management reports to monitor significant risk assessments, their impacts, and potential opportunities that may arise from those risks. This includes prioritizing risks, establishing appropriate risk management methods, and taking action to ensure that the Company and its subsidiaries effectively and appropriately manage risks.

(4) Conduct meetings and exchange information with the Audit Committee to jointly consider risk matters affecting the Company and its subsidiaries that have been identified during the year, as well as risk management strategies and any other relevant risk management issues as deemed appropriate, at least once a year.

(5) Communicate and exchange information with the Risk Management Committee and the internal audit department and/or internal auditors, who are regularly engaged by the Company, to ensure that both the Company and its subsidiaries have appropriate internal control systems for risk management and that the risk management system is properly adapted and implemented throughout the organization.

(6) Regularly report to the Board of Directors regarding significant risks and risk management activities.

(7) Engage consultants or independent individuals to provide necessary insights or recommendations as required.

(8) Perform any other tasks related to risk management as assigned by the Board of Directors with approval from the Risk Management Committee.

(9) Regularly analyze risk factors and review risk management policies and frameworks, at least once a year.

(10) Review and revise the Risk Management Committee Charter at least one time per year, and present it to the Board of Directors for approval.

Reference link for the charter

<https://www.tanachira.co.th/storage/document/governance/risk-management-committee-charter-th.pdf>

The Corporate Governance Committee

Role

- Corporate governance
- Sustainability development

Scope of authorities, role, and duties

- (1) Establish corporate governance policies for the Company in accordance with the principles of good corporate governance for listed companies as prescribed by the Stock Exchange of Thailand and the Securities and Exchange Commission, as well as business ethics, sustainable development policies, and corporate social responsibility policies for the Company and its subsidiaries, to be presented to the Board of Directors.
- (2) Provide guidance to the Board of Directors on matters related to good corporate governance, business ethics, sustainable development policies, and corporate social responsibility policies.
- (3) Study and establish key principles and best practices of good corporate governance, business ethics, corporate social responsibility policies, and sustainable development policies tailored to the Company's business operations and its subsidiaries, and/or international standards and practices.
- (4) Review and assess the policies on good corporate governance, business ethics, corporate social responsibility, and sustainable development to ensure their alignment with the Company's business operations and its subsidiaries. Present any proposed changes to these policies to the Board of Directors for approval if modifications are necessary.
- (5) Review and evaluate the principles and key practices of the policies on good corporate governance, business ethics, sustainable development, and corporate social responsibility. Ensure that these policies are effectively implemented and practiced with integrity, to be presented to the Board of Directors.
- (6) Assess the annual corporate governance results as presented by the management team and report it to the Board of Directors for acknowledgment in the following year. Additionally, provide necessary feedback and recommendations
- (7) Ensure that the management disseminates or communicates the policies on good corporate governance, business ethics, sustainable development, and social responsibility, along with relevant principles and guidelines, to all stakeholders or those affected, to ensure widespread awareness and implementation within the organization and to serve as a guideline for practice.
- (8) Engage consultants or independent individuals to provide necessary opinions or recommendations as needed.
- (9) Review, assess, and amend the Corporate Governance Committee Charter at least once a year, and present it to the Board of Directors for approval.
- (10) Provide advice to the working group to prepare for participation in corporate governance rankings by relevant organizations.
- (11) Perform any other tasks as assigned by the Board of Directors with approval from the Corporate Governance Committee for improvement as needed.

Reference link for the charter

<https://www.tanachira.co.th/storage/document/governance/corporate-governance-committee-charter-th.pdf>

The Nomination and Remuneration Committee

Role

- Director and executive nomination
- Remuneration

Scope of authorities, role, and duties

(1) Selection and Recruitment of the Board of Directors, Chief Executive Officer (CEO), Sub-Committees, and Senior Executive

1.1 Consideration of presenting the structure, compositions, and qualifications of the Board of Directors of the Company and its subsidiaries, as well as various sub- Committees.

1.2 Consideration of recruiting suitable individuals to fill vacant positions on the Board of Directors of the Company and its subsidiaries, to present at the shareholder meeting in case of vacancies due to term completion, and at the Board of Directors Meeting in case of other circumstances leading to vacancies.

1.3 Consideration of establishing qualifications and criteria for selecting individuals to serve as Chief Executive Officer (CEO) and collaborate with the CEO in recruiting senior executives. Representatives from the Nomination and Remuneration Committee should participate in interviewing senior executives, considering diversity in knowledge, expertise, skills, and experience beneficial to the Company's business operations, as well as their commitment of time.

1.4 Consideration of recruiting individuals for selection as Sub-Committee members and Chief Executive Officer (CEO) to be proposed at the Board of Directors Meeting.

1.5 Consideration of reviewing the succession plan for the Chief Executive Officer (CEO) position regularly and maintaining a list of suitable candidates for succession. Present recommendations to the Board of Directors for consideration when a vacancy arises.

1.6 Consideration of establishing criteria for evaluating the performance of the Chief Executive Officer (CEO) and conducting an annual performance review to assess achievements, problems, and obstacles. Utilize the evaluation results for developmental purposes and propose recommendations to the Board of Directors for further consideration.

(2) Determination of Remuneration for the Board of Directors, Chief Executive Officer (CEO), Sub-Committee, and Senior Executive

2.1 Remuneration

a. Consider establishing criteria and policies for determining remuneration, including that of the Chief Executive Officer (CEO), Board of Directors, and Sub-Committees.

b. In the case of remuneration for senior executives, representatives from the Nomination and Remuneration Committee will collaborate with the Chief Executive Officer (CEO) to determine the remuneration for senior executives.

The above-mentioned remuneration includes both monetary and non-monetary forms, including fixed compensation (e.g., salaries, meeting allowances) and/or performance-based compensation (e.g., bonuses, incentives, if applicable), as well as other benefits deemed appropriate. This is evaluated considering duties, responsibilities, performance, and comparison with similar companies in the industry, along with anticipated benefits to the individuals. It should align with the long-term strategies and goals of the Company, linking it to shareholder value creation, without overly focusing on short-term performance metrics. These recommendations are presented to the Board of Directors and/or shareholders' meetings for approval, as applicable.

2.2 Responsible for the Board of Directors and tasked with providing explanations and answering questions regarding the remuneration of the Board of Directors at shareholder meetings.

2.3 Disclose policies and criteria for determining remuneration for board members that reflect their duties and responsibilities, including the form and amount of compensation. Additionally, include the total amount of disclosed remuneration, which should encompass remuneration received by each board member for serving on subsidiary boards (if applicable).

(3) Review, revise, and update the Charter of the Nomination and Remuneration Committee at least once a year and present it to the Board of Directors for approval.

(4) Engage consultants or individuals with independent opinions to provide necessary feedback or recommendations.

(5) Perform any other tasks delegated by the Board of Directors with the approval of the Nomination and Remuneration Committee.

Reference link for the charter

<https://www.tanachira.co.th/storage/document/governance/nomination-and-remuneration-committee-charter-th.pdf>

Information on each subcommittee

List of audit committee

List of directors	Position	Appointment date of audit committee member	Skills and expertise
1. Mrs. PEERAMAN WARUNPANTULAK^(*) Gender: Female Age : 55 years Highest level of education : Master's degree Study field of the highest level of education : Accounting Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes	Chairman of the audit committee (Non-executive directors, Independent director) Director type : Existing director	26 Feb 2020	Accounting
2. Mr. NATHASORN BOONTANORM Gender: Male Age : 46 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No	Member of the audit committee (Non-executive directors, Independent director) Director type : Existing director	26 Feb 2020	Business Administration, Engineering
3. Mr. WARATHORN WONGSAWANGSIRI Gender: Male Age : 42 years Highest level of education : Master's degree Study field of the highest level of education : Law Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No	Member of the audit committee (Non-executive directors, Independent director) Director type : Newly appointed director to replace the ex-director	14 Aug 2024	Law

Additional explanation :

(*) Directors with expertise in accounting information review

List of audit committee members who resigned / vacated their position during the year

List of directors	Position	Date of resignation / termination	Replacement committee member
1. Mrs. PATRAPORN MILINDASUTA Gender: Female Age : 61 years Highest level of education : Master's degree Study field of the highest level of education : Law Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No	Member of the audit committee (Non-executive directors, Independent director)	1 Jun 2024	Mr. WARATHORN WONGSAWANGSIRI Appointment date of replacement committee member : 14 Aug 2024

Additional explanation :

(*) Directors with expertise in accounting information review

List of executive committee members

List of committee members	Position	Appointment date of executive committee member
1. Mr. TANAPONG CHIRAPANIDCHAKUL Gender: Male Age : 48 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	The chairman of the executive committee	26 Feb 2020
2. Mr. WUTT SRIKHAM Gender: Male Age : 51 years Highest level of education : Master's degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	26 Feb 2020
3. Mr. SARIT CHOKCHAINIRAND Gender: Male Age : 48 years Highest level of education : Doctoral degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	26 Feb 2020

Other Subcommittees

Subcommittee name	Name list	Position
The Risk management Committee	Mr. KITTIPOLO PRAMOJ NA AYUDHYA	The chairman of the subcommittee (Independent director)
	Mr. AKARIN PHUREESITR	Member of the subcommittee (Independent director)
	Mr. WUTT SRIKHAM	Member of the subcommittee
The Corporate Governance Committee	Mr. SARIT CHOKCHAINIRAND	Member of the subcommittee
	Mr. NATHASORN BOONTANORM	Member of the subcommittee (Independent director)
The Nomination and Remuneration Committee	Mr. AKARIN PHUREESITR	The chairman of the subcommittee (Independent director)
	Mrs. PEERAMAN WARUNPANTULAK	Member of the subcommittee (Independent director)
	Mr. TANAPONG CHIRAPANIDCHAKUL	Member of the subcommittee

Information on the executives

Information on the executives

List and positions of the executive

List of the highest-ranking executive and the next four executives

List of executives	Position	First appointment date	Skills and expertise
1. Mr. TANAPONG CHIRAPANIDCHAKUL Gender: Male Age : 48 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	CHIEF EXECUTIVE OFFICER (The highest-ranking executive)	5 Nov 2010	Business Administration, Engineering, Marketing, Leadership, Fashion
2. Ms. Siwaporn Leechanavanichpun^(*) Gender: Female Age : 50 years Highest level of education : Master's degree Study field of the highest level of education : Economics Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : Yes Accounting supervisor : No	Chief Financial Officer	16 Aug 2024	Economics, Finance, Accounting
3. Mr. Nakrit Thanachotsiri Gender: Male Age : 47 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	HR Director	3 Jun 2013	Business Administration, Human Resource Management
4. Ms. Natkamonruk Waijawudhikamolkorn Gender: Female Age : 41 years Highest level of education : Master's degree Study field of the highest level of education : Fashion Management Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Commercial Development and Merchandising Director	1 Mar 2023	Fashion

List of executives	Position	First appointment date	Skills and expertise
5. Mr. Aphichit Chantarasakha Gender: Male Age : 44 years Highest level of education : Bachelor's degree Study field of the highest level of education : Management Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Director of Fashion Group Retail Operations & Customer Activities	1 Jun 2024	Fashion

Additional Explanation :

(*) Highest responsibility in corporate accounting and finance

(**) Accounting supervisor

(***) Appointed after the fiscal year end of the reporting year

Remuneration policy for executive directors and executives

The Nomination and Remuneration Committee has the authorities, duties, and responsibilities to consider the criteria for remuneration and the format of the Board of Directors, CEO, Sub-Committees, and senior executives as per the provisions of the Nomination and Remuneration Committee Charter. In the case of remuneration for senior executives, representatives from the Nomination and Remuneration Committee will join the CEO in determining the compensation.

The above-mentioned remuneration includes both monetary and non-monetary forms, including fixed compensation and/or performance-based compensation. This is evaluated considering duties, responsibilities, performance, comparison with similar companies in the industry, anticipated benefits from the individuals, and alignment with the Company's long-term strategy and goals.

It should be noted that remuneration for directors and executives of the Company is not determined based on the management of subsidiaries.

Does the board of directors or the remuneration committee : No
 have an opinion on the remuneration policy for executive
 directors and executives

Remuneration of executive directors and executives

Monetary remuneration of executive directors and executives

	2022	2023	2024
Total remuneration of executive directors and executives (baht)	24,392,276.00	28,040,314.67	24,789,833.34

The executives of the company receive compensation in both monetary and non-monetary forms. However, executives holding the position of executive directors do not receive compensation in their capacity as directors and sub-committee members. The company and its subsidiaries pay monetary compensation to a total of 9 executives. This compensation includes salaries and bonuses.

Other remunerations of executive directors and executives

	2022	2023	2024
Company's contribution to provident fund for executive directors and executives (Baht)	416,274.00	585,513.00	767,317.00
Employee Stock Ownership Plan (ESOP)	No	No	No

	2022	2023	2024
Employee Joint Investment Program (EJIP)	No	No	No

The Company and its subsidiaries have provided other compensation to a total of 9 executives, This compensation is in the form of contributions to the provident fund.

Outstanding remuneration or benefits of executive directors and executives

Outstanding remuneration or benefits of executive directors : 0.00
and executives in the past year

Other significant information

Other significant information

Assigned person

List of persons assigned for accounting oversight

General information	Email	Telephone number
1. Mrs. Patcharee Suriyasuttiwong	patcharee@tanachira.co.th	02-264-5081

List of the company secretary

General information	Email	Telephone number
1. Mr. Nakrit Thanachotsiri	nakrit@tanachira.co.th	0-2264-5081

List of the head of internal audit or outsourced internal auditor

General information	Email	Telephone number
1. Ms. Ruetaichanoke Suphamong	ruetaichanoke@dir.co.th	-

List of the head of the compliance unit

General information	Email	Telephone number
1. Mr. Awirut Niyomdech	awirut@tanachira.co.th	02-264-5081

Head of investor relations

Does the Company have an appointed head of investor : Have
relations

List of the head of investor relations

General information	Email	Telephone number
1. Mr. Eakachai Pavasiriporn	ir@tanachira.co.th	02-264-5081

Company's auditor

Details of the company's auditor

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
EY OFFICE LIMITED 33RD FLOOR, LAKE RAJADA OFFICE COMPLEX, 193/136-137 RAJADAPISEK ROAD KHLONG TOEI KHLONG TOEI Bangkok 10110 Telephone number +66 2264 9090	4,990,000.00	-	1. Mrs. WILAI SUNTHORNWANEE Email: wilai.sunthornwanee@th.ey.com License number: 7356 2. Mrs. KUNLAPEE PIYAWANNASUTH Email: Kunlapee.Piyawannasuth@th.ey.com License number: 6137 3. Mrs. POONNARD PAOCHAROEN Email: poonnard.wattanawong@th.ey.com License number: 5238

Assigned personnel in case of a foreign company

Does the company have any individual assigned to be : No
representatives in Thailand

Performance Report on Corporate Governance

Information about the summary of duty performance of the board of directors over the past

Selection, development and evaluation of duty performance of the board of directors

Information about the selection of the board of directors

List of directors whose terms have ended and have been reappointed

List of directors	Position	First appointment date of director	Skills and expertise
Mr. KITTIPOLO PRAMOJ NA AYUDHYA	Chairman of the Board of Directors	26 Feb 2020	Business Administration, Engineering
Mrs. PEERAMAN WARUNPANTULAK	Director	26 Feb 2020	Accounting

List of newly appointed director to replace the ex-director

List of directors	Position	First appointment date of director	Skills and expertise
Mr. WARATHORN WONGSAWANGSIRI	Director	14 Aug 2024	Law

Selection of independent directors

Criteria for selecting independent directors

In nominating and appointing independent directors, the Nomination and Remuneration Committee will consider selecting suitable candidates to serve as directors of the Company and its subsidiaries and propose the shareholders' meeting for approval. It will be considered the qualifications and not having prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (As amended), the Securities and Exchange Act B.E. 2535 (As amended) or according to the criteria determined by the Securities and Exchange Commission including not having characteristics that indicate a lack of suitability to be trusted to manage a business in which the general public is the shareholder as required by the Office of the Securities and Exchange Commission determined and other relevant criteria. In addition, the Nomination and Remuneration Committee will consider nominating independent directors based on their qualifications, knowledge, expertise, working experience and suitability in other areas. It will be proposed to the shareholders' meeting to consider the appointment of independent directors as directors of the Company.

The Company requires that the Board of Directors must consist of at least one-third of the total number of independent directors and must not be less than 3 persons. As of 31 December 2024, the Board of Directors consists of 6 independent directors from a total of 9 directors, which is not less than 1/3 of the total number of directors. The independent directors must have all qualifications according to the relevant criteria of the Capital Market Supervisory Board, the SEC Office, and related laws. The independent directors' qualification shall be summarized as follows:

(1) Holding no more than 1.0% of voting shares of the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons, whereby shares held by related persons of the independent director are also included.

(2) Neither being nor ever was a director with involvements in the management of Company; an employee; a consultant with a regular salary; a controlling person of the Company or its parent companies, subsidiaries, associates, same-level subsidiary companies, major shareholders or of Company controlling persons; with the exceptions of involvements that have been ended for no less than 2 years. However, such prohibited characteristics shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company.

(3) Neither being related by birth nor by legal registration as an immediate family member – i.e. father, mother, spouse, sibling, and child, including spouse of child – of the executives, major shareholders, controlling persons, or nominated executive candidates or controlling persons of the Company or its subsidiaries.

(4) Neither being nor ever was a person having business relationship with the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons in any manner that may hinder impartial judgement. Neither being nor ever was a significant shareholder or controlling person of any person having business relationship with the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons of the Company. An exception is for the case that such relationship has been ended for no less than 2 years.

The term “business relationship” under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receiving of financial assistance including loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or its counterpart being subject to indebtedness payable to the other party in the amount of 3% or more of the net tangible assets of the Company or Baht 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of 1 year prior to the date on which the business relationship with the person commences.

(5) Neither being nor ever was an auditor of the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons of the Company; and not being a significant shareholder, controlling person, or partner of the audit firm which employs auditors of the Company or its parent companies, subsidiaries, associated companies, major shareholders or controlling persons of the Company; unless the foregoing relationship has been ended for no less than 2 years

(6) Neither being nor ever was a professional service provider including a legal counsellor or financial advisor receiving service fee over Baht 2 million per year from the Company or its parent companies, subsidiaries, associates, major shareholders or controlling persons of the Company; and not being a significant shareholder, controlling person or partner of the professional service provider; with the exception of services that have been ended for no less than 2 years.

(7) Is not a director appointed as a representative of a Board member, major shareholders or a shareholder who is related to the major shareholders.

(8) Not undertaking any business of the same nature that competes with the Company or its subsidiaries; neither being a significant partner in a partnership nor a director who involves in the management, an employee, a staff member, an advisor with regular salary; not holding shares exceeding 1% of the total number of shares with voting rights of other companies which undertake businesses of the same nature that competes with the Company or its subsidiaries.

(9) Not having any other characteristics that hinder impartial judgement with regard to the Company’s business operations.

Business or professional relationships of independent directors over the past year

Business or professional relationships of independent directors : No
over the past year

Selection of directors and the highest-ranking executive

Method for selecting directors and the highest-ranking executive

Method for selecting persons to be appointed as directors : Yes
through the nomination committee

Method for selecting persons to be appointed as the highest- : Yes
ranking executive through the nomination committee

Rights of minority shareholders on director appointment

The Company recognizes the importance of protecting shareholders' rights and ensuring fair treatment of all shareholders. Therefore, the Company provides an opportunity for shareholders to nominate individuals whom they consider qualified, knowledgeable, and competent for election as company directors in advance of the Annual General Meeting of Shareholders, in accordance with the criteria set by the Company, which will be published on the Company's website at www.tanachira.co.th.

The Board of Directors will consider the qualifications of the nominated individuals and present them to the Annual General Meeting of Shareholders for consideration and election as company directors.

Method of director appointment : Method whereby each director requires approval votes more than half of the votes of attending shareholders and casting votes

Setting qualifications for the selection of directors

Details of qualifications for the selection of directors

Qualifications, knowledge, or experience	Skill and expertise
Knowledge, skills, experience in business operations, professional expertise, specialized proficiency, educational background, and appropriate age.	Fashion, Law, Marketing, Accounting, Business Administration

Information on the development of directors

Development of directors over the past year

Details of the development of directors over the past year

List of directors	Participation in training in the past financial year	History of training participation
1. Mr. KITTIPOLO PRAMOJ NA AYUDHYA (Chairman of the Board of Directors)	Non-participating	Thai Institute of Directors (IOD) • 2019: Role of the Chairman Program (RCP) • 2004: Director Accreditation Program (DAP) • 2002: Director Certification Program (DCP) Other • 2005: Audit Committee Program
2. Mr. TANAPONG CHIRAPANIDCHAKUL (Director)	Non-participating	Thai Institute of Directors (IOD) • 2020: Director Certification Program (DCP)
3. Mr. SARIT CHOKCHAINIRAND (Director)	Non-participating	Thai Institute of Directors (IOD) • 2016: Director Certification Program (DCP) • 2015: Director Accreditation Program (DAP)
4. Mr. WUTT SRIKHAM (Director)	Non-participating	Thai Institute of Directors (IOD) • 2020: Director Certification Program (DCP)
5. Mrs. PEERAMAN WARUNPANTULAK (Director)	Non-participating	Thai Institute of Directors (IOD) • 2022: Advanced Audit Committee Program (AAP) • 2020: Director Certification Program (DCP)
6. Mr. AKARIN PHUREESITR (Director)	Non-participating	Thai Institute of Directors (IOD) • 2020: Director Certification Program (DCP)
7. Mr. NATHASORN BOONTANORM (Director)	Participating	Thai Institute of Directors (IOD) • 2024: Advanced Audit Committee Program (AAP) • 2024: Role of the Chairman Program (RCP) • 2018: Director Certification Program (DCP)
8. Mrs. CHATAYA SUPANPONG (Director)	Non-participating	Thai Institute of Directors (IOD) • 2023: Director Accreditation Program (DAP)
9. Mr. WARATHORN WONGSAWANGSIRI (Director)	Non-participating	Thai Institute of Directors (IOD) • 2020: Director Leadership Certification Program (DLCP) • 2018: Director Certification Program (DCP)
10. Mrs. PATRAPORN MILINDASUTA (Director)	Non-participating	Thai Institute of Directors (IOD) • 2017: Director Certification Program (DCP) Other • 2017: Family Business Governance • 2015: Corporate Governance for Capital Market

Information on the evaluation of duty performance of directors

Criteria for evaluating the duty performance of the board of directors

The Company has established an annual performance evaluation for the Board of Directors, which includes both a collective assessment of the entire board and an individual evaluation of each director. The scores and feedback from the directors will be used to improve the Board of Directors' performance each year and enhance its overall effectiveness.

The performance evaluation of the Board of Directors, dividing the assessment into 6 key areas:

1. Structure and qualifications of the Board of Directors
2. Roles, duties, and responsibilities of the Board of Directors
3. Meeting of the Board of Directors
4. Performance of the Board of Directors
5. Relationship with management
6. Self-development of Directors and Executive development

The performance evaluation of sub-committees, dividing the assessment into 3 key areas:

1. Structure and qualifications of the sub-committee
2. Meeting of the Sub-committee
3. Roles, duties, and responsibilities of the sub-committee

The performance evaluation of individual members of the Board of Directors and sub-committees, dividing the assessment into 3 key areas:

1. Structure and qualifications of the Board/sub-committee
2. Meetings of the Board of Directors/sub-committee
3. Roles, duties, and responsibilities of the Board/sub-committee

Evaluation of the duty performance of the board of directors over the past year

The Company is committed to conducting its business in accordance with the principles of good corporate governance. In 2024, the Company conducted a performance evaluation of the Board of Directors by adapting the assessment guidelines from the Stock Exchange of Thailand to suit the nature and structure of the Board of Directors. In addition, the Company has also conducted a performance evaluation of the Chief Executive Officer, with the evaluation score being 97.96%.

Details of the evaluation of the duty performance of the board of directors

List of directors	Assessment form	Grade / Average score received	Grade / Full score
Board of Directors	Group assessment	94.70%	100.00%
	Self-assessment	95.37%	100.00%
	Cross-assessment (assessment of another director)	None	None
Executive Committee	Group assessment	93.97%	100.00%
	Self-assessment	None	None
	Cross-assessment (assessment of another director)	None	None
Audit Committee	Group assessment	95.33%	100.00%
	Self-assessment	None	None
	Cross-assessment (assessment of another director)	None	None
The Nomination and Remuneration Committee	Group assessment	95.44%	100.00%
	Self-assessment	None	None
	Cross-assessment (assessment of another director)	None	None

Performance evaluation criteria for the executives

Performance evaluation criteria for the executives : Yes

The Board of Directors has delegated the responsibility to the Nomination and Remuneration Committee, excluding members of the Nomination and Remuneration Committee who have conflicts of interest, to annually review and evaluate the performance of the Chief Executive Officer. This evaluation serves as the basis for determining the compensation of the

Company's top executives. The Chief Executive Officer's performance evaluation form is divided into four categories:

1. Strategic Planning and Performance Management
2. Financial Management
3. Operations Management
4. Quality of Products and Services
5. Human Capital Management
6. People-Organization Relations
7. Leadership and Governance
8. Board Relations and Communication

Information on meeting attendance and remuneration payment to each board member

Meeting attendance and remuneration payment to each board member

Meeting attendance of the board of directors

Meeting attendance of the board of directors

Number of the board of directors meeting over the past year : 4
(times)

Date of AGM meeting : 30 Apr 2024

EGM meeting : No

Details of the board of directors' meeting attendance

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
1. Mr. KITTIPOLO PRAMOJ NA AYUDHYA (Chairman of the Board of Directors, Independent director)	4	/	4	1	/	1	N/A	/	N/A
2. Mr. TANAPONG CHIRAPANIDCHAKUL (Director)	4	/	4	1	/	1	N/A	/	N/A
3. Mr. SARIT CHOKCHAINIRAND (Director)	4	/	4	1	/	1	N/A	/	N/A
4. Mr. WUTT SRIKHAM (Director)	4	/	4	1	/	1	N/A	/	N/A
5. Mrs. PEERAMAN WARUNPANTULAK (Director, Independent director)	4	/	4	1	/	1	N/A	/	N/A
6. Mr. AKARIN PHUREESITR (Director, Independent director)	4	/	4	1	/	1	N/A	/	N/A

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
7. Mr. NATHASORN BOONTANORM (Director, Independent director)	4	/	4	1	/	1	N/A	/	N/A
8. Mrs. CHATAYA SUPANPONG (Director, Independent director)	4	/	4	1	/	1	N/A	/	N/A
9. Mr. WARATHORN WONGSAWANGSIRI (Director, Independent director)	1	/	1	0	/	0	N/A	/	N/A
10. Mrs. PATRAPORN MILINDASUTA (Director, Independent director)	2	/	2	1	/	1	N/A	/	N/A

Detailed justification for the Company director's non-attendance at the Board of Directors' meeting

Mrs. Patraporn Milindasuda, an independent director has resigned from her position as a Director on June 1, 2024.

Mr. Warathorn Wongsawangsi has appointed to be an independent director on August 14, 2024.

Remuneration of the board of directors

Types of remuneration of the board of directors

Monetary remuneration

The Annual General Meeting of Shareholders for the year 2024, held on April 30, 2024, resolved to approve the remuneration for the company's directors and sub-committee members for the year 2024. The remuneration will be provided in the form of meeting allowances. However, the Chief Executive Officer and executives will not receive meeting allowances.

Other remunerations

- None

Remuneration of the board of directors

Details of the remuneration of each director over the past year

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
1. Mr. KITTIPOLO PRAMOJ NA AYUDHYA (Chairman of the Board of Directors)			140,000.00		N/A
Board of Directors	140,000.00	0.00	140,000.00	No	
The Risk management Committee	0.00	0.00	0.00	No	
2. Mr. TANAPONG CHIRAPANIDCHAKUL (Director)			0.00		N/A
Board of Directors	0.00	0.00	0.00	No	
Executive Committee	0.00	0.00	0.00	No	
The Nomination and Remuneration Committee	0.00	0.00	0.00	No	
3. Mr. SARIT CHOKCHAINIRAND (Director)			210,000.00		N/A
Board of Directors	80,000.00	0.00	80,000.00	No	
Executive Committee	130,000.00	0.00	130,000.00	No	
The Corporate Governance Committee	0.00	0.00	0.00	No	
4. Mr. WUTT SRIKHAM (Director)			210,000.00		N/A
Board of Directors	80,000.00	0.00	80,000.00	No	
Executive Committee	130,000.00	0.00	130,000.00	No	
The Risk management Committee	0.00	0.00	0.00	No	
5. Mrs. PEERAMAN WARUNPANTULAK (Director)			275,000.00		N/A
Board of Directors	80,000.00	0.00	80,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Audit Committee	150,000.00	0.00	150,000.00	No	
The Nomination and Remuneration Committee	45,000.00	0.00	45,000.00	No	
6. Mr. AKARIN PHUREESITR (Director)			140,000.00		N/A
Board of Directors	80,000.00	0.00	80,000.00	No	
The Nomination and Remuneration Committee	60,000.00	0.00	60,000.00	No	
The Risk management Committee	0.00	0.00	0.00	No	
7. Mr. NATHASORN BOONTANORM (Director)			200,000.00		N/A
Board of Directors	80,000.00	0.00	80,000.00	No	
Audit Committee	120,000.00	0.00	120,000.00	No	
The Corporate Governance Committee	0.00	0.00	0.00	No	
8. Mrs. CHATAYA SUPANPONG (Director)			80,000.00		N/A
Board of Directors	80,000.00	0.00	80,000.00	No	
9. Mr. WARATHORN WONGSAWANGSIRI (Director)			40,000.00		N/A
Board of Directors	20,000.00	0.00	20,000.00	No	
Audit Committee	20,000.00	0.00	20,000.00	No	
10. Mrs. PATRAPORN MILINDASUTA (Director)			120,000.00		N/A
Board of Directors	40,000.00	0.00	40,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Audit Committee	80,000.00	0.00	80,000.00	No	

Summary of the remuneration of each committee over the past year

Names of board members	Meeting allowance	Other monetary remuneration	Total (Baht)
1. Board of Directors	680,000.00	0.00	680,000.00
2. Audit Committee	370,000.00	0.00	370,000.00
3. Executive Committee	260,000.00	0.00	260,000.00
4. The Risk management Committee	0.00	0.00	0.00
5. The Corporate Governance Committee	0.00	0.00	0.00
6. The Nomination and Remuneration Committee	105,000.00	0.00	105,000.00

Summary of the remuneration of the board of directors

	2024
Meeting allowance (Baht)	1,415,000.00
Other monetary remuneration (Baht)	0.00
Total (Baht)	1,415,000.00

Remunerations or benefits pending payment to the board of directors

Remunerations or benefits pending payment to the board of : 0.00
directors over the past year
(Baht)

Information on corporate governance of subsidiaries and associated companies

Corporate governance of subsidiaries and associated companies

Mechanism for overseeing subsidiaries and associated companies

Does the Company have subsidiaries and associated companies	: Yes
Mechanism for overseeing subsidiaries and associated companies	: Yes
Mechanism for overseeing management and taking responsibility for operations in subsidiaries and associated companies approved by the board of directors	: The appointment of representatives as directors, executives, or controlling persons in proportion to shareholding, The determination of the scope of duties and responsibilities of directors and executives as company representatives in establishing important policies, Disclosure of financial condition and operating results, Transactions between the company and related parties, Other significant transactions, Acquisition or disposal of assets

The Company has established a policy to supervise operations in subsidiaries and associated companies as approved by the Board of Directors' Meeting No. 3/2023 on April 25, 2023, with the objective of determining measures and mechanisms, both direct and indirect, for the Company to supervise and manage the administrative of subsidiaries and/ or associated companies including monitoring and supervising subsidiaries and/or associated companies. The various measures and mechanisms are implemented can be specified as if it were the Company's own unit and in accordance with the Company's policies including Public Limited Company Act, Civil and Commercial Code, Securities laws and related rules and notifications and relevant regulations and the criteria of the Capital Market Supervisory Board, Office of the Securities and Exchange Commission and the Stock Exchange of Thailand in order to preserve the interests of the Company's investments in the subsidiaries and/or associated companies, the details are as follows:

(1) The company will send a representative of the Company to become a director in each subsidiary company and/or associated company according to the proportion of shareholding in each company in order to perform supervisory duties for subsidiaries and/or associated companies and in accordance with the laws including other policies of the Company as appropriate. However, a representative of the Company to become a director in each subsidiary and/ or associated company must be approved by the Board of Directors' meeting by considering the appropriateness of each company.

(2) In case, entering into the transactions or any actions of the subsidiary company that is involved in or is an acquisition or disposal of assets or connected transactions according to the notification of the Stock Exchange of Thailand, Capital Market Supervisory Board and the relevant Securities and Exchange Commission which will result in the Company has a duty to seek an approval from the Company's Board of Directors' meeting and/or seek an approval from the Company's shareholders' meeting. or seek an approval from relevant government agencies according to the laws before entering into the transactions. Subsidiaries may enter into transactions or carry out such operations only after obtaining an approval from the Company's Board of Directors' meeting and/or the Company's shareholders' meeting and/or relevant government agencies. (depending on the case).

In addition, in case, entering into transactions or certain events of the subsidiary company which makes the Company has a duty to disclose information to the Stock Exchange of Thailand according to the criteria set forth in the notification of the Stock Exchange of Thailand. A representative director of such a subsidiary has a duty to notify the Company Secretary as soon as it becomes known that such subsidiary plans to enter into the transactions or such event occurs.

(3) Board of Directors and executives of subsidiaries and/or each associated company will have authority, duties and responsibilities in accordance with relevant laws, such as disclosing information about financial status and operating results to the Company by taking relevant announcements from the Stock Exchange of Thailand and the Capital Market Supervisory Board to come into force mutatis mutandis including disclosing and submitting information on their own interests and related persons to the Board of Directors to inform their relationship and conducting transactions with the Company, subsidiaries and/or associated companies in a manner that may cause conflicts of interest and avoid transactions that may cause conflicts of interest.

(4) The Company will set plans and take necessary actions to ensure that the subsidiaries and/or associated companies disclose information regarding the operating results and financial status to the parent company and the Company will take necessary actions and follow up with the subsidiary companies and/or associated companies having a system for disclosing information and an internal control system that is adequate and appropriate for conducting business.

In addition, the Company will closely monitor the operating results and operations of its subsidiaries and/or such associated companies and present the results and express opinions or suggestions to the Board of Directors and the Board of Directors of such subsidiary or associated company for considering to setting policies or improving and promoting the business of subsidiaries and/or associated companies to develop and grow continuously

Information on the monitoring of compliance with corporate governance policy and guidelines

The monitoring of compliance with corporate governance policy and guidelines

Prevention of conflicts of interest

Operations for conflict of interest prevention over the past year

Has the company operated in preventing conflicts of interest : Yes
over the past year

The Company has established a policy to prevent conflicts of interest based on the principle that any decision in carrying out business activities, it must be considered the best interest of the Company and shareholders of the Company and should avoid any actions that may cause conflicts of interest by requiring any persons who are involved or have an interests to notify to the Company of their relationship or interests in the said transactions and must not participate in the consideration including having no authority to approve such transactions.

However, if it is a transaction between the Company and related persons, it must be reviewed by the Audit Committee and approved by the Board of Directors and/or the shareholders' meeting, in accordance with the regulations of the Securities and Exchange Commission.

Number of cases or issues related to conflict of interest

	2022	2023	2024
Total number of cases or issues related to conflict of interest (cases)	0	0	0

Prevention of the use of inside information to seek benefits

Operations for prevention of the use of inside information to seek benefits over the past year

Has the company operated in preventing the use of inside : Yes
information to seek benefits over the past year

The Company conducts business with transparency and is aware of the importance of using inside information in which the information has not yet been disclosed to the general public and is material to changes in the price or value of the Company's securities, such as the Company's information that is likely to have a significant impact on price changes or the value of securities or investment decisions. Such information includes, but is not limited to, information about the Company, major shareholders, controlling person or key executives of the Company and is reasonably clear information that general investors should use to make investment decisions. To comply with the Securities and Exchange Act B.E. 2535 (as amended), ("Securities Act and Stock Exchange Act") including notifications, rules and relevant regulations, the Company has established a policy on the use of inside information which requires directors, executives, and employees of the Company and subsidiaries in the finance function keep a silent period for purchasing or selling the Company's securities whether for themselves or another persons and do not disclose financial information to other parties whether directly or indirectly, during the period before the disclosure of the quarterly and annual financial statements for at least 30 days and should wait at least 24 hours after the financial statements have been disclosed before purchasing or selling the Company's securities.

Additionally, the Company has set penalties for directors, executives, and employees who violate this policy, which may include disciplinary action as deemed appropriate. There may also be criminal and civil liability under the Securities and Exchange Act.

Number of cases or issues related to the use of inside information to seek benefits

	2022	2023	2024
Total number of cases or issues related to the use of inside information to seek benefits (cases)	0	0	0

Anti-corruption action

Operations in anti-corruption in the past year

Has the company operated in anti-corruption over the past : Yes
year

Form of operations in anti-corruption : Review of appropriateness in anti-corruption

The Company is committed to conducting business with honesty, transparency and in accordance with the principles of good corporate governance and also realizing the importance of against in all forms of corruption. The Company has established an anti-corruption policy to be a guideline for directors, executives, and employees of the Company in order to prevent and against corruption problems of the Company in deep. It is because the Company does not accept corruption of any kind, covering business operations and various transactions in every country and every relevant business units. Our personnel of the Company must strictly comply with the anti-corruption policy, charter and business ethics and prohibit our personnel of the Company participate in all forms of corruption in both of directly and indirectly.

Number of cases or issues related to corruption

	2022	2023	2024
Total number of cases or issues related to corruption (cases)	0	0	0

Whistleblowing

Operations related to whistleblowing over the past year

Has the company implemented whistleblowing procedures : Yes
over the past year

The Company group is aware of the importance of preventing wrongdoing and corruption that may occur from operations and contact with stakeholders. This may affect the decision-making and business operations of the Group of companies. The Group of companies has therefore established a mechanism for receiving complaints and actions taken in the case of reporting violations regarding illegal acts, charters, and business ethics or behavior that may indicate corruption among the personnel of the Group of companies. This includes appropriate protection measures for whistleblowers according to this policy for receiving complaints and reporting wrongdoing, it will be a clear guideline and to ensure efficient receipt of complaints and reporting of wrongdoing.

Mail:

Tanachira Retail Corporation Public Company Limited
999/9 The Office at Central World,
Room OFMH2807 and OFMH 2812, Floor 28, Rama I Road,
Patumwan Sub-district, Patumwan District Bangkok 10330

E-mail: companysecretary@tanachira.co.th

Notify the Chief Executive Officer or the Chairman of the Board as follows:

If the respondent holds a position lower than the Chief Executive Officer: Notify the Chief Executive Officer or the Company Secretary (acting on behalf of the Chief Executive Officer).

If the respondent is an executive at the level of Chief Executive Officer or higher, or a director: Notify the Chairman of the Board or the Company Secretary (acting on behalf of the Chairman of the Board).

Number of cases or issues related to whistleblowing

	2022	2023	2024
Total number of cases or issues received through whistleblowing channels (cases)	0	0	0

Information on report on the results of duty performance of the audit committee in the past year

Meeting attendance of audit committee⁽⁴⁾

Meeting attendance of audit committee (times) : 6

List of Directors	Meeting attendance of audit committee		
	Meeting attendance (times)	/	Meeting attendance rights (times)
1 Mrs. PEERAMAN WARUNPANTULAK (Chairman of the audit committee)	6	/	6
2 Mr. NATHASORN BOONTANORM (Member of the audit committee)	6	/	6
3 Mr. WARATHORN WONGSAWANGSIRI (Member of the audit committee)	1	/	1
4 Mrs. PATRAPORN MILINDASUTA (Member of the audit committee)	4	/	4

Remark: ⁽⁴⁾ 1. Ms. Pattaporn Milintasut resigned from the positions of Director and Member of the Sub-Committee, on June 1, 2024.
2. Mr. Varathorn Vongsavangsi was appointed as member of the Audit Committee, on August 14, 2024.

The results of duty performance of the audit committee

The Audit Committee of Tanachira Retail Corporation Public Company Limited (“the Company”) comprises three independent directors who are qualified and experienced in accounting and finance, law, and management. They also meet the qualifications stipulated in the notification of the Securities and Exchange Commission. The Audit Committee has performed its duties within the scope and responsibilities assigned by the Board of Directors, as specified in the Audit Committee Charter, and in accordance with its practices, which align with the requirements of the Stock Exchange of Thailand.

The Audit Committee operates independently and fairly, adhering to its defined responsibilities under the Audit Committee Charter and the directives of the Board of Directors, in full compliance with the requirements of the SEC and the Stock Exchange of Thailand.

The report on the performance of the Audit Committee can be found in [Attachment 6](#)

Information on summary of the results of duty performance of subcommittees

Meeting attendance and the results of duty performance of subcommittees

Meeting attendance of Executive Committee⁽⁵⁾

Meeting Executive Committee (times) : 13

List of Directors	Meeting attendance of Executive Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. TANAPONG CHIRAPANIDCHAKUL (The chairman of the executive committee)	13	/	13
2 Mr. WUTT SRIKHAM (Member of the executive committee)	13	/	13

List of Directors	Meeting attendance of Executive Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
3 Mr. SARIT CHOKCHAINIRAND (Member of the executive committee)	13	/	13

The results of duty performance of Executive Committee

The Executive Committees performed their assigned duties and responsibilities in 2024, summarized as follows:

1. Oversee, audit, and monitor the company's and its subsidiaries' business operations to ensure alignment with policies, business strategies, objectives, operational plans, financial goals, and budgets on a monthly basis.
2. Approve the establishment of subsidiaries, capital increases for subsidiaries, as well as transactions and various operations of subsidiaries.
3. Monitor the progress of business expansion investments of the company and its subsidiaries.
4. Review and approve financial transactions with financial institutions within the authorized limits specified in the Delegation of Authority (DOA) approved by the Board of Directors.

Remark: ⁽⁵⁾ Mrs. Chidchanok Jangpol has resigned from her position as an executive director and an employee of the Company, on June 1, 2024

Meeting attendance of The Risk management Committee

Meeting The Risk management Committee : 0
(times)

List of Directors	Meeting attendance of The Risk management Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. KITTIPOLO PRAMOJ NA AYUDHYA (The chairman of the subcommittee)	0	/	0
2 Mr. AKARIN PHUREESITR (Member of the subcommittee)	0	/	0
3 Mr. WUTT SRIKHAM (Member of the subcommittee)	0	/	0

The results of duty performance of The Risk management Committee

In 2024, the Risk Management Committee did not hold any meetings. However, the Company remains aware of the importance of risk management and has prepared a plan to establish a team of experts to handle this area. Throughout the past year, the Company continued to monitor the risk situation and implement the existing risk management plan. The Company will also hold a meeting in 2025 to report on risk management performance and review the Risk Management Committee's charter.

Meeting attendance of The Corporate Governance Committee

Meeting The Corporate Governance Committee : 0
(times)

List of Directors	Meeting attendance of The Corporate Governance Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. SARIT CHOKCHAINIRAND (Member of the subcommittee)	0	/	0
2 Mr. NATHASORN BOONTANORM (Member of the subcommittee)	0	/	0

The results of duty performance of The Corporate Governance Committee

In 2024, the Corporate Governance Committee did not hold any meetings. However, the Company continued to carry out corporate governance activities in accordance with good governance principles under the policies and regulations approved by the Board of Directors. The Corporate Governance Committee has consistently monitored and supported the Company's governance operations closely and will hold a meeting in 2025 to report on governance and sustainability performance, as well as to review the Corporate Governance Committee's charter.

Meeting attendance of The Nomination and Remuneration Committee

Meeting The Nomination and Remuneration : 3
Committee (times)

List of Directors	Meeting attendance of The Nomination and Remuneration Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. AKARIN PHUREESITR (The chairman of the subcommittee)	3	/	3
2 Mrs. PEERAMAN WARUNPANTULAK (Member of the subcommittee)	3	/	3
3 Mr. TANAPONG CHIRAPANIDCHAKUL (Member of the subcommittee)	3	/	3

The results of duty performance of The Nomination and Remuneration Committee

The Nomination and Remuneration Committee executed its designated duties and responsibilities for the year 2024, summarized as follows:

1. Conducted the process of identifying and proposing candidates for the Company's Board of Directors and sub-committees. Candidates were selected based on their knowledge, skills, and experience relevant to the Company's business model, for consideration by the Board of Directors and subsequent approval at the shareholders' meeting.
2. Conducted the process of selecting a qualified individual to replace the resigning director and proposed the nomination to the Board of Directors for approval.
3. Reviewed the compensation for the Board of Directors and sub-committee members. Compensation criteria were based on operational results, the scope of directors' duties and responsibilities, Company growth and performance, business liquidity, and individual directors' contributions. Comparisons were made with entities in similar industries to provide recommendations for the Board of Directors and for approval at the shareholders' meeting.
4. Consider the criteria for determining the compensation and evaluating the performance of the Chief Executive Officer for the year 2024, with compensation based on performance results and operational achievements.

Corporate Sustainability Policy

Information on policy and goals of sustainable management

Sustainability Policy

Sustainability Policy : Yes

The Company is dedicated to conducting business based on good corporate governance, with the ultimate goal of organizational sustainability. This is achieved by fostering confidence among stakeholders through transparent and efficient operations. The Board of Directors, executives, and employees are tasked with supporting, promoting, and implementing works in alignment with the sustainable development policy as follows:

1. Creating Economic Value through High Product Quality and Corporate Governance Principles

The Company is committed to creating value for the business, not only focusing on profit growth but also emphasizes transparent, ethical business operations that are auditable under good governance principles. The Company also implements risk management concurrent with the delivery of high-quality products which has the production processes that concern on environmental management through products that are both high-quality and customer friendly, as well as environment and communities.

2. Participation in the Corporate Social Responsibility

The Company conducts its business with integrity and is firmly committed to social responsibility, as outlined in the Corporate Social Responsibility Policy. Relevant information and details related to Corporate Social Responsibility will be disclosed in Attachment 5, “Policy and Practices for Corporate Governance – Full Version, and the Business Ethics and Code of Conduct - Prepared by the Company”.

3. High-Quality Personnel

Employees are the main driving factor to the business, and the Company places a high priority on developing human resources through training, skill development, and knowledge enhancement. This is aimed at enhancing competitiveness, keeping up with changing circumstances, and maintaining a steadfast commitment to labor practices and human rights. Simultaneously, there is a commitment to fostering good relationships between the Board of Directors, executives, and employees, to promote an organization that values sharing and works towards achieving its goals.

4. Environmental Stewardship and Sustainability

The Company operates its business with a consciousness and prioritizes the conservation of natural resources and efficient resources utilization. This includes product design and the selection of eco-friendly packaging materials. Additionally, the Company supports activities that promote environmental sustainability and conservation of natural resources. The Company instills a sense of awareness in their personnel regarding the appreciation use of resources, ensuring efficiency and maximizing benefits while maintaining a commitment to environmental preservation, growth, and sustainable coexistence.

Reference link for sustainability policy : <https://www.tanachira.co.th/storage/document/governance/sustainability-development-policy-th.pdf>

Sustainability management goals

Does the company set sustainability management goals : Yes

The Company has established sustainability strategies and goals that encompass all stakeholders while creating value for society, the environment, and the overall economy under this strategy. The Company has defined a clear sustainability framework known as 3P: PLANET (Environment) PEOPLE (Society) PROSPERITY & WEALTH (Corporate Governance);

1. PLANET: Environmental Responsibility

- **Sustainable Packaging:** Expansion of the HARNN Upcycle / Recycle Packaging Program, increasing the use of recycled and biodegradable materials.

2. PEOPLE: Strong and Sustainable Society

- **Employee Development:** Specialized training programs for customer service and technological skills to support future growth.
- **Social Initiatives:** Launch of TANACHIRA CARE to promote mental health and community well-being through charity sales and events.

3. PROSPERITY & WEALTH: Transparent and Sustainable Governance

- **Innovative Products and Services:** Development of high-quality, consumer-focused products.
- **Transparent Business Practices:** Strong adherence to governance principles to build long-term trust with shareholders and investors.

United Nations SDGs that align with the organization's sustainability management goals : Goal 1 No Poverty, Goal 3 Good Health and Well-being, Goal 4 Quality Education, Goal 8 Decent Work and Economic Growth, Goal 9 Industry, Innovation and Infrastructure, Goal 10 Reduce Inequalities, Goal 12 Responsible Consumption and Production, Goal 13 Climate Action

Information on review of policy and/or goals of sustainable management over the past year

Review of policy and/or goals of sustainable management over the past year

Has the company reviewed the policy and/or goals of sustainable management over the past year : Yes

Has the company changed and developed the policy and/or goals of sustainable management over the past year : Yes

The Company has reviewed its sustainability strategies and goals to ensure alignment with the operations of the Group. The Company is committed to conducting business in a way that creates economic value while upholding social and environmental responsibility. Additionally, it aims to meet stakeholder expectations appropriately and ensure measurable, tangible outcomes.

Information on impacts on stakeholder management in business value chain

Business value chain

Supply chain management is the core of the organization's sustainable business operations, which aim to drive the business in a sustainable manner. The Group is dedicated to conducting business while caring for society, communities, and the environment, following ethical practices and principles outlined in the Business Code of Conduct. The Group emphasizes the importance of all stakeholders, including shareholders, employees, customers, partners, communities, or society, and the environment. A committed to human rights principles and the principles of business ethics in order to build a positive image for the company. This commitment leads to the creation of balance and sustainable development in economic, social, and environment, and the benefit-sharing is appropriate and fair.

(1) Primary Activities

• **Sourcing Products from Brand Owners and/or Contract Manufacturers**

The Group prioritizes the sourcing and presentation of leading lifestyle products to offer experiences and products that resonate with the target customer groups. For brands like Pandora, Marimekko, Cath Kidston and GANNI, the Group purchases products from brand owners, fostering consistent communication and collaboration to drive business and strengthen positive relationships. Regarding the HARNN brand, the Group purchases products from contracted manufacturers within the country. The Group emphasizes the selection and procurement of high-quality and suitable contract manufacturers. Additionally, the Group is environmentally conscious, incorporating recycled PET ("rPET") in the bottles production process for HARNN brand products.

• **Distribution**

The Group has branch stores in shopping malls and/ or commercial centers across every region of Thailand and in other countries where the Group operates which follows the 'Sales-Staff-Stock' concept in its operations. The Group is committed to offering high-quality lifestyle products that align with customer needs. Adequate staffing is ensured to provide customer service, and inventory management is organized to meet customer demands. This is aimed at delivering a memorable and delightful shopping experience to customers. In addition, the Group also distributes products through online channels such as the websites of each company in the Group, external service provider marketplaces, and social media platforms. The distribution channels of the Group, both offline and online, aim to provide customers with a comprehensive shopping experience. Moreover, the Group has partners who act as distributors and franchisees both domestically and internationally. This approach allows the Group to reach and deliver products and/or services to customers in areas where the Group's operations may not directly cover.

• **Sales and Marketing Activities**

The Group recognizes the importance of promoting sales and marketing by conducting its brand and product advertising through various channels, both online and offline. This is not only to retain existing customers but also to attract new ones. The Group focuses on communicating the image and products to align with the target customer

group for each brand within the Group.

(2) Supporting Activities

• Human Resource Development

The Group prioritizes the management and development of its human resource. The Group has established the Tanachira Training Academy (“TTA Program”) to enhance the skills, capabilities, and potential of employees to align with the image and vision of the Group, also continuously improving the efficiency of employees at all levels in various aspects.

Analysis of stakeholders in the business value chain

Details of stakeholder analysis in the business value chain

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<u>Internal stakeholders</u>			
• Employees	• Reasonable compensation • Developing learning skills • Benefits and welfare • Stability and career growth • Employee engagement • Equality treatment and Human Rights	• Providing appropriate remuneration and welfare • Implementing performance evaluation and potential assessment to ensure fair compensation • Welcoming on suggestions and comments from employees • Supporting on the employees skills development to enhance personal growth and create opportunities for their career path • Conducting satisfaction and engagement surveys • Protecting	• Internal Meeting • Complaint Reception • Satisfaction Survey

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
External stakeholders			
- Investors or investment institutions - Shareholders	- Operating business with good performance, growing, and sustainable results. - Consistently paying dividends. - Conducting business with transparency and accountability, including having good corporate governance. - Anti-Corruption. - Appropriate qualifications of the Board of Directors and executives. - Accurate, comprehensive, and timely disclosure of information and operational results of the Company.	- Planning the business management to grow continuously and sustainably. - Disclosing information accurately in accordance with the practices for information disclosure of a listed company - Effectively managing risks, both short-term and long term, including potential emerging risks.	- Visit - Online Communication - Annual General Meeting (AGM) - Complaint Reception - Others - Website and e-mail.
Customers	- Producing products with high quality and meet standards, and provide good services - Fair price - Meeting the customers' needs - Promptly responding when customers encounter issues - Equitable treatment	- Distributing products with high quality and meet standards - Building customers confidence in products and services includes offering products warranties and providing various channels for complaints. - Treating customers with fairness and equality, avoiding discrimination against consumers - Protecting customers personal data	- Online Communication - Complaint Reception - Satisfaction Survey

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
External stakeholders			
- Suppliers - Business partners	- Transparent and fair procurement - Fair trade and on-time debt payments - Supporting on collaborative trade to receive or forward high-quality products or services at fair price	- Conducting business in accordance with business ethics - Establishing procurement and/or outsourcing policies and maintaining a transparent and fair procurement process - Adopting a payment policy that is accurate and in accordance with the specified conditions. - Protecting the partners' personal data	- Complaint Reception - Others - Website and e-mail.
- Community - Society - Others - Environmental	- Conducting the Group's business without impacts on society, community and environment - Utilizing natural resources responsibly and recognize their value	Conducting business with responsibility, diligence, and caution, including selecting raw materials and packaging to minimize impacts on environment and prevent effects on society, communities, and	Online Communication
- Creditor - Financial institution	- Debt repayment and adherence to the specified conditions - Communicating and disclosing information consistently and transparently	- Settling debts according to the agreed-upon terms - Maintaining financial ratios within the specified limits or conditions for requesting credit from financial institutions	Complaint Reception
Government agencies and Regulators	Conducting business without violating applicable laws and regulations.	- Complaining with laws, regulations, and relevant standards related to business operations, fostering good cooperation with government agencies. - Conducting Legal risk assessment	- Online Communication - Complaint Reception

Information on organization's material sustainability topics

Organization's material sustainability topics

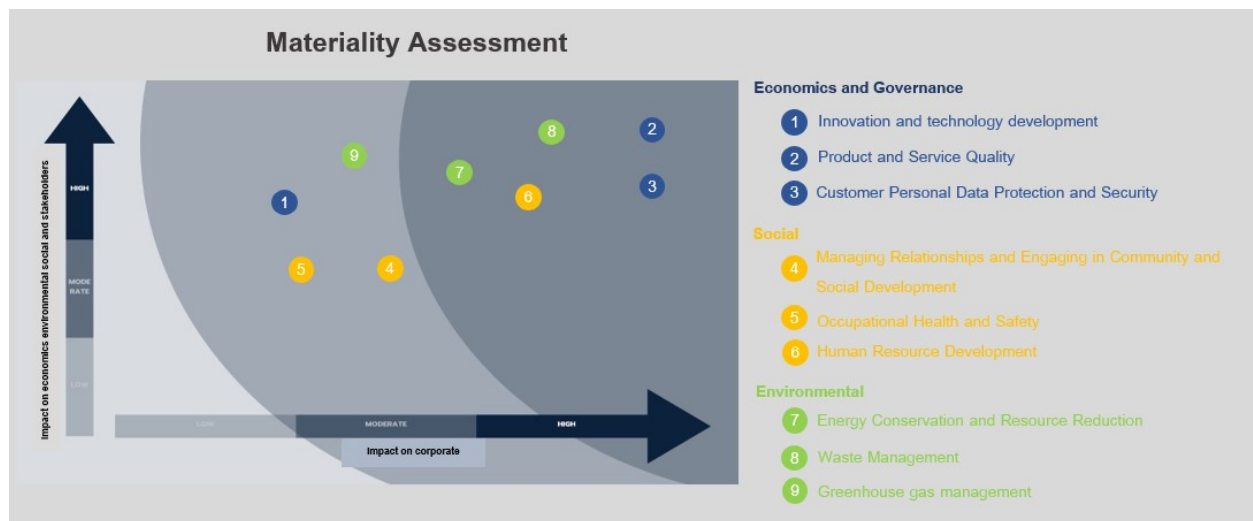
The company has identified its sustainability materiality topics : Yes

Over the past year, the company has reviewed its sustainability materiality topics : Yes

Details of organization's material sustainability topics

The names of the sustainability materiality topics	Subjects related to the sustainability materiality topics
Innovation and technology development	• Innovation Development
Product and Service Quality	• Customer / Consumer Responsibility
Customer Personal Data Protection and Security	
Managing Relationships and Engaging in Community and Social Development	• Community / Social Responsibility
Occupational Health and Safety	• Others : Occupational Health and Safety
Human Resource Development	• Fair Labor Practices
Energy Conservation and Resource Reduction	• Energy Management
Waste Management	• Waste and Waste Management
Greenhouse gas management	• Greenhouse Gas Management

Diagram of organization's material sustainability topics



Information on sustainability report

Corporate sustainability report

Corporate sustainability report : Have data

Sustainability risk management

Information on risk management policy and plan

Risk management policy and plan

The Company recognizes enterprise risk management as a key foundation for achieving its business objectives and fostering sustainable growth. Effective risk management enables the Company to make informed decisions, mitigate negative impacts, and capitalize on opportunities for increased returns. The Company has established a corporate risk management policy that provides a framework aligned with good corporate governance principles. This policy ensures that the Company's management and business operations effectively achieve their defined objectives and goals. The risk management policy is as follows:

- The Company conducts its business within acceptable risk levels to achieve its objectives and meet stakeholder expectations. Risk management is an integral part of the annual business planning process, daily operations, decision-making, and project management.
- All executives and employees of the Company are risk owners who have the responsibility to identify and assess the risks of their respective departments, as well as to define appropriate measures to manage risks.
- Risks that affect the achievement of the company's objectives must be addressed as follows:
 - Identify risks in a timely manner.
 - Assess the likelihood of risks occurring and the impact if such events occur.
 - Manage risks in accordance with the established risk management guidelines, taking into account the associated costs and benefits of such risk management.
 - Monitor to ensure that the Company's risks are properly managed.

Risk Governance Structure

Board of Directors Responsible for overseeing the Group's policies and understanding the risks that could have a serious impact on the company to ensure that appropriate actions are taken to manage those risks.

Risk Management Committee Responsible for considering and approving risk management policies and frameworks, monitoring risk assessments, approving risk management plans, and reporting to the Board of Directors.

Risk Management Working Group Responsible for monitoring risk management by risk owners and consolidating risk information from each department to report to the Risk Management Committee.

Risk Management Process

The Company has established a risk management process to ensure that the steps and methods of risk management are systematic and consistent throughout the organization. It has clearly defined its business strategies and objectives to be in line with risk assessment and the company's risk appetite. The Company has identified four types of risk as follows:

- 1. Strategic Risk** Risks associated with inappropriate strategic planning, business planning, and implementation. In addition, strategic risks include changes in external and internal factors that affect the formulation of strategies or operations to achieve the organization's key objectives, goals, and operational guidelines.
- 2. Operational Risk** Risks related to the execution of processes and activities within the organization, including those associated with information technology and knowledge management, which are essential for achieving operational objectives. Operational risks can impact the efficiency of work processes and the overall achievement of the organization's goals.
- 3. Financial Risk** Risks related to financial management that may arise from internal factors, such as liquidity management, credit management, and investment management, or external factors, such as fluctuations in interest rates, exchange rates, or counterparty default. These risks can impact operations and potentially cause financial damage to the organization.
- 4. Compliance Risk** Risks arising from non-compliance with relevant regulations set by authorities such as the Securities and Exchange Commission, as well as various laws governing the business operations of the Stock Exchange Group. This also includes risks associated with failing to adhere to the policies and operating procedures established by the Stock Exchange of Thailand. If this risk materializes, it could negatively impact the organization's reputation and overall image.

Information on ESG risk factors management standards

ESG risk factors management standards

Standards on ESG risk management : Yes

Standards on ESG risk management : COSO - Enterprise risk management framework (ERM)

Information on ESG risk factors

Risk factors on business operation

Operational risk associated with the Company or the group of companies

Risk 1 Risk from competition

Related risk factors : Strategic Risk

- Competition risk

ESG risk factors : No

Risk characteristics

The fashion lifestyle retail business is a highly competitive business, both from current domestic and international competitors and new ones that may exist in the future; both having a storefront and selling through online channels such as (1) Swarovski brand, which sells premium jewelry products at accessible prices (Affordable Premium Jewelry) and is a close competitor to Pandora brand, (2) Kate Spade, Marc Jacobs and Michael Kors brands, which sell premium handbags and apparel products and are close competitors to the Marimekko brand, (3) Anello, Kipling, Klook & Etcetera brands, which sell affordable premium handbags and are close competitors to Cath Kidston brand, (4) Erb, KarmaKamet, Panpuri, Thann, Yugen brands, which sell Premium Beauty & Wellness Spa Products and Spa Services and are close competitors to the HARNN brand etc. Most of the competition are in the form of presenting the uniqueness of products and services, building Brand Loyalty, expansion of business by opening new branches to increase market share and adjustment to support the changing behavior of consumers such as adding online distribution channels (E-Commerce) and organizing marketing activities to be in line with the situation including using channels to communicate with target customers through both online and offline channels. Some competitors may have financial resources, distribution channels, availability of other resources that resulted in lower competitive costs than the Company or could adapt to market needs or consumer behavior better than the Company.

Although new competitors could easily enter the business but creating brand awareness, building a strong customer base in the long term and increasing branch sales would not be that easy. The Company emphasizes on building brand awareness by stressing the communication of the concept and identity of each brand, developing a well-known brand, recognizing of brand values, connecting product brands to suit the way of life of Thai people in their daily life and building a strong customer base to build brand trust and loyalty. In the past, the Company had been very successful in introducing leading international brands in Thailand, such as Pandora, Marimekko, Cath Kidston, GANNI, as well as HARNN brand that the Company owned.

In addition, with quality products, successful marketing and efficient management, product brands owned by the Company such as HARNN has greatly increased in popularity over the past which may lead to counterfeit products that are similar in appearance including products that imitate the ideas of the Company and causing consumers to think that those products belonged to the Company. Low quality counterfeit products could cause side effects to consumers when using the product.

Risk-related consequences

The factors mentioned above may cause the Company lower income than expected or higher expenses in marketing, advertising, and organizing marketing activities, which might have a material adverse impact on the business, performance and financial status of the Company.

Risk management measures

The Company is aware of the impact on the organization in terms of product image and consumer safety from counterfeit products and damage from substandard products, hence the Company registered the trademark of the HARNN brand group.

Risk 2 Risk from relying on the rights to sell imported product in Thailand

Related risk factors : Strategic Risk

- Reliance on large partners / distributors or few partners / distributors

ESG risk factors : Yes

Risk characteristics

Currently, the Company has entered into Distribution Agreement contracts with the owners of the overseas brands i.e. Pandora, Marimekko and Cath Kidston to be the sole distributor of such brands in Thailand, Cath Kidston in Vietnam and Marimekko in Singapore according to period of time and type of product and various conditions as specified in the contracts for using the rights of those brands. For the fiscal year ending 31st December 2022, 2023 and 2024, revenues from sales of the 3 brands were 83%, 81% and 73% of the total revenues of the Company, respectively.

Nevertheless, the Company has good relationships with the owners of those brands. In the past, the Company had coordinated and worked very well with the brand owner companies. The Company has effectively combined the strengths of its brands with its knowledge and understanding of communication and marketing for target groups in Thailand. As a result, various brands that the Company distributed had increased customer base, better brand awareness in the Thai market, significant increase in sales and number of branches and received a contract renewal from the brand owner every time the contract was renewed. For Pandora, the Company received a contract renewal for the 5th time, Marimekko renewal for the 2nd time and Cath Kidston renewal for the 3rd time. From the mentioned success and strengths, the Company believed to continue to be trusted by various brand owners and would continue to be distributors of products in Thailand including the renewal

of product distribution contracts with various brand owners in the future. In addition, to reduce such risks, the Company has a strategy for getting Distribution Agreement for additional new product brands including expansion of the business of owned HARNN brand to reduce reliance on distribution contracts with specific brand owners in case a Distribution Agreement for additional new product brands, GANNI, might not be as successful as expected.

Risk-related consequences

If the product distribution contract were canceled or the Company could not renew or enter into a new contract under similar or more favorable terms, the Company would not be able to continue selling products under that brand. Most of the product distribution contracts that the Company engaged with the brand owner also have conditions that would make the Company unable to procure competing products according to the conditions specified in the contract to distribute or sell during a certain period after contract termination. This would negatively impact on the business, performance and financial status of the Company significantly.

However, in the event that the brand owner changed ownership, shareholding structure or management, it might affect or cause the brand owner's business policy to change. Such factors are beyond the control of the Company. If such a case would occur in the future, it might affect the distributorship of the Company.

In addition, the Company is exposed to risks from operations in other countries, even though they were operated by brand owners or product distributors in other countries. If there were an operation that went wrong damaging the reputation of the brand or its products, this might impact on operations in Thailand.

If the above situation occurred, it could negatively impact on the business, performance and financial status of the Company.

Risk 3 Risk from the Company's income mainly from Pandora brand

Related risk factors : Strategic Risk

- Reliance on large partners / distributors or few partners / distributors

ESG risk factors : Yes

Risk characteristics

The Company has revenue from selling Pandora products in 2022, 2023 and 2024 in the proportion of 50 percent, 50 percent and 44 percent, respectively, making the Companies exposed to a risk of relying on income from the Pandora brand. If there were an event that affected the revenue of the Pandora brand (such as a change in the popularity of the brand or products causing sales to decline).

Risk-related consequences

The brand owner could not to deliver products, the distribution contract was canceled, or the brand owner exercised its right to acquire the business before the contract ended, etc.), those may cause a negative impact on the business, performance and financial status of the Company significantly.

In Pandora's case, the brand owner might exercise its buyout option before the contract ends. The price of such buyback varies according to the performance of the brand in Thailand. If the performance of the brand in Thailand was during a period of poor performance or at loss while the brand owner asked to exercise rights, the company would receive a smaller amount of money in return or may not receive any compensation at all in the case of a loss.

Risk management measures

The Company recognized such risks and developed a strategy for entering into product distribution contracts (Distribution Agreement) for additional new product brands, including expansion of the business of owned HARNN brand to reduce reliance on distribution contracts with specific brand owners in case a contract to distribute products (Distribution Agreement) for additional new product brands might not be as successful as expected.

Risk 4 Risk from changes in consumer behavior or market trends

Related risk factors	: <u>Strategic Risk</u>
	• Behavior or needs of customers / consumers
ESG risk factors	: Yes

Risk characteristics

The Company operates the business of importing and distributing lifestyle and fashion products both in Thailand and abroad (including Vietnam through TRGV, Japan through HJ and Singapore through TRGS). The success of the business operations depends on the ability to predict, understanding consumer needs and behavior including trends in the markets in which the Company operates business. If the Company are unable to analyze changes in consumer behavior and market trends in order to expand products and services, develop communication formats, marketing, develop distribution channels and presenting products that could attract customers, the Company may be unable to maintain the same customer base and attract new customer base.

Risk-related consequences

The Company may be unable to maintain the same customer base and attract new customer base which may have a material adverse impact on the business, performance and financial status of the Company.

Risk management measures

The Company has guidelines for closely monitoring consumer behavior in purchasing lifestyle and fashion products, tracking sales of each product group in order to plan sales promotion guidelines to be in line with the current situation, using information to make decisions in further procuring products and services that meet customer needs and studying trends in popular products. In addition, the Company has plans to expand new business lines and continually introduce new product brands. Recently, the Company had expanded into the food and beverage business under Marimekko pop-up Cafe and Cath Kidston Tearoom which were decorated using products from the Marimekko and Cath Kidston brands respectively, including restaurant under Gordon Ramsay group of brands to complement the Company's portfolio of lifestyle brands.

Risk 5 Risk from expanding into Food & Beverage business

Related risk factors	: <u>Strategic Risk</u>
	• New business risk
ESG risk factors	: No

Risk characteristics

The Company expanded into the food and beverage business by opening Marimekko pop-up Cafe and Cath Kidston Tearoom decorated using products of Marimekko and Cath Kidston respectively. In addition, in 2023, the Company received the right to manage restaurants under Gordon Ramsay, a world-renowned chef, in Thailand for a period of 10 years, which included (1) Gordon Ramsay Hell's Kitchen, (2) Street Burger Gordon Ramsay, (3) Street Pizza Gordon Ramsay, and (4) Bread Street Kitchen & Bar and planned to open a total of 14 branches within that period. In December 2023, the Company opened Bread Street Kitchen & Bar and planned to open Street Pizza Gordon Ramsay in January 2024. The investment for opening new branches is approximately 231.0 million Baht for 14 branches (including the cost of construction and decoration of the branch and inventories; excluding rent). The Company believed that expanding into the food and beverage business would increase income and complement the lifestyle brand portfolio of the Company.

However, the food and beverage business is a highly competitive business. There is uncertainty regarding changes in consumer behavior, popularity of each type of food and there are other important risks such as fluctuations in the price level of raw materials that may be beyond the control of the Company. The Company also does not have much experience in managing a full service restaurant.

Risk-related consequences

From the above, it may cause the food and beverage business under the management of the Company to be unsuccessful, which may have a negative impact on its business, cash flow, financial position, operating results and business opportunities of the Company significantly.

Risk management measures

The Company understands the importance of growth through the food and beverage business. The Company reduces the risk of not being successful by selecting famous and world-class brands to market in Thailand, adding personnel with expertise in the restaurant business management since the end of 2022, working closely with brand owner company to ensure that restaurants could be opened with quality that meets the original standards (restaurant decoration, ingredient selection, cooking and service standards). There had also been preparation in other areas such as public relations, marketing, sourcing of raw materials and quality control in details including a project feasibility study that analyzed the financial value of the investment.

Risk 6 Risk from fluctuation of business operations according to festivity and seasonality

Related risk factors : Strategic Risk

- Volatility in the industry in which the company operates

ESG risk factors : No

Risk characteristics

The revenue of the Company may fluctuate according to festivals and seasons because some customers will buy products according to festivals and seasons. Normally, the demand for the products of the Company increases during the 4th quarter of every year, which is a time when there are a lot of purchases and a high number of tourists. Some customers may purchase products as gifts for Christmas and New Year's Day. The 1st quarter of every year will still be a time of high purchasing and tourist numbers and various festivals such as Chinese New Year, Valentine's Day and Children's Day, which customers purchase products as gifts and exchange souvenirs.

Risk-related consequences

The Company has higher revenue, profits and cash flow from operations during the 4th and 1st quarters than other periods of the year.

Risk management measures

The Company manages by launching promotional and marketing activities including releasing new product collections so that income does not fluctuate much each quarter. However, investors should be aware that the quarterly operating results may not reflect the full year's operating results. This is a result of the seasonal fluctuations mentioned above.

Risk 7 Risk from obtaining commercial space for use as branch location

Related risk factors : Strategic Risk

- New business risk

ESG risk factors : No

Risk characteristics

The Company focuses on expanding the branch network to cover major provinces and tourist attractions and needs to procure suitable commercial space for future branch expansion. Therefore, the Company is at risk from getting commercial space with an appropriate location to reach the customer base and/or the risk of higher-than-expected costs of acquiring or leasing commercial space.

Risk-related consequences

The Company may incur higher-than-expected investment or rental expenses, experience delays in opening new branches compared to the planned schedule, or be unable to expand new branches according to the business plan.

Risk management measures

The Company's Business Development Department will proceed to procure commercial space that is appropriate and consistent with the Company's annual strategy. The Company maintains good relationships with many commercial space owners including leading shopping centers and department stores in important strategic locations and covering all regions. In addition, the Company also has online product distribution channels (E-Commerce) to increase access to products for customer groups.

Risk 8 Climate change risks affecting the organization

Related risk factors	:	<u>Strategic Risk</u>
		• Climate change and disasters
ESG risk factors	:	Yes

Risk characteristics

The Company recognizes the importance of climate change, which may directly and indirectly impact business operations, both strategically and operationally. The Company has conducted a risk assessment in two main dimensions: Physical Risk and Transitional Risk, to identify potential impacts and develop response strategies. These efforts aim to ensure business continuity and minimize disruptions caused by climate-related risks.

Risk-related consequences

The Company has assessed climate change risks in two key dimensions: Physical Risk and Transitional Risk, in order to establish appropriate response and adaptation strategies. This aims to support sustainable business growth. The potential impacts are as follows:

1. Physical Risk

Climate change has led to more frequent and severe natural disasters, which may affect the company's infrastructure, business locations, and supply chain. Key areas of concern include:

Impacts on Office Buildings and Retail Stores

- Heavy rainfall and urban flooding may disrupt employee and customer transportation and potentially damage inventory in stores and warehouses.
- Severe storms or thunderstorms may lead to power outages, affecting IT systems, point-of-sale (POS) systems, and customer services at branches.

Impacts on Supply Chain and Product Transportation

- Natural disasters such as flash floods or storms in supplier areas may cause shipment delays, affecting product delivery timelines.
- Unpredictable weather conditions could increase logistics costs, such as higher transportation expenses due to rerouted deliveries or the need for weather-resilient vehicles.

2. Transitional Risk

Changes in regulations, markets, and consumer behavior toward greater environmental awareness directly impact the company's business operations. Key factors include:

Changes in Consumer Behavior

- Consumers are increasingly prioritizing eco-friendly products, which means the company must consider raw materials, sourcing, and sustainable manufacturing processes when selecting product brands.
- There is a growing trend among customers favoring environmentally friendly and recyclable packaging, requiring the company to select products with sustainable packaging to meet market demand.

Stricter Environmental Regulations

- Many countries have introduced carbon reduction policies and carbon taxes, which could increase the cost of imported goods if suppliers do not use environmentally friendly production methods.
- The implementation of new standards for eco-friendly materials may require the company to adjust its brand selection strategies accordingly.

Technological and Innovation Changes

- Sustainability-related technologies, such as plastic alternatives or low-carbon logistics systems, may affect business competitiveness if the company is unable to adapt in time.
- The increasing adoption of digital systems in retail, such as e-commerce platforms with carbon-controlled shipping practices, may influence market positioning and operational models.

Risk management measures

In response to the aforementioned risks, the Company has prepared the following mitigation strategies:

1. Physical Risk

- Develop a Business Continuity Plan (BCP) to handle emergency situations, such as preparing backup energy sources and maintaining inventory reserves in low-risk areas.
- Diversify supply chain risks by selecting suppliers from various locations and establishing a flexible logistics network.
- Utilize advanced weather forecasting technologies to improve transportation planning and efficiency.

2. Transitional Risk

- Consider selecting brands that meet sustainability standards and prioritize environmentally friendly production processes.

- Adapt logistics processes to be more environmentally friendly, such as opting for low greenhouse gas emission transportation or using clean energy in warehouses.
- Assess the potential impact of environmental regulations on the business and prepare operational guidelines to comply with new requirements.

Risk 9 Risk from inventory management

Related risk factors : Operational Risk
 • Inventory risk

ESG risk factors : No

Risk characteristics

As of 31st December 2022, 2023 and 2024, the Company had net inventories equal to 455.6 million Baht, 525.4 million Baht and 745.0 million Baht, respectively and had an average sales period of 280.59 days, 356.58 days, and 382.12 days, respectively. More than 40.0 percent of inventory is Pandora products. There is no provision for obsolete products for Pandora because in the past products could be sold without lowering the price below cost. The increase in the average selling period is mainly due to an increase in product reserves to prepare for sale, which is in line with the trend of increasing sales. For the lifestyle and fashion products, most are collections and products that change according to trends. In addition, the Company has more than 16,000 SKUs from all brands, so inventories must be managed by reducing the number of obsolete products. If the Company failed to manage inventory effectively, this may result in a large amount of inventory remaining and lost opportunities to use funds for other business activities. In addition, HARNN products are products that can be expired. If there are inventory remaining for a long time, the quality of the products may deteriorate. Therefore, the Company is exposed to risks related to deteriorated or obsolete products or lower inventory turnover rates than specified.

Risk-related consequences

The Company is exposed to risks related to deteriorated or obsolete products or lower inventory turnover rates than specified. This may have a material adverse impact on the business, performance and financial status of the Company.

Risk management measures

The Company is aware of such risks and put continuous efforts to reduce the average sales time through continuous monitoring of sales of each brand in order to plan sales promotions and marketing to drive sales of products with a high average selling time or at the end of the season, festival, or collection. The Company plans for promotions and communications for each brand every month including established a policy to reserve allowance for obsolete products separated by SKU of each product brand. According to the policy for provision for obsolete products, the Company has made sufficient reserves and as a result the carrying value is not higher than the value that may be sold (Net Realizable Value). In addition, products are displayed within the store along with the use of art in displaying products through the storefront (Visual Merchandise) in order to attract the highest possible attention from customers and enhance the purchasing experience and create repeat visits. In addition, an information technology system using the ERP system has been introduced to help connect sales data with ordering information, making inventory management more efficient. For example, analyzing past sales data to find the right amount of product purchases in the annual purchasing plan and distributing products to branch stores. Also, there are more options for customers to buy products through the online platform.

Risk 10 Risk from product loss

Related risk factors : Operational Risk
 • Corruption

ESG risk factors : Yes

Risk characteristics

Operating results of the Company depend on not only the ability to make money from selling products, but also the ability to control costs and expenses. The Company pays great attention and is extremely careful about lost goods. Because some products are in small pieces and have a high value, there is a risk of product loss, which may occur for many reasons including corruption or fraud of employees and customers. The Company has set criteria for the acceptable value of lost products for each product brand. In case the value of lost merchandise exceeds the specified criteria, the Company will consider disciplinary action or deduct the value of lost merchandise from employees.

Risk-related consequences

If the above situation occurred, it could negatively impact on the business, performance and financial status of the Company.

Risk management measures

To deal with such risks, the Company has planned and organized measures to prevent product loss within the branches and warehouses. The measures that the Company put in place include:

- Assign branch employees to count products when products are delivered from the warehouse to the branch store.
- Installation of cameras and closed-circuit television.
- Assign employees to check customer products against receipts.
- Require cashiers to scan barcodes for each product item.
- Counting products within branches and warehouses which is arranged by the Retail Audit department. There is a

routine inspection 3 times per year, which is the

actual count compared to the information displayed in the POS system for the branch on the date of the count, and surprise check. For overseas subsidiaries, namely HJ, it is set that products be counted at branches twice a year by employee of HJ together with warehouse service provider. For TRGV, it is set that products be counted at branches and at warehouses every quarter by employee of TRGV. In the past, there were only a small number of results that differed, which most of them were

switching SKUs, products during transfer and storing products in the different location.

- Setting punishment measures for offenders, such as suspension from work or dismissal in case of an employee and impose a fine or legal proceedings in case of an employee or customer.

Risk 11 Risk from the Company relying on rental of commercial space to operate business

Related risk factors	: <u>Operational Risk</u>
	• Property lease agreement execution
ESG risk factors	: No

Risk characteristics

At present, the Company has entered into agreements to lease office space, warehouse, and commercial space for business operations. For example, rental contracts of various branches are located in shopping centers of the Central, Siam Piwat, LH Mall and The Mall group as well as warehouse rental contracts. Most rental periods are approximately 1 - 3 years (depending on each contract).

If the rental contract was canceled, or the lease could not be renewed on terms and conditions that are similar or more beneficial than the original contract, or unable to renew the contract in the same location or desired area, or unable to renew the lease contract at all, or the shopping center changed or moved rental space, the Company would not be able to use the commercial space and warehouse to continue operating the business and/ or unable to take advantage of area improvements or construction work that had been invested as planned or there may be costs for demolishing or moving assets from the building.

Risk-related consequences

If the Company is unable to avoid such risks, it may have a material adverse impact on the business, performance and financial status of the Company including additional investment cost.

Risk management measures

However, throughout the past, the Company has had a good relationship with the management of the office space and commercial areas and never had a problem renewing the contract with the owner of the areas. This is because the Company has brands that can create value for various shopping centers. Moreover, the Company studies to find areas to expand additional branches regularly, so that the branches can be located in important strategic locations.

Risk 12 Risk from the ability to provide quality products to satisfy the needs of various customers

Related risk factors	: <u>Operational Risk</u>
	• Shortage or fluctuation in pricing of raw materials or productive resources
ESG risk factors	: No

Risk characteristics

The Company relies on sourcing products from brand owners. For the HARNN brand, the Company hires manufacturers to produce HARNN products. If the brand owner had problems procuring products or the manufacturers for HARNN products had a problem in the production process or the shipping process was delayed, the Company may not be able to provide quality products at the appropriate price and quantity according to the situation and period that the Company required.

Risk-related consequences

The Company may be unable to respond to customer needs and this may have a material adverse impact on the

business, performance and financial status of the Company.

Risk management measures

The Company plans to purchase and deliver products from manufacturers and/or distributors according to the annual operating plan. The purchasing department, sales department, and marketing department have discussions together to review and review purchasing plans regularly. The Company also regularly discusses with international brand owners about best-selling products for the Thai market or in countries where the Company carrying out business to ensure that products have quality and order quantities that meet the needs of consumers in related markets. This includes visual merchandise plans to promote products as well. In addition, the Company also recognizes the importance of maintaining good relationships with manufacturers and/or product distributors both domestically and abroad. In the past, the Company has never encountered a problem that affected its ability to sufficiently procure products to meet the needs of customers.

Risk 13 Risk from Increasing Product Costs

Related risk factors	: <u>Operational Risk</u>
	• Shortage or fluctuation in pricing of raw materials or productive resources
ESG risk factors	: No

Risk characteristics

Product costs are the main operating costs of the Company. Changes in product costs may have a direct and significant effect on the Company's operating results. The cost of products may fluctuate and depend on factors beyond the control of the Company such as economic conditions, demand and supply of products or main raw materials, shipping cost, inflation and foreign currency exchange rates, etc. Sometimes the Company may not be able to adjust the product selling price according to the increased costs for the entire amount or adjust the selling price immediately because the price increase depends on market conditions, competition conditions and standards of the manufacturer and/or product distributors. In addition, brand owners may increase product selling prices, which may affect the sales of that product.

Risk-related consequences

The Company may therefore have risks related to the cost of procuring products and the value of inventory, which may affect the business, performance and financial status of the Company. However, product costs for brands distributed by the Company had no significant increase. The main changes were from exchange rates and the collection of products, which normally had different product costs. For product costs of brands owned by the Company, there was no significant increase.

Risk management measures

The Company monitors exchange rates every month and arranges for a quarterly review of the calculation of product costs that may be affected by exchange rates. When calculating the selling price of the Company's products, allowance is always made for exchange rate fluctuations. As most of the products are imported, to reduce the risk from exchange rate fluctuation, the Company set a policy of exchange rate matching. The costs of imported products are converted into Thai Baht as soon as the Company is obligated to pay for the products to keep product costs constant. Moreover, the Company does plan for purchasing products from manufacturers and/ or product distributors according to the annual operating plan. Thus, making it possible to purchase appropriate quantities of goods with good trading conditions.

Risk 14 Risk from the Insurance Policy May Not Have Enough Coverage

Related risk factors	: <u>Operational Risk</u>
	• Other : Risk from the Insurance Policy May Not Have Enough Coverage
ESG risk factors	: No

Risk characteristics

Business operations of the Company may expose to risks from the operating process including from negligence, which may cause injury, death, damage or destruction of the property. The Company has insurance related to the business operations to reduce the risk of loss and damage to the main assets used in the business operations of the Company. The insurance includes property risk insurance, legal liability insurance for third parties, business interruption insurance, all-risks insurance, etc. With such insurance, the Company believes that it is appropriate and sufficient to cover the Company's important assets, however there may still be risk from damages that the insurance policy may not cover

completely.

Risk-related consequences

(1) the insurance policy does not cover the loss and/or sustained damage in some events, which includes business interruption damages, loss of income, suspension or shutdown of utility services and damage caused by war and terrorism,

(2) the value of the damage is greater than the insured amount,

(3) the insurance company is unable to pay the claim as stated in the policy,

(4) the Company may be at risk of not being able to purchase insurance policies at reasonable prices in cases where the insurance premium is high and inappropriate and

(5) the Company cannot claim compensation from insurance companies because of failure to comply with the conditions specified in the policy.

Those risks may affect the business, performance and financial status of the Company.

Risk 15 Risk from Relying on Key Executives and Talented Employees

Related risk factors	:	<u>Operational Risk</u>
		• Reliance on employees in key positions
ESG risk factors	:	Yes

Risk characteristics

The success of the Company depends on knowledge, understanding and experience in the industry and business operations and continuity of work for senior executives and personnel with the Company. However, the Company is in the process of recruiting additional senior executives and personnel with knowledge, understanding and experience in the industry to support the growth and expansion of the business.

Risk-related consequences

If the Company lose important executives, or unable to attract and retain key executives with knowledge and ability to continue working with the Company, or unable to find replacement or additional personnel within a reasonable time in the event of changes, this could have a significant negative impact on the business, performance and financial status of the Company.

Risk management measures

The Company is aware of the importance of motivating and retaining its human resources and has created a personnel development policy to promote the development of abilities and work skills appropriate to duties, responsibilities and in accordance with the career path of personnel. This includes setting compensation that is appropriate to each person's knowledge and abilities and compare with other operators. Moreover, the Company has created a succession policy and succession plan to plan the strategic workforce in order to set up a system to prepare to replace lost personnel so that the Company has sufficient personnel in line with the operating plans.

Risk 16 Business Operations Of The Company are Subject to Various Types of Laws and Regulations Especially Relating to Consumers Risk

Related risk factors	:	<u>Compliance Risk</u>
		• Change in laws and regulations
ESG risk factors	:	Yes

Risk characteristics

In addition to conducting normal business operations that are subject to general laws and regulations, the business of the Company is directly related to consumers and is subject to important specific laws such as the Cosmetics Act B.E. 2558 (including amendments), Healthy Establishments Act B.E. 2559 (including amendments) and Public Health Act B.E. 2535 (including amendments), etc. Furthermore, because the Company has business operations abroad, including Vietnam, Japan and Singapore, so the Company must also conduct business in accordance with the legal requirements of those countries.

Risk-related consequences

If the relevant laws are changed, those may result in more restrictions on product distribution, which may lead to an increase in costs. If the Company were unable to set or adjust product prices according to changing costs, this could have a significant negative impact on the business, performance and financial status as well as the significant impact on the reputation and business opportunities of the Company.

Risk management measures

The Company is aware of such risks. Therefore, there are guidelines to study and monitor related law change/amendment in order to take into account the decision to prevent such risks. This includes requiring that products be inspected before they are sold to customers. In the past, the Company has never encountered any problems related to laws and regulations especially laws and regulations related to consumers.

Risk 17 Risk related to obtaining various required licenses for selling products or providing services

Related risk factors	: <u>Compliance Risk</u>
	• Change in laws and regulations
ESG risk factors	: Yes

Risk characteristics

In conducting business of the Company, it is necessary for some businesses to obtain, provide or maintain various licenses for use in business operations. For example, a license to operate a business that is hazardous to health and license to operate a health business establishment which is related to HARNN's spa service business, etc. The licenses that must be obtained, provided, or maintained may change according to the type of products that the Company sells and services that will provides at any given time. Even though the Company is responsible for following up and taking action regarding various license matters on a regular basis, it cannot guarantee that it will be able to obtain or arrange for various licenses completely and correctly.

Risk-related consequences

In case that the Company is unable to obtain or maintain the necessary licenses in a complete and proper manner, it may have a significant negative impact on the business, performance and financial status of the Company.

Risk management measures

The Company is aware of such risks. Therefore, a process has been established to monitor and oversee to ensure that the Company has obtained, provided or maintained various licenses that are necessary to conduct business. The Company has already arranged for a license to operate a health business establishment and a license to establish a food distribution and food storage location.

Risk 18 Risk from not being able to maintain and inappropriate use of customer information

Related risk factors	: <u>Compliance Risk</u>
	• Violations of laws and regulations
ESG risk factors	: Yes

Risk characteristics

The Personal Data Protection Act B.E. 2562 was announced in the Royal Gazette on 27th May 2019 and was announced to be fully enforced on 1st June 2022. The Company as the controller of personal data has a duty to be followed in the process of collecting, using or disclosing personal data in accordance with the procedures and requirements within the Personal Data Protection Act. Relevant agencies under the Personal Data Protection Act will enact additional related rules to ensure full compliance with the Personal Data Protection Act. If the Company would fail to comply with legal requirements and regulations regarding personal protection, this may give rise to legal action or any other action in legal matters by government agencies or any other persons to the Company.

Risk-related consequences

If the Company would fail to comply with legal requirements and regulations regarding personal protection, this may give rise to legal action or any other action in legal matters by government agencies or any other persons to the Company. This would have a significant negative impact on both the reputation, operating performance and business opportunities of the Company significantly.

Risk management measures

The Company places great importance on the security of personal information related to customers. The Personal Data Protection Policy has been established in accordance with the procedures and requirements within the Personal Data Protection Act. Measures have been put in place to limit access to customer personal information for employees who need to receive the information and will process customer personal data according to the purposes notified to the customer who is the owner of the personal data and in accordance with the specified legal standard.

Risk 19 Risk from Fluctuation in Foreign Currency Exchange Rate

Related risk factors	: <u>Financial Risk</u>
	• Fluctuation in exchange rates, interest rates, or the inflation rate
ESG risk factors	: No

Risk characteristics

The Company makes payments for most of its products in foreign currencies. Pandora products require payment in Australian dollars. Marimekko and GANNI products require payment in Euros. Cath Kidston products and Gordon Ramsay related payments are in US dollars. Most of the Company's revenue is in Baht, which exposes it to the risk of exchange rate fluctuations.

Risk-related consequences

From the mention risks, exchange rate fluctuations may cause the Company's cost of sales to increase, which may affect the Company's operations.

Risk management measures

The Company has established a Risk Management Committee to screen policies and guidelines for risk management in various areas. This includes the risk of fluctuations in foreign currency exchange rates. In addition, the Company closely follows news and the direction of exchange rate movements. The Company set a policy of exchange rate matching. The costs of imported products are converted into Thai Baht as soon as the Company is obligated to pay for the products to keep product costs constant to prevent risk from exchange rate fluctuations. There is also planning to purchase products in advance to prevent risk in the event that product prices fluctuate according to exchange rates.

Risk 20 Financial Liquidity Risk

Related risk factors	: <u>Financial Risk</u>
	• Liquidity risk
ESG risk factors	: No

Risk characteristics

As of 31st December 2023 and 2024, the Company has a current ratio of 1.60 times and 1.35 times respectively, a cash cycle of 293.14 days and 309.70 days respectively, and a debt-to-equity ratio of 4.74 times and 0.49 times respectively.

After the IPO, the Company's debt to equity ratio decreased significantly. The Company has more cash and liquidity as it used the proceeds to repay most of the loans and improved the capital structure significantly to be more appropriate and flexible. In addition, the Company also has cash inflows from operating branches as an important source of internal funds.

Risk-related consequences

The Company receives payment for merchandise in cash and credit cards. Trade receivables mostly come from consignment sales through department stores only, which is a sales proportion of approximately 13% of the Company's sales revenue. Current liabilities of the Company mostly are short-term loans in the form of trust receipts for paying for goods. The Company regularly monitors liquidity to ensure that the company is able to repay short-term debts as agreed.

Risk management measures

At present, the Company has financial planning and continuous performance monitoring to ensure there is enough cash flow to pay interest and repay any loan, to comply with the financial conditions specified in the loan contract, and to expand investment efficiently according to the goals set.

Risk 21 Risk from Acquiring Investment Funds for Branch

Expansion

Related risk factors	: <u>Financial Risk</u>
	• Insufficient sources of funding
ESG risk factors	: No

Risk characteristics

In investing to open new branches, the Company will consider using investment funds from cash flow generated by the operations of existing branches. Additionally, it may consider using investment funds from loans obtained from financial institutions, as well as capital raised from offering shares to shareholders. However, the investment required for branch construction, branch decoration, and the purchase of equipment for future expansion may differ from past investments.

Risk-related consequences

If the Company were unable to obtain sufficient funds to expand the business, had a financial cost, or unfavorable financial conditions, this would result in future investment in branch expansion not being in accordance with the business plan.

Risk management measures

In investing for opening a new branch, the Company will consider using the investment from cash flow from the operating results of the current branches, may consider using investments from loans from financial institutions and additional capital received from the IPO.

Information on business continuity plan (BCP)

Business Continuity Plan (BCP)

Business Continuity Plan (BCP) : Yes

The Company has established a Business Continuity Management (BCM) plan to ensure readiness in handling various potential situations that may disrupt the operations of the group of companies. The plan also aims to mitigate the impact on key stakeholders and critical operations, focusing specifically on high-risk scenarios as follows:

- 1.1. In the event of a serious epidemic
- 1.2. In the event of riots / protests / civil unrest
- 1.3. In the event of cyber threats / system breaches
- 1.4. In the event of fire at office buildings / branch locations / warehouses

Accordingly, the Company has established the Business Continuity Management policy as following:

1. Implement an integrated business continuity management system across the organization and business units, aligned with international standards. Promote an organizational culture of business continuity awareness and understanding among all personnel.
2. Assign the Chief Executive Officer with overall responsibility for risk and business continuity management, including coordinating internal efforts to develop plans for risk prevention, emergency response, and crisis management.
3. The management team is responsible for driving and supporting various operations in accordance with the business continuity management policy and processes. This includes enhancing and developing employees' knowledge and capabilities to ensure they can effectively follow the business continuity procedures.
4. All directors, executives, and employees must recognize the importance of their involvement in supporting and adhering to the business continuity management policy to help the Company achieve its objectives.

Sustainable supply chain management

Information on sustainable supply chain management policy and guidelines

Sustainable supply chain management policy and guidelines

Company's sustainable supply chain management policy and : Yes
guidelines

Information on sustainable supply chain management plan

Sustainable supply chain management plan

Company's sustainable supply chain management plan : Yes

The Company has established a sustainable supply chain management approach that integrates social and environmental responsibility into its practices. This includes identifying key suppliers, both those who conduct business directly and indirectly with the Company. The Company evaluates key suppliers based on five main criteria:

1. **Business Importance:** Suppliers must have a significant impact on the Company's production processes, business operations, and business continuity.
2. **Transaction Volume:** The value or volume of transactions must be substantial to the Company's business.
3. **Associated Risks:** This includes risks related to quality, legal compliance, environmental concerns, and Environmental, Social, and Governance (ESG) factors that may affect the Company.
4. **Compliance with Standards:** Suppliers must comply with legal requirements and relevant industry standards.
5. **Financial Stability:** Suppliers should have a stable financial position to reduce operational risk.

In addition, the Company collaborates with suppliers to enhance mutual efficiency and explores new approaches to business processes to promote social and environmental responsibility. For example, the development of environmentally friendly packaging by Harnn Global Co., Ltd., a subsidiary under the Thanachira Group. Furthermore, the Company remains committed to developing and enhancing supplier knowledge through communication and various programs to achieve sustainable growth together.

Reference link to sustainable supply chain management plan : <https://www.tanachira.co.th/en/sustainability/home>

Information on new suppliers undergoing sustainability screening criteria

New suppliers undergoing sustainability screening criteria

Does the company use sustainability screening criteria with : No
new suppliers?

Information on supplier code of conduct

Supplier code of conduct

Supplier code of conduct : Yes

Reference link to supplier code of conduct : <https://www.tanachira.co.th/en/about-us/governance-and-ethics>

Information on key suppliers acknowledging compliance with the supplier code of conduct

Key suppliers acknowledging compliance with the supplier code of conduct

Does the company require key suppliers to acknowledge : No
compliance with the supplier code of conduct?

Innovation development

Information on innovation development policy and guidelines in an organizational level

Research and development policy (R&D)

Company's research and development (R&D) policy : Yes

Research and development (R&D) expenses over the past 3 years

	2022	2023	2024
Research and development (R&D) expenses over the past 3 years (Million Baht)	0.81	1.15	1.24

Additional explanation for research and development (R&D) expenses over the past 3 years

The Company places importance on research and development in order to present lifestyle products that meet the needs of diverse customers and future market trends. The Company is therefore looking for a lifestyle product brand that complements itself as a leader in lifestyle product brands in the region with the goal of having all brands of the Company support each other (Group Brand Synergy). Customers of each product brand of the Company can choose to buy products and/or use the services of other brands in the group effortlessly, for example, Marimekko brand customers can choose to buy HARNN brand body care products or use SCape by HARNN spa services. The Company also develops the HARNN product brand that the Company owned for sustainable future growth.

For products in the HARNN and Vuudh groups, the Company aims to develop new products and services by offering products that have a unique identity. This also includes launching new collections at least 2 times per year and creating product differences and positioning without emphasizing price competition but focus on highlighting the strength of being a new product that has a story of design or presentation (Story Telling) and has a luxury that creates a connection between the product and target customers. The New Product Development department, together with OEMs, develops new products according to the laid-out concept. This usually takes time from planning, product development, product testing, preparation for marketing to the first release of approximately 6 -12 months, depending on the product type.

For brands that the Company is a representative for selling products including Pandora, Marimekko, Cath Kidston, GANNI and UNITED ARROWS, the Company has no research and development expense.

Information on organization's innovation culture development and promotion process

Process of developing and promoting the company's innovation culture

Process of developing and promoting the company's : No
innovation culture

Information on innovation development benefits and research and development (R&D) expenses

Benefits of innovation development

Financial benefits

Does the company measure the financial benefits from : No
innovation development?

Non-financial benefits

Does the company measure the non-financial benefits from : No
innovation development?

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