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SCB Asset Management

Investment Governance Code

for Institutional Investors Report

for 2025

SCB Asset Management Company Limited

Dated 30 April 2026

(Translation)

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(Translation)

Message from the Company

Dear Investors,

The year 2025 remained a challenging period for investment. Geopolitical factors continued to impact global investment directions, driven by ongoing international conflicts and the protracted war in Europe. Inflation and interest rate adjustments by central banks in multiple countries served as major catalysts for prolonged volatility in the financial markets. Additionally, political shifts and election outcomes in key nations noticeably affected investor confidence. Concurrently, Environmental, Social, and Governance (ESG) factors persisted as the core elements determining investment directions, with global investors placing greater emphasis on climate change and social transition, as well as governance factors, which play a distinct role in building confidence and generating sustainable returns.

According to the UNPRI Annual Report 2026, the trend toward sustainable investment continues to grow steadily. In 2026, the number of signatories to the UNPRI (Principles for Responsible Investment) expanded to over 5,000 organizations globally, encompassing asset management companies, financial institutions, and investment-related entities. Total Assets Under Management (AUM) linked to ESG investing reached over USD 140 trillion (approximately THB 5,000 trillion), representing an increase of more than 10% from 2025. This reflects the commitment of global investors to drive positive impact through investments in sustainability-focused funds. European countries continue to lead the growth in ESG funds, with a visible trend of Asian nations participating and expanding their investments in this segment.

SCB Asset Management Company Limited ("SCBAM") is committed to consistently promoting sustainability factors. We integrate sustainable investing principles as a core component of our business operations and fund management by embedding the three pillars of sustainability—Environmental, Social, and Governance—into our investment processes. Furthermore, SCBAM prioritizes its role as an institutional investor in promoting the sustainable transition of investee companies (ESG Stewardship). We collaborate with the Association of Investment Management Companies (AIMC) to support the development of sustainability regulations and standards, aiming to elevate the Thai capital market to align with international sustainable investment trends.

SCBAM reaffirms its commitment to being the optimal choice for generating sustainable returns while strengthening economic, social, and environmental sustainability, which will yield long-term benefits for investors, society, and the nation.

SCB Asset Management Company Limited
Mrs. Nunmanus Piamthipmanus
Chief Investment Officer

Principle 1: Formulate a Clear Investment Governance Code

SCB Asset Management Company Limited ("SCBAM"), as an asset management company, owes a fiduciary duty to manage investments for the optimal benefit of investors, taking into strict account compliance with investment conditions and constraints. Accordingly, the Company has established an Investment Governance Code (I-Code) for institutional investors. This policy has been approved and reviewed by the Board of Directors and is publicly disclosed via: https://www.scbam.com/medias/upload/ann/I-Code/I-Code-Policy-th.pdf

Subsequently in 2023, the Management Company established the Sustainability Investment Policy to further its commitment to systematically and efficiently integrating sustainable investment principles into the investment process. This includes overseeing sustainable investment governance to ensure consistency across the investment process and to enhance the feasibility of achieving ESG targets alongside sustainable returns. The policy defines guidelines and operational frameworks covering Environmental, Social, and Governance ("ESG") factors, as well as the management of systemic sustainability issues affecting the broader market arising from the Management Company's investment activities, which encompass climate-related issues. This policy has been approved and reviewed by the Board of Directors and is disclosed via:

https://www.scbam.com/medias/upload/ann/I-Code/SustainabilityInvestmentPolicy_th.pdf

https://www.scbam.com/medias/upload/ann/I-Code/SustainabilityInvestmentPolicy_en.pdf

Principle 2: Ensure Adequate Prevention and Management of Conflicts of Interest for the Best Interests of Clients

SCBAM has established guidelines for preventing and managing conflicts of interest in strict compliance with the regulations prescribed by the Securities and Exchange Commission (SEC). Transactions involving potential conflicts of interest are disclosed via: https://www.scbam.com/th/about/about-conflict/

Principle 3: Actively and Timely Monitor and Make Decisions on Investee Companies

SCBAM systematically incorporates ESG factors into its investment process (ESG Integration) to enhance investment decision-making through the lens of sustainability-related risks and opportunities in both the short and long term. The Management Company utilizes ESG factors as an essential analytical component to refine financial assumptions to be as realistic as possible, including projections for revenue, production capacity, profit margins, capital expenditures, investment cash flows, as well as asset and enterprise valuations. Integrating ESG factors into deep-dive analytical workflows serves the ultimate objective of generating optimal long-term, risk-adjusted returns for our clients.

Moreover, SCBAM emphasizes an active stewardship role in promoting the sustainability of investee companies, closely and proactively monitoring them to ensure they achieve investment objectives and operate in alignment with sustainability frameworks. This proactive stance helps enhance opportunities for long-term investment returns while minimizing potential risks associated with ESG factors.

Over the past four years, SCBAM has engaged with investee companies regarding ESG issues (further details provided in Appendix 1: Investee Company Sustainability Stewardship Report), as detailed below:

Engagement Log Statistics	**2022**	**2023**	**2024**	**2025**
Number of ESG Controversies	3	11	23	33
Environmental Issues	-	-	-	-
Social Issues	-	-	3	5
Governance Issues	2	9	14	22
Environmental and Social Issues	1	2	3	4
Environmental and Governance Issues	-	-	1	1
Social and Governance Issues	-	-	2	1
Stakeholder Engagement Consultation	**1**	**1**	**-**	**4**
Collective Action	**6**	**6**	**17**	**15**
Climate Transition Stewardship	**-**	**6**	**12**	**8**

Furthermore, SCBAM promotes sustainability through engagements with policymakers and stakeholders by supporting participation in policy consultations on sustainability issues and participating in public hearings to elevate regulatory standards. These efforts drive the sustainable development of the economy, society, and the environment (further details provided in Appendix 2: Sustainability Promotion via Policymaker and Stakeholder Engagement Report).

Principle 4: Escalate Monitoring Actions on Investee Companies When Monitoring Under Principle 3 Is Deemed Insufficient (Escalating Investee Companies)

In cases where existing sustainable investment strategies prove insufficient to manage ESG risks—potentially leading to a significant negative impact on operational performance, business viability, future investment value, or triggering ESG controversies (e.g., corruption, insider trading, or severe ESG incidents)—the Management Company will determine appropriate escalation measures on a case-by-case basis. These measures serve as risk management tools to protect the optimal interests of the Management Company as an investor. The escalation framework includes, but is not limited to:

- Inquiring with investor relations, management, or the board of directors.
- Raising inquiries through public forums, such as analyst briefings or shareholder meetings.
- Requesting formal meetings with executives.
- Exercising voting rights at shareholder meetings.
- Issuing open letters to top executives.
- Taking joint actions through sustainability coalitions (Collective Action / Engagement).
- Adding the company to the ESG Escalation List.
- Reducing holdings or divesting investment (Divestment).
- Initiating legal proceedings.

Principle 5: Disclose the Voting Policy and Voting Results

SCBAM, acting as a representative of securities holders, mandates that fund managers exercise voting rights by prioritizing the optimal interests of shareholders, maintaining absolute clarity and transparency, and adhering strictly to company practices as well as relevant regulations and announcements issued by the SEC.

In addition, when the Management Company believes that agenda items in shareholder or debenture holder meetings involve ESG factors, it will exercise its voting rights guided by the ESG Proxy Voting Guidelines. These guidelines prioritize protecting the best interests of investors, executing institutional stewardship to promote sustainability, and managing any significant operational impacts resulting from ESG issues through voting actions.

The Management Company discloses its voting policy and voting records via:
https://www.scbam.com/th/about/about-conflict/ (Voting Policy)
https://www.scbam.com/medias/upload/pageconflict/votepolicy/vote2025.pdf (Annual Voting Report:)

During the past year, **from January 1, 2025, to December 31, 2025,** the Management Company exercised its voting rights at the shareholder meetings of 84 listed companies held for Sustainable and Responsible Investing Funds (SRI Funds), with the voting details outlined below:

Number of Meeting Invitations (Times)*	Number of Attended Meetings (Times)**	Number of Resolutions Cast by Agenda Item***		
		Approve	Against	Abstain
95	95	858	82	0

* Refers to the number of times the investee companies invited the Management Company to attend meetings as a shareholder.
** Refers to the number of times the Management Company attended meetings as a shareholder.
*** Refers to the number of votes cast as a shareholder. Votes cast on the same agenda topic across different investment portfolios are aggregated as one count (including sub-agendas under each item).

Principle 6: Cooperate with Other Investors and Stakeholders as Appropriate (Collective Engagement)

SCBAM recognizes its vital role in laying the foundation for the Thai capital market ecosystem. We aim to integrate close cooperation with regulatory bodies and strategic partners, including the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), the Bank of Thailand (BOT), the Association of Investment Management Companies (AIMC), and the Thai Institute of Directors (IOD). This reinforces our commitment to responsible investing and actively drives the sustainable growth of the Thai capital market.

SCBAM is positioned to support participation in policy consultations on sustainability issues and public hearings to elevate regulatory standards that foster economic, social, and environmental ESG developments. The Management Company reserves its right to express approval or opinions based primarily on the best interests of the Management Company and its investors. When participating in collective actions or voicing opinions, the primary consideration remains the fulfillment of our fiduciary duty to protect investor interests, alongside opportunities to advance environmental, economic, and social sustainability factors and encourage business operations that align with good governance and legal frameworks.

In terms of ESG Collaborative Engagement, SCBAM—together with the AIMC, the Government Pension Fund (GPF), and a coalition of 32 institutional investors—signed the "Negative List Guideline" framework. This guideline establishes suspension of investment practices for listed companies that neglect ESG factors or commit severe violations under the Securities and Exchange Act. Furthermore, the Company consistently implements collective engagement strategies by meeting with executives of listed companies and co-presenting beneficial guidelines across various forums to accelerate the development of the data sources and infrastructure necessary for future ESG analytics.

https://www.scbam.com/th/news-update/fund-news/news19082019

Simultaneously, SCBAM places the highest priority on its fiduciary duty to investors alongside an active role in climate transition stewardship. The Company joined forces with the AIMC, GPF, and SET to announce the collective stance of Thai institutional investors. This declaration affirms our intent to drive listed companies to operate with due regard for climate change risks and impacts, while tangibly supporting the achievement of Thailand's Nationally Determined Contributions (NDCs) under the Paris Agreement through sustainable investment strategies.

https://www.scbam.com/th/news-update/fund-news/news-20022026

Principle 7: Disclose the Investment Governance Code and Implementation

SCBAM compiles and publishes its Investment Governance Code Compliance Report once a year, accessible via: https://www.scbam.com/th/governance-investment-policy/

Appendix 1: Investee Company Sustainability Stewardship Report[1]

The Management Company prioritizes its role as an institutional investor and fiduciary to monitor and support investee companies in achieving their investment targets and operating in alignment with sustainability principles. Active stewardship activities are undertaken to manage the Management Company's ESG risks, including direct ESG engagement via one-on-one and group executive meetings, as well as executing ESG escalation frameworks.

During the reporting period from January 1, 2025, to December 31, 2025, the Management Company evaluated and identified relevant ESG issues within the following investee companies:

1. Star Petroleum Refining Public Company Limited ("SPRC")
2. Chularat Hospital Public Company Limited ("CHG")
3. Italian-Thai Development Public Company Limited ("ITD")
4. Home Product Center Public Company Limited ("HMPRO")
5. Electricity Generating Public Company Limited ("EGCO")
6. The Siam Cement Public Company Limited ("SCC")
7. Charoen Pokphand Foods Public Company Limited ("CPF")
8. BTS Group Holdings Public Company Limited ("BTS")
9. Airports of Thailand Public Company Limited ("AOT")
10. Thonburi Healthcare Group Public Company Limited ("THG")
11. Ngern Tid Lor Public Company Limited ("TIDLOR")
12. PTT Public Company Limited ("PTT")
13. PTT Oil and Retail Business Public Company Limited ("OR")
14. L.P.N. Development Public Company Limited ("LPN")

[1] This appendix report is prepared solely for the purpose of disclosing investment governance information regarding investee companies. It does not constitute investment advice, a solicitation to invest, or a guarantee of returns or the operational success of the investee companies. The data contained herein is derived from internal company sources, information provided by the investee companies, and/or public sources deemed reliable as of the date of preparation. However, the Company makes no explicit or implied representation or warranty regarding the accuracy, completeness, adequacy, or timeliness of such information, and reserves the right to disclaim any liability for damages arising from the use of this data.

15. Bangchak Corporation Public Company Limited (“BCP”)
16. BCPG Public Company Limited (“BCPG”)
17. Thai Oil Public Company Limited (“TOP”)
18. Delta Electronics (Thailand) Public Company Limited (“DELTA”)
19. Muangthai Capital Public Company Limited (“MTC”)
20. Dohome Public Company Limited (“DOHOME”)
21. Com7 Public Company Limited (“COM7”)
22. CP Axtra Public Company Limited (“CPAXT”)
23. Central Pattana Public Company Limited (“CPN”)
24. Plan B Media Public Company Limited (“PLANB”)
25. Siam Global House Public Company Limited (“GLOBAL”)
26. Sansiri Public Company Limited (“SIRI”)
27. VGI Public Company Limited (“VGI”)

Star Petroleum Refining Public Company Limited ("SPRC")

Incident: Oil spill incident at the Single Point Mooring (SPM) in Rayong Province.

Report Date: January 26, 2022 **Latest Update:** December 22, 2025

Details & Origin:

The incident began on January 26, 2022, when the company notified the Stock Exchange of Thailand (SET) of a crude oil spill of approximately 20 tons off the coast of Rayong Province and immediately coordinated containment operations. On January 27, 2022, progress on oil slick clearance and impact assessments was reported. On March 18, 2023, the legal scope intensified as the company received a copy of a lawsuit (filed January 23, 2023) from a group of 832 plaintiffs seeking total damages of THB 7,727 million.

Developments: Throughout 2024, the case remained under judicial review. In March 2024, the plaintiffs petitioned for a class action lawsuit, which the court scheduled for examination in May 2024. The company contested the lawsuit, stating it had already provided over THB 337 million in remedial compensation to affected parties and reaffirmed that the incident would not significantly affect its financial standing. In 2025, the case entered the evidentiary review phase. On December 22, 2025, the Rayong Provincial Court rendered a verdict to "dismiss" all charges. The court ruled that the plaintiffs lacked the legal standing to sue for resource restoration damages, as that authority resides solely with the state. Regarding income and health damages, the court deemed the evidence insufficient and noted that environmental testing showed no contaminants exceeding regulatory standards. However, the plaintiffs announced their intention to file an appeal.

Remedial Actions Taken:

The Management Company previously placed the investment under surveillance and collaborated with the Association of Investment Management Companies ("AIMC") to question the company regarding environmental and social mitigation frameworks. The company clarified its adherence to international management standards, its oil slick cleanup operations, and its community remediation efforts. Consequently, active investment surveillance was lifted, though close tracking remains in place to monitor disclosures regarding root causes and future preventive measures. The latest first-instance court verdict to dismiss the charges has reduced litigation risks.

Sustainability Risks and the Management Company's Opinion:

- **Environmental Risk:** Limited environmental risk remains following the company's deployment of international standard cleanup procedures; close tracking shows no further spill incidents.
- **Social Risk:** Social risk stemming from the dispute with local communities led to claims for damages. Although the court of first instance dismissed the charges, the Management Company deems it necessary to monitor the situation closely for a further period.
- **Status: Continuous Monitoring.**

Chularat Hospital Public Company Limited ("CHG")

Executive subjected to civil sanctions for insider trading violations involving positive financial data affecting stock price

Report Date: September 10, 2023 **Latest Update:** December 30, 2025

Details & Origin:

On September 10, 2023, the SEC disclosed civil sanctions against the Managing Director and related parties for collective insider trading. The violation occurred when the Managing Director obtained non-public inside information regarding CHG's Q3/2019 financial results, which indicated a significant increase in net profit, and subsequently purchased shares through related accounts before the information was publicly disclosed.

The Civil Sanctions Committee resolved to impose financial penalties and prohibited the individual from serving as a director or executive for 14 months.

On September 14, 2023, Chularat Hospital Public Company Limited (CHG) notified the SET that the individual facing civil sanctions had resigned from the positions of Chairman of the Executive Board and Company Director to show accountability and comply with SEC criteria. The company asserted that the event did not disrupt its corporate management or business operations.

Remedial Actions Taken:

The Management Company placed the investment under surveillance and made inquiries to the company to track situational developments and corporate solution workflows. The company clarified that a 9-to-14-month prohibition from serving as a director or executive had been enforced against the individual. Additionally, policies and guidelines preventing the misuse of inside information have been enhanced, mandating that directors, executives, and employees complete training and sign acknowledgments annually. Investment surveillance was subsequently concluded, but close monitoring remains active.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk**: Limited governance risk arising from previously inadequate insider trading prevention frameworks. However, the company has implemented and disclosed relevant preventive policies in its annual report, alongside mandatory annual training and sign-offs for all executives and staff. The Management Company will continue to track the situation for an extended period.
- **Status: Continuous Monitoring.**

(Translation)

Italian-Thai Development Public Company Limited ("ITD")

Request for waiver of D/E ratio covenant and extension of debenture maturity dates by 2 years

Report Date: January 17, 2024 **Latest Update:** December 30, 2025

Details & Origin:

The bondholders' meeting of ITD resolved to approve a 2-year maturity extension for 4 series of debentures, alongside an interest rate adjustment and a waiver for the Debt-to-Equity (D/E) ratio covenant. This measure helped the company avoid a default and secure operational liquidity. However, the meeting for the ITD254A debenture series had to be postponed due to the lack of a quorum. This extension forced the company to shift its strategy into an austerity mode to manage long-term cash flows.

On March 13, 2024, reports emerged of severe financial liquidity problems, resulting in delayed or incomplete wage and salary payments to workers across multiple construction sites nationwide. Certain groups of workers protested due to severe hardships, with some supervisors paying out-of-pocket for basic meals to support their teams. The company is currently negotiating additional credit lines with banks to manage operations, estimating a short-term resolution timeline of 2–3 months to normalize the situation.

Around March 15, 2024, news reports indicated that 4 major commercial banks (BBL, SCB, KBANK, KTB) met to consider granting emergency temporary credit lines primarily dedicated to worker wages to prevent state infrastructure projects from halting. The banking consortium took over financial controls via project finance frameworks on a site-by-site basis to ensure construction continuity, though the company overall remains under tight austerity restrictions.

Remedial Actions Taken:

The Management Company directed inquiries to the Investor Relations department to address concerns over the company's financial liquidity and its future operational impacts, including its capacity to bid on new tenders and the ramifications on future employment. As the company declined to clarify these specific areas of concern, the Management Company has mandated a cautious investment approach.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* Governance risk significantly impacting financial health and leading to debenture covenant stress. Close tracking is required regarding business risk management and practices that may conflict with business ethics.
- **Social Risk***:* Social risk arising from business liquidity shortages can severely impact corporate employment and materially disrupt corporate operations.
- **Status: Cautious Investment.**

(Translation)

Home Product Center Public Company Limited ("HMPRO")

Chairman has been formally charged by the Attorney General for money laundering stemming from real estate transactions, under allegations of complicity in money laundering and conspiracy to commit money laundering offences.

Report Date: February 29, 2024 **Latest Update:** December 30, 2025

Details & Origin:

On February 29, 2024, the Office of the Attorney General issued a final order to indict against the Chairman of the Board on money laundering charges linked to land procurement for the Klongchan Credit Union Cooperative. Case records alleged that the individual accepted land ownership transfers at suspicious prices from the cooperative's former chairman, utilizing assets derived from internal cooperative embezzlement. Although the case had been pending review at the prosecution level for over 4 years, the Attorney General finalized the indictment, scheduling the individual to appear before prosecutors for formal court arraignment on April 2, 2024. However, during that period, reports indicated the individual was undergoing hospital medical treatment, making his ability to attend the scheduled appointment a point of ongoing tracking.

On August 3, 2024, investigators from the Department of Special Investigation's (DSI) Anti-Money Laundering Crime Bureau verified the medical condition by interviewing the attending physician. It was confirmed that the individual suffered from end-stage renal failure; he had previously undergone a kidney transplant in Australia, but the organ has ceased functioning. Consequently, he required hemodialysis treatments three times a week for life or until a second transplant can be performed. This medical condition prevented his physical transfer to prosecutors for formal court arraignment on charges of conspiracy and money laundering related to the Klongchan Credit Union embezzlement, temporarily halting the judicial process. Nevertheless, prosecutors planned to order a thorough verification of the medical status to determine legal steps forward once health conditions improve or transfer becomes viable, ensuring the judicial process moves ahead.

Remedial Actions Taken:

The Management Company made inquiries to the company's executive management. The company clarified that because the legal case has not reached a final judgment, it cannot yet be concluded whether the Chairman is guilty of the allegations. Nonetheless, the Management Company expressed concerns regarding the qualifications of the Chairman and corporate governance risks, providing recommendations on disclosing related updates as further developments unfold.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* The Management Company identifies governance risk because a sitting board member has been indicted by prosecutors and continues to hold the position of Chairman. Since the case is not finalized, a definitive conclusion of guilt cannot be made. The Management Company will continue to track the situation continuously.
- **Status: Continuous Monitoring.**

Electricity Generating Public Company Limited ("EGCO")

Asset impairment charge resulting from construction delays at the Yunlin Offshore Windfarm project in Taiwan

Report Date: February 28, 2024 **Latest Update:** February 3, 2025

Details & Origin:

On February 28, 2024, EGCO reported its 2023 annual performance, noting a net loss of THB 14,239 million in Q4/2023. This loss was primarily driven by impairment charges from construction delays at the Yunlin Offshore Windfarm project in Taiwan, alongside financial and shareholding restructuring carried out to allow the project to proceed. Given the significant size of the transaction relative to the company's recurring normalized net profit, questions arose regarding corporate governance risks, particularly concerning the project's feasibility study processes and associated risk management frameworks.

Remedial Actions Taken:

On March 20, 2024, the Management Company requested details from EGCO regarding the root causes of the reported loss. EGCO clarified that the impairment charge on the Yunlin Offshore investment and the financial restructuring stemmed from extraordinary, uncontrollable circumstances. Specifically, strict COVID-19 border controls and two full national lockdowns in Taiwan during 2020–2021 disrupted travel and the logistics of transporting large-scale construction equipment. Furthermore, monsoon weather patterns in the Taiwan Strait limited the optimal operational window to a roughly six-month period between April and September. The company expressed confidence in meeting its revised deadlines; a core construction milestone involved monopile installations, with 45 out of 80 monopiles completed as of March 11, 2024. Operations escalated from using 1 vessel to 2 vessels for the remaining 35 monopiles, with Commercial Operation Date (COD) anticipated in Q4/2024.

On February 3, 2025, the company formally notified the SET of the project's successful commercial operation. The Management Company verified the data with EGCO and subsequently concluded its monitoring.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* Governance risk is deemed limited as the company provided transparent details on the impairment causes, executed capital restructuring to secure project continuity, and officially announced the commercial launch of the Yunlin project.
- **Status: Monitoring Concluded.**

The Siam Cement Public Company Limited ("SCC")

Fire incident at Map Ta Phut Tank Terminal Company Limited (MTT), a subsidiary of SCC

Report Date: May 9, 2024 **Latest Update:** December 30, 2025

Details & Origin:

On May 9, 2024, at approximately 10:45 AM, a fire broke out in a storage tank containing C9+ hydrocarbon compounds (Pyrolysis Gasoline) at Map Ta Phut Tank Terminal Company Limited (MTT), a wholly-owned subsidiary of SCC located at the Map Ta Phut Industrial Port in Rayong Province. The incident generated a massive plume of black smoke, triggering a Level 2 emergency declaration and the evacuation of communities downwind. The incident resulted in 1 worker fatality and 3 injuries. Emergency personnel brought the fire under control later that evening at 16:35 PM. SCC subsequently notified the SET that the company maintains property damage and third-party liability insurance coverage and was actively executing remediation measures for all affected parties.

Remedial Actions Taken:

The Management Company collaborated with the AIMC to issue formal inquiries to SCC management. SCC outlined its post-incident preventive measures, noting increased equipment inspections, enhanced safety standard audits, and comprehensive reviews of safety system integrity at every node to identify and eliminate potential hazards. However, specific details regarding the absolute root cause could not yet be disclosed due to ongoing insurance claim processes, requiring continued situational tracking.

Sustainability Risks and the Management Company's Opinion:

- **Environmental Risk***:* Limited environmental risk from chemical leakage; air quality monitoring results remained within regulatory baselines, and no further chemical discharge incidents have been reported.
- **Social Risk:** The Management Company evaluates social risk through the lens of safety standard enhancements and community remediation protocols to prevent legal disputes or claims for damages. SCC has consistently detailed its community compensation progress, and no community litigation or structural disputes have been reported. The Management Company continues to track the definitive cause analysis and safety standard outcomes.
- **Status: Continuous Monitoring.**

(Translation)

Charoen Pokphand Foods Public Company Limited (“CPF”)

Blackchin tilapia outbreak suspected by the public to originate from an authorized private research facility importing the species for breeding enhancement

Report Date: July 19, 2024 **Latest Update:** September 28, 2025

Details & Origin:

On July 19, 2024, reports confirmed a widespread Blackchin tilapia outbreak across 17 provinces, causing severe disruptions to local aquatic ecosystems and aquaculture farmers. The Department of Fisheries confirmed DNA testing linked the strain to origins in Ghana, matching the source region imported by Charoen Pokphand Foods (CPF) for research purposes in 2010, leading to public speculation regarding the origin. CPF issued a denial on July 25, 2024, clarifying that all research specimens had died and were destroyed via standard burial protocols since January 2011. Conversely, the Biodiversity Policy Foundation (BIOTHAI) contested the claim, demanding the disclosure of official destruction logs. This led to a class-action lawsuit filed by the Lawyers Council of Thailand in September 2024, seeking over THB 2,400 million in damages. In 2025, the outbreak situation began to ease due to state measures releasing predator fish and sterile specimens. However, legal disputes intensified as CPF filed a THB 200 million defamation lawsuit against BIOTHAI. This litigation drew scrutiny from United Nations bodies monitoring potential Strategic Lawsuits Against Public Participation (SLAPP).

Remedial Actions Taken:

The Management Company tracked the situation alongside the AIMC and sent factual inquiries to CPF. CPF clarified and maintained that it was not the cause of the outbreak, stating it had buried and destroyed all specimens (the original site is now covered by a physical building structure) and had delivered 50 preserved specimens to the Department of Fisheries, noting potential historical data discrepancies. Regarding the SLAPP concerns, the company denied the characterization, asserting it was exercising legal rights to protect its reputation because public representations linking the outbreak to its Yisan farm were "false and distorted," making judicial verification necessary.

Sustainability Risks and the Management Company’s Opinion:

- **Environmental Risk***:* Potential environmental risk may arise from impacts on ecosystems and biodiversity due to invasive alien species. As official investigations into the root source are ongoing, definitive attribution to CPF cannot be concluded. Tracking remains necessary regarding investigative outcomes, fisherfolk class actions, and supply chain impacts.
- **Governance Risk***:* Governance risk is considered limited; however, the Management Company will continue to monitor the legal proceedings and potential reputational impacts related to SLAPP concerns.
- **Status: Continuous Monitoring.**

BTS Group Holdings Public Company Limited ("BTS")

National Anti-Corruption Commission ("NACC") issued allegations regarding the operation and maintenance contracts for the Green Line electric railway extensions signed in 2012 ("The Green Line Extension Operation Contract")

Report Date: July 28, 2024 **Latest Update:** October 30, 2025

Details & Origin:

On March 10, 2023, the NACC raised allegations against the former Governor of Bangkok and 13 associated parties, including Bangkok Mass Transit System Public Company Limited (BTSC), regarding Green Line extension operation contracts extending to 2042. The NACC alleged intentional avoidance of the Public-Private Partnership Act and the Bidding Act to benefit BTSC through a single-source monopoly. The company clarified to the SET that the step was an initial notification of allegations, citing Council of State opinions that the contract was a service agreement rather than a concession and was legally sound. The file proceeded to the Office of the Attorney General. On July 28, 2024, the Supreme Administrative Court ruled that the Bangkok Metropolitan Administration (BMA) and Krungthep Thanakom must settle outstanding operation and maintenance (O&M) debts to BTSC exceeding THB 2,348 million. The court's ruling directly counteracted the NACC allegations, stating the project did not fall under the Joint Venture Act and that the special procurement method under BMA regulations was lawful, verifying the contract's validity and serving as key evidence for BTSC.

On July 31, 2024, BTSC executives petitioned the Attorney General to incorporate the Administrative Court's verdict into the case review. However, on September 18, 2024, the Constitutional Court unanimously declined to review a petition from BTSC concerning the NACC's execution of power, stating that if the company felt unfairly treated, it could seek recourse through regular criminal court channels, eliminating grounds for special intervention. In 2025, the BMA complied with the Supreme Administrative Court's ruling, approving and paying a total O&M extension debt of approximately THB 36,444 million (including interest) to BTSC. Regarding the NACC case, as of late 2025, the Attorney General had not filed an indictment with the Central Criminal Court for Corruption and Misconduct Cases, with the file remaining under executive review.

Remedial Actions Taken:

The Management Company monitored the situation closely, making inquiries to Investor Relations and tracking progress via analyst meetings. The company clarified that there is currently no official announcement indicating that the NACC has dismissed the case. BTSC has submitted the factual records of the THB 36,444 million debt settlement to the Attorney General as additional evidence for the ongoing case review.

Sustainability Risks and the Management Company's Opinion:

Governance Risk: Limited governance risk arising from board member scrutiny. Although allegations were referred to the Attorney General, no formal indictment has been issued against BTSC or its sitting directors. The Management Company will continue tracking the case for an extended period.

Status: Continuous Monitoring.

Airports of Thailand Public Company Limited ("AOT")

The National Anti-Corruption Commission has passed a resolution to establish a fact-finding committee to investigate allegations concerning the modification of contracts for the duty-free shop project and the commercial management project, aimed at providing unlawful benefits to the King Power Group.

Report Date: July 23, 2024 **Latest Update:** March 12, 2025

Details & Origin:

In 2020, the AOT Board of Directors resolved to deploy COVID-19 relief measures for the King Power Group via the following steps:

1. First Amendment (February 19, 2020): The AOT Board approved a waiver for the Minimum Guarantee fee, shifting to a straight revenue-sharing model based on actual sales volumes instead.
2. Second Amendment (July 29, 2020): The AOT Board approved a shift in the Minimum Guarantee calculation from a fixed baseline to a "Sharing per Head" model tied to actual passenger traffic, while extending the contract term by 1 year to March 31, 2032. Critics argued this led to a massive long-term revenue loss for the state.

Consequently, on July 23, 2024, the NACC reviewed the file and voted unanimously to establish an investigative committee to look into former senior executives, the AOT Board, and the private contracting party (King Power Group) regarding the duty-free and commercial space amendments at Suvarnabhumi and regional airports (Phuket, Chiang Mai, Hat Yai). An official notification was sent on August 29, 2024.

On February 17, 2025, AOT disclosed via the SET a Board resolution approving a payment extension program for low-liquidity concessionaires and airlines, including interest rate reliefs, citing adherence to strict corporate governance standards.

Remedial Actions Taken:

The Management Company made inquiries to the CFO regarding the scope of the payment extension program, recommending that assistance measures apply equally and transparently to all operators to avoid the perception of exclusive favoritism toward King Power. Management confirmed absolute compliance with governance protocols.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* Given that the Company has provided a clear explanation regarding the project's criteria and implementation processes, and that the target group encompasses both operators and airlines, governance risks are considered limited. The management company will maintain close monitoring of the ongoing situation for the time being, particularly concerning the NACC's investigation.
- **Status: Continuous Monitoring.**

(Translation)

Thonburi Healthcare Group Public Company Limited ("THG")

Suspicious transactions violating related party transaction criteria executed without Board approval

Report Date: September 4, 2024 **Latest Update:** December 30, 2025

Details & Origin:

On September 4, 2024, the Company notified the SET of executive changes regarding its CFO and accounting controllers.

On September 20, 2024, the company disclosed "suspicious transactions" in its subsidiaries totaling THB 210 million in potential damages, involving serious conflicts of interest:

1. Thonburi Bamrungmuang Hospital (THB) and TH Health Company Limited (THH) granted loans to Ratchathani Pattanakarn (2014) Company Limited (RTD)—a company suspected of links to a major shareholder—comprising 6 transactions from December 2022 to 2023, totaling THB 145 million.
2. THB granted a loan to Thai Medical Group Company Limited (where RTD is a major shareholder) in 2023, totaling THB 10 million.
3. THH placed product orders with a company registered in Singapore in 2023 across 2 transactions totaling THB 55 million, but no physical goods were delivered.

Transactions 1 and 2 were carried out by certain executives of the subsidiaries outside their scope of authority, bypassing internal regulations, SEC/SET related party guidelines, and Board approval frameworks.

In 2025, structural management and legal updates occurred. The Ramkhamhaeng Hospital Group (RAM) and its alliance acquired a significant shareholding stake, becoming the largest shareholder group and restructuring the Board and management team. Regarding the former executive directors, the DSI finalized its investigation into public fraud and money laundering (concerning private entity investment solicitations) and forwarded the files to prosecutors. THG clarified via the SET that it holds no financial or legal ties to the former executives' private entities and has fully provisioned for the historical transaction losses according to accounting standards.

Remedial Actions Taken:

The Management Company followed up with Investor Relations regarding internal controls. The company clarified it secured a debt acknowledgment agreement from the counterparty (RTD), fully provisioned for bad debts, initiated legal action against involved parties, filed records with the SEC/DSI, and updated authorization limits through the Audit Committee to prevent recurrence. Regarding the fraud case, the company denied involvement, noting it was a personal matter and that the director had resigned in 2022, with only the "Jin Wellbeing" project remaining a corporate asset. For individuals associated with active arrest warrants, the company restricted their signing authorities while retaining their board seats pending final judicial outcomes.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk**: The Management Company identifies governance risk arising from potential legal non-compliance by directors, which may affect their qualifications to hold board seats, alongside deficiencies in internal audit controls. Extended cautious monitoring remains mandated.
- **Status: Cautious Investment.**

Ngern Tid Lor Public Company Limited ("TIDLOR")

Issuance of B/E bills without prior SEC approval, violating Section 33 of the Securities and Exchange Act, resulting in an SEC fine and non-disclosure of the 2024 CGR rating.

Report Date: November 25, 2024 **Latest Update:** May 21, 2025

Details & Origin:

On November 25, 2024, the SEC enacted enforcement measures against TIDLOR for issuing B/E bills without required SEC approval, violating Section 33 of the Securities and Exchange Act. The SEC fined TIDLOR THB 500,000, which led to the exclusion of its Corporate Governance Report rating for 2024 (CGR 2024).

The company issued a clarification letter explaining that the non-disclosure arose from a documentation delivery error during the SEC application process. It emphasized that the issuance involved a single buyer who was the same entity as the appointed underwriter, resulting in zero impact on other bill holders. The company reaffirmed its ongoing commitment to corporate governance, confirmed the error was resolved, and implemented safeguards to prevent future occurrences, aiming to re-enter the CGR 2025 evaluation pipeline.

Remedial Actions Taken:

The Management Company monitored the situation closely, questioning Investor Relations regarding the causes and preventive measures. The company cooperated transparently and executed preventive upgrades. However, because the incident affected the CGR 2024 evaluation, tracking was maintained until confirmation of resolution.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* Governance risk is deemed limited as the procedural error did not materially impact overall financial performance, and effective preventive upgrades have been deployed. Continuous tracking showed no further concerns.
- **Status: Monitoring Concluded.**

Central Group Co., Ltd. ("Central Group")

Personal data breach of The1 card members, with hackers threatening to release 500,000 Thai citizens' records per week after hacking over 5 million The1 member profiles

Report Date: November 19, 2024 **Last Updated:** December 30, 2025

Details & Origin:

On November 19, 2024, a significant cybersecurity risk occurred involving Central Group Co., Ltd. ("Central Group") when social media reports revealed that a hacker group had accessed and stolen the personal data of over 5 million The 1 card members. The stolen data included personal identifiable information (PII) such as full names, member IDs, national identification numbers, and phone numbers. The perpetrators threatened to gradually leak this database to the public at a rate of 500,000 names per week. This incident directly impacted consumer confidence, forcing the company to urgently investigate its information security systems to ensure compliance with the Personal Data Protection Act (PDPA) standards. As of 2025, there have been no news reports or official announcements indicating that the company faced administrative fines regarding this incident.

Remedial Actions Taken:

The Management Company inquired with the Investor Relations department of Central Retail Corporation Public Company Limited ("CRC"), in its capacity as a data user. CRC cooperated by coordinating with corporate communications representatives from Central Group Co., Ltd. ("Central Group") to clarify the situation. They stated that upon discovering the incident, the company immediately collaborated with its Data Protection Officer (DPO) to expedite the investigation and analyze the root cause. Furthermore, they reported the incident to the Office of the Personal Data Protection Committee (PDPC) in accordance with the Personal Data Protection Act, B.E. 2562 (2019), as well as the Cyber Crime Investigation Bureau. However, initial investigations have not revealed any vulnerabilities or flaws in the company's data storage systems or databases. Nevertheless, the company is not complacent and has implemented surveillance measures to prevent potential future breaches. The Management Company has recommended that the company disclose updates regarding the development of this situation and the security measures taken by the data controller, while also requesting cooperation from CRC's Investor Relations to act as a representative in reporting the progress of this matter.

Sustainability Risks and the Management Company's Opinion:

- **Social Risk:** A social risk regarding Privacy and Data Security, which could impact the confidence of customers and business groups utilizing The1 card database, as well as the reputation of Central Group. However, since the company's management approach aligns with PDPC criteria and a dedicated unit has been established to continuously monitor the situation, the Management Company cannot conclude that this issue poses a significant risk at this stage and deems it necessary to continue tracking developments.
- **Status: Continuous monitoring.**

PTT Public Company Limited ("PTT")

PTT Oil and Retail Business Public Company Limited ("OR")

DSI met with PTT executives regarding corruption and price-collusion allegations causing damages to Global Green Chemicals Public Company Limited (GGC)

Report Date: June 19, 2023 **Latest Update:** December 30, 2025

Details & Origin:

Following inventory fraud at GGC discovered in 2018, questions arose regarding trade relations within the PTT Group. On June 19, 2023, the DSI met with the PTT CEO to review transactions between GGC and OR across three areas: price collusion, unauthorized advantages, and money laundering. The DSI formed a working group to review evidence for potential assignment as a "Special Case." Although irregularities were found, definitive evidence identifying specific wrongdoers remained incomplete.

On November 28, 2024, unverified DSI documents leaked concerning investigations into high-priced crude palm oil procurement and irregular B100 discount pricing for OR. The DSI Director-General clarified that the documents represented preliminary investigative evidence for court consideration and did not constitute a final criminal conclusion. The company clarified via the SET that the court had not formally accepted a lawsuit and investigations were incomplete, while maintaining its business transparency. In 2025, the DSI investigation remained in the evidentiary compilation phase, with no official indictments or rulings issued against OR executives by state bodies.

Remedial Actions Taken:

The Management Company collaborated with the AIMC to query the companies. They clarified that the DSI inquiries represent initial data requests, and the matter has not been designated a Special Case, meaning definitive factual conclusions or fault cannot be assigned to the companies or their boards. Regarding the leaked files, they confirmed they are preliminary investigative records. The Management Company maintains continuous monitoring.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* Potential governance risk exists if executive directors face official money laundering indictments, which could affect their qualifications to serve, alongside concerns regarding bidding oversight processes. Since the file is not a designated Special Case, definitive conclusions cannot be made.
- **Status: Continuous Monitoring**.

L.P.N. Development Public Company Limited ("LPN")

Executive subjected to civil sanctions by the SEC for insider trading involving LPN shares, either through direct trading or permitting account use

Report Date: March 5, 2025 **Latest Update:** April 4, 2025

Details & Origin:

On March 5, 2025, the SEC applied civil sanctions against a director or executive for insider trading involving LPN shares, or for using a securities trading account or allowing another person to use such account to exploit inside information.

Remedial Actions Taken:

The Management Company applied initial investment surveillance and requested a clarification from management regarding risk mitigation steps. The company confirmed the director had resigned from the board and implemented stricter inside information controls to align with good governance principles.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* Governance risk is deemed limited as the sanctioned director resigned from the board, and the company deployed improved risk controls matching good governance principles.
- **Status: Monitoring Concluded.**

Bangchak Corporation Public Company Limited ("BCP")

Bangchak Corporation Public Company Limited (BCP) identified unauthorized access to certain customer personal data stored online

Report Date: April 12, 2025 **Latest Update:** May 7, 2025

Details & Origin:

On April 12, 2025, the company identified a data breach involving limited data stored within its customer feedback and care systems. The accessed records consisted of basic personal identifiers, with no financial transaction data or sensitive records compromised.

Remedial Actions Taken:

The Management Company contacted Investor Relations to verify the facts. The company clarified that the breach was confined to its customer feedback platform and that it complied fully with Personal Data Protection Act (PDPA) frameworks. It notified the Personal Data Protection Committee (PDPC), investigated and contained the breach, and immediately alerted the public. Following the incident, the company issued warnings advising customers to beware of potential scams and upgraded its data access security controls.

Sustainability Risks and the Management Company's Opinion:

- **Social Risk:** Social risk requires continued tracking for a certain period to ensure the incident causes no broader social impacts.
- **Status: Continuous Monitoring.**

Home Product Center Public Company Limited ("HMPRO")

Home Product Center Public Company Limited (HMPRO) identified unauthorized access to certain customer personal data stored online.

Report Date: April 15, 2025 **Latest Update:** May 7, 2025

Details & Origin:

On April 15, 2025, a data breach was identified. HMPRO verified that the breach involved only basic customer data profiles, with no sensitive financial or transaction logs accessed.

Remedial Actions Taken:

The Management Company contacted Investor Relations to verify the facts. The company clarified that the breach originated from its feedback platform and that it followed all PDPA protocols. It reported the incident to the PDPC, contained the breach, and notified the public.

Post-incident, the company issued notifications advising customers to remain vigilant against scams and increased its security access protocols.

Sustainability Risks and the Management Company's Opinion:

- **Social Risk:** Social risk requires continued tracking for a certain period to ensure the incident causes no broader social impacts.
- **Status: Continuous Monitoring.**

Thai Oil Public Company Limited ("TOP")

Crude oil spill incident near the Single Buoy Mooring No. 2 (SBM-2) offshore from Rayong Province.

Report Date: June 5, 2025 **Latest Update:** June 16, 2025

Details & Origin:

On June 5, 2025, a crude oil spill occurred near the SBM-2 offshore terminal of the Thai Oil refinery in Sriracha, Chonburi. The incident was caused by sudden high waves and wind gusts. While the system was designed to handle wind speeds up to 30 knots (based on a 100-year historical average) in line with international standards, wind speeds reached 60 knots on the day of the incident. This forced the company to halt oil transfer operations in accordance with safety protocols. The SBM-2 safety breakaway coupling functioned as designed to prevent structural damage to the buoy system, though some oil escaped during valve closure. The company had deployed protective containment booms prior to starting the transfer operations.

The company clarified that the SBM-2 terminal is currently undergoing state inspection and awaiting a formal review from the Marine Department. It confirmed its operating license has not been suspended and that international standard protocols were immediately deployed to manage the situation.

Remedial Actions Taken:

On June 16, 2025, the Management Company requested details from Investor Relations regarding risk management and environmental impacts. The company provided updates on its investigation and outlined its future preventive measures, including:

1. Enhancing early warning system accuracy.
2. Securing precise, advanced meteorological forecasting tools.
3. Developing additional operational procedures integrated with weather data forecasts.

Additionally, the company joined a collective action with the AIMC to provide updates and monitor the situation.

Sustainability Risks and the Management Company's Opinion:

- **Environmental Risk:** Environmental impact was localized due to the company's immediate containment measures and adherence to international standard protocols. The Management Company will continue tracking the situation to monitor the final implementation of preventive measures.
- **Social Risk:** The company reported no injuries, indicating a limited social impact. The Management Company will continue tracking the situation to ensure nearby communities remain unaffected.
- **Status: Continuous Monitoring.**

Dohome Public Company Limited ("DOHOME")

<u>Thai Industrial Standards Institute (TISI) inspection identified production line deviations in certain steel product lines.</u>

Report Date: June 24, 2025 **Latest Update:** June 24, 2025

Details & Origin:

A TISI inspection at the Bang Bua Thong branch identified specific steel product types and batches with minor manufacturing deviations from a single supplier, affecting only limited product lots. Other items, such as power strips, were flagged solely for missing physical QR code labels on the products.

Remedial Actions Taken:

The Management Company contacted Investor Relations. The company explained its procurement workflows and disclosed the following protocols through the SET:

- Prior to procurement, manufacturers must provide copies of TISI licenses, product test results, and factory quality control audit records.
- The company cross-checks this documentation directly against the official TISI database to verify authenticity before approving purchase orders.

The company halted sales of the affected items, cleared all related batches from its branches, and set up customer return processes for those lots. Moreover, the company implemented proactive factory-level testing controls, requiring a quality certificate for every production lot.

Sustainability Risks and the Management Company's Opinion:

- **Social Risk:** Limited social risk as the company implemented clear customer remediation processes and effective future preventive measures.
- **Status: Monitoring Concluded.**

Com7 Public Company Limited ("COM7")

An employee unauthorizedly disclosed personal customer data.

Report Date: July 31, 2025 **Latest Update:** July 31, 2025

Details & Origin:

An employee unauthorizedly disclosed personal customer data during a data transfer from an old device to a new one. The incident did not involve any vulnerability in the company's corporate hardware or networks. The data transfer was performed as an auxiliary customer service gesture rather than a mandatory core job duty defined by corporate protocol.

Remedial Actions Taken:

The Management Company tracked the situation closely and requested details from Investor Relations. The company clarified that it provided remediation to the customer and addressed legal liabilities by terminating the involved employee and initiating legal proceedings to protect its reputation and customer rights. Furthermore, the company tightened its data transfer protocols by mandating CCTV-monitored service zones, banning personal or intermediary storage devices, using secure acrylic boxes for devices during transfers, requiring customers to enter passwords and sign consent forms personally, and conducting mandatory staff compliance training with zero-tolerance penalties. The company also met with Apple to refine data security management practices and boost customer confidence.

Sustainability Risks and the Management Company's Opinion:

- **Social Risk:** Limited social risk as the company resolved the customer issue, strengthened its data transfer security measures, and trained its frontline staff to ensure data safety and protect consumer confidence.
- **Status: Monitoring Concluded.**

(Translation)

Bangchak Corporation Public Company Limited ("BCP")

Fire incident in the crude distillation column area of Unit 2 at the Sriracha Refinery in Chonburi Province.

Report Date: July 29, 2025 **Latest Update:** August 1, 2025

Details & Origin:

On July 26, 2025, a fire broke out in the crude distillation column area of Crude Distillation Unit 2 at the Bangchak Sriracha Refinery in Chonburi. Emergency teams brought the fire under control quickly by 12:35 PM. The incident resulted in minor injuries to 2 workers and zero fatalities. The company notified relevant regulatory bodies. Preliminary assessments indicated minor structural damage with no material impact on corporate operations or financial performance.

Due to the aforementioned incident, the company is required to temporarily shut down Crude Distillation Unit 2 for approximately 7 days. This will ensure that the repairs to the equipment in the affected area are carried out efficiently, meticulously, and in accordance with a systematically planned schedule. The Company places the highest priority on operational safety. Crude Distillation Unit 2 will resume operations immediately once the equipment repairs are completed.

Remedial Actions Taken:

On July 28, 2025, the Management Company contacted Investor Relations to review the facts. The company clarified that:

1. The root cause investigation is ongoing and awaiting interviews with the injured workers.
2. Repair costs were estimated at THB 10 million, covered under property damage and business interruption insurance policies. However, deductible limits were not disclosed.
3. The 7-day shutdown of Crude Distillation Unit 2 reduced refining throughput by approximately 75 KBD.

On August 1, 2025, the company announced via the SET that Crude Distillation Unit 2 at the Sriracha Refinery successfully resumed production on July 31, 2025, following the completion of repairs.

Sustainability Risks and the Management Company's Opinion:

- **Social & Environmental Risks:** Evaluated through occupational health and safety lenses, as well as toxic emissions and waste criteria, pending the final fire investigation report. The Management Company expects the overall impact to remain limited, given that BCP received no community complaints and air quality monitoring results around the refinery remained within applicable standards baselines[2]. Final preventive measures depend on the conclusive root cause analysis.
- **Status:** Continuous Monitoring.

[2] **Refinery Air Quality Evaluation Standards:** ISO 14001:2015: An environmental management standard framework used to monitor environmental impacts, utilizing Continuous Emission Monitoring Systems (CEMS) and Total Dust Collectors (TDC) for real-time tracking from refinery stacks.
Pollution Control Department (PCD) Standards: Industrial air quality metrics in Thailand align with Ministry of Natural Resources and Environment announcements, such as the 2024 Notification No. 2, which defines maximum ambient concentration limits for pollutants including SO_2, NO_2, CO, PM10, PM2.5, and other pollutants.

Delta Electronics (Thailand) Public Company Limited ("DELTA")

Unclear accounting baseline evaluations for royalty fees paid to parent company Delta Taiwan for patent use, alongside significantly higher legal expenses in the Q4/2024 financial results.

Report Date: February 26, 2025 **Latest Update:** September 5, 2025

Details & Origin:

On February 26, 2025, DELTA's Q4/2024 financial statements raised governance queries regarding sharp increases in two expense categories:

1. Royalty Fees: Driven by higher volumes of AI product manufacturing and retroactive payments to the parent company. The company stated these followed arm's length transfer pricing principles and were verified by external auditors.
2. Legal Expenses: Driven by defense fees in a patent infringement lawsuit filed by Vicor Corporation.

Remedial Actions Taken:

The Management Company tracked the developments and contacted Investor Relations regarding risk management controls for:

1. The evaluation baseline metrics for royalty fees paid to Delta Taiwan.
2. The legal strategy for the dispute with Vicor Corporation against Delta Group and associated entities, which alleged infringement across 4 product patents.

On April 3, 2025, the Management Company participated in a collective action with the AIMC to review additional data. The company clarified that the royalty fees stemmed from expanding its AI product portfolio and aligning accounting records with international standards under arm's length principles verified by auditors. The legal expenses were attributed to defense counsel fees for the active patent dispute. The case is not finalized, and no contingent liability provisions were recorded in the 2024 financial statements.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** Monitored for potential conflicts of interest between the controlling parent company and minority shareholders, alongside legal dispute risks within the contract manufacturing business model.
- **Status: Continuous Monitoring.**

Muangthai Capital Public Company Limited ("MTC")

Enforcement action for non-compliance with fair customer treatment guidelines regarding loan restructuring practices.

Report Date: August 5, 2025 **Latest Update:** September 23, 2025

Details & Origin:

On August 5, 2025, the Bank of Thailand (BOT) initiated enforcement actions against MTC for the action that may fall within the scope of violating operating rules across personal and nano-finance credit categories. The core issue involved charging compound interest within debt restructuring contracts. Specifically, MTC closed original contracts and rolled accrued interest and fees into the principal of new contracts, compounding interest on that revised principal. This practice violated multiple BOT and Ministry of Finance directives, ran counter to Market Conduct rules, and fell under prohibited actions defined by Revolutionary Council Decree No. 58. The BOT noted that MTC ceased the practice and provided remediation to affected borrowers while the case remained under investigative review. MTC issued a public statement on August 8, confirming it halted the practice, completed customer remediation, and was upgrading internal compliance controls.

Remedial Actions Taken:

On September 23, 2025, the Management Company queried Investor Relations regarding the root causes and preventive updates. Investor Relations stated the issue stemmed from human error. The company acknowledged the mistake, revised its workflows by implementing system locks to prevent manual calculation errors, filed its remediation steps with the BOT, and completed compensation for affected individuals.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** Governance risk is deemed limited as the company clarified the error, corrected its operational systems, and deployed safeguards to eliminate future calculation risks.
- **Status: Monitoring Concluded.**

Central Pattana Public Company Limited ("CPN")

Minority shareholder complaint filed with the SEC alleging potential acting-in-concert conduct between Chanut & Children Company Limited and CPN.

Report Date: August 27, 2025 **Latest Update:** September 26, 2025

Details & Origin:

On August 27, 2025, Chanut & Children Company Limited exercised its rights to call an Extraordinary General Meeting (EGM) to propose removing certain directors and restructuring the board. CPN, which holds a 17.09% stake in DUSIT, clarified to the SET that it had no involvement in calling the EGM, and that its nomination of two directors aligned with standard proportional shareholding rights rather than an attempt to take over corporate control.

On September 24, 2025, a minority shareholder filed a complaint with the SEC ahead of the EGM, alleging that Chanut & Children and CPN might be acting in concert. The combined shareholding of both groups reached 66.83%, exceeding the threshold that triggers a mandatory tender offer, leading to concerns of an unapproved hostile takeover attempt.

At the EGM on September 26, 2025, the resolution to remove directors failed to pass. Although it received a majority of the share votes, it did not reach the required three-fourths threshold of shareholders present. The resolution to restructure the board was postponed pending regulatory reviews from the SEC and the Trade Competition Commission regarding the takeover and monopoly complaints.

Remedial Actions Taken:

On September 23, 2025, the Management Company requested details from Investor Relations. The company maintained that its director nominations followed standard proportional investment practices and did not constitute an attempt to exert control over Dusit, consistent with its statements to the SET.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** The Management Company intends to monitor developments until the SEC issues a definitive review on the acting-in-concert allegations to ensure governance risks remain low.
- **Status: Continuous Monitoring.**

Plan B Media Public Company Limited ("PLANB")

Allegations of corruption concerning a BMTA bus advertising concession.

Report Date: December 9, 2025 **Latest Update:** December 16, 2025

Details & Origin:

On December 9, 2025, during an "International Anti-Corruption Day (Thailand)" event chaired by the Prime Minister, a complaint was submitted alleging that Plan B Media (PLANB) colluded with former BMTA executives and state officials to manipulate a bus advertising concession. The complaint alleged the forgery of signatures belonging to the complainant and his spouse to secure the concession, causing estimated private losses of THB 5,000 million and state losses of at least THB 1,000 million, which may fall within the scope of Section 5 of the Anti-Money Laundering Act through extensive documentation tampering.

On December 16, 2025, PLANB issued a clarification statement regarding the complaint. The company stated the matter was an old dispute spanning nearly 20 years, with historical facts dating back to November 30, 2007. It noted the dispute had already been fully processed through the judicial system, resulting in final dismissals across 21 related criminal cases due to lack of merit. The company reaffirmed its confidence in the judiciary, provided written evidence of the court verdicts, and stated its operations follow strict legal and ethical governance standards. It added that spreading inaccurate summaries could harm capital market confidence.

Remedial Actions Taken:

The Management Company requested details from Investor Relations. The company confirmed that all related legal proceedings had concluded, as disclosed in its public statement.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** Governance tracking remains necessary, focus areas include reviewing the company's internal controls and compliance measures to prevent similar disputes.
- **Status: Continuous Monitoring.**

Sansiri Public Company Limited ("SIRI")

SIRI confirmed its joint venture agreement with the CAI Fund is transparent and limited to specific project levels.

Report Date: December 1, 2025

Details & Origin:

Regarding the case of the meeting minutes from the House of Representatives' Standing Committee on Anti-Money Laundering and Narcotics Suppression, which deliberated on a case involving a transnational scam network allegedly bribing board members or high-level executives of state agencies using cryptocurrency—an act that potentially constitutes an offense under anti-money laundering laws—the document dated October 30, 2025, states that the Securities and Exchange Commission (SEC) is in the process of inviting seven listed companies to clarify information. These companies include Bangchak Corporation Public Company Limited, BCPG Public Company Limited, M Vision Public Company Limited, Finansia X Public Company Limited, Sansiri Public Company Limited, Greentech Ventures Public Company Limited, and VGI Public Company Limited. The investigation focuses on the disclosure of major shareholder information, reporting and disclosure of the issuance or offering of securities, and the acquisition of securities for business takeovers.

Remedial Actions Taken:

The Management Company requested details from Investor Relations. The company clarified that:

1. It is not under SEC investigation and has received no regulatory inquiries regarding these reports.
2. All corporate transactions are executed transparently and in full compliance with legal frameworks.
3. The joint venture with the CAI Fund is lawful and structured under Singapore jurisdiction, where the fund is regulated by the Monetary Authority of Singapore (MAS).
4. The arrangement represents standard business operations via a project-level joint venture, rather than an accumulation of major blocks or a corporate-level takeover of SIRI.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** Governance risk is deemed limited as the CAI partnership operates strictly at a single project level and does not alter the core shareholding structure or control of SIRI.
- **Status: Monitoring Concluded.**

(Translation)

Bangchak Corporation Public Company Limited ("BCP")

BCPG Public Company Limited ("BCPG")

Anti-Money Laundering Office (AMLO) announced asset seizure orders targeting a scammer network

Report Date: December 3, 2025 **Latest Update:** December 16, 2025

Details & Origin:

AMLO announced asset freeze and seizure orders against an active scammer network, which included a block of BCP shares held by Alpha Chartered Energy Company Limited, valued at approximately THB 6,000 million (representing roughly a 17% stake in the company, close to the entity's recorded 18% holding profile). Additionally, Alpha Chartered Energy had appointed two directors to BCP's board to replace resigning members on May 27, 2025, with one director also taking a board seat at BCPG.

Remedial Actions Taken:

On December 16, 2025, the Management Company requested updates from BCP's Investor Relations. The company clarified that it established a Special Committee to develop risk control measures. It implemented 9 internal measures, announcing 2 specific actions via the SET:

1. Revising corporate signing authorities to remove the two involved directors from legally binding roles.
2. The two directors representing Alpha Chartered Energy Company Limited will abstain from attending board meetings. If the Anti-Money Laundering Office (AMLO) uncovers evidence confirming that the said company has committed an offense or is linked to the scammer suspect network, the Company will proceed to propose that both directors step down, or otherwise request shareholders to vote for their removal.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk***:* Governance risk remains active while factual investigations are ongoing, particularly regarding director qualifications. The Management Company will continue tracking developments until the regulatory status of the board members is clarified.
- **Status: Continuous Monitoring.**

VGI Public Company Limited ("VGI")

Board member questioned regarding potential links to a network facing money laundering and economic crime allegations.

Report Date: December 19, 2025

Details & Origin:

Government audits and media reports highlighted links between a VGI director connected to CAI Optimum Fund VCC (a major shareholder in the company) and a network facing allegations of money laundering and economic crime. The individual was appointed to the board during Extraordinary General Meeting No. 1/2024 following a nomination by the CAI Optimum Fund VCC group.

Remedial Actions Taken:

The Management Company contacted VGI's Investor Relations to query the strategic purpose behind the appointment within the CAI Optimum Fund VCC allocation, the board nomination review processes, and the company's risk management plans.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** As the fact-finding process is currently ongoing, and governance risks persist regarding the directors' qualifications, the Management Company is continuously monitoring developments until clarity is achieved and/or governance risks are confirmed to be limited.
- **Status: Continuous Monitoring.**

Siam Global House Public Company Limited ("GLOBAL")

Sitting independent director and committee member found to be facing active criminal court proceedings for historical corruption cases.

Report Date: December 29, 2025

Details & Origin:

A sitting independent director who serves on the Audit and Risk Management Committee as well as the Nomination and Remuneration Committee at GLOBAL was found to be undergoing active trial reviews across two corruption cases, which could affect his qualifications to hold a board seat:

1. **A case involving district chief examination fraud during the 2009 fiscal year and misconduct.** On September 29, 2020, the Central Criminal Court for Corruption and Misconduct Cases sentenced the individual to 3 years of imprisonment without probation. He is currently out on bail pending an Appeal Court review.
2. **A case involving sub-district employee recruitment fraud in Ratchaburi Province in 2014.** The court sentenced involved individuals to 37 years and 148 months of imprisonment. The case is not finalized, and the defendants retain their right to appeal to higher courts.

Remedial Actions Taken:

The Management Company requested updates from Investor Relations regarding risk controls and the board's stance. The company clarified that:

1. The director has been requested to recuse himself from all board meetings.
2. The company is in the process of identifying an acting director to replace him before formally removing him from his seat.
3. A new director nominee will be presented for formal shareholder approval at the 2026 Annual General Meeting.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** Governance risk remains while the director continues to hold a board seat, given potential qualification conflicts under the Securities and Exchange Act and SEC Notification No. Kor Chor. 3/2560. The Management Company will continue to monitor developments until clarity is achieved and/or corporate governance risks are confirmed to be limited.
- **Status: Continuous Monitoring.**

CP Axtra Public Company Limited ("CPAXT")

Related party transaction involving "The Happitat" project raised concerns regarding potential conflicts of interest.

Report Date: November 28, 2024 **Latest Update:** December 30, 2025

Details & Origin:

On November 28, 2024, CP Axtra Public Company Limited (CPAXT) notified the SET that it established a 95%-owned subsidiary, Axtra Growth Plus Company Limited, to invest in leasehold rights and manage space within "The Happitat" project inside The Forestias development, encompassing retail, office, and utility infrastructure networks. The transaction was completed on December 13, 2024. Media and analyst reviews questioned the transaction's governance profile, noting it was executed with the MQDC group—an entity closely linked to CPAXT's major shareholder group—raising concerns over potential conflicts of interest and the allocation of significant capital to real estate development. The company clarified that the transaction was reviewed and approved by both the Audit Committee and the Board of Directors in line with regulatory frameworks. It cited independent asset valuations approved by the SEC to ensure the investment aligned with arm's length market baselines and supported the company's new retail expansion models, rather than serving to benefit related parties.

Remedial Actions Taken:

The Management Company and the AIMC questioned executives regarding the investment strategy. Management clarified that the project's valuation was performed by SEC-approved professionals and supports its mixed-use strategy, noting it already manages over 1 million square meters of retail space. The expansion targets consumer segments within and around The Forestias through a new operational model. The Audit Committee verified the transaction's appropriateness, and because the total transaction size fell below the 15% threshold, formal shareholder approval was not required under regulatory guidelines.

Sustainability Risks and the Management Company's Opinion:

- **Governance Risk:** Governance risk is deemed limited as the transaction complied with SEC legal and regulatory frameworks. The Management Company notes the inherent potential for conflicts of interest between shareholders/principals and management in related party transactions and will continue to monitor the situation closely.
- **Status: Continuous Monitoring.**

Appendix 2: Sustainability Promotion via Policymaker and Stakeholder Engagement Report

The Management Company supports participation in policy consultations on sustainability issues and participates in public hearings to elevate regulatory standards, fostering the sustainable development of the economy, society, and the environment.

From January 1, 2025, to December 31, 2025, the Management Company engaged with the following policymakers and stakeholders to advance sustainability initiatives:

Public Hearing on Revisions to Disclosure Rules for Sustainable and Responsible Investing (SRI) Funds

Relevant Agency: The Office of the Securities and Exchange Commission (SEC)

Details & Origin:

The SEC opened a public consultation regarding draft revisions to its SRI Fund regulatory frameworks. The updates aim to align local rules with international standards, improve disclosure transparency, boost investor confidence, and mitigate greenwashing risks. Key elements of the draft include classifying sustainability objectives and logos into 5 distinct categories, requiring asset management companies to provide deeper analytical insights alongside formal Engagement Reports, and adding a standardized "Sustainability Corner" section within fund prospectuses to facilitate easy comparisons for investors. It also harmonizes SRI rules with Thai ESG fund guidelines. The SEC defined a transition window of 6 months to 1 year for existing funds to update disclosures or adjust fund names and policies to prevent investor confusion.

Management Company's Recommendations:

The Management Company expressed support for the mandatory "Sustainability Corner" addition to help investors evaluate and compare sustainable investment strategies easily. However, it raised operational notes regarding the limited availability and accuracy of primary ESG data sources, which could present challenges for asset management companies attempting to maintain complete and precise disclosure logs.

AIMC Aligns Institutional Investor Coalition to Support Greenhouse Gas Reductions Toward Net Zero Targets among Thai Listed Companies

Relevant Agency: Association of Investment Management Companies (AIMC)

Details & Origin:

The AIMC collaborated with the Government Pension Fund (GPF) and the Stock Exchange of Thailand (SET) to announce a joint program advancing environmental ESG goals and climate transition strategies. The initiative leverages institutional investor networks through positive engagement strategies to encourage Thai listed companies to set concrete greenhouse gas reduction paths and target net-zero milestones. The roadmap begins with a pilot phase focusing on companies within the SET100 index, expands to 200 entities during 2027–2028, and aims to cover all 800+ listed companies across the exchange by 2029. If an investee company fails to show clear progress, the institutional investor coalition is prepared to escalate actions in line with international stewardship practices to manage long-term risks and protect investor interests.

Management Company's Recommendations:

Serving as the secretariat for the AIMC ESG Policy & Collective Action subcommittee, the Management Company presented an international-standard Net Zero Alignment Assessment Framework. This framework serves as a core tool to guide listed companies toward climate targets that support Thailand's national NDCs. The framework focuses on 3 core elements: (1) Establishing clear climate and net-zero commitments; (2) Disclosing third-party verified greenhouse gas emissions data in line with SEC guidelines' and (3) Developing and executing a concrete Climate Transition Strategy.

SEC Revises Criteria for Material Transactions (MT) and Related Party Transactions (RPT) to Enhance Investor Rights Protection

Relevant Agency: The Office of the Securities and Exchange Commission (SEC)

Details & Origin:

The SEC announced revisions to its Material Transaction (MT) and Related Party Transaction (RPT) frameworks for listed companies to improve investor protection and align local rules with international standards, effective July 1, 2026. Key updates include clarifying transaction calculation methods, increasing shareholder rights protection mechanisms, and granting the SEC the authority to evaluate transactions based on their actual economic substance (Substance Over Form) to prevent evasion tactics. Simultaneously, the revisions reduce administrative burdens by exempting specific internal transactions within corporate groups or allowing advance framework approvals for entities with specific operational constraints. This update is part of the SEC's "Strong Issuer" project, which focuses on preventive oversight to foster transparency, fairness, and long-term confidence in the Thai capital market.

Management Company's Recommendations:

The Management Company participated in the policy consultations through the AIMC ESG Policy & Collective Action coalition. It supported the SEC's initiatives to strengthen MT and RPT criteria for listed companies, emphasizing that robust frameworks are essential to prevent conflicts of interest between principals and management during related party transactions.