

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED

CHARTER OF THE BOARD OF DIRECTORS

Role

The role of the Board of Directors is to provide effective governance for the Company's affairs to ensure the interests of shareholders are protected and the confidence of the investment market is maintained whilst having regard for the interests of all stakeholders that includes customers, employees, suppliers and local communities.

Appointment of the Board of Directors

- The Company's Board of Directors shall consist of less than five (5) persons nor more than fourteen (14) persons with at least three (3) Independent Directors. Not less than half of whom shall reside within Thailand.
- All the Directors shall be elected by a shareholders meetings in accordance with the following rules and procedures:
 - (1) One shareholder shall have votes equal to the number of shares held;
 - (2) In electing the Directors, the method of voting used may be to vote on candidate by candidate or several candidates together, whichever the Shareholders Meeting finds appropriate, but in voting to pass a resolution, the shareholders shall vote using all the votes under (1) which cannot be divided for any person or group to any extent at all.
 - (3) Voting for election of the Directors shall be by a majority of votes. In the case of equality of vote, the presiding chairman shall have an additional casting vote.
- The Board of Directors shall elect one (1) of the members to be the Chairman of the Board of Directors. In case the Board of Directors deems it appropriate, the Board may elect one director to be Vice-Chairman. The Vice-Chairman shall have duties as stipulated in the articles of association in the business assigned by the Chairman of the Board.
- Company Secretary shall be the Secretary to the Board of Directors.

Term of Service

- The term of each Director shall be three (3) years, provided that at every annual ordinary meeting of shareholders, one-third (1/3) of the directors shall retire. If the number of directors is not a multiple of three, the number of directors closest to one-third (1/3), but not in excess of one-third (1/3), of the total number of directors shall retire.
- A director who vacates his office may be re-elected.
- Other than for vacancy by rotation, a Director shall vacate office upon:
 - (1) death;
 - (2) resignation;
 - (3) having a lack of qualifications or having prohibited characteristic under the law on public limited companies and the law governing securities and exchange;
 - (4) being removed by a resolution of the shareholder meeting under Clause 22; and
 - (5) being removed by a court order.

- Any Director who will resign from the Directorship shall submit a resignation letter to the Company in advance and the resignation shall be effective from the date the letter of resignation arrived the Company.
- In the case of a vacancy on the Board of Directors for reasons other than by rotation, the Board of Directors shall elect any person who is qualified and not have any of the prohibited characteristics by law as the substitute Director at the subsequent Board of Directors meeting, unless the remaining term of office of said Director is less than two (2) months. The aforesaid substitute Director shall retain such office only for the remaining term of office of the replaced Director.

Scope of Duties and Responsibilities

The Board of Directors has the duty and authority to manage the Company in compliant with the objectives, Articles of Association and resolutions of the shareholder's meeting. However, the Board may not approve or decide on the following issues unless acknowledged by the majority of the attending Directors in the meeting of the Company and / or Subsidiaries.

- Any loans exceeding Baht 50 million and not in the Group's annual budget.
- Granting loans, collaterals, indemnifications, guarantees, letters of support or commitments to any persons and not in the Group's annual budget unless allowed in the contracts of the financial restructuring agreement or business rehabilitation plan of N.T.S.
- Any investments exceeding Baht 50 million and not in the Group's annual budget.
- Sales, transfers, rent out or permissions related to any properties or assets with the book value exceeding Baht 50 million and not in the group's annual budget.
- Approvals or amendments of the Group's annual budget.
- Any transactions with connected parties not regarding as normal business operation.
- Changing of the accounting policy, approval of the annual consolidated financial statements, annual individual financial statements and quarterly group financial statements.
- Changes related to the Group's business operation or termination of any business operation.

The Board of Directors may appoint any persons to manage the Company's operation under supervision of the Board of Directors or may authorize such persons with the authorities the Board of Directors deem appropriate for a certain period of time. The Board of Directors may revoke, alter or amend such authorization. The Board of Directors may delegate to the Executive Committee (Executive Directors) or the President the authority to perform various functions.

Approvals of any business operation must comply with the authority limit specified by the Board of Directors. Such delegation of authority shall not be in a way to allow the Executive Committee or the President to be able to approve transactions that they or other persons may dispute, have interest in or have conflict of interest with the Company and its subsidiaries, in accordance with the Company's Articles of Association and SEC's announcement. Exclusion is made to approval of transactions in compliant with the Board of Directors' pre-approved policies and criteria in the normal course of business operation such as procurement of raw materials and connected transactions with related companies.

Meeting

- The Board of Directors shall have a meeting at least four (4) times a year. The Board of Directors shall be called by the Chairman of the Board of Directors or the Secretary to the Board of Directors by the order of the Chairman. The Notice of the meeting and meeting documents shall be sent to the Directors seven (7) days prior to the meeting date.
- At a meeting of the Board of Directors, at least one half (1/2) of the total number of Directors present shall form a quorum. The Chairman shall preside in the meeting. In case the Chairman of the Board is not present at the meeting or cannot perform his or her duty, and if there is a vice-chairman, the vice-chairman present at the meeting shall be the Chairman of the meeting. If there is no vice-chairman or if there is a vice-chairman who is not present at the meeting or cannot perform his or her duty, the Directors present at the meeting shall elect one of the Directors to be the Chairman of the meeting.
- Resolution of the meeting shall be made by the majority vote of the Board or Directors present.
- Each Director is entitled to one (1) vote, but a Director who has interest in any matter shall not be entitled to vote on such matter. In the event of a tie vote, the Chairman of the meeting shall have a casting vote.
- The Board of Directors may invite any person related to the meeting agenda to attend the meeting in order to discuss, explain and respond to any question as necessary and appropriate.

Retirement Age

- The retirement age for Executive Directors (Executive Director includes President & CEO) would be 60 years.
- The retirement age for independent directors would be 70 years.

Remuneration

A Director is entitled to receive remuneration as fixed by a shareholder meeting by a vote of not less than two-thirds of all votes of the shareholders attending the meeting. In this regard, the remuneration may be fixed at a definite amount or prescribed by specific rules and determined from time to time of shall continue to be valid until changed is passed by resolution of the shareholders. Additionally, a Director is entitled to received allowances and any benefits in accordance with the Company's rules.

Updated on September 17, 2018