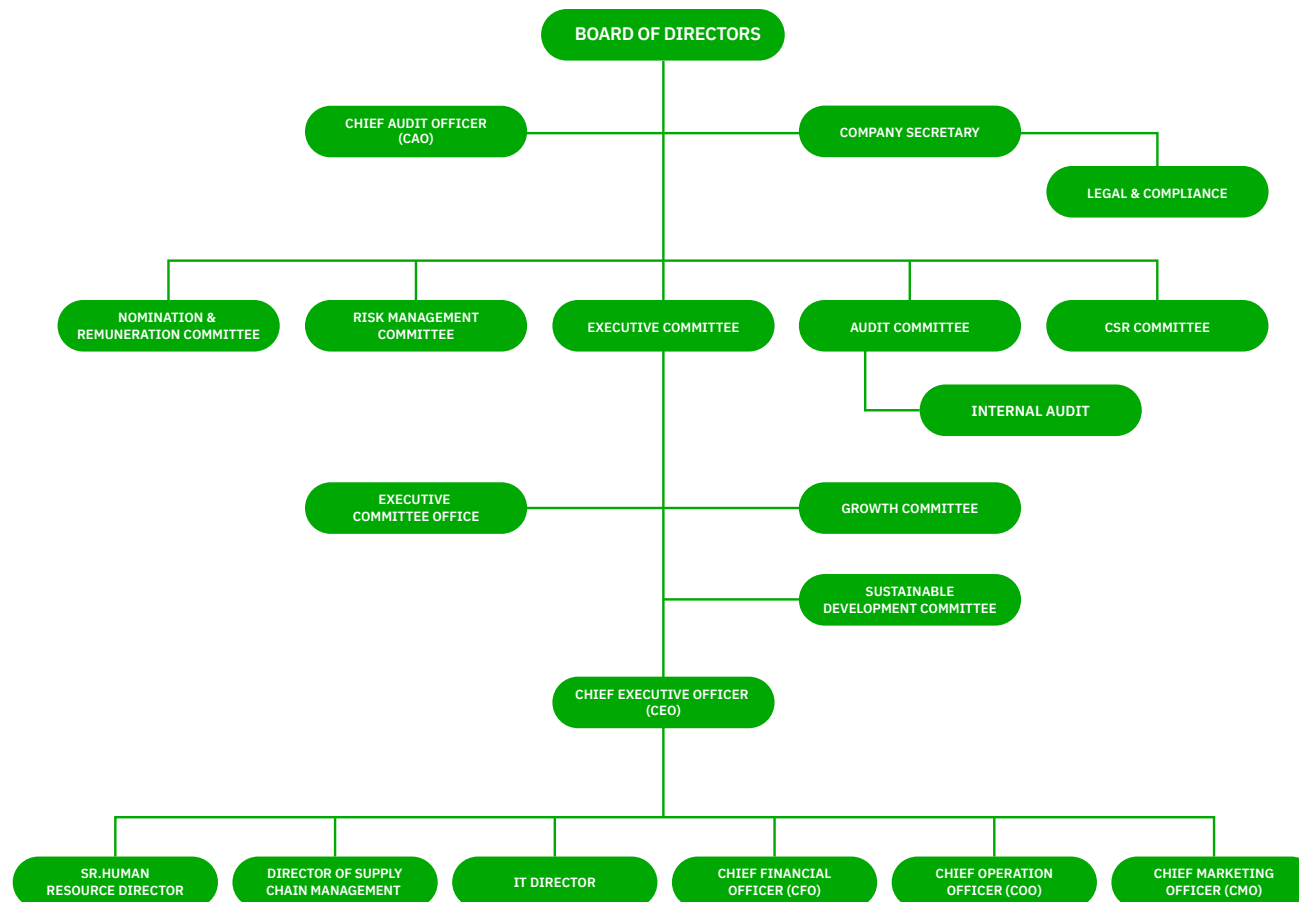


7. Corporate Governance Structure and Significant Information related to the Board of Directors, Subcommittees, Executives, Employees and Others



7.1 Corporate Governance Structure



7.2 Information on the Board of Directors

7.2.1 The composition of the Board of Directors

Board of Directors

At present, the company's Board of Directors comprises 7 members 3 of whom are executives, 3 independent directors, and 1 non-executives.

The company has no directors who are the director of more than 5 companies. The company has no policy to allow its executive directors to be the company directors of other companies more than 2 companies exclusive of the company's subsidiary companies, which the company has to control and monitor to protect the company's interests. The company has more than one non-executive director who has experience about the company's business.

Qualifications of Board of Directors

1. Possess the qualifications required by law (Public Company Act and Securities and Stock Exchange Act)
2. Be knowledgeable, capable, and experienced in matters beneficial to business operations, and be forthright and possess ethics in business operations
3. Have reliable discretion independent from management and any other interest groups
4. Be able to devote adequate time to the company and pay attention to fulfilling responsibilities

Qualifications of Independent Directors

Independent directors carry out duties assigned by the Board of Directors independently from major shareholders and the company's management and meet all the qualification requirements stipulated by the Office of the Securities and Exchange Commission (SEC). Independent directors shall form at least one-third of the total number of the directors but must be no less than three. Each director must have the following qualifications:

1. Must not hold shares in excess of 1% of the total voting shares of the Company, its parent company, subsidiaries, associate companies or corporate bodies that may have conflicts of interest. This also covers shareholding of persons associated with independent directors.
2. Must not be a board member, employee, staff, consultant earning regular salary or person with controlling interest, or a person with the authority to make decisions within the company, its subsidiaries, associate companies or corporate bodies that may have conflicts of interest, unless having been relieved of such conditions for no less than two years prior to the appointment.
3. Must not be a person who is related through kinship or legitimate registration as a father, mother, spouse, sibling, child or spouse of a child of a management executive or major shareholder, a person with controlling interest or person to be nominated as an executive or person with controlling interest of the Company or its subsidiaries.
4. Must not have a business relationship with a company, parent company, subsidiaries, associate companies or corporate bodies with possible conflicts that might impair independent judgment. Independent directors must not be major shareholders or persons with controlling interests under those with a business relationship with the company, its parent company, subsidiaries, associate companies or corporate bodies with possible conflicts unless having been relieved of such conditions for no less than two years prior to the appointment. Business relationship in the above

paragraph includes any trading transactions in the ordinary course of business, granting and taking a lease of real property, any transaction relating to assets or services, the grant or acceptance of financial assistance worth from three percent of the net tangible assets or from 20 million baht over above, whichever is lower. Debts incurred during the year before the business relationship with the same person are also counted.

5. Must not be auditor of a company, its parent company, subsidiaries, associate companies or corporate bodies with possible conflicts and must not be a major shareholder with the authority to control nor a partner of an audit firm that audits a company, its subsidiaries, associate companies or corporate bodies that might have conflicts unless having been relieved of such conditions for no less than two years prior to the appointment.

6. Must not be a person who provides any professional services, including legal counseling or financial consulting services, receives annual service fees over two million baht from the company, subsidiaries, associate companies or corporate bodies with possible conflicts and must not be a major shareholder with the authority to make decisions or a partner of an entity providing such professional services unless having been relieved of such conditions for no less than two years prior to the appointment.
7. Must not be a board member who is appointed to be a representative board member of the company, major shareholder, or shareholder who is associated with a major shareholder.
8. Must not have any other attributes that may prevent him/her from freely expressing opinions about the Company's operations.

7.2.2 The information on each director and controlling person

Name of director		Position
1	Associate professor Dr. Preecha Jarungidanan	Acting Chairman and Independent Director, Chairman the Audit Committee and Chairman of Nomination & Remuneration Committee
2	Mr. Prompong Chaikul	Vice Chairman, Chairman of Executive Committee, Chief of Executive Officer, Chairman of Sustainable Development Committee, Chairman of Growth Committee and Risk Management Committee Member
3	Associate professor Dr. Aekkachai Nittayagasetwat	Independent Director ,Audit Committee Member and Nomination & Remuneration Committee Member
4	Professor Dr. Kamphol Panyagometh	Independent Director, Audit Committee Member and Chairman of Risk Management Committee
5	Asst.Prof.Dr.Jitkasame Ngarmnil	Director
6	Mr. Yunyong Sawasdi	Director ,Executive Director, Nomination & Remuneration Committee Member, Risk Management Committee Member & Company's Secretary
7	Mr. Nattapong Chaikul	Director and Executive Director

The seven members of the Board of Directors have no forbidden qualification as follows:

1. Never dishonestly committed an offence against property.
2. Never entered into any transaction which may cause conflict of interest against Stars Microelectronics (Thailand) Public Company Limited during the year.

Notes: Independent directors that meet all the requirements specified in the Company's list of qualifications of an independent director are number 1, 3 and 4

7.2.3 Information related to the roles and duties of the Board of Directors

Scope of Authorities and Duties of the Board of Directors

1. Manage and operate the company's business according to law, company objectives, rules and regulations, as well as shareholders' meeting resolutions with honesty and in keeping with the company's interests.
2. Assume the authority to appoint a specified number of directors, the company's, executives, any person and/or outside persons as the company's Executive Committee to carry out one or more duties as assigned by the Board of Directors. It also has the authority to appoint committees such as the Nomination Committee, the Remuneration Committee as deemed appropriate. It also has the authority to appoint the authorized person to act on behalf of the Board of Directors under its control. It has the authority to terminate, cancel, set the terms of office, correct and change the authority as deemed appropriate. Besides, it has the authority to hire, appoint, transfer, remove, terminate, set the terms of office, fix the salary and fringe benefits for the person in the position of the Chief Executive

Officer (CEO) as deemed appropriate or proposed by the Executive Committee or the Nomination Committee.

3. Approve and set goals, policies, annual operational plans and annual budgets for the company as well as control and supervise the administration and the management of executives and any other persons assigned to carry out duties to ensure that it achieves the goals set and is in accordance with the goals, policies and plans set by the Board of Directors.
4. Consider, review, investigate and approve the company's policies, directions, strategies, and business operation plans of large investment projects proposed by the Board.
5. Maintain operations to ensure that they are in accordance with operational plans and budgets.
6. Consider the approval of investments in business expansion and joint ventures with other operators, companies, or businesses.
7. Set policy for control and supervision of the management of subsidiaries and/or affiliated companies.
8. Assume the authority to consider items for submission to shareholders for approval regarding the termination of use and the disposal or the sale and leaseback of assets according to the pertaining regulations in cases where the accounting net value exceeds 30 million baht.
9. Consider and approve other important operations regarding the company or those deemed appropriate for the company's benefit.

The authority described above excludes the following matters which require prior permission obtained at the shareholders' meeting. These matters include:

- (a) any matter mandated by law to require shareholders' meeting resolutions, and
- (b) any matter in which directors have interests and which by law requires

approval obtained at the shareholders' meeting such as those regarding connected transactions and acquisition or disposition of the company's major assets according to relevant laws.

The following matters must be approved by a majority of votes of Board meeting attendees and no less than three quarters of the total number of possible votes at the shareholders' meeting:

- (a) the sale or transfer of major parts of the company's business or the entire business
- (b) the purchase or acceptance of the transfer of another company's business or private company
- (c) the making, amending, or terminating of agreements regarding the leasing of major parts of the company's business or the entire business and the assignment of other parties to manage the company's business or consolidation with other businesses with the objective to share profit and loss
- (d) the amendments of the MOA (memorandum of association) or regulations thereof
- (e) the increasing or reducing of capital and issuing of debenture bonds
- (f) mergers and closures
- (g) other actions stipulated by the laws, rules and regulations of the Securities

Exchange of Thailand to gain approval of the Board and the shareholders' meeting with the votes as stated above.

It is noted that any Board member with interests or conflicts of interests with the company and/or its subsidiaries is not allowed to vote in that particular matter.

Roles and Responsibilities of the Chairman of the Board of Directors:

1. The Chairman of the Board of Directors (should be an independent director) and has separate powers and duties from the Chief Executive Officer.
2. Supervise, monitor, and ensure the performance of the Company's Board of Directors to be effective and achieve the Company's main objectives and goals.
3. Ensure that all members of the Company's Board of Directors participate in promoting an organizational culture of ethics and good governance.
4. Set the agenda for Board meetings in consultation with the Chief Executive Officer and the Company's Secretary and ensure that important issues are included in the meeting agenda.
5. Allocate sufficient time for management to propose important issues and for the Board of Directors to discuss these issues comprehensively and promotes the Board to have thorough decision-making and free opinions.
6. Foster good relationships between management directors and non-management directors, as well as between the Company's Board of Directors and management.

In addition to the Board of Directors, the company has set up 6 sub-committees to help manage operations, screen matters, and make decisions according to corporate good governance practices.

- The Executive Committee
- The Audit Committee
- The Nomination & Remuneration Committee
- The Risk Management Committee
- The Sustainable Development Committee
- The Growth Committee

This is in order to perform duties independently, transparently, setting the direction and operating the company's business. Most effective Board of Directors will be the person who considers setting the goals of the company and define roles and assign authority and duties to sub-committees The details of the structure of the 6 sub-committees are as follows:

7.3 Information on subcommittees

The Executive Committee

Qualifications of the Executive committee

1. Have vision, initiative and integrity
2. Be knowledgeable, capable, and experienced in matters beneficial to the business operations, and be forthright and possess ethics in business operations
3. Able to devote adequate time to the company and pay attention to fulfilling responsibilities

Executive Committee comprises 6 Directors

Name of Director		Position
1	Mr. Prompong Chaikul	Chairman of the Executive Director
2	Mr. Yunyong Sawasdi	Executive Director
3	Mr. Naris Chandang	Executive Director
4	Mr. Chaiyot Thaveeratitham	Executive Director
5	Mr. Tongchai Chuenchujit	Executive Director
6	Mr. Nattapong Chaikul	Executive Director

Role and Authority of Executive Directors

1. Component and Appointment

1. The Board of Directors appoints the Executive Committee.
2. The persons to be appointed can be selected from members of the Board of Directors, members of the top management of the company and/or outside persons. Those persons must be capable and knowledgeable. They must have enough time to dedicate their knowledge and ability to the company.
3. Have qualifications which are not against the Public Limited Company Act and other related law.
4. The Executive Director can not be a partner or a director of other companies which operate the same business and compete with the company either for own interests or other people's interests except that the Executive Director has informed the Board of Directors before being appointed.

2. Terms of office of Executive Director

1. The Executive Director has the terms of office for 2 years from the appointment date. The Board of Directors can change or adjust the terms of office of the Executive Director. The Executive Director who vacates the office can be reappointed. The Board of Directors appoints the Executive Directors to fill the vacancy.
2. Resignation

3. Duties and Responsibilities

1. Assign administration and management to set policies, goals, annual operational plans and annual budget as well as establish business strategies for submission to the Board of Directors for approval
2. Control and ensure that the company's business operations are in the company's rules and regulations, as well as policies, goals, annual operational plans, annual budget, and business strategies approved at the Board of Directors.

3. Evaluate the company's and various department's general performance on a quarterly basis
4. Coordinate with the Board of Directors in setting directions and guidelines in deciding on the Mission for administration and management. The committee establishes long term plans and business goals that are in line with policies, annual operational plans and annual budget approved by the Board for further execution by the administration and the management
5. Control, review, and monitor administration and management's operations follow according to policies set by the Board of Directors
6. Issue orders, regulations, announcements, and stipulations to ensure that the company's operations are in accordance with its policies, for the benefit of the company and to maintain discipline within the organization
7. Consider, approve or authorize to hire, appoint, transfer, remove, discharge or terminate, fix the salary for the top management of the company from the level of Chief Executive Officer to department directors. The Chairman of Executive Committee has the authority to take action. For the CEO position, in case of hiring, appointing, transferring, removing, terminating and fixing the salary, the Chairman of the Executive Committee has authority to submit to the Board of Directors ' Meeting to consider and approve.
8. Consider and approve the salary structure and other fringe benefits of the management and employees of the company and submit to the Remuneration Committee to submit further to the Board of Directors for approval.
9. Consider and approve the change and improvement of management structure, rules and regulations and working procedure of each department and submit to the Board of Directors to approve.
10. Review balance sheets, profit and loss statements, cash flow projections, and investment plans and then submit them to the Audit Committee for consideration and

approval for submission at the shareholders' meeting (if necessary) for approval

11. Make recommendations and provide consultancy for the Board for decision making regarding the company's business
12. Assign administration and management to prepare reports regarding the company's performance, financial statements, investment budget, and address major problems or risk management issues for submission to the Board of Directors for acknowledgement and/or approval
13. Determine marketing and sales strategies that are in line with annual operational plans and the annual budget
14. Consider tendering bids or participating in bid tenders under 100 million baht
15. Approve the purchase of machinery budget for transactions under 30 million baht (both single transactions or a series of transactions) totaling no more than 100 million baht or equivalent except approved by the Board and/or stated in annual operational plans or the annual
16. Have the authority to approve the purchase of raw materials valued at no more than 30 million baht per transaction
17. Have the authority to terminate the use, disposal, sale or lease back of assets according to the pertaining regulations and guidelines in cases where the net accounting value is over one million baht but no more than 30 million baht
18. Consider the lending, borrowing, or securing of capital, requests for, granting, or guaranteeing of credit, and investments in instruments guaranteed by the Ministry of Finance, commercial banks or any other appropriate instruments for submission to the Board of Directors for approval
19. Submit matters that the Board considers important and require Board approval to the Board for consideration
20. Perform other duties assigned by the Board with the necessary authority to perform the duties

4. Executive Committee Meeting

- (a) The Executive Committee must hold a meeting at least once a month. The Executive Directors must attend the meeting regularly.
- (b) To form a quorum in an Executive Committee Meeting to carry out any procedure described above, no less than half of the total number of directors must attend the meeting.
- (c) A director is entitled to one vote in the Executive Committee meeting.
- (d) For a resolution to pass, it must get no less than half of the total votes of directors attending the meeting, except in passing a resolution regarding items nos. 1, 10, 12, 14 and 15 above, which require no less than three-fourth of votes of the total number of company directors.
- (e) The Executive Committee may appoint a sub-committee, working committee

and/or person to monitor the items to be submitted to the Executive Committee, carry out any procedures for the Executive Committee's operations or conduct any matter in lieu as assigned by the Committee within the scope of its authority and duties.

It is to be noted that the approval of said items shall not be of the nature in which the Executive Committee or an authorized party thereof can approve transactions which they may have interests in, conflicts with or may have conflicts of interest with the company, its subsidiaries or related companies (according to the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC). The Committee shall submit such transactions to the Board of Directors and/or shareholders at the shareholder's meeting for consideration and approval in accordance with related regulations, announcements or laws. Exempt from this procedure is the approval of those items that are normal business transactions, the scope of which are clearly defined.

5. Remuneration for Executive Director

The Executive Director who is entitled to receive the remuneration from the company must be the Executive Director from outside only. The Board of Directors sets the remuneration for the Executive Directors.

Nomination & Remuneration Committee

Qualifications of Nomination & Remuneration Committee

1. The Remuneration Committee must consist mainly of independent directors.
2. The Remuneration Committee members must be knowledgeable, capable, and experienced as well as understand the qualities, duties, and responsibilities as a committee member considering remuneration.
3. The Remuneration Committee members must be able to devote adequate time to fulfill the Remuneration Committee's duties.

For corporate good governance and in compliance with the "2017 Principles of Corporate Good Governance for Listed Companies" the Board of Directors has established the Nomination & Remuneration Committee to consider the structure and the criteria for remuneration of directors and the Chief Executive Officer and provides comments for the Board of Directors.

- The Board of Directors approves the nomination & remuneration of the Chief Executive Officer.
- The Board of Directors proposes the nomination & remuneration of Directors at the shareholders' meeting for approval.

The Company's Nomination & Remuneration Committee comprises the following three members:

Name of Nomination & Remuneration Committee		Position
1	Associate Professor Dr. Preecha Jarungidanan	Chairman of Nomination & Remuneration Committee
2	Associate professor Dr. Aekkachai Nittayagasetwat	Nomination & Remuneration Committee Member
3	Mr. Yunyong Sawasdi	Nomination & Remuneration Committee Member

Chairman of The Nomination & Remuneration Committee is an Independent Director.

The Nomination & Remuneration Committee is a committee appointed to make recommendations regarding consideration of remuneration of the directors, committee members, sub-committee members, Chief Executive Officer, consultants to the Board of Directors and the company's secretary to ensure transparency and fairness. The Remuneration Committee is totally independent in performing its duties according to the charter.

1. Organization and appointment

- The Board of Directors considers the appointment of the Nomination& Remuneration Committee.
- The Nomination& Remuneration Committee comprises at least three members with the majority being independent directors and/or Non-Executive Director at least 3 people and must consist of a majority of independent committee members.
- The Chairman of the Nomination& Remuneration Committee to be appointed must be an independent director.
- The Nomination& Remuneration Committee can request advice from independent experts as appropriate, both from internal personnel and outside the company at the expense of the company under the budget approved by the Board of Directors.
- The company's secretary shall be the Nomination& Remuneration Committee's secretary with the duty to provide support to ensure the Nomination& Remuneration Committee's operations run smoothly.

2. Term of Office

The Nomination& Remuneration Committee's term of office is three years from the date of appointment by the Board of Directors. Those who have completed the term may be re-appointed with the majority of votes at the Board of Directors' meeting. As for a replacement committee member when there is a vacancy, the Board of Directors considers the selection and further appointment.

3. Duties and responsibilities

The Nomination& Remuneration Committee has the following major duties and responsibilities:

1. Submit proposals regarding remuneration for committees, sub-committees, the Chief Executive Officer, and the Board's consultants to the Board of Directors and/or shareholders' meeting for approval
2. Determine the annual retainer fee and the meeting attendance fee and other remuneration as appropriate considering the guidelines practiced by other companies in the same industry, the company's performance, as well as the responsibilities, knowledge, capabilities, and experience of directors, the Chief Executive Officer or the consultants required by the company
3. Call the management, supervisors and/or any person concerned to attend meetings to clarify matters or ask and answer questions and/or provide documentation for consideration regarding remuneration. The committee appoints independent experts as appropriate both from within and outside the company at the company's expense and within the budget approved by the Board of Directors for consultancy as well as makes recommendations regarding decisions on remuneration
4. Set the principles of reporting and submit evaluation reports on the performance of the Board, committees, sub-committees, the Chief Executive Officer, and the Board's consultants to the Board of Directors
5. Report results on the fulfillment of duties to the Board of Directors every time there is a Remuneration Committee meeting and report the name list, scope of the Remuneration Committee's authority and duties to shareholders on the Registration Statement Form (Form 56-1) and in the annual report (Form 56-2), for example
6. Consider, review, and make recommendations in case there are changes regarding the Remuneration Committee's charter to the Board of Directors for approval of amendments as appropriate or in accordance with the rules and regulations of agencies concerned

Duties and responsibilities of Nomination Committee

- 1) Consider the structure of the company's Board of Directors in terms of numbers of directors that are suitable for the company's size, type and complexity of business, qualifications of each director in skills, experiences, specific capabilities related to the business and the main industry in which the company operates.
- 2) Consider the qualifications of the candidates who will be the company's independent directors to be suitable for the company. The independence must comply with the rules and regulations of the Securities and Exchange Commission (SEC).
- 3) Set the principles and methods of recruitment of candidates to be appointed the company's directors to be suitable for the company such as the principle to consider the current directors to continue their terms, principle to announce in public to recruit the directors, principle to allow the shareholders to propose the directors, principle to hire the head hunters to recruit the directors, principle to consider the professional directors or principle to allow each director to propose the suitable candidates.
- 4) Conduct the plan to develop the directors to train current directors and new directors on the company's business which includes the roles and duties of directors and important developments such as industry situations and rules and laws related to company's business.
- 5) Conduct the company's succession plan and conduct the plan to develop the Chairman of the Executive Committee, Chief Executive Officer (CEO), Chiefs and members of the top management continuously to have the successors in case the above mentioned positions retire or cannot perform their duties to ensure the company runs continuously.
- 6) Propose the principle to recruit the company's directors, independent directors, directors of sub-committees, top management members, CEO, Chiefs and top management members of Finance & Accounting department.

- 7) Recruit, select and propose the qualified candidates to hold the top management positions to the Board of Directors to consider appointing and fixing the remuneration.
- 8) Propose the principles, methods and steps to evaluate the performance of top management members.
- 9) Evaluate the performance of the company's directors, sub-committee's directors and top management members.
- 10) Others elated to nomination and assigned by the Board of Directors.

4. Meetings

1. The Nomination & Remuneration Committee shall hold a meeting at least once a year as necessary and appropriate.
2. The Nomination & Remuneration Committee Chairman shall set the agenda of each meeting and chair the meeting where minutes are taken and meeting records are kept.
3. The meeting agenda and meeting documents shall be forwarded to the Nomination & Remuneration Committee in advance prior to the meeting.
4. To form a quorum, no less than half of the Nomination & Remuneration Committee members must be present.
5. The Nomination & Remuneration Committee's meeting resolutions are reached according to the majority of votes of the committee members attending the meeting. Members with interests in any matter shall not consider or pass a resolution therein.

5. Reporting

The Nomination & Remuneration Committee shall report its performance to the Board of Directors and shall report on its duties during the past year to shareholders in the annual report detailing the following:

1. name list of the Nomination & Remuneration Committee
2. the number of meetings held
3. the number of times each Nomination & Remuneration committee member attended the meetings
4. results of their performance according to the charter

The Audit Committee

Qualifications of Audit committee

1. The Audit Committee comprises at least three independent directors.
2. The Audit Committee is appointed by the Board or the shareholders
3. The Audit Committee members must not be persons assigned by the Board to make decisions regarding the company, its parent company, subsidiaries, associate companies, affiliates or corporate bodies that might have conflicts.
4. The Audit Committee members must have adequate knowledge and experience to fulfill duties as Audit Committee members; it is noted that there must be at least one Audit Committee member who is knowledgeable and experienced enough to review the reliability of the financial statements.

The Audit Committee, appointed by the Board of Directors, comprises four independent directors who are experts in such fields as accounting and finance economics and risk management.

The Company's audit committee comprises the following 3 members:

Name of Audit Committee	Position
1. Associate professor Dr. Preecha Jarungidanan	Chairman of Audit Committee
2. Associate professor Dr. Aekkachai Nittayagasetwat	Audit Committee Member
3. Professor Dr. Kamphol Panyagometh	Audit Committee Member

Two out of three member of the Audit Committee - Associate professor Dr. Aekkachai Nittayagasetwat and Professor Dr. Kamphol Panyagometh are knowledgeable and experienced enough to review the reliability of the financial statements .

The secretary to the Audit Committee is Miss Sunan Wongmutthavanich. She is now Director-Internal Audit Department

The Audit committee's Scope of Authorities and Duties

1. The Audit Committee has the following duties as assigned by the Board of Directors:

1. Review the company's financial reports to ensure accuracy and adequacy
2. Review the company's internal controls and internal audit systems to ensure their suitability and effectiveness, preserve the independence of the internal audit work unit, and approve appointments, movement, and termination of the chief of internal audit or any other unit responsible for internal audits
3. Review operations to ensure the company's compliance with the law and regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC) as well as laws related to the company's business
4. Consider, select and nominate independent persons to become the company's auditors, propose remuneration of said persons, Including termination of external audit and meet with auditors without the management being present at least once a year
5. Assess connected transactions or those that might have conflicts of interest so that they are in accordance with the law and regulations of the Stock Exchange of Thailand as well as ensure that the transactions are justifiable and for the company's maximum benefit

6. Prepare the Audit Committee's report and include it in the company's annual report which shall be signed by the Chairman of the Audit Committee and contain at least the following information:

- comments regarding the accuracy and reliability of the company's financial report
 - comments regarding the adequacy of the company's internal control system
 - comments regarding compliance with the law and regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC) as well as laws related to the company's business
 - comments regarding the suitability of auditors
 - comments regarding transactions that might involve conflicts of interest
 - the number of the Audit Committee meetings and attendance records of each Audit Committee member
 - comments and general observations made by the Audit Committee in conducting its duties according to the charter
 - other items deemed of note for shareholders and general investors within the scope of duties and responsibilities assigned by the Board of Directors
7. Address any other matters assigned by the company's Board with the Audit Committee's approval

2. The Audit Committee's Responsibilities

The Audit Committee is directly accountable to the Board of Directors and the company's Board maintains responsibility for the company's performance regarding outside parties.

3. The Audit Committee's Authority

1. The Audit Committee has the authority to seek unbiased comments from other professional consultants when necessary at the company's expense.

2. The Audit Committee has the authority to call for information from various work units of the company for additional consideration of various matters.

4. The Audit Committee Meeting

1. The meeting. The Audit Committee holds a meeting at least once every quarter. In case of urgency, any Audit Committee member or a company director may ask for an Audit Committee meeting to be held.
2. Voting. Any Audit Committee member with any interest in the matter under consideration is prohibited from making comments and voting regarding the matter. The Audit Committee's secretary carries no vote.
3. Meeting reports. The Audit Committee's secretary or person assigned by the Audit Committee shall take minutes and prepare the Audit Committee meeting reports. The reports shall then be submitted to the Audit Committee for approval and for further submission to the Board of Directors so that the Board is informed of the Audit Committee's activities.

5. The Audit Committee's reporting

In carrying out its duties, the Audit Committee is required to report to the company's Board so improvements and corrections can be made within the time period the Audit Committee sees appropriate if it finds or suspects any of the following situations which might have significant impact on the company's financial status and operational results:

1. transactions where there are conflicts of interest,
2. misappropriation or major impairment of the internal control system,
3. violation of the law or rules and regulations of the Stock Exchange of Thailand or laws related to the company's business.

After reporting such matters which might have significant impact on the company's financial status and operational results to the Board of Directors and after joint decision with the Board of Directors and the management on improvements and corrections to be made, if the Audit Committee finds negligence in implementing the decisions in a timely manner without justifiable cause, a designated Audit Committee member may report such findings to the Stock Exchange of Thailand or the Office of the Securities and Exchange Commission (SEC).

Risk Management Committee

The company has appointed the Risk Management Committee in compliance with the practice of good corporate governance according to the Securities Exchange of Thailand regarding risk management. The company also sees that good risk management will help add to its value for shareholders while promoting stable and sustainable growth and boosting its competitiveness. The Risk Management Committee was set up as a unit to study, follow up on, evaluate and prioritize risks, and then provide the Board of Directors with advice regarding reduction of risks and taking action to reduce risks that may result either from internal and external factors.

The Board of Directors has set the risk management policy stressing that the company manages the risks all over the organization to reach the targets of risk management. The Risk Management Committee sets the targets and indicators of risk measurement. They have an improvement plan and report the risk management to the Audit Committee and the Board of Directors to acknowledge in every meeting.

The Risk Management Committee

Name of Risk Management Committee		Position
1	Professor Dr. Kamphol Panyagometh	Chairman of the Risk Management Committee
2	Mr. Prompong Chaikul	Risk Management Committee Member
3	Mr. Yunyong Sawasdi	Risk Management Committee Member
4	Mr. Naris Chandang	Risk Management Committee Member
5	Mr. Chaiyot Thaveeratitham	Risk Management Committee Member
6	Mr. Tongchai Chuenchujit	Risk Management Committee Member
7	Miss. Sunan Wongmutthavanich	Risk Management Committee Member
8	Miss Prankvalai Tarunotai	Risk Management Committee Member
9	Mrs. Montain Nilthakoch	Risk Management Committee Member

*Chairman of Risk Management Committee are Independent Director

Components

- The company's Board of Directors consider and appoints the Risk Management Committee.
- The Risk Management Committee comprises independent directors and no less than five top level executives from major division of the company.
- The term of office is of two types:
 - For independent directors, the term of office for the position is three years. Pertaining to this, the director whose term has been completed may be chosen to resume the position in the committee. In the case where a committee member resigns of a position becomes vacant before the term is over, the Board of Directors may appoint another independent director to hold the position for the rest of the term of office of the committee member replaced.
 - For top level executive directors, the term of office lasts as long as the executives hold the top level executive position in a particular division. In the case where a position held by a top executive becomes vacant, an individual with similar qualifications and the same or equivalent position shall be appointed as replacement. The replacement individual shall be a member of the committee until he is promoted or moved, resigns or is terminated, or for any reason is rendered unable to work in the position.

Duties and responsibilities

1. Set risk management policies and plans, prepare risk reports for submission to the Board of Directors for consideration and approval in determining appropriate risk management plans and implementation within the company.
2. Study, evaluate and follow up on the risks that may emerge as well as set policies and an Integrated Risk Management framework to cover major risks both from internal and external factors including the following:

2.1 internal factor

- Business risk
- Financial risk
- Operation risk

2.2 external factor

- Economic risk
- Regulatory / Political risk etc.

3. Supervise and follow up regularly on the implementation of risk management policies to ensure efficient and continuous risk management practices.
4. Review and check risk management reports regularly to follow up on significant risk and to see to that the risks are management adequately and properly.
5. Provide regular reports to the Board of Directors regarding risks, risk management, as well as the risk situations the company faces, and improvements or corrections needed to be in accordance with the set risk management policies
6. Have the authority to appoint a work group and/or additional staff, or hire external independent experts as necessary to study, evaluate, follow up on and make recommendations regarding risk management.

7. Prepare the Risk Management Committee's annual performance reports as well as determine goals and plans for the following year for submission to the Board of Directors
8. Consider, review and make recommendations regarding any changes in the charter of the Risk Management Committee for submission to the Board of Directors to request approval of improvement of the charter so that it is appropriate or in accordance with the rules and regulations of the agencies concerned.
9. Perform any other duties regarding risk management as assigned by the Board of Directors.

The Risk Management Committee Meeting

1. The Risk Management Committee must hold at least four meetings annually as necessary and appropriate.
2. No less than half of the Risk Management Committee members are required at each meeting of the Risk Management Committee to constitute a quorum.
3. The resolution of the Risk Management Committee is decided by the majority votes of the members participating in that particular meeting.
4. The Risk Management Committee may invite other people concerned with an agenda item to participate in the meeting as necessary.
5. Meeting documents must be delivered to each of the Risk Management Committee no less than seven days before the meeting date. Meeting minutes must be prepared and delivered to the Risk Management Committee members within 14 days after the meeting is completed.
6. The secretary of the Risk Management Committee is responsible for arranging meetings including the meeting venue, the meeting agenda and the meeting documents.

The Reporting work results

The Risk Management Committee must report its work in dealing with and in managing risk as well as risk situations on each of the specified headings to the Board of Directors to ensure that the Board is aware of and realizes the factors that may have significant impact to the company's business operations.

Sustainable Development Committee

The Sustainable Development Committee at STARS Microelectronics oversees initiatives to drive sustainable development. Its role includes ensuring compliance with Securities and Exchange Commission (SEC) requirements, aligning with the United Nations' Sustainable Development Goals (SDGs), integrating economic, social, and environmental factors into strategies, managing climate change efforts, engaging with stakeholders, and continuously improving sustainability initiatives.

Member

1.	Mr. Prompong Chaikul	Chairman
2.	Mr. Naris Chandang	Member
3.	Mr. Chaiyot Thaveeratitham	Member
4.	Mr. Tongchai Chuenchujit	Member
5.	Mrs. Montein Nilthakoch	Member
6.	Mr. Pakawat Ongthanasap	Member
7.	Ms. Orathai Pukutsarmart	Secretary

Roles and responsibilities

1. Determine and review the Company's strategies, policies, and action plans relevant to its sustainable development goals considering Economic and Governance, Social, and Environmental aspects (ESG) and Responsible Business Alliance (RBA)
2. Define and appoint the Sustainable Development Working Group (SDWG) and the Responsible Business Alliance Working Group (RBAWG) to lead and drive the implementation of sustainable development strategies, policies, action plans, and compliance with Responsible Business Alliance (RBA) standards
3. Identify and prioritize key stakeholders, determine material sustainability issues, and oversee the company's climate change management initiatives
4. Monitor the implementation of sustainable development strategies, policies, and action plans to ensure they are effectively carried out
5. Report to the Executive Committee on the action plan and progress of sustainable development activities, including updates on climate change management, as appropriate
6. Review and provide recommendations on the content of the sustainability development report

The Sustainable Development Committee will meet monthly with the working group to drive the company's sustainability strategies, oversee climate change management, and promote continuous improvement in sustainability efforts.

Growth Committee

The Growth Committee at STARS Microelectronics is responsible for overseeing strategic initiatives to drive revenue growth. Their focus is on creating and implementing opportunities for growth, such as expanding into new markets, innovating product, acquiring more customers, and scaling the business

Member

1.	Mr. Prompong Chaikul	Chairman
2.	Mr. Naris Chandang	Member
3.	Mr. Chaiyot Thaveeratitham	Member
4.	Mr. Tongchai Chuenchujit	Member
5.	Dr. Nut Sritirawisarn	Member
6.	Mrs. Montein Nilthakoch	Member
7.	Mr. Pakawat Ongthanasap	Secretary

Roles and responsibilities

1. Identify and Recommend Strategic Initiatives:

The Growth Committee is responsible for identifying, developing, and recommending business opportunities and strategic growth initiatives that align with the company's vision and mission.

2. Oversee Business Growth Teams:

The Committee is to supervise business growth teams, ensuring they receive maximum support in the development and execution of strategic initiatives, including forming partnerships with external organizations.

3. Maximize Revenue and Strategic Value:

The Committee is responsible for ensuring that strategic growth teams operate effectively to maximize both revenue and strategic value for the company.

4. Additional Duties as Assigned by the Chairman of Executive Committee:

The Growth committee may be tasked with additional duties as assigned by the chairman of Executive Committee, including taking necessary actions to support the company's growth agenda.

5. Report to the Executive Committee on the growth project, action plan, and progress of growth opportunities

6. The Growth Committee will meet once a month with the Growth team to drive business initiatives and ensure alignment with strategic goals.

Chief Executive Officer

Scope of the authority and duties of Chief Executive Officer

1. Oversee, run and carry out regular business duties for the benefit of the company and manage the company's operations according to the policies, goals, operational plans, annual budget and related strategies set by the Board of Directors and/or assigned by Executive Committee.
2. Supervise operations regarding finance, marketing, human resources management and other operations in general so that they are in accordance with the company's policies, and annual business operational plans set by the Board of Directors and/or the Executive Committee.
3. Have the authority to hire, appoint, transfer, discharge or terminate, fix the salary and fringe benefits, bonus and increase or adjust the salary for the employees whose

positions are from the "Chief" level to the department directors. This must be approved by the Board of Directors or the authorized person by the Board of Directors

4. Have the authority to hire, appoint, transfer, discharge or terminate, fix the salary and fringe benefits, bonus and increase or adjust the salary for the employees whose positions are lower than the department directors.
5. Approve the purchase of machinery under a limit (whether it is one or a series of transactions) of four million baht per transaction, and no more than 20 million baht per year except in cases where approval has been received from the company's Board and/or the purchase has appeared in annual business operational plans or the annual budget.
6. Have the authority to approve the termination of use, disposal, sale and leaseback of assets according to the pertaining regulations in cases where the accounting net value is not over one million baht.
7. Submit proposed contracts and/or transactions for the company's benefit to the Board of Directors' meeting for approval.
8. Have the authority to approve the purchase of raw materials valued at no more than 10 million baht per transaction and no exceeding 70 million baht per month.
9. Carry out other duties assigned by the Board of Directors and/or the Executive Committee with the authority to carry out any procedures necessary for fulfilling said duties.

It is noted that in conducting matters in which the Chief Executive Officer, authorized person or persons with possible conflicts (according to the policy of the Stock Exchange of Thailand) has interests or conflicts of interests with the company and/or its subsidiaries, and/or related companies, the Chief Executive Officer has no authority to decide such matters.

Company's Secretary

Roles and Responsibilities of the Company's Secretary

1. Board of Directors and Subsidiaries Meetings

- Set agendas for the Board of Directors meetings with executives.
- Ensure meetings are conducted smoothly and in compliance with the law.
- Attend meetings and prepare minutes of the Board of Directors meetings.
- Prepare agendas, meeting documents, and send them along with the meeting invitations to directors.
- Verify the minutes of the Board of Directors meetings.
- Collect and archive the meeting minutes to ensure convenience when retrieved.

2. Company's and Subsidiaries' Sub-committee Meetings (If any)

- Set meeting agendas with the chairman of the sub-committee
- Prepare agendas and meeting documents, and send them with invitations for the specific meetings.
- Ensure meetings are conducted smoothly and in compliance with the law.
- Attend meetings and prepare minutes of the sub-committee meetings.
- Verify the minutes of the sub-committee meetings.
- Collect and archive the meeting minutes to ensure convenience when retrieved.

3. Company's and Subsidiaries' Shareholders' Meetings

- Organize shareholders' meetings in compliance with the law.
- Prepare and send invitations and the annual report to shareholders and regulatory agencies.
- Coordinate with shareholders regarding proposals for the Board of Directors and management executives to consider.
- Prepare the agenda for shareholders' meeting for the chairman of the meeting.
- Attend and ensure smooth, lawful conduct of shareholders' meetings.
- Prepare and archive shareholders' meeting minutes, send them to regulatory agencies and shareholders, and publish them on the company website.

4. Documentation, Submission of Records, and Archival of Documents of the Company and Subsidiaries

- Write and maintain records of directors and annual reports.
- Archive and submit conflict of interest reports from directors or executives.
- Keep all of company policies and regulations approved by the Board of Directors that are accurate and accessible for inspection such as original versions of different regulations.

5. Stock Exchange and SEC Affairs

- Ensure compliance with regulations of the Stock Exchange and SEC for the listed company, subsidiaries, directors, and executives.
- Serve as the coordinator with the Stock Exchange and SEC.
- Notify the Stock Exchange and SEC of any updates related to company directors or executives.

6. Roles and Responsibilities towards the Company's and Subsidiaries' Board of Directors and Sub-committees

- Advise and provide consultancy to newly appointed directors on their responsibilities.
- Provide advice and report to about the roles and responsibilities according to the law and regulation of the stock exchange and SEC as a board of director of the company
- Maintain records and profiles of directors.
- Act as a consultant to directors and communicate relevant information between them.
- Prepare necessary information for nominating directors and sub-committee members, including remuneration.
- Act as a bridge between the Board and company management executives.
- Organize performance evaluations for the Board and sub-committees and compile assessment reports.

7. Roles and Responsibilities towards the Company's and Subsidiaries' Shareholders

- Foster relationships with shareholders.
- Address and consider shareholder inquiries and proposals.
- Act as a bridge between shareholders, the Board, and executives.
- Notify shareholders about relevant information, such as meeting minutes.

8. Regulatory Compliance

- Ensure company and subsidiaries comply with all regulations, including preparing the annual report (One 56-1).

9. The Company's and Subsidiaries' Corporate Governance

- Promote awareness and understanding of corporate governance principles among directors and ensure compliance of such principles
- Provide information and guidance to directors and executives in preparing reports required by laws or regulations to be disclosed to the public to ensure transparency, such as acknowledging obligations related to securities holding reports and disclosures.
- Monitor the company's operations for compliance with internal regulations and regulations from the stock exchange and relevant regulatory agencies

10. Registration of the Company's and Subsidiaries' Directors

- Ensure accurate and complete registration of directors and company regulations.

11. Document Certification of the Company and Subsidiaries Company

- Certify the accuracy of corporate documents and provide translations (if any).

12. Other duties

- Perform other tasks as announced by the Securities and Exchange Commission Thailand (SEC)

Board of Directors' meetings

The company has already set the dates for the Board of Directors' meeting and the Audit Committee's meetings for 2025 and has already informed all related directors.

The company plans to hold Board of Directors' meetings 6 times a year. The company secretary will send the invitation

letters with agendas 7 days in advance in order for all directors to become familiar with the meetings in advance.

In 2024, the company held 6 times of Board of Directors' meetings. (Its policy is to hold a meeting once every three months.) Almost all directors attended each meeting. In organizing such meetings, the company's secretary sends a meeting invitation to directors no less than seven days prior to the meeting date, except in cases of urgency to maintain the company's rights or benefits. In urgent cases, invitations shall be extended by phone or mail to set an earlier meeting date. The secretary also takes minutes and keeps the meeting reports as approved by the Board of Directors.

7.4 Information on executives

7.4.1 Management Team

1. Mr. Prompong Chaikul

- Chief Executive Officer
- Chairman of Executive Director
- Chairman of Sustainable Development Committee
- Chairman of Growth Committee
- Risk Management Committee Member

2. Mr. Naris Chandang

- Chief Marketing Officer
- Executive Director
- Sustainable Development Committee Member
- Growth Committee Member
- Risk Management Committee Member

3. Mr. Chaiyot Thaveeratitham

- Chief Financial Officer
- Executive Director
- Sustainable Development Committee Member
- Growth Committee Member
- Risk Management Committee Member

4. Mr. Tongchai Chuenchujit

- Chief Operations Officer
- Executive Director
- Sustainable Development Committee Member
- Growth Committee Member
- Risk Management Committee Member

5. Dr. Nunticha Chaikul

- Chief Audit Officer

7.4.2 Remuneration policy for executive directors and executives

Guidelines for Management compensation

The Nomination and Remuneration Committee considers the remuneration of directors and Chief Executive Officer, submitting the proposal to the Board of Directors for approval. Remuneration for the Board of Directors requires approval of the shareholders at a shareholders' meeting. The company's guidelines regarding management compensation are laid down as follows:

Guidelines for Director

The company determines appropriate remuneration to attract and retain directors with suitable knowledge and capabilities for the company. Principal factors in the consideration include:

- the company's performance,
- responsibilities assigned to directors, and
- average remuneration rate of businesses in the same industry.

Directors' remuneration consists of an annual retainer fee and meeting attendance fee.

Guidelines for high level

The Executive Committee will consider remuneration of high level senior directors and directors of various departments to maintain pay at an appropriate level in order to attract and retain executives with suitable knowledge and capabilities for the company. Principal factors in the consideration include:

- the company's performance
- the Key Performance Indicators - KPI when considering an increase in remuneration or annual salary raise
- average remuneration rate in the industry

In addition, the company may also seek consultation from experts in Human Resources Management at the company's expense.

7.4.3 Total amount of the remunerations of executive directors and executives

Remuneration for Managements

(unit:Baht)

Remuneration	Fiscal year 2023 ending December 31st,'23		Fiscal year 2024 ending December 31st,'24	
	Of recipients	Total Payment	Of recipients	Total Payment
Total Salary	6	21,960,162	6	21,132,725
Total Bonus	6	5,295,754	6	1,730,838
Provident Fund	5	1,336,286	5	1,455,256
Total		28,592,202		24,318,819

7.5 Human Resources

As of 31 December 2023 and 31 December 2024, the number of employees (excluding executives) divided according to their major fields of work were as follows:

(unit:Person)

	As of December 31st,'23	As of December 31st,'24
1. Operations & Development	905	914
2. Supply chain	42	42
3. Finance & Administration	40	32
4. Business Development	34	30
5. Technology	12	12
Total	1,033	1,030

The company has set the policy to fix compensation for the employees in line with the performance of the company for both short-term and long-term. The company reviews the compensation policy for employees to be in line with the same levels as other companies in the same industry and within proximity.

The company has a policy to provide fringe benefits, which are useful for employees such as the provident fund and annual physical check-up. Besides this, the company encourages the employees to play sports and to read. In order for the employees to exercise and relax after work, the company provides badminton courts, tables for playing table tennis and a library in the building.

Staff Development Policy

In its staff development efforts, the company aims to boost its employees' knowledge and skills as well as favorable attitudes towards the company. The purpose is to enhance the efficiency and effectiveness of company operations both at present and in the future.

The company's employees should:

1. Learn various types of work,
2. Be able to perform various duties,
3. Be highly skilled in performing their job, and
4. Rotate duties with other team members.

Seeing staff development as one of the priorities, the company has a policy to:

1. Allocate budget funds for the organization's staff development,
2. Promote staff development in other aspects at all levels by organizing both internal and external training programs regularly,

3. Arrange for staff development jointly with customers for joint innovation product development.
4. Send staff to attend training programs overseas.

7.6 Other significant information

7.6.1 Name of the person assigned to take direct responsibility

Company secretary and head of compliance unit	Mr. Yunyong Sawasdi
The person assigned to take direct responsibility for accounting oversight	Mr. Chaiyot Thaveeratitham
The person assigned to head of Internal Audit	Miss Sunan Wongmutthavanich

7.6.2 Name of Head of Investor Relations and contact information

Investor Relations Contact

Stars Microelectronics (Thailand) Public Company Limited

Bang Pa-In Industrial Estate (I-EA-T Free Zone)
605-606 Moo 2, Tambol Klongjig, Amphur Bang Pa-In
Ayutthaya 13160

Email: ir@starsmicro.com

Tel: 035-258-555 ext 301

Fax: 035-258-914

7.6.3 Remuneration for the Auditor

At the 2024 shareholders' annual general meeting, the appointment of the following Auditors from EY Office Co. Ltd. was approved as auditors for the company: namely, Ms. Vilailak Laohasrisakul (Certified Public Accountant License No. 6140); and/or Mr. Termphong Opanaphan (Certified Public Accountant License No. 4501); and/or Ms. Manee Rattanabunnakit (Certified Public Accountant License No. 5313). The meeting also approved auditing remuneration for 2024 of 2,530,000 baht. Auditing remuneration for the past three years (2022-2024)

Unit : Baht

	Year 2022	Year 2023	Year 2024
Audit fee	2,350,000	2,430,000	2,530,000

Other service : -No-

The Auditor

EY Office Co., Ltd.

33rd Floor, Lake Ratchada Building
193/136-137 New Patchadapisake road
Klongtoey, Bangkok 10110

Tel : 0-2264-0777

Fax : 0-2264-0789-90