

## **Responsibilities of the Board of Directors, Chairman, and Group Chief Executive Officer**

### **Responsibilities of the Board of Directors**

The Board of Directors has, in accordance with the provisions of the applicable law and the Articles of Association of the Company, ultimate responsibility for the direction of the business and the supervision and control of the persons entrusted with the management of the Group, which duties the Board cannot delegate. The Board of Directors passes resolutions on all matters which the law, the Articles of Association or the present Regulations do not reserve for or delegate to the General Meeting or another corporate body of the Company. The Board of Directors shall comply with the provisions of law, the Articles of Association and shall observe principles of good corporate governance.

Specifically, the Board of Directors has the following duties:

- a. to exercise ultimate responsibility for the direction of the business of the Company and the Group and to issue the necessary directives;
- b. to approve the corporate concept and corporate strategy of the Company and the Group;
- c. to define the organization of the Company and the Group, in particular, to issue and amend the present Regulations and any charters based thereon;
- d. to define the accounting procedures of the Company and the Group and to establish the principles of financial controlling and financial planning to be applied by any Group Company;
- e. to approve the business plans and budgets of the Company and the Group;
- f. to appoint or replace the Chairman, the Vice Chairman and the members of the Board Committees;
- g. to appoint or replace the Group CEO upon recommendation by the Nomination and Compensation Committee ("NCC");
- h. to appoint or replace the other members of the Group EXCO upon proposal by the Group CEO and recommendation by the NCC;
- i. to define and grant authority to sign on behalf of the Company;
- j. to review the performance of the persons entrusted with the management of the Group in respect to compliance with the applicable laws, the applicable Articles of Association, these Regulations and charters based on these Regulations, and any directives of any of the Boards of Directors;

- k. to review the annual report, the annual financial statements and the consolidated financial statements of the Company and to receive the reports of the Auditors and to approve them for presentation to the General Meeting of the Shareholders;
- l. to direct the preparation of the General Meetings of the Company and implement resolutions passed by the latter;
- m. to examine the professional qualifications of the Auditors in accordance with the requirements of the law;
- n. to perform the duties imposed by the law on the Board of Directors in the event of a capital increase;
- o. to approve the proposal for nomination, or replace the Executive Directors, subject to applicable law, and/or Authorized Directors and to define, grant and/or delegate specific duties, powers and responsibilities of the Executive Directors and/or Authorized Directors;
- p. to approve, subject to applicable law, the composition of the board of directors of the Subsidiaries and the nomination of the directors thereon, as well as the nominations of the Company's representatives to the board of directors of the Associated Companies upon proposal by the Group CEO and recommendation by the NCC;
- q. to appoint, subject to applicable law, or replace the chief executive officers of the Group Company (other than the Group CEO) and the Subsidiaries upon proposal by the Group CEO and recommendation by the NCC;
- r. to approve the compensation framework of the Company and the Group;
- s. to approve the proposal for the compensation of the Board and Board Committees upon recommendation by the NCC, subject to the approval by the General Meeting.

## **Responsibilities of Chairman**

The Chairman leads the Board, coordinates the tasks within the Board and ensures alignment of the Board Committees with the Board's and Group's strategy. On behalf of the Board, he supervises the Group CEO, and through the Group CEO, the Group EXCO, and guides the Group CEO and the Group EXCO to develop the Group's strategies and organization.

The duties and powers of the Chairman shall be as prescribed by the applicable law. The Board of Directors may delegate to the Chairman other duties and powers as it deems appropriate. In particular, the Chairman has the following powers and duties:

- a. The Chairman calls Board meetings and sets the agenda.
- b. The Chairman presides over the General Meeting.
- c. The Chairman is entitled to attend meetings of the Board Committees of which he is not a member and meetings of the board of directors of any Subsidiary.
- d. The Chairman is responsible for ensuring effective communication with shareholders, while the Group CEO is the primary representative of the Company in any communication with the media.
- e. The Chairman receives the agenda, documents and minutes of the meetings of the Group EXCO and may examine or request any reports pertaining to the business of the Company and the Group.
- f. The Chairman shall encourage and facilitate the meeting of the non-executive directors without the presence of Executive Directors and Management, at least once a year.

## **Responsibilities of the Group CEO**

The Group CEO has the overall responsibility and accountability for the management and performance of the Group. Subject to the matters for approval by the Board of Directors pursuant to Article 17 of the Regulations, his responsibilities and duties are as follows:

- a. to coordinate and supervise the activities of the Group EXCO regarding the organization, management and supervision of the business operations of the Group so as to achieve the targets of the business plans and the annual budgets;
- b. to issue instructions on the reporting by the other members of the Group EXCO and all Group Company CEOs;
- c. to initiate, develop and manage the strategic and financial planning process within the Group as approved by the Board of Directors;
- d. to monitor and control the implementation of the approved business plans and budgets of the Group and to ensure that all business transactions and items are in accordance with the MoA;
- e. to prepare, convene and chair the meetings of the Group EXCO;
- f. the Group CEO is the primary representative of the company in any communication with the media;
- g. to supervise the other members of the Group EXCO and Group Company CEOs and to review their performance and propose compensation to NCC;
- h. to propose the appointment or replacement of the members of the Group EXCO (except the Group CEO) and the Group Company CEOs and CFOs to NCC;
- i. to present the succession plans for the members of the Group EXCO (other than the Group CEO) and the Group Company CEOs on an annual basis to NCC;
- j. to propose the appointment or replacement of TML's/EXCO members of Group Companies;
- k. to implement the resolutions of the Board of Directors and shareholders, which the Group CEO may assign to other members of the Group EXCO (in which case the Group CEO shall monitor the implementation of the resolutions of the Board of Directors);

- l. to propose to the Board of Directors the matters subject to the approval of the Board of Directors pursuant to Article 17 of the Regulations for consideration and approval; and
- m. to ensure a timely and organized flow of information between the Group EXCO and the Board of Directors.