

Corporate Governance

Corporate Governance Policies

The Board of Directors is confident that a proper, transparent and accountable governance system is in place along with checks and balances and an internal control system that is sufficient and appropriate. Alongside these mechanisms are due respect for the rights and equality of shareholders and accountability to all stakeholders. These key factors contribute to the enhancement of the organization's immunity and promotion of a balanced and sustainable growth in long-term.

In pursuance thereof, the Board of Directors thereby prescribed the following corporate governance policies as a practice guideline for the company and the subsidiaries' directors, Executives and all employees.

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

With this regard, the company has revealed corporate governance policies, business ethics, and code of conduct for company directors, the management and employees to employees, shareholders, and general public via the company website, under the heading "Investor relations: Corporate Governance".

Sub committees

The Board of Directors appointed the committees comprising of competent and experienced members, to supervise over each particular aspect of company operations, to ensure careful and effective management and operations for the company. Those committees consisted of The Executive Board, The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee, The Corporate Social Responsibility Committee and The Corporate Governance Committee.

The Board of Directors clearly laid down the authority and responsibility scope for each committee per the charter for said committee. The chairman of every other committee was responsible for supervising the operations in accordance with the policies of The Board of Directors and reported the results in The Board of Directors' meeting.

1. The Board of Directors

At present, The Board of Directors consisted of 15 members, classified into :

- 10 non-executive directors accounting for 66.67%
- 5 executive directors accounting for 33.33%

There are 10 non-executive directors of whom 6 are independent directors or equal to 40.00% of the total number of the Board. And among 6 independent directors, 4 of them are members of the Audit Committee. The Chairman shall not be the same person who is taking an office of Managing Director.

Name list of the Board of Directors

	Name	Position
1	Mr.Boonkiet Chokwatana	Chairman
2	Mrs.Tipaporn Chokwatana	Vice Chairman
3	Mr.Thirasak Vikitset	Director
4	Dr.Atthakorn Glankwamdee	Director
5	Mrs.Kaewta Ongsaranakom	Director
6	Prof.Dr.Malyn Ungsurungsie	Director
7	Mrs.Chitraporn Vikitset	Director
8	Mrs.Teerada Ambhanwong	Director
9	Mr.Suthep Dansiriviroj	Director
10	Admiral Apichart Pengsritong	Independent Director
11	Mr.Amorn Asvanunt	Independent Director
12	Mrs.Pradittha Chongwattana	Independent Director
13	Mr.Surong Ongkosit	Independent Director
14	Mrs.Pismai Chandrubeksa	Independent Director
15	Pol.Gen.Somchai Prabhasabhakdi	Independent Director
	Mr.Sumit Khopaiboon	Company Secretary

Term for company directors

The term for company directors is in accordance with company articles of association and Charter for The Board of Directors as follows:

1. At each annual shareholders' general meeting, one-third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closest to such number shall apply. Retiring directors are eligible for re-election. At present, The Board of Directors had 15 members, therefore each director shall have a 3-year term.
2. Apart from retiring upon term completion, the company director shall also be relieved of his/her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position.
3. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.
4. The company director resigning from the position before term completion is required to submit his/ her resignation letter to the company, with such resignation coming into effect on the date of said submission.
5. The shareholders' meeting may vote for any of director to be out before retiring upon term completion, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and the total number of shares being not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

Authority of the Board of Directors

1. To appoint, remove and authorize consultants to the Board of Directors, and/or to other individuals.
2. To approve loans, of the amount greater than the authority of the Executive Board, to companies with a business relation to the company as shareholders or to companies with a trading relation or other companies.
3. To approve guarantee of loan, of the amount greater than the authority of the Executive Board, to companies with a business relation with the company as shareholders or to companies with a trading relation or other companies.
4. To approve engagement in a legal act, this is not a financial transaction, of the amount greater than the authority of the Executive Board.
5. To approve acceptance or cancellation of loans of the amount greater than the authority of the Executive Board.
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the Executive Board.
7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the Executive Board.
8. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated and out of date, which are of the amount greater than the authority of the Executive Board.

9. To approve modification, change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date, which are of the amount greater than the authority of the Executive Board.
10. To approve compromise or settlement of dispute by arbitration, complaint, filling of lawsuits and / or any legal proceeding on behalf of the company on matter which are not/or normal business course with an amount exceeding the authority of the Executive Board.
11. To propose to shareholders an increase or a decrease of capital, a change of share value: modification of memorandum, articles of association and /or objectives of the company.
12. To approve incorporation, merger or dissolution of subsidiaries.
13. To authorize to management, managerial employees of the company, or any other individual to act on their behalf.
14. To invite member of the management, executives, or relevant employees to provide explanations, opinions or documents as necessary.
15. To consult with specialist or company consultants (if any) or hire third-party consultant or outside specialist if necessary at the expense of the company.
16. To appoint and remove a company secretary.

Duty and responsibility scope of the Board of Directors

1. To establish directions, goals and business policies of the company.
2. To approve plans and annual budgets; including to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and established policies and plans.
3. To encourage the development of the policy of corporate governance, ethics and business code of ethics in written in order for company directors, executives and employees to use as guideline in the conduct of the business and follow up its real practice.
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, examined and prepared accurate accounting reports; and, to implement various systems preventing inappropriate use of company assets.
5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.
6. To approve the reviewed and/or audited financial reports, which have been approved by the Audit Committee.
7. To be equally responsible to all shareholders, and, to correctly, basely and transparently disclose information to shareholders and investors.
8. To acknowledge business management reports from the Executive Board.
9. To convene shareholders meeting by specified date, time, place and agenda as well as dividends (if any) and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the company may stop share transfer registration by informing the shareholders at the headquarters and the branch offices at least fourteen days prior to the day of share transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, to determine the right to attend shareholders meeting and to receive dividends.

10. To prepare the Report on the company Board of Directors' Responsibilities for Financial Statements and disclose it in the annual report of the company (56-2 Form) and the annual disclosure report (56-1 Form).
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the account books, the registration or any other document of the company.
12. To approve the charter of the Board of Directors and/or other committees.
13. To engage in any other action, which is beyond the authority of the Executive Board, or which the Board of Directors deems appropriate.

During 2017, The Board of Directors covered total 7 meetings, whereby the meeting dates had been earlier decided throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances. Details appear in the category "Management Structure".

2. The Audit Committee

The Board of Directors has approved the appointment of the Audit Committee with the qualifications specified under the conditions of security law and Stock Exchange of Thailand. Such the committee must consist of at least 3 independent directors and at least 1 director must be qualified in accounting and finance, and whose term in 1 year from May 2017 – May 2018. In 2017 the total amount of the Audit Committee was 4 persons.

Name list of the Audit Committee

	Name		Position
1	Mr.Amorn	Asvanunt*	Chairman
2	Mrs.Pradittha	Chongwattana	Director
3	Mr.Surong	Ongkosit	Director
4	Pol.Gen.Somchai	Prabhasabhakdi	Director
	Mrs.Panee	Chantavaralak	Secretary to The Audit Committee

Remark : * Well knowledged and experienced in accounting & finance.

Authority of the Audit Committee

1. Coordinate to facilitate common understanding to be in the same direction among the certified public accountant, The Board of Directors, and the internal control office.
2. To invite the management, or company relevant employees to provide clarification and comment, to take part in meetings, and to submit documents deemed necessary. As well as having the authority to access corporate documents of all levels.
3. Authorized to carry out investigation on concerned persons relating to such matters lying within the authority and duty scope of The Audit Committee.
4. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
5. To comment on the appointment, transfer, rescind an internal supervisor or any section responsible on the internal audit.

The Responsibilities of the Audit Committee

1. To review that the company has accurate and adequate financial reporting.
2. To review that the company has suitable and efficient internal control system and internal audit and determine independence of the internal audit including agreement of appointment, transfer and dismissal of the chief of the internal audit office or any other unit in charge of internal audit.
3. To review that the company comply with laws concerning securities and stock exchange, the Stock Exchange's regulations, and other laws related to the company's business.
4. To review the compliance of the anti-corruption policy.
5. To consider, select and suggest independent persons to be the Company's Auditor, and propose such person's fees, as well as to attend a non-management meeting with the Auditor at least once a year.
6. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the Notification of The Capital Market Supervisory Board, and that they are justified and are of maximum benefits to the company.
7. To prepare the Audit Committee's Report and have it disclosed in the Company's Annual Report, to which must be signed by the Audit Committee's Chairperson and consist of at least the following information.
 - a. An opinion on the accuracy, completeness and reliability of the Company's Financial Report.
 - b. An opinion on the adequacy of the Company's Internal Control System.
 - c. An opinion on compliance with the laws concerning securities and stock exchange, the Stock Exchange of Thailand's regulations, or other laws relating to the company's business.
 - d. An opinion on the suitability of the Auditor.
 - e. An opinion on transactions that may have conflicts of interests.
 - f. The number of the Audit Committee Meetings, and its attendance record of each committee member.
 - g. An opinion or overview comment that the Audit Committee perceived from its performance under the charter.
 - h. Other information that the shareholders and general investors should know under its scope of duties and responsibilities assigned by the Company's Board of Directors.
8. In carrying out the Audit Committee's duties, if it found or has any suspects that there are transactions or the following doings which may have a considerable impact on the company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit Committee.
 - a. Transactions causing conflicts of interests.
 - b. Fraud or irregularity or have key mistakes in the internal control system.
 - c. Breach of laws concerning securities and stock exchange, regulations of the Stock Exchange of Thailand, and other laws related to the company's business.

If the Company's Board of Directors or its executives failed to arrange to have them corrected within due course, any member of the Audit Committee may report such transactions or doings to the Securities and Exchange Commission or the Stock Exchange of Thailand.

9. To support and follow up that the company has effective risk management system.
10. To review, improve and amend the Charter of the Audit Committee and present it to the Company's Board of Directors for approval.
11. To ensure that the Company has adequate management system in accordance with the good corporate governance practice.
12. To perform any other matters as assigned by the Company's Board of Directors with the Audit Committee's agreement under the Company Regulations and laws.

In carrying out the mentioned above duties, the Audit Committee is directly responsible to the Board of Directors, who in turn is responsible to the shareholders and general investors.

In 2017, the Audit Committee convened total 6 times. The meeting dates had been earlier decided throughout the entire year. The Audit Committee regularly reported its findings to the Board of Directors, and also attended joint meeting with the Company's auditor and the Chief Financial Officer each quarter, to review the Company's quarterly financial statements.

3. The Nominating Committee

The Board of Directors appointed 5 company directors to serve as members of The Nominating Committee, by the non-executive director, 2 persons are member, which including the Chairman of the Nominating Committee. Its term is 1 year from May 2017 – May 2018.

Name list of the Nominating Committee

	Name	Position
1	Mr.Boonkiet Chokwatana	Chairman
2	Mr.Thirasak Vikitset	Director
3	Dr.Atthakorn Glankwamdee	Director
4	Mrs.Kaewta Ongsaranakom	Director
5	Mrs. Chitraporn Vikitset	Director

Authority of The Nominating Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Nominating Committee

1. Set the criteria and method in selecting the persons to be nominated as directors.
2. Review the background and relevant information of the persons to be nominated as directors, by considering their knowledge, experiences, and expertise from various professions, so as to secure qualified persons according to the selection criteria, company regulations, and related laws.
3. Select the persons to be nominated as company directors, for The Board of Directors to consider and approve. However, in the case of the directors retiring upon term completion, such nomination needs to be submitted to the shareholders' meeting for approval.

4. Prepare comment and suggestion to serve as references for The Board of Directors' consideration.
5. Review and revise the charter for The Nominating Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

During 2017, The Nominating Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

4. The Remuneration Committee

The Board of Directors appointed 4 company directors to serve as members of The Remuneration Committee, by the non-executive director, 2 persons are member, which including the Chairman of the Remuneration Committee. Its term is 1 year from May 2017 – May 2018.

Name list of the Remuneration Committee

	Name	Position
1	Mr.Boonkiet Chokwatana	Chairman
2	Mr.Thirasak Vikitset	Director
3	Mrs.Kaewta Ongsaranakom	Director
4	Mrs.Pismai Chandrubeksa	Director

Authority of The Remuneration Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Remuneration Committee

1. Review the remuneration criteria for The Board of Directors, and if deemed necessary, propose the suggestion or revision to existing criteria, in order to make them more suitable.
2. Review the remuneration budget earmarked for The Board of Directors, by taking into account the company's performances, the remuneration budget approved by the shareholders' meeting, and the actual remuneration amount for the previous year, for further presentation to The Board of Directors for consideration, and for final approval by the shareholders' meeting.
3. Review the remuneration budget for The Board of Directors, by taking into account their duty and responsibility scope and related performances, based on the remuneration budget approved by the shareholders' meeting.
4. Review the remuneration budget for the Remuneration Committee members (who do not serve as company directors), by taking into account their duty and responsibility scope, and related performances.
5. Review and revise the charter for The Remuneration Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

During 2017, The Remuneration Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

5. The Risk Management Committee

The Board of Directors appointed 8 members to serve as members of The Risk Management Committee, by the non-executive officer, 6 persons and executive officer, 2 persons, which including the Chairman of the Risk Management Committee. Its term is 1 year from May 2017 – May 2018.

Name list of the Risk Management Committee

	Name		Position
1	Dr.Atthakorn	Glankwamdee	Chairman
2	Miss Sumeth	Surachartchairit	Director
3	Mrs.Daranee	Ajjaneeyakul	Director
4	Mrs.Panee	Chantavaralak	Director
5	Mrs.Suthanya	Sumana	Director
6	Mr.Pattara	Vikitset	Director
7	Dr.Krirkiat	Srisempoke	Director
8	Prof.Dr.Narumon	Saardchom	Director
	Mr.Danai	Asawasuebsakul	Secretary to the Risk Management Committee

Authority of the Risk Management Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of the Risk Management Committee

1. To determine policies, targets and plans of corporate risk management systems clearly and consistently and keeping close communication with the Audit Committee.
2. To encourage and stimulate cooperation in company risk management at all levels.
3. To supervise corporate risk management appropriately and effectively.
4. To develop corporate risk management systems with efficiency and consistency.
5. Other duties as assigned by the Board of Directors.

During 2017, The Risk Management Committee held total 4 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

6. The Corporate Social Responsibility Committee

The Board of Directors appointed 7 members to serve as members of The Corporate Social Responsibility Committee, by company directors and executives with the knowledge and experience. Its term is 1 year from May 2017 – May 2018.

Name list the Corporate Social Responsibility Committee

	Name		Position
1	Prof.Dr.Malyn	Ungsurungsie	Chairman
2	Dr. Apichart	Pengsritong	Director
3	Mrs.Thongsuk	Upathambhakul	Director
4	Mrs.Rujapa	Srisurang	Director
5	Mrs.Tanyanan	Tantikovit	Director
6	MissThatsruang	Saengwichian	Director
7	Miss.Yaowaluk	Potinit	Director
	Mrs.Rujapa	Srisurang	Secretary to the Corporate Social Responsibility Committee

Authority of the Corporate Social Responsibility Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Corporate Social Responsibility Committee

1. Set up policy and framework of activities for the Company's Corporate Social Responsibility.
2. Review and screen the activities and policies on social and environment responsibility in order to propose to the Board of Directors.
3. Review and approve strategies and activities of the company in order to achieve the objectives and policies on social and environment responsibility.
4. Review and screen annual plan and budget for activities on social and environment responsibility to propose to the Board of Directors.
5. Review and monitor the progress of activities on social and environment responsibility and assess their achievement in addition to quality of related projects.
6. Suggested corporate governance policies and business ethics including employees ethics of the company.
7. Other duties as assigned by the Board of Directors.

During 2017, The Corporate Social Responsibility Committee held total 4 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

7. The Corporate Governance Committee

The Board of Directors appointed 5, with independent directors serving as the Chairman and committee member, further joined by members representing The Executive Board, having a 1 year term, from May 2017 - May 2018.

Name list of the Corporate Governance Committee

	Name		Position
1	Pol.Gen.Somchai	Prabhasabhakdi	Chairman
2	Mrs.Kaewta	Ongsaranakom	Director
3	Mrs.Patchara	Pongwichan	Director
4	Mrs.Worawan	Tantrasadatee	Director
5	Mr.Sumit	Khopaiboon	Director
	Mr.Sumit	Khopaiboon	Secretary to the Corporate Governance Committee.

Authority of The Corporate Governance Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
3. To set up the working group to process the corporate governance activities at all levels.

Duty and responsibility scope of The Corporate Governance Committee

1. Set up, review and revise the policy of corporate governance, the principles of Corporate Governance, Business Ethics, Code of Conduct for Company Directors, Executives and Employees and Policy against Corruption, regulations, work practices and announcements, rules and relevant laws consistency.
2. Set up work practices according to the principles of Corporate Governance, Policy against Corruption ,also monitor and evaluate them consistency.
3. Promote and encourage company directors, executives and employees to practice according to the principles of Corporate Governance and Policy against Corruption.
4. Supervision and support of anti-corruption measures by risk management risk assessment of anti-corruption measures, including a review of corruption risk management measures to adequately report the Board of Directors at least 1 time per year.
5. Review and revise the charter for The Corporate Governance Committee, to be proposed to The Board of Directors for consideration and approval.
6. Other duties as assigned by the Board of Directors.

During 2017, The Corporate Governance Committee held total 5 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

8. Executive Board

The Board of Directors sets up the Executive Board to support its administration as assigned by the Board. The Executive Board comprises 11 persons with 1 year term, from May 2017 - May 2018, and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

Name list of the Executive Board

	Name		Position
1	Mr.Thirasak	Vikitset	Chairman and Management Director
2	Dr.Atthakorn	Glankwamdee	Director
3	Mrs.Kaewta	Ongsaranakom	Director
4	Prof.Dr.Malyn	Ungsurungsie	Director
5	Mrs.Chitraporn	Vikitset	Director
6	Miss.Sumeth	Surachartchairit	Director
7	Mrs.Thongsuk	Upathambhakul	Director
8	Mrs.Patchara	Pongwichan	Director
9	Mrs.Suthanya	Sumana	Director
10	Mrs.Daranee	Ajjaneeyakul	Director
11	Mrs.Jariya	Thamvachiraporn	Director
12	Mr.Sumit	Khopaiboon	Director
13	Miss.Kitsanarut	Rassameesuriyan	Director
14	Mr.Marote	Vananan	Director
	Mrs.Patchara	Pongwichan	Secretary to The Executive Board

Authority of the Executive Board

1. To appoint, remove, transfer, evaluate and determine compensation and welfare of employees of different levels.
2. To appoint and remove any other working committee to carry out actions necessary for the management of the company.
3. To issue regulations and announcement on performance of duties: to assign authority to members of the Executive Board and/or employees serving managerial posts: and, to execute authorization on company assets.
4. To approve loans to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
5. To approve guarantee of loan to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
6. To approve engagement in non-financial juristic actions provided that the amount does not exceed the limited amount 20 million baht per case.
7. To approve acceptance or cancellation of loans provided that the amount does not exceed the limited amount 20 million baht per case.
8. To approve investment, sale of investment capital in ordinary shares and/or any other securities, provided that the amount does not exceed the limited amount 20 million baht per case.

9. To approve sourcing and investment in fixed assets, provided that the amount does not exceed the limited amount 20 million baht per case.
10. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost destroyed, deterioration and out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
11. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are deteriorated or out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
12. To approve compromise or settlement of disputes by arbitration, complaint, filling of lawsuits and/or any legal proceeding on behalf of the company on matters which are not normal business course of the value not exceeding the specified amount. In such case of a normal business course, the amount must not exceed the limited amount 20 million baht.
13. To authorize executive of the company or other individuals to act on their behalf.
14. To invite members of the management or relevant employee to provide explanations, opinions or documents as necessary.
15. To consult with specialists or company consultant (if any) or hire third-party consultant or outside specialists if necessary at the expense of the company.
16. To stipulate any other regulations as deemed appropriate.

Duty and responsibility scope of The Board of Directors

1. Present the company's objectives, policy, plan, and annual budget to The Board of Directors.
2. Managing company's operations in order to comply with the direction, target, and business policy of the company.
3. Promote the competitiveness of the company, while encouraging consistent innovation development activities.
4. Supervise company operations to comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, as well as other standard practices concerned.
5. The Executive Board members may allocate work responsibilities among themselves, whereby they are required to report the progress of own responsible work to The Executive Board.
6. Supervise the compilation of financial statements, for review and/or verification by the certified public accountant, prior to submitting to The Audit Committee, and The Board of Directors, for endorsement respectively.
7. Review the matters to be submitted to The Board of Directors for further acknowledgment or approval.
8. Review and revise the charter for The Executive Board, to be submitted to The Board of Directors for further approval.
9. Engage in other acts as assigned by The Board of Directors.

During the previous year, the Executive Board consists of 5 Executive Directors leading by the Managing Director for the execution of management planning to comply with the policies of the Board of Directors. The Executive Directors also participated in stipulating business goal together with the Board of Directors.

In 2017, the Executive Board convened total 21 times, and subsequently reported the result to the Board of Directors. The meeting dates had been earlier decided throughout the entire year.

9. The Chairman

The authorities and responsibilities of the Chairman as a guideline to serves as the Chairman are described as below:

The Authorities and Responsibilities of the Chairman

1. Take responsibilities as the leader of the Board of Directors in monitoring and supervising the operations of the Board of Directors and various committee.
2. Preside at the Board of Directors' meeting. In case of tie, the Chairman adds an additional vote as a casting vote.
3. Summon the Board of Directors' meeting or may assign another person to act on own behalf.
4. Preside at the shareholders' meeting and control the meeting to be In accordance with the company's regulations regarding the meeting. Conduct the meeting according to the agenda specified in the invitation to the meeting. Unless the meeting resolves to change the order of the agenda by votes of not less than two-thirds of the shareholders present at the meeting.
5. Engage in other acts as assigned by the Board of Directors.

10. Managing Director

The Board of Directors has clearly assigned the authority, duty and responsibility of the Managing Director as a guideline to serve as the Managing Director. The details are as follows:

The Authorities and Responsibilities of the Managing Director

1. Manage company operations so as to well comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, resolutions by The Executive Board, and other standard practices concerned.
2. Instruct or engage in necessary and appropriate acts, so as to achieve those purposes laid down in above item 1. Should the matter be deemed significant, the Managing Director is required to report said matter to The Board of Directors and/or The Executive Board.
3. Review and approve the recruitment, appointment, transfer, and dismissal of employees, granting approval to the promotion or disciplinary action against employees, as well as deciding on the remuneration and welfare benefits for employees. However, such action must not contradict with the authority and the decision by The Executive Board.
4. Set company regulations regarding work practice, which must not contradict with the policies, regulations, provisions, instructions, or resolutions, set forth by the shareholders' meeting, The Board of Directors' meeting, and/or The Executive Board's meeting.
5. Authorize and/or assign other persons to carry out specific assignment on own behalf.
6. Promote and encourage company operations to be carried out with morality, to well comply with the laws, ethics, and cultures, based on good governance principles.
7. The exercise of authority by the Managing Director shall not be permitted, if he/she is deemed to have interests at stake, or have conflict of interests with the company.
8. In the exercise of authority by the Managing Director, should there arise any doubt or unclear aspect regarding such action, the matter shall be forwarded to The Board of Directors for consideration and conclusion.
9. Engage in other acts as assigned by The Board of Directors, and/or The Executive Board.

The selection and appointment of the directors and chief executive officer

1. The selection method of persons to be appointed directors and independent directors

Criteria for the selection of directors

For nominating process of the persons to be appointed directors, the company has set the criteria as follows :

1. Qualifications of nominated directors to be diverse or what is called Board Diversity in terms of educational level, professional skills, specialization that is beneficial to the company's business, and ability to meet the requirements of the strategy of the company's business operation without discrimination such as sex, age, and race, etc.
2. Having leadership, vision, integrity and ethics, as well as transparent work experiences.
3. Being qualified and not be prohibited under the laws and regulations of the company.
4. In case of the nomination of the retiring directors to serve for another term, they will be considered additionally in term of the performance as directors and various committees in the past.
5. In case of the selection of persons to be appointed independent directors, they must have the qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board.

Process for the selection of director

1. The Nominating Committee has been assigned to select qualified persons having appropriate qualifications to be nominated as company directors for consideration by The Board of Directors, prior to submitting to the shareholders' meeting for approval by the majority votes of the shareholders present at the said meeting. In the case where the retirement took place prior to term completion with the remaining term being not less than 2 months, the Board of Directors' meeting shall then be authorized to select the persons from the candidates proposed by The Nominating Committee, for further appointment as company directors, by the majority votes of not less than 3/4 of the remaining directors. In such case, the newly-appointed directors shall serve out the remaining term of their predecessors.
2. The Nominating Committee considered about the knowledge, ability and experience that are beneficial to the duties of Directors and in accordance with the strategy in business.
3. The company provides an opportunity for stakeholders to participate in the nomination of qualified directors. Including the Nominating Committee also considered the person to be nominated to serve as directors apart from List of professional directors of the Thai Institute of Directors Association (IOD).

With regard to the selection of persons to be appointed independent director, the Nominating Committee shall select from those persons having Qualifications required for independent directors, in accordance with the Notification by the Capital Market Supervisory Board, in addition to basic qualification requirements above.

Independent director's qualifications

The Board of Directors resolved to adopt the definition for "independent director" having qualifications in accordance with the notification of the Capital Market Supervisory Board as follows:

1. Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.
2. Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. Nevertheless, such prohibited nature would not apply in the case of these independent directors having earlier served as government officials, or advisors to government agency acting as major shareholder in the company or having supervision authority over the company.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.
4. Not having business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgement, and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director.

The term 'business relationship' aforementioned under paragraph one included any normal business transaction, rental or lease of immovable property, transaction relating to the assets or services or the granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, resulting in the company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions under The Notification of The Capital Market Supervisory Board regarding The Compromise Criteria for Connected Transactions. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

5. Neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.

6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
7. Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.
8. Not engaging in business operations of the same business nature or in competition against the business operations of the company or its subsidiaries, nor serving as a significant partner in a limited partnership or otherwise serving as a director participating in the management, or serving as employee or consultant receiving regular salary or holding over 1% shares out of total shares in other companies engaging in the same business nature or in competition against the company and its subsidiaries.
9. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

In the event of any announcement by The Capital Market Supervisory Board imposing the revision to the qualifications for independent director, the company's independent director would thereby be required to possess such qualifications well complying with such revision.

After being appointed independent director having qualifications complying with the criteria under item 1 to 9, the independent director may then be assigned by The Board of Directors to participate in the decision-making procedures for the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or controlling person of the company on the condition that such decision must be a collective one.

Additionally, in the past accounting period, the independent directors of the company had neither business relationship nor professional services. Also, the appointed independent directors never have or had business relationship or professional services exceeded than the rules stipulated in the notification of The Capital Market Supervisory Board regarding the Application for and Approval of Offer for Sale of Newly Issued Shares.

2. The rights accorded minor shareholders regarding director(s) appointment

Nomination of Directors

The company provided minor shareholders with the opportunity to nominate candidates to be appointed as company directors at the annual shareholders' general meeting in advance according to the criteria specified by the company, whose further details were displayed on the company website under the heading "Investor Relations : Data of shareholders' Meeting".

Vote-casting method for director appointment

According to company articles of association no.20, the shareholders' meeting was authorized to appoint company directors according to the criteria and method as follows:

- One shareholder shall have one vote per one share.
- Each shareholder must exercise all of the votes he or she has under the first paragraph to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.

- The persons receiving the highest number of votes, followed by those with descending highest number of votes shall be elected as the directors fulfilling the number of directorship required to be elected by the shareholder's meeting. In case the number of votes for the candidates in descending order are equal and exceed the number of directors to be elected at said meeting, the Chairman shall cast the deciding vote.

3. The selection method for the persons to be appointed Chief Executive Officer

The selection of the management

The selection process for the persons to further serve in management positions for the company begins with the selection of the persons having good qualifications and sound morality and ethics to join the company. The company then trains and develops these people to be well-prepared to meet the challenges as future management members, through its consistent evaluation process of employees' potentials and capabilities.

Those employees so selected and trained by the company would be assigned to work in the positions having higher authority and responsibility scope. As general practice, the company regularly carries out training programs seeking to upgrade employees' potentials to a higher level, so as to be well-prepared to take up further significant positions when they become vacant.

The selection of the Chief Executive Officer

With the regard of selection methods for the company's Chief Executive Officer, The Nominating Committee shall consider and select from the current management or others, with qualified knowledge and abilities, who understand the company's business very well, as well as be able to manage to achieve the objectives and targets set by The Board of Directors, and also not be prohibited by laws. Accordingly, such person is then proposed to The Board of Directors for consideration of appointment.

Supervising the operations of subsidiaries and associates

The company's directors were assigned to hold a joint meeting to consider selecting the person to be the company's representative. The number of individual that the company nominated and voted to appoint as director in subsidiaries and associates is in accordance with the company's proportion of shareholding. The person who was appointed as a director in subsidiary or associated companies was entitled to perform the operations for the best interests of their subsidiaries or associate, unless it is important policies affecting the company's business operations. The company required the appointed person to be approved by The Executive Board prior to cast a vote.

The company has laid down the policy for subsidiaries and associate that are the company's main business to have proper and adequate internal control systems. The internal control systems of subsidiaries were monitored by the Internal Audit Office of the company annually.

Furthermore, the company has assigned the person who was appointed by the company to oversee its subsidiaries to operate and disclose significant information according to the rules in the same way as the company performed, such as making connected transaction, the acquisition or disposition of assets, or making other important transactions, including to supervise the information storage and bookkeeping of the subsidiaries for the company, so that it can be reviewed and collected for financial statements in due time.

The company had no agreements between the company and other shareholders in the management of Subsidiaries due to the company is a major shareholder and no other persons holding shares more than 10% of the shares with voting rights of subsidiaries. In addition, the company had no agreements between the company and other shareholders in sharing returns beyond normal returns according to proportion of their shareholding in subsidiaries.

Inside information supervision

The company placed much emphasis on the protection and supervision over inside information, by clearly specifying in the business ethics and code of conduct for company directors, management members and employees that directors, management members and employees perform their duties with responsibility, carefulness and honesty, as well as consider the interests of the company as the most important. The significant policies can be summarized as follows.

1. The company prohibited company directors, management members, and company employees having access to inside information, from engaging in any act in exploitation of such information, particularly those information not yet disclosed to the general public. Any violation would be deemed as a disciplinary offence of company regulations. Furthermore, for the period of 1 month prior to the disclosure of financial statements to the public, the company sent out related circular to the directors, the management, and the employee having access to inside information, instructing them to refrain from any purchase or sales transaction of company shares during said period. During 2017, the company directors, management members, and company employees were not found to have committed any authority abuses related to inside information.
2. The company informed company directors, management members to acknowledge of duty to report their shareholding status, as well as those by spouses and children not yet reaching legal maturity, within 30 days from the day of their appointments to become directors or management members. Furthermore, in the case of any change occurring to their shareholding status, they were required to report such change details within 3 days from the day of change to The Securities and Exchange Commission according to article 59 of The Securities and Exchange Act B.E. 2535. Furthermore, The Board of Directors was regularly informed each quarter. of the securities holding status by the directors and management member.
3. The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading. In 2017, the company directors and the management who had the company's securities trading strictly followed the above policy by informing their trading to the company secretary at least 4 – 6 days prior to trading.
4. The company has in place a measure for monitoring of the company director and the management's interest by requiring the interest report of company director, the management, and related persons which their interest are connected to the company's business operation.
5. The company developed internal control system regarding inside information, by applying information technology system to classify inside information access level for each employee level, through the setting of ID code for accessing such information.

In 2017, the company did not receive a caution offences by the Securities and Exchange Commission (SEC).

Auditor's remuneration

1. Audit fee

In accordance with the resolution by the shareholders' meeting, the company and its subsidiaries made remuneration payments as audit fees to Dr.Virach & Associates Office Company Limited, where the auditors were attached to, according to the details as follows:

Unit : baht		
Audit remuneration	2017	2016
S & J International Enterprises Pcl.	1,375,000	1,250,000
5 Subsidiary companies	1,010,000	920,000
Total	2,385,000	2,170,000

2. Non-audit fee

The company and subsidiary companies paid for other services as following:

Unit : baht		
Non-audit fee	2017	2016
Observance on destruction of goods	83,415	80,820
Other service for reviewing the work of other auditors	90,000	90,000
Total	173,415	170,820

Corporate Governance Practice classified as 5 sections as follows:

Section 1 : The Rights of Shareholders

The Board of Directors appreciates and respects the ownership rights of shareholders. No actions are taken to violate or infringe the rights of shareholders. Neither the interests of shareholders are fairly safeguarded and the exercise of rights by all shareholder groups are supported and promoted, whether domestic or foreign, major shareholders, minority shareholders or institutional shareholders, incorporating both the basic rights of shareholders, and the other rights to determine directions for operations and decisions on matters having a significant impact on the company, as follows:

1.1 Basic rights

Referred to the right for shares transaction, the right to receive equitable profits allocation in term of dividend payment, the right to access company information in sufficient, timely, and equitable manner, the right to attend and cast votes at the shareholders' meeting, the right to elect individual company director and approve directors' remuneration, the right to appoint company auditor and approve audit remuneration, and the right to appoint proxy to attend and cast vote on his/her behalf.

1.2 The right to significant information access

Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website (www.snjinter.com), to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.

1.3 The right to attend the shareholders' meeting

The company has a policy to support and facilitate the shareholders, including institutional investors to attend the shareholders' meetings by holding its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. In order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting. In 2017, the company convened the shareholders' general meeting once, without convening any shareholders' extraordinary meeting, according to the following details:

- **Prior to the shareholders' meeting**

In 2017, the Company conducted the 38th General Shareholder's Meeting on Monday 24 April 2017.

(1) The company provided the shareholders with the opportunity to propose meeting agenda prior to the meeting date for 2017, during the period of December 1 – 31, 2016, by providing related conditions on company website on November 11, 2016 together with news channel of The Stock Exchange of Thailand. Nevertheless, there were no shareholders proposing any meeting agenda during the said specified period.

(2) Shareholders were notified of the Board of Directors' resolution determining the date of 38th shareholders' meeting 62 days prior to the meeting date, namely on February 22, 2017, through the Stock Exchange of Thailand's website and the company's website so as to enable the shareholders to set aside time for attending the meeting.

(3) The meeting notice together with all relevant documents in both Thai and English were published on the Company website on March 17, 2017, which was 39 days in advance of the meeting date.

(4) The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders in document format on April 3, 2017 or 21 days prior to the meeting date in order to give the shareholders sufficient time to study the meeting documents.

(5) The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 15 days prior to the meeting date, namely on April 10 – 12, 2017.

(6) Prior to the meeting date, the Company had provided an opportunity for shareholders who may have queries regarding agenda to send them in advance during period March 17 – April 18, 2017, via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2017, there were no questions received in advance.

(7) The documents sent out to the shareholders were, the meeting invitation letter providing details on the rationale for each meeting agenda, together with related opinions by The Board of Directors and the documents in support of the voting decision by the shareholders for each meeting agenda. Furthermore, the documents also included the annual report publication, profile of the persons nominated as directors replacing those due to retire upon term completion, definition of independent director, profile of independent directors

proposed as proxies by the shareholders, company regulations regarding the shareholders' meeting, the documents and evidences required for the shareholders to present for meeting attendance, meeting regulations, procedures for shareholders to post advance questions prior to the shareholders meeting, meeting procedures, the map of the meeting venue, and the registration form. Other documents were the proxy appointment letter Form B for voting in line with the shareholders' decision, or the proxy appointment letter either Form A and C which shareholders could download from company website.

With this regard, the company published the annual report within 120 days from the end of accounting period (December 31) via company website (March 17, 2017) and sent the annual report to the shareholders by mail (April 3, 2017).

- **On the day of the shareholders' meeting**

(1) The company decided to set the meeting date, time, and venue in such manner being most convenient and not posing problems to the shareholders to attend. For 2017, the company held the shareholders' meeting on Monday, April 24, 2017, at 11.00 a.m. at The Montien Riverside Hotel, started registration at 9.00 a.m.

(2) The shareholders were allowed to register by barcode system not less than 2 hours prior to the meeting, and continued until the meeting completion. At the registration desk, the company prepared sufficient personnel to take care of the registration, as well as providing stamp service for proxy appointment forms authorized by the shareholders. Furthermore, the company handed out vote placard and vote-casting ballot to each shareholder.

In case that shareholders appointed proxies to attend the meeting instead, the company gave the right to the proxies and treated as shareholders.

(3) The Board of Directors placed much emphasis on the shareholders' meeting, by considering as their obligations to always attend the meeting in person unless facing inevitable circumstances or becoming seriously ill.

For the shareholders' meeting for the year 2017, 15 directors (100%) attended the said meeting, including Chairman of the Board and Chairman of sub committees. Furthermore, the meeting was also attended by the Managing Director, the Chief Financial Officer, Executive Directors, as well as the company auditor, so as to provide shareholders with the opportunity to ask questions related to the meeting agenda in progress. In addition, the company also invited representatives from the company's audit office of Dr. Virach & Associates Office Co., Ltd., and Vira Law Office Co., Ltd., to act as meeting observers during vote tallying for each meeting agenda, to ensure that the meeting was conducted in a transparent manner, complying with legal and company articles requirements.

(4) Prior to meeting commencement, the Company Secretary informed the meeting of the meeting quorum, the vote-casting and vote-counting methods for each meeting agenda according to laws and company regulations. In the case where some shareholders joined the meeting after the meeting commencement, the company still allowed said shareholders to cast votes for the remaining agenda not yet considered and voted upon by including them as the meeting quorum

(5) During the meeting, The Chairman proceeded with the meeting agenda in such order earlier set forth in the meeting invitation letter without adding any further agenda or altering any significant information without prior notice to the shareholders, while allowing equal opportunity for all shareholders to present question, comment or suggestion for each meeting agenda.

In that regard, for the shareholders' meeting in 2017, there was 3 shareholders presenting question to the meeting, where by the Managing Director responded in a straightforward manner.

(6) The Company has adopted Barcode system used to sum up votes on each meeting agenda and displayed resolution of the screen in the meeting room and acknowledged by the shareholders simultaneously in order to provide fast and accurate results which being announced promptly after the end of each agenda. The Company has used ballot item on the agenda of appointment of directors and permit the shareholders to elect directors individually. For transparency, the company kept the said ballots at the Bangkok office for checking after finishing the meeting.

The summary of voting in each agenda on the General Meeting of Shareholders No.38 held on Monday, April 24, 2017 as follows ;

Agenda	Agree			Disagree			Abstention		
	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%
1	80	126,249,533	100	-	-	-	-	-	-
3	82	126,253,215	100	-	-	-	-	-	-
4	82	126,253,215	100	-	-	-	-	-	-
5.1 – 5.3	82	126,620,980	99.9983	-	-	-	1	2,100	0.0017
5.4	81	126,620,970	99.9983	1	10	-	1	2,100	0.0017
5.5	82	126,620,980	99.9983	-	-	-	1	2,100	0.0017
6	83	126,623,080	100	-	-	-	-	-	-
7	83	126,623,080	100	-	-	-	-	-	-

Remark : No voided ballot

- **Subsequent to the shareholders' meeting**

(1) The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, in both Thai and English, via the news channel of The Stock Exchange of Thailand, and the company website, on the following day.

(2) The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as consent, dissent, and abstention votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting. Also, sent the reports to the Ministry of Commerce within time set forth by law.

(3) The company recorded the meeting on VDO, for further distribution to the shareholders upon request.

(4) After the shareholders' meeting approved dividend payment, company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories Co., Ltd. to ensure all shareholders receiving payment correctly and completely. Including the notice in daily newspapers for a period of 3 consecutive days on 2 - 4 May 2017.

In recognition of its consistent efforts dedicated to holding the general shareholders' meeting efficiently on a continuous basis resulting, the company was awarded the "very good" appraisal result in 2017 for the quality of its shareholders' meeting by the Thai Investors Association.

Section 2 : Equitable Treatment of Shareholders

The Company attaches importance and ensures that all shareholders are treated equally and fairly either they are major shareholders, minority shareholders, overseas shareholder or institute investors as following :

2.1 The shareholders' meeting

(1) The company provided the minority shareholders with the opportunity to nominate candidates as directors prior to holding the shareholders' meeting in 2018, during the period of December 1 - 31, 2017. For such purpose, the company compiled the nomination conditions and disseminated them on the company website, as well as notifying the shareholders via the news channel of The Stock Exchange of Thailand. Nevertheless, there was no shareholder nominating any candidate for consideration as company directors.

(2) The allocation of votes in the meeting was based on the number of shares being held by each shareholder, with 1 vote representing 1 share with no shareholding any special privilege in restricting the right of other shareholders.

(3) In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website www.snjinter.com in both languages 30 days before the meeting date.

(4) In the case where shareholders could not attend the meeting in person, the company provided opportunity to shareholders to assign any person or independent director of the company as their proxy to attend the meeting and exercise the rights on their behalf. The company provides information concerning all 4 members of Audit Committee by informing name, age and address attaching to the letter of invitations in addition to identifying the documents, evidences and instructions on procedure of the assignment of proxy to all shareholders in order that they can arrange appropriately and do not have any problem for the attendance of proxy.

In the 38th Annual General Meeting of Shareholder held on Monday 24 April 2017, 8 shareholders who possesses 15,743,822 shares assigned the proxy to member of the Audit Committee who was the independent director of the company and delegated their vote to him.

(5) The exercise of vote must be done openly and ballot box must be prepared for each and every agenda. The counting of vote is done on the no consent votes and/or abstaining only. These numbers will be deducted from the total votes presenting in the meeting, the remaining numbers will be regarded as consent votes. The company implemented the barcode system to count the votes and display on screens available in the meeting room immediately for the transparency and check.

2.2 Supervision over inside information

The company has laid down the policy safeguarding against inside information abuse, by stating in writing in the business ethics manual, and the code of conduct for company directors, the management and employees, not allowing company directors, the management, and employees, to exploit the information or assets belonging to the company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the company handed out relevant manuals to company directors, the management, and the employees, to serve as guidelines for their business operations and assignments, while also disseminating those information on company website.

Furthermore, the company also incorporated above information into company regulations, together with the penalty provision. During 2017, the directors, the management, and the employees strictly followed those company policies on a consistent basis. The company did not encounter the case where its directors and the management traded their securities by using inside information.

2.3 Supervision over the transaction of company securities

(1) The company clearly specified conditions regarding the transaction of company securities in its business ethics, by forbidding the directors, the management, and the employees working in those departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public. The company distributed said instructions in circular to all concerned parties each quarter.

In 2017, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period.

(2) The company informed company directors and the management to acknowledge of duty to report their first securities holding, together with any subsequent change in securities holding, to The Securities and Exchange Commission, in accordance with article 59 of The Securities and Exchange Act B.E. 2535. Furthermore, the company provided for the report on securities holding by the directors and their spouses, as a regular item in The Board of Directors' meeting

(3) The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading. In 2017, the directors and the management have strictly followed the above policy by informing to the company secretary 4 - 6 days prior to trading.

2.4 Treatment of conflict of interests

The company treated the issue of conflict of interests with caution and reason, with the company's interests in mind, by laying down operations systems in a transparent manner, deemed as one major policy regarding good governance practice and business ethics for the company. The company supervised the implementation of connected transactions so as to comply with the announcement by The Capital Market Supervisory Board. Before implementing each connected transaction requiring prior approval from The Board of Directors, the item was first proposed to The Audit Committee for endorsement prior to submitting to The Board of Directors for further approval. The directors with possible conflict of interests were not allowed to take part in the meeting. Afterwards, the company informed said meeting resolution to the shareholders via the news channel of the SET together with the company website. The information included the disclosure of names and relationship of connected parties, pricing policy, transaction value, and other related details, as well as the opinions of The Board of Directors pertaining to such transactions.

Furthermore, the company held The Board of Directors' meeting subsequent to the shareholders' meeting each year, to decide on the approval criteria for business transactions under normal business term, conducted between the company and the directors, management members, or connected persons.

2.5 Supervision over assets transaction

The company supervised assets transaction in accordance with the announcement by The Capital Market Supervisory Board regarding the acquisition and disposal of assets, whereby directors with possible conflict of interests were not allowed to participate, so as to facilitate fairness and transparency.

Section 3 : Consideration of The Roles of Stakeholders

Based on its recognition of the rights of stakeholders, The Board of Directors duly laid down relevant policies and guidelines in the company's business ethics manual, and distributed them to the directors, management members and the employees, to be followed as practice guidelines, to ensure that all stakeholders receive fair and equitable treatment.

3.1 Shareholders

The company duly respected the basic rights accorded the shareholders in accordance with the laws, regulations, and business ethics of the company. At the same time, the company had proper mechanism in place to ensure that the shareholders receive accurate and reliable information, having proper measures safeguarding against conflict of interests, and against the exploitation of inside information for personal gain. Furthermore, the company also aimed to generate justifiable return for the shareholders, by laying down appropriate dividend payment policy on a consistent basis.

In year 2017, the company paid the dividend from the result of business performance of year 2016 at rate of 1.20 Baht per share. The total dividend was equal to 56.96% of net profit of the separate financial statements by setting the date of payment on May 23, 2017. We have paid the dividend to shareholders for 38 years consecutively and this is accounted as real long-term wealth for all shareholders. Each and every shareholder is invited to attend the Annual General Meeting of Shareholders of Year 2017 and has right of vote for each and every important agenda item as well as receive the important information through various medias, e.g. pamphlet and e-information. Besides, the company also reports the business performance at every quarter and disclose the transactions done with related persons in the same condition as that done with external persons for their awareness via the news system of the Stock Exchange of Thailand and the company's website.

3.2 Company employees

In the company's recognition of company employees as its valuable human resources playing the critical role in leading the organization toward success, The Board of Directors therefore set the company's policy to devote its best efforts to develop and upgrade the employees' potentials on a consistent basis. At the same time, the company sought to provide job security and advancement opportunities to all employees based on their own potentials, as well as encouraging the employees to play a part in charting the company policies. At the same time, the company laid down its remuneration policy toward the employees by providing the employees with fair and reasonable remuneration commensurate with the capability, responsibility, and performance results for each employee, which is in line with the compensation of the same industry. (See details under the heading "Management Structure" on employees).

The company provide benefits to promote quality of life and well-being, such as Provident Fund, Retirement gratuities to employees, Nursing room, Annual health check, product purchase welfare rates, Uniform, Loans for housing project, etc. Also has established welfare committees the opportunity to engage employees in welfare administration. As well as promoting the preparation of activities to engage employees, such as "Pheun Chuay Pheun Project", "Dharma Sa-buy Jai Project", New year activity.

At the same time, the company is also taking into consideration the safety of life, health and property of employees defined as Occupational Health and Safety Policy as follow:

1. Compliance with the law, Occupational Safty, Health and Environment, including a business deal for both current and future.
2. To manage for committed to prevent injuries and reduce the accident rate to zero, including improved working environment to be safe.

3. Committed to developing performance management system in occupational health, safety continuously.
4. Support adequate resources in management to control and prevent danger from work of workers.
5. To cultivated conscious mind for everyone to recognize the safety to work by considering to be the primary function of all.

This policies encourage and support employees and workers outside to safety working and reduce the risk of accidents or of disease from working to enable employees to work efficiently. With both the Committee and the security agencies to work up to this work, including in particular follow-up and continuous operation as well as the label shows the statistics of accidents of work by the company, 2016 training courses such as safety officer training course “safety work for new employees. The head of a new job and a new “executive course” forklift training/electric forklift “course. “Working with hazardous chemicals safely.” Courses “basic fire and advanced” course “first aid” as well as conscious awareness for employees ‘ safety by monitoring plan to assess the area and search for operational risk. Provide security awareness projects such as Safety week activities, Wear a safety helmet 100% project, Safety working area project, Road safety campaign project and establishment safety and security assessment, etc.

The company has targeted the Occupational Health and Safety for year 2017 in order for each agency to design operating plan and achieve goals as follow:

1. No accident over 3 days, consecutive accumulated 730 days.
2. No illness because of work.

By accident statistics from the work, years 2017 workers have been injured 1 days 1 cases.

Remark : See more details in “Sustainable Development Report 2017 : Good people”

3.3 Customer

The Board of Directors recognizes that the customer satisfaction and confidence is success of the company for sustainable company policy and guideline to consistent with the integrity and do not take any action to be a violation the rights of the customer, we focuses on the service provider that impressed by creating the satisfaction in the products and services to customers by offering a quality product in a reasonable price to allow the customer to get the most out of both quality and price, we also operates its business with a commitment to develop products and services to devise new innovations that add value and services to products for meet the needs of customers, along with providing the information is necessary to decisions without obscuring or misrepresentation of facts, in addition the production and services must be safe for consumers and environment friendly as well as maintain the confidentiality of the customer not used to the benefits of their own or that those involved an improperly, as well as the care and perform a fair of complaints from customer we have customer service team for more information and comment of multiple channels including over telephone number (02) 676-2727 Fax (02) 676-2726 or E-Mail : sjoffice@snjinter.com.

The evaluation of customer satisfaction report compares year 2015 - 2017

	2017	2016	2015
Local-Customer	89%	86%	85%
Overseas-Customer	80%	82%	80%

From the said policy resulting the company received award “The Preferred Supplier” from United Laboratories Inc., Philippines showing that we are good partners. The company is committed to follow the guidelines set to all customers in both domestic and foreign countries for sustainable growth.

3.4. The Competitor

The Board of Directors operates business in accordance with the provisions of law. In this regard, the following policies and guidelines have been prescribed :

1. The Company shall conduct its business within the rules of fair competition with due regard to business ethics and trading laws competition of various countries in which the company operates.
2. The Company will not damage the reputation of its trade competitors.

In addition to these policies. The company did not seek the confidential information of competitors by dishonest or inappropriate ways. We considered competitors take part in empowering your organization's stability and even stronger. Throughout the period of the past, we never had any disputes with competitors.

3.5. Trading Partner

The company treats trading partners equitably and takes into account mutual interests by prescribing the following policies and guidelines :

1. The company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment. Trading partners are treated on the basis of fair competition, equality and mutual respect.
2. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
3. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.
4. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.
5. The company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

In addition, the company have a policy for selection of trading partners that recognizes its responsibility and environment, encourage partners to develop a process that takes regard to human rights, not using forced labor and regard to children rights. As well as offering products and service that take into consideration the environmental impact and the safety of consumers. As well as improving process of work to prevent pollution and impacts on the environment along with conservation of natural resources, reduce energy consumption and eliminate the risk of unsafe conditions, including got certified of quality standards ISO9001:20015 , ISO 14001:20015.

Selection Criteria and Trading Partners Evaluation

- The Company have standards and procedures for the selection and evaluation of partners as well as to verification partners and service providers. Besides the quality, delivery and price, including the assessment of the social and environmental.
- Verification and evaluation of partners. Will be evaluated quarterly and annual including coverage of children rights and Anti-corruption. The company has arranged the partner's level by the split into grade A, B, C, D to be indicators in procurement. Supply and service the next time.
- To exchange and sharing of knowledge in the field of quality system . And communicating assessment results to inform its partners.

In which year 2017, there is no event that we do not abide by the contract partner.

3.6. Creditors

The company's policy of treating all creditors equally and fairly by complying with the contract or the terms strictly creditors to disclose financial position correctly, on time, and in the case that cannot abide by any one institution that let the creditor know in advance in order to jointly find solutions and prevent damage.

For The Creditors, the company provides can be billed on the 1st to the 6th of each month and payable every 25th of every month by means of bank transfer in Media Clearing, Which are the facilities for the creditors.

In the year 2017 The Company pays to the trade meets CreditTerm agreed in advance, without payment of any company's business been adhered to competition in good faith and fairness under the framework of the law strictly.

3.7 Community and society.

The Board of Directors is aware of the responsibility toward the community and the society to define policies, there is a strong responsibility to the community and society, formed within the company, and employees at all levels as well as support activities beneficial to the community and society as a whole.

Social Responsibility Policy

S & J aim to a good model to operate in according with corporate governance. Proceed to social activities without force. Participate in society other than the pursuit of profit. Focus on the existence of the business coupled with value creation and corporate social responsibility from the process all section within the organization.

The company has appointed corporate social responsibility Committee, also set the corporate social responsibility policies and practices in the different activities, such as reducing or avoiding the use of chemicals prohibited in using renewable natural extract, which is good for consumer. The generate of develop a successor fair to help disadvantaged, elderly, reforestation, conservation of animals. Disaster restoration, etc., based on the principles of care or promote community. Create an atmosphere of coexistence of people in the community and the company can live together happily. Create awareness in the context of sustainability to self-reliance, to recognize helping to each other.

The company has the commitment and work in this continuously, result in year 2017, the company received award of "FDA quality awards competition 2017" from the offices of the food and drug administration, which is an award that glorify establishments that produce quality products. Conduct business with integrity and social responsibility, which received 5 years.

Remark : Can be read more detail in "Sustainable Development Report 2017 : Social good."

3.8 Environment.

The Board of Directors of the company are aware of the responsibility for the environment. The policy is one of the mission of the company's governance and ethics in the operations. The company are aware for the impact on the natural resources and the environment.

The company has appointed a working group on environmental and conservation of energy in order to work in accordance with the laws and systems for environmental standards ISO 14001:2015 along with policy and planning environmental projects to reduce the negative impact that sources since in the process including. Waste disposal based on the 3R were Reduce : reducing resource use age, Reuse : reuse worthy and Recycle : recycled process standard. As well as a support and rehabilitation in emergency situations.

Environment Policy

S & J International Enterprises Public Company Limited is focused on producing quality products. By focusing on the importance of risk that has impact on the environment and the resources arising from the sources of the raw materials, production process, storage and delivery of the goods.

Company focused on maintaining environmental quality under the intention as follows.

1. Compliance with legal, the customer requirements, the Treaty and environmental standards both in the present and might have in the future.
2. Focus on management to prevention, reduction, reuse, recycle. Including getting rid of things that pollute the environment.
3. Strive to improve and developed environmental performance continuously for environmental sustainability
4. Promote to the consideration of life cycle to achieve maximize efficient use of resources.
5. To cultivated conscious mind of the employees to realize and participate in the prevention of problems that affect the environment.

The company also has environmental surveillance measures, such as to measure and track air quality, lighting, sound, and water waste within the company for assign the proactive measures, such as the Working Group of structures with energy to approval reduce CO2 emissions and indirect projects include water quality improvement after treatment for reuse. To improve the production process in order to reduce energy consumption by not required, etc. All of this performance and measurement of environmental quality and safety will be systematically stored and has been monitoring compliance with safety and quality Department regularly.

In addition, the company has opened a channel of complaint for the community if it has been affected due to the company's business operations, which in the past year, the company has not received complaints about the impact of the operation on the environmental.

Remark : Can be read more detail in "Sustainable Development Report 2017 : S & J and business operation along with the environment"

3.9 Social Responsibility Reporting

The Board of Directors is aware of social responsibility by providing an Sustainable Development Report to disclose its business practices, in accordance with the Code of Conduct and results of the implementation of the policies and guidelines for sustainable development of the company both on economic, social and environment.

"Sustainable Development Report" of the Company have been prepared in accordance with International Standards of "Global Reporting Initiatives Guideline: GRI (G4 Guidelines)" has the analysis and link to the company's performance relative to the strategies and objectives of sustainable development of the company by further disseminating innovation in business and society. Including the implementation of against corruption consistent with the reporting guidelines of the Stock Exchange of Thailand.

The company has the commitment and work in this continuously, result in year 2017, the company received awards from organizations as follows.

- The award of " Outstanding SET Sustainability Award 2017" from the Stock Exchange of Thailand which is a reward for the company that are outstanding role models in sustainable business practices.
- The award of "Thailand Sustainability Investment 2017" from the stock exchange of Thailand which is a reward for the listed companies that have business operations in accordance with good corporate governance, social responsibility and the environment. The company has received 3 consecutive years.

The company has delivered Sustainable Development Report 2017 to shareholders on a CD together with invitation letter of The Annual General Meeting of Shareholders for the year 2018 and published the report for those interested on the company website “www.snjinter.com” under the topic “CSR”.

3.10 Encouraged to use resources efficiently.

The Committee recognizes the value of the resources. To achieve efficient use of resources coupled with business operations, the company has appointed a working group on environmental and energy conservation for up acting in accordance with the policies and work practices that conform to environmental standards (ISO 14001:2015), which is one of the established practice is to “promote the use of resources in the production process economically and efficiently.” The company has training and awareness campaign on energy saving approach to resource use and achieve the best value for money in all activities of the organization coverage the use of electrical energy, water, paper and other consumables.

The company has implemented an energy conservation measures in various aspects, such as the waste water through treatment and filtered for reuse up to an 80%, reduction of the pressure in the pipe water sent from 2.4 Bar to 1.8 Bar, resulting in reduced water consumption and reduce costs. To bring the water from the condensation coil Ventilation system to use for water Pump Vacuum system CMX4 etc.

Remark : Can be read more detail in “Sustainable Development Report 2017 : S & J and business operation along with the environment.”

3.11 Educating and training employees on environmental.

The board of directors encourage the employees to realize the importance of the environment. The Company provides dissemination environment to employees through computer system, manage the Information board and publicity through the sound cable. Activities about nature conservation and the environment, as well as encouraging employees to increase their knowledge training in environmental matters continuously.

In 2017, the company provided training environment as follow.

1. Basic knowledge of ISO14001/OHSAS18001
2. Aspect & Risk Assessment
3. How to Energy Saving.

3.12 Supporting and Participation in Community Development.

The company gives priority to business of social responsibility and the environment. In addition to conducting business without creating a negative impact on society and the environment, then. Engagement and social assistance, sustainable growth along the way, That is what the company has been addressed with its actions. It can be seen from the policy and guidelines on how to conduct activities that are clearly defined in various ways as follows:



In the year 2017, the company has carried out various activities to ongoing community development is as follows:

- Pluk Ton Kla Buddhist Yatra project The company has completed the project of “Dharma for Youth Development” cooperate with The Office promotes virtue ethics from Wat Sraket Rajavaravihara by selected students good behavior in the community to be training to bring the application of principles as guidelines in daily life.
- Science on Mobile project To be completed the project of Science room prototype as a concept is to develop and enhance the science education of youth in Thailand and inspiring learning and as a scientist in the future.
- Elephant Conservation projects The company have policy of elephant conservation by helping and take care of the elephants, especially elder elephant that unable to work hard in order to have better lives. There are also other projects to support the care such as, Crops elephant food plant project, the Elephant’s Clinic project, Free the Life of Elephant Project, and Movement Animal Care project.
- Project Look Good Feel Better is a project that the company held consecutive year 9 activities to refresh the mind the cancer patients. The volunteer spirit, which is in the organization, the product of the company. In teaching activities, makeup, teach turban head and activities create happiness.
- Project public health movement, the company in cooperation with the Government to make the elderly people and children in the community. The company, which has operated continuously since 2014.
- Baan Rai Nhung elderly project The company is a network of socially responsible business conduct for the elderly by training “Living a valuable life and spend time with quality” for the elderly aware of the value, their own abilities. Have a positive view towards themselves, including a better quality of life.

Remark : Can be read more detail in “Sustainable Development Report 2017 : Good society.”

3.13 Policies and practices regarding unrelated to human rights violations.

The company, give priority to the fundamental rights of humanity. Conduct business in compliance with laws and principles of human rights. Not all discrimination is sex discrimination. Religion, political rights or other matters, such as the employment of people with disabilities to encourage persons with disabilities were employed, including the company's policy not to take any action or do not support Parties that violate human rights.

The company has prepared the human rights policy, and is published by the training for employees, since beginning work. This is to ensure all agencies are operating according to the principles of human rights laws and regulations relating to employees, and about basic human rights according to international standards also must comply with a standard system, labor, Thailand TLS.8001:2010 company.Certified system in the year 2010 in a complete level. The most advanced, from the Department of labour protection and welfare, Ministry of labour, by May 20, 2015 endorsement to May 19, 2018 which over a period of time that the company has never been a history or a court case about violation of human rights.

Remark : Can be read more detail in "Sustainable Development Report 2017 : Good people."

3.14 The policies and practices of non-infringement of intellectual property or copyright.

The company adheres to our policy on business operations that are not related to intellectual property violations by imitators or take other people's intellectual property used in the business without permission. But we developed a new raw material, goods and services, the company continuously research and development team, more than 150 people sharing valuable innovation of business enterprise. By realizing corporate social responsibility and the environment proactively until the company can bring to a patent to be protected of creative concept of the company.

In addition, the company also encourages employees to continuous innovation in both product production by Small Group Activity through projects or suggestions that will help-system as a mechanism to store employee of innovation in the practice and delivery of various innovative projects competition in the Saha group, continuous innovation and awarded annually.

The company has the commitment to continuous innovation, result in year 2017, the company received the SET Awards of year 2017, Best Innovative Company Awards. Innovative research value added herbal products by encapsulation technology. From the Securities Exchange of Thailand.

In the year 2017, the company was not associated with abuse of any copyright and/or other intellectual property.

3.15 Measures against corruption and bribery

The company has set anti-corruption policy and prepared a manual for anti-corruption measures for Directors, Executives and employees to use as guidelines. The key focus of such policy and measures is to prevent and corruption in all forms whether directly or indirectly. The company will not participate in any bribery or corruption to government officials, public as well as private sectors in order to gain or maintain competitive advantage. In addition, the company have set the practice guidelines for activities with potential risk of corruption in order to clear guidelines in the doing business and reduce the risk of corruption with totally 6 Editions as follows.

- Rule of practices for political support.
- Rule of practice for donation and public interest.
- Rule of practice for give or obtain gift and entertainment.
- Rule of practice in the give and get support.
- Rule of practices for Business Operation in sales and marketing.
- Rule of practices for business operation in procurement.

The Anti-Corruption Policy and Practices 6 editions are “Documents of Anti-Corruption” and provide to the Board of Director, Executives and other units within the organization to compliance guidelines in case of doubt in regard to corruption. In addition, there has been published on the company’s website (www.snjinter.com) under the heading investor relations: Corporate Governance : Anti-Corruption Documents.

The Company is certified as a member of the Collective Action against Corruption (“CAC”) Project. The Audit Committee was responsible for reviewing and auditing the self-assessment on anti-corruption. The Company’s application to CAC was approved on October 14, 2016 by the CAC Committee.



Corruption risk assessment

The company requires units whose transactions may create corruption risks of all 9 units which contact the government department, such as Engineering department, accounting and finance, import-export and regulation department, to conduct corruption risk assessment. Cause and chances of the corruption risks in the entire business process, from project development to project financing, project and power plant management and organizational administration, are identified while practice guidelines, regulations and rules used for control such risks are prepared.

Corruption Risk Assessment showed that the Company has effective risk prevention, such as prevention, whistleblowing system, control and monitoring. Chances of such risks are very low. Although the assessment also showed that some anti-corruption guidelines are already in writing, such as gifting, entertainment, internal control, human resource management and procurement, some other practices, including sponsorship, training and communications, remain not clear, The Management and employees however have correctly, properly and transparently performed, which is a strong organizational culture, To support effective implementation and provide clear guidelines, the Company has improved and put in writing those guidelines by preparing the “Anti-corruption Measures Manual”. The manual has been disseminated throughout the entire Organization via internal communication channels and to outsiders via the company website under Corporate Governance.

Implementation of Anti-Corruption Policy and Measures.

- The Anti-Corruption Policy and the Anti-Corruption Measure Manual are published on the Company’s website and distributed to the board of director, Executive and all of department of company.
- Anti-corruption Policy and Practices are regularly communicated within the Organization 2 times per day and disseminated through internal communication channel and posters in office where outsiders can also see and become aware of company commitment. The company will provide the detail of anti-corruption policy for new employee in Employee Manual.

- The company encourages and supports its subsidiaries to concretely implement anti-corruption by communicating the anti-corruption policy and practices to directors of subsidiaries for adaptation and implementation.
- The Board encourages Directors, Executives and employees to attend trainings and seminars on anti-corruption held by various organizations, including:
 1. To clarify the purpose of working paper to apply for certification as a member of the private sector in Thailand against corruption. Attendants included representatives from Internal Audit Unit and Company Secretary department.
 2. The training “SJI cooperation for Anti-Corruption” for managers and supervisors, which has invited guest speakers who are competent external training at Bangkok office and Sriracha.
 3. Orientation for new employees, which have content policies and guidelines, operating for anti-corruption, to cultivate the consciousness from the start.
- The Company has notified its policy to its trading partners by sending a notice informing the anti-fraud policy. In cooperation, if found guilty person in the organization. In addition, the company has prepared the memorandum committing to Anti-Corruption for the represent of the company to provide customers and business partners to realize in this matter.
- The company has set the notification letter policy stopped accepting gift from business partners every year.

Whistleblowing

The company encourages its employees and stakeholders to participate in monitoring the actions in compliance with related laws, regulations rules, corporate governance practice and business ethics and report or complain on breach of laws, ethics or malpractice that may involve corruption. Measures for whistleblower protection are also put in place so as to keep reported information confidential and will be acknowledged only be relevant parties to provide whistleblowers with full confidence and protection.

The company provides a channel for all stakeholder groups to report or complaint that may cause damage to the Company. Wrongful action against related laws, regulations and business ethics or Corruption and bribery or suspected actions that may involve money laundering, wrongful actions related to accounting, finance, control and auditing. Issues to be reported directly to “Working Group on complaints.”

List of Working group on complains		Telephone number	E-mail address
Mrs.Patchara	Pongwichan	(02) 676-2727 Ext. 2208	
Mr.Sumit	Khopaiboon	(02) 676-2727 Ext. 2812	sjcac@snjinter.com
Mrs.Worawan	Tantrasadetee	(038) 480-086-89 Ext. 1115	

Or send a registered mail to President of the Audit Committee or President of the Corporate Governance Committee or Assistant Manager of Human and Resource Division or Head of Internal Audit or Company Secretary or Complaint Working Group at the following address:

S & J International Enterprises Public Company Limited
2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120

Process of whistleblowing and complaints

Whistleblowing and complaints, Secretary of the Corporate Governance Committee will be compiled and presented to the committee received a complaint. The Company To collect relevant information as confidential and the safety of the complainant, unless the case to reveal according to the law. The complaints will review by the Working Group received a complaint to offer opinions to the Director of Human Resources and offer to the Board of Directors.

The protection of the whistleblower and complainer

The company will protect the whistleblower and complainer made by fide intent by concealing the name or any information of whistleblower and complainer to be confidential by limited to those who have a responsibility to investigate complaints only.

The protection of employees

The company will provide care and protect employees who comply with Anti-corruption policy and regulation by protection complainer set in Code of conduct the Board of Directors, executives and employees. Including the company give justice and protection to employee. By employee will not be punished, or reduce position, if denied the corruption acts, even though such actions would cause the company to lose business opportunities.

The company has set whistleblowing process and protection of whistleblowers and those being complained as well as penalty and clue reporting; and clearly published such details in the Anti-corruption Measure Manual. In 2017, the company received neither complaint nor detected corruption within the Organizations by insider and outsider.

Monitoring, Reviewing and Assessment

The company has a process to review, monitoring and assessment of the risks of corruption, as well as programmes for preventing such risks. The supervisory board governance is the risk assessor in corruption and coordination with internal audit checks and presentation at the meeting of the Audit Committee to review the internal control and internal audit follow-up. In the case of fraud, internal audit work unit will report directly to the Audit Committee and the Audit Committee will report to the Board of Directors, respectively.

In 2017, the Corporate Governance Committee has reviewed policy and practices relating against corruption, to review policies and practices for improvement by cooperating with the Internal audit to follow up the adoption of practices with the annual audit plan. The report to the Audit Committee and the Board of Directors by quarterly.

3.16 Communication Channel

Stakeholders are able to provide their recommendations and concerns to company via the following channels:

Channel	Telephone number	E-mail address
Corporate Secretary	(02) 676-2727 Ext. 2812	Sumit_k@snjinter.com
Investor Relations	(02) 676-2727 Ext. 2508	Sji_sec@snjinter.com
Human Resources Department	(02) 676-2727 Ext. 2208	Patchara_p@snjinter.com

The mailing address is S & J International Enterprises Public Company Limited 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120.

The Corporate Secretary is responsible for sending documents directly to the Board and then forwarding them to relevant committees or directors. Issues and recommendations will be summarized and submitted to the Board on a quarterly basis. In 2017, the company did not received neither complaint nor involved recommendations from stakeholders.

Section 4 : Information Disclosure and Transparency

The Board of Directors duly recognized the importance of disclosing significant company information relating to both financial and non-financial topics, which was regarded as one of the company's policies regarding good corporate governance. The company ensured that the shareholders and investors receive such information, in a fast, accurate, and equitable manner, through such channels as, the annual report, annual information disclosure form 56-1, news distribution channel of The Stock Exchange of Thailand, and The Securities and Exchange Commission, as well as the company website, in both Thai and English (www.snjinter.com), with those information being regularly updated.

In 2017, the company facilitated information disclosure in accordance with the requirements of The Stock Exchange of Thailand, as well as disclosing other significant information, in display of transparency toward its business operations as follows:

4.1 Corporate governance : The company prescribed and disclosed its corporate governance policies, corporate governance principles, business ethics, code of conduct for company directors, the management, and employees, Anti-Corruption Policy and guideline of anti-corruption. Also provided information board.

In 2017, the company has reported compliance with corporate governance policy. This is consistent with good corporate governance principles for listed companies on the Stock Exchange of Thailand. By publishing the Annual Report Form (56-1), annual reports (56-2) and the Company's website.

4.2 Social and environmental management policy : The company incorporated these topics under mission and the policies on corporate governance and business ethics with regard to the society and environments, can be found more detail at "Sustainable Development Report 2017".

4.3 Risk management policy : The company has set up Risk Management Committee to supervise risk management of the organization in a systematic and effective manner, and cover all areas appropriately, as well as assign risk management policies, according to the details under the heading "Risk Factors".

4.4 Shareholding structure : The company disclosed the names of the top 10 shareholders at the time of closing shares registration book for the shareholders' meeting under the heading "Property and Shareholders Information" and company's website www.snjinter.com menu "Investor Relation" topic "Shareholding Structure"

4.5 The Board of Directors' responsibility report toward financial statements : The Board of Directors recognized the importance of compiling financial statements in such manner deemed accurate and reliable, accompanied by preparing in accordance with accounting standards, to serve as references for decision-making by the investors, by displaying said report together with the certified public accountant's report in the annual report publication. Furthermore, in 2017, the Company's Audited Financial statements were certified with clean audit opinion by auditor and submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within the time frame required, and never subject to any instruction to revise its financial statements.

4.6 Duty performances by The Board of Directors and various committees : The company disclosed the details on the roles and authority of The Board of Directors and other committees, the number of meetings held, the number of meeting attendance by each director during the past year, details under the heading “Management structure”, and “Corporate Governance” on sub-committees.

4.7 Shareholding by the directors and the management : The company annually disclosed shareholding and changes of the company’s shareholding of the directors and the management both directly and indirectly in the annual report. Details are under the heading “Personal information of company directors and management members” on report on changes in securities holding by company directors and management members.

4.8 The remuneration for the directors and the management : The company disclosed the policy regarding the remuneration for directors and the management, the nature and number of remuneration accorded the directors for The Board of Directors and other committees are individual, under the heading “Management structure”, on the remuneration for the directors and management members.

4.9 The policy to report possible conflict of interests by the directors : The Board of Directors laid down the policy requiring company director and management member to report to the company each time possible conflict of interests arose by either themselves or connected persons, within 3 month of that event causing an appointment or change. Regarding this, the company secretary was required to submit related report to The Chairman and The Audit Committee Chairperson within 7 days after the company learned of such event. During 2017, company directors and management members strictly followed said policy, by not taking part in such meeting agenda having possible conflict of interests. Moreover, the company facilitated information disclosure pertaining to any conflict of interests by company director or management member, via the letter informing the meeting’s resolution to the news system of The Stock Exchange of Thailand.

4.10 Development for the directors and the management : The company disclosed the development and training of directors and the management. Details are under the heading “Personal information of company directors and management members” and “Corporate governance” on Section 5 : Responsibilities of The Board of Directors, no. 5.7.

4.11 Relating transaction The Board of Directors laid down the policy for the company to comply with the regulations of the Capital Market Supervisory Board. In the case of important relating transaction; although the approved amount of money is under the executive director supervising the division, the company shall present to the Executive Board for consideration and/or approval depending on the case. After that, the company will bring the significant volume transaction to The Audit Committee’s meeting and The Board of Directors’ meeting for consideration respectively, so The Audit Committee can comment in case there are different opinions, and the directors and the management can acknowledge the details before the company informs the Stock Exchange of Thailand. Details are under the heading “Relating Transaction”.

4.12 Quarterly Performance Report : In the case of net profit according to last financial statement changed from the financial statements in the same period last year more than 20 percent, the company has revealed the explanation of the operation’s results for the quarter on the website of the Stock Exchange of Thailand and the company website.

In 2017, the company disclosed the quarterly performance report 4 times.

4.13 Management and operation of the company : The company has its tax policy with a strong tax management in order to protect the reputation and image of the company in a tax-related issues, including promoting the maximum added value to shareholders. Tax policy gets approval from senior management, according to the code of ethics in the company's business operations.

Tax policy of the company

Tax policy adheres to principles of integrity, transparency, by providing accurate, timely taxation according to law, to build credibility for the company by conducting a performance tax, legal and tax benefits to achieve optimum performance under the terms of the law, including compliance with legal regulations on financial disclosure and the tax authorities or related organizations including the public. This is consistent with the business strategy to provide maximum benefit to shareholders, and maintain good relations with government officials and customers.

Tax policy compliance

The company had a tax compliance and tax news and new laws closely, including the review process by senior executives, internal auditors regularly according to the annual internal audit plans to follow up the operation consistency, including a review of the external auditor in order to be compliance with tax effectively, transparency and legality.

In addition, the company has defined Rule of practices for donation and public Interest, Rule of practices for give or obtain gift and entertainment, Rule of practices for political support, Rule of practices for Business Operation in Sales and Marketing and Rule of practices for Business Operation in Procurement in accordance with the guidelines of the relevant law, including laws, taxation. All processes are approved by the company's management and has carefully considered under the tax laws.

4.14 Whistle Blowing Policy : The Board of Directors gives employees and stakeholders an opportunity to give information or file a complaint on a matter which could constitute a violation of the law, dishonest or wrongful act of an employee, including irregular behavior which could cause a problem or loss to the company. The company also receives complaints on cases where the rights of an employee or stakeholder has been infringed or where they have been treated unfairly. Suitable channels and procedures have been provided by the company in this regard.

4.15 The relationship with investors : The company earlier set up The Investor Relations Center, to serve as the center in communicating and distributing significant information useful to the investors and other parties concerned. Interested person could view the company's latest developments via the company website, under the heading "Investor Relations", and the news system of The Stock Exchange of Thailand. Investors and related persons may contact Investor Relations Center represented by :

Mr.Varith Tritrapun
Investor Relation
Tel. (662) 676-2727 ext 2508
E-mail : sji_sec@snjinter.com

or Mr.Sumit Khopai boon
Company Secretary
Tel. (662) 676-2727 ext 2812
E-mail : sumit_k@snjinter.com

In 2017, the company and the Saha Group together with the SET hold “investors, analysts meet Saha Group” No.9 at 21th Saha Group Fair at Queen Sirikit National Convention Center to enclose investors, analysts and the media met with the Board and management closely. Managing Director provided the information about the business, operations, industry, economic outlook and key developments including answers and question. The company prepared book summarizes the history and key operational results distributed to investors, analysts and media at the event as well as all of them have visited product and innovative of companies in the group that was on display at the 21th Saha Group Fair. An opportunity to purchase product at special price which has been received very well with attendance increasing every year. This caused investors, analysts and the media learned an overview of the business of the Saha Group, and more published through the Stock Exchange and the company’s website (www.snjinter.com).



Section 5 : Responsibilities of The Board of Directors

The Board of Directors had important responsibility in setting the direction for the company’s business operations, following up on the work results by its management members, and being responsible for their duties to contribute to the best interests of the shareholders and the company.

5.1 Structure of The Board of Directors

1. Composition of The Board of Directors

The Board of Directors comprised	15	directors, classified into:
- Non-executive directors	4	persons
- Executive directors	5	persons
- Independent directors	6	persons

The Board of Directors consisted of qualified directors with knowledge, proficiency, and various experiences in accounting, finance, management, marketing, laws and science, as well as no gender discrimination. There are 10 Non-executive directors of whom 6 are Independent directors or equal to 40.00 % of the total number of the Board. And among 6 Independent Directors, 4 of them are members of the Audit Committee. The Chairman shall not be the same person who is taking an office of Managing Director.

All directors have a determination to perform their duty as trusted by the Board of Directors and shareholders. They are all independent in expressing their idea, considering and approving any issue by regarding the optimum benefit to the company.

2. Independent director's qualifications

Every member of the company's independent directors is fully qualified to serve as an independent director under the rules set by the company. Independent directors who are women are accounted for 2 persons or 33.33 percent of all independent directors. None of independent directors take a position as director in more than 5 listed companies.

The Board of Directors resolved to adopt the definition for "independent director" having qualifications in accordance with the notification of The Capital Market Supervisory Board. Nonetheless, practically the independent directors of the company are truly independent from the management and major shareholders of the company. Independent directors and the person being involved held not more than 1% of the total voting share of the company and have no shareholding in the parent company, subsidiaries, associates, major shareholders, or person in authority of the company.

3. Directors selection process

The Board of Directors appointed The Nominating Committee, to supervise the director selection process to be carried out in a transparent manner (See the details under the heading "Corporate Governance", on the selection and appointment of the directors and chief executive officer).

4. The number of companies served by each director

The company disclosed the information regarding the holding of directorship by each company director in other companies in the heading "Personal information of company directors and management members". At present, none of the company's directors serve as director in more than 5 listed companies.

In addition, The Board of Directors assigned a policy to appoint the Managing Director as directors in its subsidiary companies and affiliate companies, so as to facilitate smooth and consistent operations management for these companies.

5. The separation of the positions of Chairman from the Chief Executive Officer

Directors and the Chief Executive Officer, the company therefore specified the Chairman of The Board of Directors and the Managing Director to be different persons, so as to clearly separate the supervision and management authority for the company, and contributing to proper authority balance in company management within the company. In relation to this, the company has set up The Board of Directors Charter, setting the authority and duty scope for each committee and The Managing Director.

6. Company Secretary

The Board of Directors resolved to appoint Mr.Sumit Khopaiboon, Account and Finance Section Manager, as the Company Secretary, having the duties and responsibilities as specified by the company. (See the details under the heading "Management structure" on company secretary.)

5.2 Sub-Committees

The Board of Directors appointed several sub-committees comprising of competent and experienced members to supervise over each particular aspect of company operations, and clearly laid down the authority and responsibility scope for each committee per the charter for said committee. (Additional details are under the heading “Corporate Governance” on various committees and “Management structure” on The Board of Directors)

Furthermore, the directors and senior executives of the company have never been employees or partners of outside auditing companies that serviced the company in the past 2 years.

5.3 The roles, authority, and responsibility scope of The Board of Directors

1. Leadership and vision

The Board of Directors consisted of members who had extensive capabilities and experiences beneficial to company management, together with leadership and independent decision-making qualities, necessary to supervise company operations in such manner best contributing to the objectives and goals of the company and shareholders.

The Board of Directors were obliged to assign the vision and mission of the company, with yearly revision, in which in 2017, The Board of Directors’ meeting had considered and reviewed that vision and mission were still appropriate with current business engagement. Moreover, The Board of Directors also approved strategy, target, plan, and annual budget of the company proposed by the management. At the same time, they were required to ensure that there were adequate mechanisms in supervising, monitoring the implementation of the company’s strategies, and evaluating performances by the management, so as to meet the targets contributing to further value and wealth for both shareholders and the company, while properly safeguarding the interests of all stakeholders concerned.

2. Good corporate governance

In due recognition of the importance of good corporate governance practice, The Board of Directors therefore laid down good corporate governance policy in writing, consisting of 4 parts of information which are corporate governance policies, corporate governance principles, business ethics, and code of conduct of the company’s directors, the management and employees. The good corporate governance principles were prepared in three languages : Thai, English, and Japanese. There was evaluation of compliance and review of good corporate governance principles annually, and revealed through the company website. The manual was distributed to directors, the management, and employees, which required that all of them comply with such manual strictly. The ethics and code of conducts also being presented to the management and employees in animated cartoon for easy understanding.

The Board of Directors followed the measures of good corporate governance to strengthen its management and business engagement transparency, and those who do not comply with such measures will be appropriately punished and might be prosecuted in the case of law violation. If the employees are in doubt and cannot comply or make decision, they shall consult with sequence supervisor. In the case of dispute, the judgment from the Managing Directors, The Executive Board and The Board of Directors will be considered as final order. (See full details of corporate governance policies, business ethics, and code of conduct for company directors, the management and employees on the company website).

3. The policy regarding possible conflict of interests

The Board has a clear guideline for care. To eliminate conflicts of interest with prudence for the benefit of the Company and its shareholders. The item may have a conflict of interest. The company has informed the meeting about these transactions for transparency in accordance with with the Capital Market Commission, Directors who have conflict of interest were out of the meeting and abstained on the agenda for independent of the company's decision. In addition, the company do not to provide financial assistance except in the case of loans or loan guarantees in proportion to their shareholding by preparing report in the Annual Report (56-2) and annual information form (56-1).

4. Supervision over internal control and audit systems

The Board of Directors address on the systems overseeing financial control, company management, and corporate supervision, by assigning The Internal Audit Office to supervise over the audit, review, and monitoring of those operations results. Furthermore, The Internal Audit Office also provided recommendations to ensure independent and effective practices according to those guidelines in an independent and balanced manner.

Accordingly, The Board of Directors instructed The Internal Audit office to directly report to The Audit Committee every quarter, so as to allow the Committee to review and ensures sufficient internal control practice. At The Board of Directors' meeting no.2/2018, also attended by The Audit Committee members, the meeting together reviewed the adequacy of the internal control system and risk management system, and then concluded that the company had adequate internal control system in place. (The details are disclosed under the heading "Internal control and risk management").

With this regard, The Audit Committee is responsible for considering and giving approval for the appointment, transfer and dismissal of the head of internal audit office. Currently, the head of the company's internal audit office is Mrs. Pannee Chantavaralak, who has good quality of knowledge, abilities and experiences in internal audit.

5. Risk management

The Board of Directors places emphasis on risk management affecting the organization's goals by having risk management process in a systematic and in compliance with the company's policies.

The Board of Directors appointed The Risk Management Committee to supervise the risk management to be effective and meet the standard with risk assessment and monitoring risk management plan, as well as reporting to the Board of Directors. (See the details on risk management for each area of the company under the heading "Risk factors").

5.4 The Board of Directors' meeting

The Board of Directors scheduled the meeting for the whole year and notified the directors in advance in which the meeting will be held at least every quarter with additional meeting if necessary as specified in the Charter of Board of Directors. For each meeting and agenda for The Board of Directors' meeting, each director was able to propose agenda, and the Chairman together with the Managing Director shall consider the matter to be brought into the meeting. After that, the Company Secretary sent out meeting invitation letter, meeting agenda, and relevant meeting documents, to the directors not less than 7 days in advance, to allow them sufficient time to review the information prior to the meeting.

All directors considered as their duties to attend the meeting each time, unless unable to do so due to significant obligation or illness. During the meeting, The Chairman allowed the directors to present opinions and comments freely. The company has set a policy of minimum quorum of the committee to vote

at the meeting of the Committee that must have directors not less than 2 out of 3 of all members. while those directors having conflict of interests would not be allowed to attend or cast votes at such meetings. The Company Secretary recorded the meeting minutes and then classified those minutes in a systematic manner, to facilitate easy references.

The Board of Directors supported the joint meeting between The Board of Directors and The Executive Board at least once a year, to deliver yearly strategic targets and operation plans of the company, as well as to build good relationships between directors and executives. In addition, Chief Financial Officer has joined The Board of Directors' meeting at all times.

The Audit Committee has scheduled meetings with external auditors and report this to the Board of Directors every quarter.

During 2017, The Board of Directors held 7 meetings altogether and having the Directors attending the meeting more than 80% of the meeting whole year. (See the details about the meetings under the heading "Management structure" on The Board of Directors, no. 1.3 the number of directors' meeting).

In addition, in 2017 has set scheduled of the Board of Director meeting for the year 2018 in advance (this schedule is subject to change.) excluding the agenda of the special meeting as follows:

Number	The Board of Director Meeting
1	February 26, 2018
2	March 21, 2018
3	May 10, 2018
4	June 20, 2018
5	August 9, 2018
6	November 9, 2018
7	December 19, 2018

5.5 Evaluation of The Board of Directors

The evaluation of the Board of Directors performance for the year 2017 has been carry out, in which the evaluation was set to conduct yearly. Each of the directors will be given opportunity to assess the performance both individuals and the board as a whole to review performance results, problems, and obstacles faced during the past year, in order to contribute to better effective performances by The Board of Directors.

There is a process in which the evaluation as follows: the Company Secretary sent out an evaluation of the performance of the Board of Directors form, an evaluation of the performance of the directors individually form, and an evaluation of the performance of the Sub-Committees Directors form (Only directors who are members of the committees of the Board) to all directors. Every director was independent in taking such evaluation. The evaluation form was returned to the Company Secretary once completed to be collected, summarized, and reported to The Board of Directors at The Board of Directors' meeting.

The percentage score criteria was set as follows:

Criteria	Score
Excellent	Over 90 percent
Very Good	Over 70 percent
Good	Over 50 percent
Fair	Over 30 percent
Improve	Less than 30 percent

Yearly Performance Evaluation of The Board of Directors

The Board of Directors carried out the board's performance evaluation, which divided in to 3 aspects as follows:

1. Role, Duty, and Responsibility of the board
2. Independence of director
3. Relationship with the management and stakeholders

In 2017, the evaluation result was in "Very Good" criteria with the average score of 86%

Yearly Performance Evaluation of The Individual Director

The Board of Directors carried out the individuals' performance evaluation, which divided in to 3 aspects as follows:

1. Role, Duty, and Responsibility of director
2. Duty fulfilment of director
3. Self-development of director

In 2017, the evaluation result was in "Very Good" criteria with the average score of 85%

Yearly Performance Evaluation of The Various Committees

The Board of Directors has set the evaluation of performance of every various committees in 2017 that each member of the various committees evaluated the work of his/her various committees as a whole. The result can be summarized as follows:

The Sub-Committees	Evaluation Result
The Audit Committee	87%
The Nominating Committee	70%
The Remuneration Committee	75%
The Risk Management	83%
The Corporate Social Responsibility	96%
The Corporate Governance	91%
The Executive Board	83%

With regard to the appraisal of the performances of the Managing Director, this would be carried out by the Chairman and the Board of Director, by considering and assesment the performances result from target of company every year.

5.6 Directors' remuneration

The Board of Directors appointed The Remuneration Committee, to supervise and ensure that the remuneration process for directors and senior executives were carried out in a transparent manner (See the regulations and criteria on remuneration policy for directors and the management under the heading "Management structure", on remuneration for the directors and management members).

5.7 Board and Management Development

The Board of Directors has set up a policy to promote and support those training activities seeking to promote further knowledge for the directors, managers, and all parties concerned on a consistent basis. So, as to gain better effective skills and understanding regarding their duty assignments. These activities included the programs organized by Thai Institute of Directors Association (IOD) and other agencies concerned (See the details under the heading “Board of Directors Information”), as well as the meeting to exchange opinions with The Board of Directors and the managers of other organizations, in order to apply the knowledge and experience gained to develop the Company.

The Board of Directors participated in training programs organized by Association of Thai Institute of Directors (IOD).

	NAME	DAP	DCP	RCC	RMP	RCP	ACP
1.	Mr.Boonkiet Chokwatana	3/2003	41/2004	-	-	-	-
2.	Mrs.Tipaporn Chokwatana	3/2003	68/2005	-	-	-	-
3.	Mr.Thirasak Vikitset	3/2003	68/2005	-	-	-	-
4.	Dr..Atthakorn Glankwamdee	3/2003	68/2005	-	-	-	-
5.	Admiral Apichart Pengsritong	82/2010	-	-	-	-	-
6.	Mrs.Kaewta Ongsaranakom	-	27/2003	10/2010	-	-	-
7.	Prof.Dr.Malyn Ungsurungsie	17/2004	-	-	-	-	-
8.	Mrs.Chitraporn Vikitset	66/2007	-	-	-	-	-
9.	Mrs.Teerada Ambhanwong	3/2003	51/2004	-	-	-	-
10.	Mrs.Pismai Chandrubeksa	82/2010	-	-	-	-	-
11.	Mr.Suthep Dansiriviroj	32/2005	60/2005	-	5/2014	-	-
12.	Mr.Amorn Asvanunt	4/2003	-	-	-	-	-
13.	Mrs.Pradittha Chongwattana	-	5/2001	-	-	-	-
14.	Mr.Surong Ongkosit	12/2004	68/2005	-	-	-	-
15.	Pol.Gen.Somchai Prabhasabhakdi	25/2004	51/2004	-	-	12/2005	2/2004

The Company directors and managers paid much attention to attend training courses or seminars designed to promote their management abilities.

Training and seminar attended by the Board of Directors and Managers in 2017

Name		Training Course / Seminar
Mrs.Tipaporn	Chokwatana	- Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permponkhantisuk)
Mr.Thirasak	Vikitset	- Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permponkhantisuk) - Business Strategy for Sustainable Growth (T-way Co.,Ltd) - Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Roles and Responsibilities of Directors and Insider Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Dr.Atthakorn	Glankwamdee	- Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permponkhantisuk) - Roles and Responsibilities of Directors and Insider Information : a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Mrs.Kaewta	Ongsaranakom	- Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permponkhantisuk) - Business Strategy for Sustainable Growth. (T-way Co.Ltd) - Strategic Business Goal Plan and Action for 3 years. (T-way Co.Ltd)
Prof.Dr.Malyn	Ungsurungsie	- Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permponkhantisuk) - Business Strategy for Sustainable Growth. (T-way Co.,Ltd) - Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd)
Mrs.Chitraporn	Vikitset	- Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permponkhantisuk) - Business Strategy for Sustainable Growth (T-way Co.,Ltd) - Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Roles and Responsibilities of Directors and Insider Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited

Name		Training Course / Seminar
Mrs.Teerada	Ambhanwong	<ul style="list-style-type: none"> - Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permpoonkhantisuk) - Roles and Responsibilities of Directors and Insider Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Mr.Suthep	Dansiriviroj	<ul style="list-style-type: none"> - Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permpoonkhantisuk) - Roles and Responsibilities of Directors and Insider Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Admiral Apichart	Pengsritong	<ul style="list-style-type: none"> - Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permpoonkhantisuk) - Roles and Responsibilities of Directors and Insider - Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Mrs.Pismai	Chandrubeksa	<ul style="list-style-type: none"> - Roles and Responsibilities of Directors and Insider Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Mrs.Pradittha	Chongwattana	<ul style="list-style-type: none"> - Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permpoonkhantisuk) - Roles and Responsibilities of Directors and Insider Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Pol.Gen.Somchai	Prabhasabhakdi	<ul style="list-style-type: none"> - Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permpoonkhantisuk) - Roles and Responsibilities of Directors and Insider - Information: a case studies by Mr.Kitipong Urapeepatanapong from Baker & McKenzie Limited
Miss Sumeth	Surachartchairit	<ul style="list-style-type: none"> - Business Strategy for Sustainable Growth (T-way Co.,Ltd) - Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Leadership Psychology Course. by Dr.Kwannapa Choosang

Name		Training Course / Seminar
Mrs.Thongsuk	Upathambhakul	- Business Strategy for Sustainable Growth (T-way Co.,Ltd) - Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd)
Mrs.Patchara	Pongwichan	- Corporate Governance Code for listed companies 2017 (Mr.Tanakrit Permpoonkhantisuk) - Business Strategy for Sustainable Growth (T-way Co.,Ltd) - Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - Leadership Psychology Course. by Dr.Kwannapa Choosang

Orientation for new directors

The company hosted the orientation course for new directors, to properly prepare them for director assignments. The company arranged factory tour, organized presentations on company background, business perspective and business policies for these new directors. The company also provided them with the manual for directors for listed company, clearly summarizing and comparing the provision in the company regulations, with those in The Securities and Exchange Act, The Public Company Act, Good Governance Practice Principles, as well as the charter for each respective Committee and the corporate governance policies, corporate governance principles, business ethics, and code of conduct for the company directors, the management, and employees, anti-corruption policy and other regulations. In addition to related regulations issued by concerned agencies in supervising over listed companies, to serve as their practice guidelines during the directorship term.

5.8 Plan for Successors

The company has plans for successors to be ready for in case the executives are unable to work. The details are as follows

1. To provide opportunity for middle management to work closely with senior management.
2. To prepare having senior management be ready to take up other functions if necessary.
3. To prepare specialized personnel to be able to take up higher management positions.
4. To establish various committees for development of works and potentials of flame works in a systematic process.
5. To encourage middle management to propose their various plans.
6. To provide training courses for middle management to take up high posts.
7. To organize a training course for senior and middle management to promote common awareness for accountability, integrity and corporate image as a whole.
8. To provide executive training for each department for higher potential, advance planning in addition to systematic thinking to middle managements.
9. To enhance charitable spirit and activities among executives at all levels for promoting happy living in societies.

Compliance with good corporate governance principles in other matters

The Board of Directors have placed much emphasis on building good corporate governance practice, and upgrading those practice on continuous basis, to enable company operations to be carried out in a transparent and effective manner, leading to further growth and stability for the company. Furthermore, such practice was aimed at contributing to further economic value and long-term wealth for the shareholders, while providing fair treatment to all stakeholders concerned. The company has set the policy to achieve balanced business operations under changing social and economic environments, based on sufficiency economy principles, and in compliance with good governance practice principles for listed companies.

The Board of Directors has reviewed the corporate governance of the company annually. Developed the principles of good corporate governance in accordance with the rules consistently and make good corporate governance principles (Revision No. 1) to adhere to the guidelines “Principles of Good Corporate Governance for Listed Companies 2012” by the Stock Exchange of Thailand and conforming to ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) which has been approved by the Board of Directors No.1/2014 on February 25, 2014 and effective from February 25, 2014, to take effect from February 25, 2014 onwards. This contains four parts: corporate governance policies, corporate governance principles, business ethics, and code of conduct for company directors, the management and employees, which can be viewed for more details on the company’s website under the heading “Investor Relations: Corporate Governance”.

The consistent development of good corporate governance principles to comply with the criteria of ASEAN CG Scorecard, which is a more intensive criteria of survey, has resulted in the company receiving an “Very Good CG” score in the annual good corporate governance practices assessment of Thai listed companies for 2017 and the company also received certificate of ESG100 company from Thaipat Institute as one of the top 100 listed companies with outstanding environmental, social and governance (ESG) operation.

Details of Corporate Governance Evaluation;

Categories	2015 (%)	2016 (%)	2017 (%)
1. Right of Shareholders	95	92	92
2. Equitable Treatment of Shareholders	98	98	99
3. Role of Stakeholders	91	93	94
4. Disclosure and Transparency	91	89	92
5. Responsibilities of the Board	67	69	83
Score Average	83	83	89

In case of the part that company had not practiced complying with good corporate governance principles for listed companies, the company would take into account to apply appropriately such as:

Non – practiced aspects	Reasons
1. The Board of Directors has specified the number of listed companies that each director hold directorship for not more than 5 places in the company’s corporate governance policy.	The Board of Directors has not specified the number of listed companies that each director hold directorship for not more than 5 places, since The Board of Directors believed that each director’s business expertise and capabilities should not be restricted by the number of companies said director served, as long as he/she proved to be capable and devoted enough to carry out own assignments in fulfilling the expectations by The Board of Directors and shareholders. At present, none of the company’s directors serve as director in more than 5 listed companies.
2. The Board of Directors’s policy has specified the limit of the number of years on the tenure of independent directors not exceeding 9 years.	The Board of Directors’s policy does not limit the number of years on the tenure of independent directors since the company’s independent directors continue to perform their duties with independence and without private interests that may conflict with the interests of the company, as well as make decisions by taking into account the best interests of the company. They are also independent from the management and major shareholders of the company.
3. The Board of Directors has no independent director appointed as the company’s director for more than 9 years.	The Board of Directors has three independent directors appointed as the company’s director for more than 9 years because they are fully qualified per definition of company’s independent directors, while duly processing such sound knowledge, professional expertise, and work experiences, beneficial to the company’s business operations.
4. The Chairman of The Board of Directors is independent director.	The Board of Directors has appointed non-executive director serving as the Chairman of The Board of Directors due to his ability and expertise in the company’s business. Furthermore, despite the Chairman of The Board of Directors not being an independent director, nevertheless, the Chairman of The Board of Directors duly carried out his assignments in an independent manner, and providing opportunities to all directors to act freely in expressing own opinions and suggestions contributing to the best interests of the organization.

Non – practiced aspects	Reasons
5. The Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are independent directors and The Nominating Committee and The Remuneration Committee mainly comprise independent directors.	Although the Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are not independent directors, all of them are directors with knowledge and experience who served the positions for a long period of time. They have performed their duties with responsibility and honesty, while never voted when they have conflict of interests.

Anyhow, the part that the company had practiced in compliance with the corporate governance principles, the company continued to focus and commit for continuous improvement to raise standards of corporate governance and led business operations of the company to be full of transparency, effectiveness and sustainable growth.

According to the Securities and Exchange Commission. (SEC) has issued the Corporate Governance code for listed companies in 2017 (Corporate Governance Code: CG Code) to be used to replace of Thailand Principles of Good Corporate Governance for Listed Companies 2012 with the following objectives.

1. To raise the Principles of Good Corporate Governance. the original focus on compliance to the requirements (comply or explain) changed to the release deployment (apply or explain) to ensure compliance to appropriate and beneficial to make a valuable contribution to sustainable organizations.

2. To provide the Board of Director as a leadership of highest organization, bring 8 principles to adopt practices to comply with the guidelines established covering an organization’s operations.

The Board of Directors had joined the training “The Corporate Governance Code for listed companies, 2017” and assigned the corporate governance Committee to study, analyze, compare the said code in order to make the Corporate Governance Code (CG Code) to replace of the current version to suit the business context.