

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee operates according to the good corporate governance principles in order for the Company to manage the business with effectiveness, transparency and fairness, adhering to the business code of conduct that is acceptable by every group of stakeholders. During the year 2016, three meetings were held to consider several matters, which can be summarized as follows.

1. Rectified the Good Corporate Governance Handbook based on the rules on corporate governance as stipulated according to the notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand including rectification of the Guidelines to Good Corporate Governance and Code of Conduct. This information has been disseminated on the Company's website and intranet system.
2. Monitored and supervised so that the Good Corporate Governance Handbook and the Code of Conduct were followed and developed into a corporate culture by assigning the subject on corporate governance and code of conduct as part of the orientation for new employee, employee training and development program, ISO and safety training, as well as printing pamphlets for dissemination of information to every employee for acknowledgment.
3. Reviewed the self-assessment of the Board of Directors' performance form once a year by using the assessment form as guided by the Thai Institute of Directors (IOD) and the Stock Exchange of Thailand with adjustments made appropriate for the Company. In year 2016, the Company established that there is the self-assessment of the performance of the Board of Directors, Sub-Committees as a whole board and as an individual, having the following objectives.
 - 3.1 For acknowledgment of problems and obstacles which have caused the work not achieving its objective during the past year.
 - 3.2 For more effective work of the Board of Directors due to clear acknowledgment of its roles, duties and responsibilities.
 - 3.3 For improvement of relationship between the Company's Board of Directors and the Management.
 - 3.4 Summary results of the self-assessment of the performance of the Board of Directors, Sub-Committees as a whole board and as an individual for year 2016 had an average score ranging between 80.2 and 99.1 percent. Accordingly, the committee members gave suggestions for work improvement for each of the committees, which was beneficial to the Company.
4. The directors, executives, and employees of the Company have participated in the follow training programs in year 2016:
 - 4.1 CGR Workshop: "Enhancing Good Corporate Governance based on CGR Scorecard" being held on September 26, 2016 by Thai Institute of Directors in cooperation with the Stock Exchange of Thailand, with the objective to promote better understanding on the assessment criteria for the disclosure of the corporate governance of listed companies.
 - 4.2 "Extensive Drill for full 100 Score for AGM Checklist, Enhanced Version Year 2017" being held on October 9, 2016 by Thai Investors Association in sponsorship by the Stock Exchange of Thailand and the Securities and Exchange Commission, with the objective to promote better understanding on the quality assessment form that will be used for the annual general meetings of shareholders in year 2017.
 - 4.3 "New Security Law in Practice" being held on October 17, 2016 by Thai Listed Companies Association and the Stock Exchange of Thailand, with the objective to promote better understanding on the revision of legislation governing unlawful acts concerning sale and purchase of securities, civil penalties, and integration of capital markets in accordance with the Securities and Exchange Act.
5. In year 2016, the Company received the following awards of pride relating to the assessment on corporate governance.
 - 5.1 The Company was placed in the "Excellent" group with a **five-star award** (★★★★★) for the assessment of Corporate Governance and ranked in the **Top Quartile** level within the group of companies with market capitalization of Baht 3,000 million to Baht 9,999 million, having received a score of 90 percent in year 2016 which is the same score as year 2015, according to the assessment criteria and scoring procedure that are more in line with the ASEAN CG Scorecard (ACGS).
 - 5.2 The Company received a full score of 100 points ("Excellent") for the **Annual General Meeting (AGM) Quality Assessment** of the Listed Companies Year 2016 from the Thai Investors Association (TIA) for the 6th consecutive year from year 2011 to 2016. Thus, the Company was presented with the "Investors' Choice Award" at the 3rd Investors' Choice Award Ceremony organized by TIA.
6. The improvement guidelines for the corporate governance in year 2017 include updating the Corporate Governance Handbook in accordance with the Corporate Governance Code or the CG Code as per the announcement of the Securities and Exchange Commission, which will replace the Principles of Good Corporate Governance for Listed Companies 2012 to be used from year 2019 onward.

During the past year, the Corporate Governance Committee has achieved its established plan on the work involving the corporate governance. The Corporate Governance Committee is determined to improve on the good corporate governance including the anti-corruption task in order to have effective and transparent management which should build confidence and be accepted by every group of stakeholders permanently.

January 30, 2017

On behalf of the Corporate Governance Committee

(Mr. Thanit Pulivekin)

Chairman of the Corporate Governance Committee