

Chapter 5 Responsibilities of the Board of Directors

The Board of Directors is responsible for overseeing the work of the management to ensure compliance with policies, plans and budgets, as well as its responsibilities toward the Company and its shareholders.

The Company has set the guidelines regarding the responsibilities of the Board of Directors as follows:

1. Structure of the Board

1.1 The Board of Directors has prescribed that the structure of Board should consist of directors with various qualifications in terms of skills, experience, expertise that is beneficial to the Company and gender. There should be at least one non-executive director having prior working experience in the business or major industry in which the Company is operating.

1.2 The Board of Directors ensures that the Board's diversity policy and the number of years each director has served as a director of the Company are disclosed in the annual report and on the Company's website.

1.2.1 Disclose the procedures for selection of directors that is formal and transparent and the number of years each director has served as a director of the Company are disclosed in the annual report and on the Company's website.

1.2.2 Disclose the name, history, qualifications, experience and shareholding in the Company of the directors in order to show that the Board has the knowledge, skills, characteristics and experience that are useful to the Company in the annual report and on the Company's website.

1.2.3 Disclose clearly in the annual report the directors representing the shareholders / non-executive directors / independent directors / executive directors.

1.3 The Board is appropriately sized and is composed of persons with sufficient knowledge, experience and skills to perform their duties efficiently. The Board is composed of at least 5 but not more than 12 directors.

1.4 The Board consists of independent directors who can independently comment on the performance of the management in the number prescribed in the notification of the Securities and Exchange Commission (SEC).

1.5 The proportion of directors is in accordance with the director nomination process, which is mainly based on the criteria of knowledge, competency and suitability of the person to be appointed as a director rather than on the criteria on proportion of investments.

1.6 The Company takes into account the benefits to corporate management according to the director nomination process set by the Company rather than the number or proportion of independent directors.

1.7 The Board of Directors has determined the tenure of each term of office but has not set the limit on the number of consecutive terms in office.

1.8 The Board considers the qualifications of the person to be appointed as an "independent director" to ensure that the independent directors of the Company are truly independent and are appropriate for the specific nature of the Company. Their independence must at least be in accordance with the criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

1.9 The continuous tenure of the independent director will be beneficial to the corporate management and business operations of the Company. In addition, the search for a competent person to serve as independent directors cannot be implemented immediately.

1.10 The Chairman of the Board and the Managing Director have different roles and responsibilities. The Board has clearly defined the roles and responsibilities of the Chairman and the Managing Director and has recruited different persons to hold the positions of Chairman and Managing Director so that neither person has unlimited power.

1.11 The Board of Directors respects the judgment of the Managing Director and senior executives of the Company not to serve as a director of other companies with the same business as or are in competition with the business of the Company or are contrary to the interests of the Company.

1.12 The Company has appointed a Corporate Secretary to be responsible for advising on laws and regulations of relevance to the Board of Directors and for overseeing the activities of the Board, including coordinating the compliance with the Board's resolutions.

The Board of Directors has determined the qualifications and experience of the appropriate Corporate Secretary who will perform the duty as the secretary of the Company. The qualifications and experience of the Corporate Secretary are disclosed in the annual report and on the website of the Company.

1.13 The Corporate Secretary has received training and continuous development in legal, accountancy, or company secretarial practices. The Company determines the qualifications and appoints a person as the Corporate Secretary by taking into consideration of mainly his knowledge, capability and work experience, disregarding whether such person is a permanent employee of the Company or not.

2. Committees

2.1 The Board of Director has appointed an Audit Committee in accordance with the requirement of the Stock Exchange of Thailand with a term of office of 3 year to perform specific duties and to propose matters for consideration or acknowledgement by the Board. The Audit Committee has rights and duties as set out in the Scope of Responsibilities of the Audit Committee and has qualifications according to the criteria prescribed by the SEC.

2.2 The Board of Directors appointed a Remuneration Committee and a Nomination Committee. The entire Board, except for directors with conflicts of interest, will consider the criteria for and form of remuneration to the directors and present its opinion to the Board, which the Board must propose to the shareholders' meeting for approval. The Board will also consider the criteria and process for nomination of persons with appropriate qualifications to serve as directors, as well as select persons according to the determined nomination process and present its recommendation to the Board, which will propose to the shareholders' meeting to appoint as directors.

3. Roles and Responsibilities of the Board

3.1 The Board's duties and responsibilities should include the following matters:

- 1) Consider and approve key matters on the Company's operations, such as the vision and mission, strategy, financial targets, risks, plans, budget, etc.
- 2) Monitor and ensure efficient and effective implementation by the management of approved policies and plans.
- 3) Internal control and risk management, including the process for receiving and handling complaints.
- 4) Ensure long-term business continuity, including employee development plan and succession plan.

3.2 The Board of Directors has determined in writing a corporate governance policy for the Company as follows:

- 1) The Board has determined and approved a written corporate governance policy.
- 2) Communicate to everyone in the organization for their understanding.
- 3) Have method to encourage everyone in the organization to comply with the corporate governance policy.
- 4) Assess compliance to the corporate governance policy and review the policy at least annually.

3.3 The Board of Director promotes the preparation of a written code of conduct so all directors, executives and employees will understand the ethical standards the Company uses in its business operations and seriously monitors compliance with the code.

3.4 The Board of Directors considers any conflict of interests thoroughly. There should be clear guidelines on the approval of transactions with possible conflicts of interest, which is chiefly for the best interests of the Company and all its shareholders. Persons with vested interests should not participate in the decision-making process. The Board should also monitor compliance with regulations regarding the procedures for and disclosure of information on transactions that may have conflicts of interest to ensure accuracy and completeness.

3.5 The Board of Directors ensures that internal control systems for financial reporting and compliance with regulations and policies are in place. The Board has assigned

a person or a department that is independent to audit such systems and to review the main systems at least annually, as well as disclose the review results in the annual report.

3.6 The Board has established a risk management policy covering the whole Company and has assigned the management to implement the policy and regularly report to the Board. The risk management system is reviewed or the effectiveness of risk management is assessed at least once a year with the results disclosed in the annual report, and whenever there is a change in risk level, which includes focusing on early warning signs and unusual transactions.

3.7 The Board of Directors or Audit Committee should provide its opinion on the adequacy of the Company's internal controls and risk management systems in the annual report.

3.8 The Board of Directors has set clear procedures for whistle-blowers or stakeholders through its website or directly to the Company or report directly to the Company. The Board has assigned the Corporate Secretary as the recipient and handler of complaints from the stakeholders. The procedures and channels for filing complaints are disclosed on the Company's website and annual report. The Company has mechanisms for whistle-blower protection and compensation measures in the case stakeholders receive damages from the Company's violation of their legal rights.

3.9 The Board of Directors has mechanisms for governing its subsidiaries in order to protect the benefits from its investment. The Board is responsible for determining the suitability of persons to be appointed as directors of the subsidiary companies in order to ensure that its management complies with the policies of the Company and that various transactions are executed correctly according to securities and exchange laws and notifications of the SET.

4. Board of Directors' Meetings

4.1 The Company sets the schedules and agendas of the Board of Directors' meeting in advance and notifies each director of the schedule so that all directors can manage time to attend the meetings.

4.2 The number of Board meetings should correspond with the duties and responsibilities of the Board and the nature of business of the Company. In the case the meetings are not held monthly, the Company will send a performance report to the directors for the months in which there was no meeting so that they can continuously and timeously supervise and oversee the performance of the management.

4.3 The Chairman of the Board and the Managing Director jointly select matters for inclusion in the agenda of the Board meeting and ensures that all important matters are included. Opportunity is provided for each director to independently propose any matter that is beneficial to the Company as an agenda item.

4.4 The meeting documents are sent to the directors at least 5 working days in advance of the meeting date.

4.5 All directors attended at least 75 per cent of all Board meetings held during the year.

4.6 The Chairman allocated adequate time for the management to propose matters and enough time for all directors to discuss important problems carefully. The Chairman promotes the prudent use of discretion. All directors paid attention to all matters raised at the meeting, including those concerning corporate governance.

4.7 The Board of Directors encourages the Managing Director to invite the senior executives to attend the Board meetings to provide additional information on the problems to which they are directly related and to provide an opportunity for the Board to learn more about the senior executives for use in supporting the consideration of the succession plan.

4.8 The Board of Directors has access to additional necessary information from the Managing Director, Corporate Secretary or other executives assigned under the scope of the policy set. If necessary, the Board may obtain independent opinions from external consultants or practitioners at the Company's expense.

4.9 The Board of Directors considers it a policy to provide opportunities for non-executive directors to meet among themselves as necessary to discuss various management issues of interest without participation of the management and to inform the Managing Director of the outcome of such meetings

4.10 The minutes of the meeting should consist of at least the following information and there should be a good storage system with easy data search but cannot be amended without approval of a Board meeting.

- Date, start time and end time;
- Names of the directors present and absent;
- Summary of important information on the matters proposed to the Board;
- Summary of the matters discussed and observations of the directors;
- Resolutions of the Board and opinions of the dissenting directors (if any);
- Recorder of the minutes – Secretary of the Board of Directors;
- Certifier of the minutes – Chairman.

5. Board Self-Assessment

5.1 The Board of Director and the committees conduct self-assessment of its performance at least once a year so that the directors can collectively consider its performance and problems for further improvement by setting a benchmark for systematic comparison with its performance.

5.2 The Board self-assessment is an assessment of the Board as a whole and the assessment criteria and process is disclosed in the Company's annual report.

The Company's Board of Directors has the highest authority and is responsible for the administration of the affairs and business of the Company. The Board of Directors consists of individuals who are already competent. Therefore, the assessment of the performance of the Board as a whole is a self-assessment that has already been conducted every year.

6. Remuneration

The remuneration of directors is comparable with the industry level and reflects the experience, duties, accountability and responsibilities, as well as expected contributions of each director. Directors who are assigned to more tasks and has more duties and responsibilities, such as being a member of a committee, should receive additional remuneration as appropriate.

7. Board and Management Training

7.1 The Board encourages and facilitates training and educating for those involved in corporate governance of the Company, such as directors, members of the audit committee, executives, Corporate Secretary, etc., to assist them to continuously improve their performance. Training and educating can be done internally or through the use of the services of external institutions.

7.2 Every time new directors are appointed, the management will provide these directors with all documents and information that are beneficial for them in fulfilling their duties, including an introduction to the nature of the business and business practices of the Company.

7.3 The Board requires the Managing Director to present them with the Company's succession plan at least once a year. The Managing Director and senior executives have prepared continuous succession plans in case they cannot perform their duties.

7.4 The Board has assigned the Managing Director to organize an executive development program and disclose it in the Company's annual report.

In 2013, the Directors have attended seminars and training courses of the Thai Institute of Director (IOD) as follows:

Course	Number of Training Hours/Person	Number of Persons
Director Accreditation Program (DAP)	9	1

In addition, the Board of Directors has established guidelines for the regular annual review of its good corporate governance policy to correspond with the circumstances of the Company.

