

Corporate Governance

The Board of Directors has attached significance to the governance system to ensure that management is satisfactory, transparent, and accountable, with sufficient and appropriate internal control systems and is subject to a balance of powers. These principles run parallel to the respect for the rights and treatment of all shareholders equally. Business operations are undertaken with due regard to stakeholders in order to contribute to the country's economic growth, as well as to create long-term wealth for shareholders. The Company adheres to good corporate governance principles set by the Stock Exchange of Thailand, and also to the foundations of sufficiency economics, i.e. sufficiency, rationality and a strong immunity.

Corporate Governance Policies

The Board of Directors has prescribed corporate governance policies as operational guidelines for Company Directors, Executive Officers and employees, as follows:

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.

The Company has disseminated the corporate governance policies to employees, shareholders and the general public through the Company website www.thanulux.com under the heading About the Company → Good Corporate Governance → Corporate Governance Policies

Board of Directors and Company Committees

The Company's management structure comprises the Board of Directors, Company Committees and Executive Officers. The powers and duties of each constituent have been clearly delineated in order to ensure transparency and proper checks and balances. The Board of Directors appoints the various Company Committees based on suitable knowledge and expertise to take charge of each function. Shareholders can be confident that the Company exercises

prudence in operations and screening of tasks. The Company Committees appointed are the Audit Committee, Nominating Committee, Remuneration Committee, Risk Management Committee and Executive Committee.

The Board of Directors has clearly stipulated the scope of authority and responsibilities of each Committee in their respective Committee Charters. The Chairman of each Company Committee performs the duties of ensuring that works are performed in accordance with the policies of the Board of Directors and reports performance results to the Board of Directors.

1. Board of Directors

The Board of Directors as evidenced by the incorporation certificate issued by the Ministry of Commerce comprises 9 Directors, consisting of

- Non-Executive Directors 5 persons (4 of whom are Independent Directors)
- Executive Directors 4 persons

The list of Directors is as follows:

Name	Position
1 Mrs.Varindr Leelanuwatana	Chairman
2 Mr. Supotch Pakaworawuth	Director
3 Ms. Dusadee Soontrontumrong	Director
4 Ms. Marin Leelanuwatana	Director
5 Mr. Thamarat Chokwatana	Director
6 Mr. Padoong Techasarintr	Independent Director
7 Assoc.Prof. Nares Kesaprakorn	Independent Director
8 Mr.Krish Follett	Independent Director
9 Assoc. Prof. Dr. Nipon Poapongsakorn	Independent Director

There are 2 advisors to the Board of Directors, namely Mr. Boonsithi Chokwatana and Mr. Manu Leelanuwatana.

Remark: Mr.Thamarat Chokwatana has become the Director by resolution of the Board of Directors meeting No.5/2016 held on 11th July 2016 in replace of Mr.Boonsithi Chokwatana who resigned on 30th June 2016.

Term of Company Director

Each Company Director holds office for a term as stated in the Company Articles and Charter of the Board of Directors.

1. At every General Shareholder Meeting, one-third of the Company Directors shall retire. If the number of Company Directors cannot be divided evenly into 3 parts, the number of retiring Company Directors closest to one-third, the longest serving Company Directors shall retire and may be re-elected.

2. Company Directors retire from office at the expiration of term, or by resignation, or death, or disqualification as provided by law, or upon removal by resolution of the shareholders' meeting, or by court order.

3. A Company Director wishing to resign before the expiration of term must submit a resignation letter to the Company and may also serve notice to the registrar under the law on public limited companies. The resignation comes into effect as from the day of the Company's receipt of the resignation letter.

4. In the case where a Company Director's office becomes vacant for a cause other than the expiration of term, and the remaining term is not less than 2 months, the Board of Directors shall elected a Company Director to replace the vacant office in the subsequent meeting of the Board of Directors. The elected Company Director shall remain in office only for the remaining term of the replaced Company Director.

5. The shareholders' meeting may pass a resolution to remove a Company Director before the expiration of term by the votes of not less than three-fourths of the shareholders present and eligible to vote, and the total number of shares held must be not less than one-half of the total number of shares held by shareholders present and eligible to vote.

Authority of the Board of Directors

1. Appoint, remove, and assign authority to advisors to The Board of Directors, various committees, and The Managing Director, to carry out the assigned duties.

2. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.

3. Approve the acceptance or cancellation of the credit lines, for such portion exceeding the authority of The Executive Board.

4. Approve loan extension to companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.

5. Approve the entering into guarantee for credit facility, for companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.

6. Approve the set-up, merger, or dissolution of subsidiary company.

7. Approve the investment for the purchase or sales of common shares, and/or debt securities, for such portion exceeding the authority of The Executive Board.

8. Approve the procurement and investment in fixed asset, for such portion exceeding the authority of The Executive Board.

9. Approve the adjustment, disposal, and write-off for fixed assets, and/or intangible assets no longer in use, or being subject to damage, loss, destruction, deterioration, out-of-date, or no longer functional for such book value exceeding the authority of The Executive Board.

10. Approve the settlement of conflicts by reconciliation or by the resolution through arbitration, petition, lawsuit, and/or court proceedings on the company's behalf, for such case not considered as normal business practice, and/or such case considered as normal business practice, for such portion exceeding the authority of The Executive Board.

11. Approve the entering into such transaction not considered as normal business practice, for such portion exceeding the authority of The Executive Board.

12. Propose the capital increase or capital decrease, or the change in par value, change or amendment to memorandum of association, articles of association, and/or objectives of the company to the shareholders for consideration.

13. Authorize the Executive Board members, management members, managers or other persons, to act on their behalf.

14. Authorize to summon management members or employees concerned to provide explanation or opinion, to join the meeting, and to submit those documents deemed necessary.

15. Appoint and remove Company Secretary

16. The authority scope for The Board of Directors pertaining to the acquisition and disposal of assets and connected transactions, shall comply with the Notification of The Capital Market Supervisory Board.

Duty and responsibility scope of The Board of Directors

1. Set the direction, target, and business policy for the company.

2. Approve the annual business plan and annual budget, as well as supervising the operations by the management to well comply with the laws, policies, and plans in an efficient and effective manner.

3. Promote the establishment of corporate governance policy, business ethics, and business morality in writing, to serve as guidelines for the directors, the management, and the employees, in carrying out their business practices, while regularly following up to ensure their strict adherence and compliance accordingly.

4. Set up adequate internal control systems, so as to ensure that all transactions receive proper approval from the authorized persons, and that proper accounting review and bookkeeping practice are carried out, while proper checking systems are in place to safeguard against unauthorized exploitation of company assets.

5. Ensure that careful consideration is given to the issue of conflict of interests, and that clear practice guidelines are in place to safeguard the interests of the shareholders and the company. Also ensure that the persons having interests at stake do not take part in adopting the decision, and that all concerned parties strictly follow the procedures and regulations to disclose relevant information in a proper manner.

6. Grant approval to financial statements already audited and verified by the certified public accountant and earlier approved by The Audit Committee.

7. Being accountable to all shareholders on an equal basis, while ensuring that information are disclosed to the shareholders and investors in an accurate, reliable, and transparent manner

8. Acknowledge the corporate management report prepared by The Executive Board.

9. Set the date, time, place and agenda for the annual shareholders' general meeting, and convene said meeting accordingly. Also set the rate for dividend payments (if any), and provide comments relating to the meeting agenda to the shareholders.

In that regard, the company may suspend shares transfer registration for the period of 21 days leading up to the meeting, whereby the company is required to post such announcement to the shareholders at the company's head office and its branches for the period of no less than 14 days prior to such suspension. Otherwise, the company may set the date to finalize the shareholders' list (Record Date) no longer than 2 months prior to the meeting, and then set the date for shares registration suspension 1 day later, in order to compile the shareholders' list according to article 225 of The Securities and Exchange Act, to entitle the shareholders to attend the meeting, and to be eligible for dividend payments.

10. Prepare the Board of Directors' responsibility report toward financial statements compilation, and disclose said report in the company's annual report (form 56-2) and the annual registration statement (form 56-1).

11. Supervise the compilation of the documents required to be submitted to concerned regulating agencies, to ensure that all information contained therein are true and accurate in accordance with the information appearing in the accounting books, the registration book, and other official documents of the company.

12. Grant approval to the charter for The Board of Directors, and/or other committees.

13. Engage in those acts lying beyond The Executive Board's authority, or as deemed necessary by The Board of Directors.

During 2016, The Board of Directors convened total 9 meetings, whereby the meeting dates had been earlier decided throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances.

2. Audit Committee

Board of Directors Meeting No. 4/2016 on 11th May 2016 passed a resolution to appoint Independent Directors having the qualifications prescribed by the law on securities and exchange to the positions of Audit Committee Members. These Members perform the duties of supporting the Board of Directors in supervising good governance, especially pertaining to the financial reporting process, internal control system, inspection process and compliance of relevant laws and regulations. The 3 Members are as follows.

	Name		Position
1	Mr. Padoong	Techasarintr	Chairman of Audit Committee
2	Assoc.Prof. Nares	Kesapprakorn	Audit Committee Member
3	Mr. Krish	Follett	Audit Committee Member

Mr. Woradej Puengsiricharoen holds the position of Secretary to the Audit Committee and has the qualifications stated in "Form 56-1 Part 2, Article 11.3".

The Audit Committee holds office for a term of 1 year, in the period May 2016 to May 2017. Mr. Padoong Techasarintr is well-informed and experienced in undertaking the review of the Company's financial standing. (See the details on his education and career background under the heading "Personal information of company directors, executives controller and company secretary")

All members of the Audit Committee were not the company shareholders, not engages in business relationship or provided any professional service to the company, its parent company, subsidiary, associated company or juristic person who may have conflicts of interest. Furthermore, they also did not serve as audit committee in its parent company, subsidiary, or same-level subsidiary.

The Board of Directors meeting No.5/2016 held on 11th July 2016 had resolved the revision of duties and responsibilities of the Audit Committee in consistent with anti-corruption procedure by amending the Audit Committee Charter as approved by the Board of Directors meeting No.7/2008 held on 30th December 2008 from 11 to 16 articles.

Powers of the Audit Committee

1. To lay down collaborative measures with a view to achieving a harmonized understanding between the auditors, board of directors and internal audit units.
2. To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.
3. To have the power to call upon executive officers, the management or relevant employees of the Company to give statements or opinions as well as to attend meetings or send documents which are deemed as relevant, and also to have access to data at every organizational level.
4. To have the power to conduct an examination of relevant persons or relevant matters within the scope of powers and duties of the Audit Committee.

Duty and responsibility scope of The Audit Committee

1. Review the company's financial statements to ensure that they are accurate and adequate by reviewing the company's major accounting policies, and supervising information disclosure in such manner complying with Thai Financial Reporting Standards.
2. Review the company's internal control system to ensure that it is suitable and review fraud and corruption prevention and internal audit system to ensure that they are effective.
3. Review operational independence of the internal audit office; approve, appraise, appoint, transfer, or dismiss the chief of internal audit office or any other office responsible for internal audit operations. Supervise to ensure that chief of internal audit office has sufficient education, experiences, and training, adequate to such internal audit operations.
4. Grant approval to the Internal Audit Charter.
5. Grant approval and monitor the progress made in relation to the internal audit plan.

6. Review to ensure that the company duly follows the laws on securities and stock exchange, the regulations of The Stock Exchange of Thailand, and the laws concerning the company's business operations.

7. Review, select, nominate and/or dismiss independent persons to serve as the company auditor, and propose related remuneration. Also take part in joint meeting with the company auditor, in the absence of the management for at least once a year.

8. 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.

9. Prepare the report by The Audit Committee and disclose it in the company's annual report. Said report requires the signature of the Audit Committee Chairman, and needs to contain at least the following information:

- a. Opinion regarding the accuracy, complete coverage and reliability of the company's financial statements.
- b. Opinion regarding the adequacy of the company's internal control, fraud and corruption and the risk management system.
- c. Opinion regarding the practices in compliance with the laws on securities and stock exchange, the regulations of The Stock Exchange of Thailand, or other laws concerning the company's business operations.
- d. Opinion regarding the suitability of the company auditor and the chief of internal audit office.
- e. Opinion regarding the transaction with possible conflict of interests.
- f. The number of The Audit Committee's meeting and the attendance record of each member.
- g. Overall opinion or comment provided by The Audit Committee out of its practices in accordance with the charter.
- h. Other items deemed to benefit the shareholders and general investors, in accordance with the authority and duty scope assigned by The Board of Directors.

10. During the course of its duty, should The Audit Committee come across or have any doubt relating to below transactions that they may significantly affect the company's financial position or performances, they are then required to report the matter to The Board of Directors, in order for necessary remedial actions to be taken within the timeframe decided upon by The Audit Committee.

- a. Transaction incurring conflict of interests.
- b. Significant fraud and corruption, irregularity or deficiency within the internal control system.
- c. Breach of laws concerning securities and stock exchange, the regulations of The Stock Exchange of Thailand, and other laws concerning the company's business operations.

In the case where The Board of Directors or the management fail to rectify the items within the timeframe assigned by The Audit Committee, any member of The Audit Committee may report said problems to The Securities and Exchange Commission or The Stock Exchange of Thailand.

11. Encourage and follow-up to ensure that the company has effective risk management system.

12. Supervise to ensure that the company has adequate channel to take care of complaints or tips relating to suspicious or improper items contained in the financial statements or fraud and corruption. At the same time, ensure that the company has protective confidential measurement for whistleblower, transparency and independence investigation process, and appropriate follow up.

13. Supervise to ensure that the company implements adequate management system in accordance with the good corporate governance practice.

14. Review, revise and amend the Audit Committee Charter for further submission to The Board of Directors for approval.

15. Implement self-appraisal review at least once a year.

16. Engage in other acts as assigned by The Board of Directors and deemed justified by The Audit committee in accordance with company regulations and the law.

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

The Audit Committee holds monthly meetings. A meeting schedule has been set in advance for the entire year. Joint meetings are also held with the management to discuss and exchange opinions relating to the Company's businesses. In addition, at least one joint meeting is held with the management and company auditor each year to inquire on issues identified by the audit of Company financial statements. The Audit Committee reports its performance results to the Board of Directors regularly every quarter and reports to the shareholders as stated in the Annual Report.

3. Nominating Committee

Board of Directors Meeting No. 4/2016 on 11th May 2016 passed a resolution to appoint Nominating Committee Members to perform the duties of supporting the functioning of the Board of Directors in supervising good governance by searching and screening suitably qualified persons to assume the positions of Company Directors and high-level executive officers. This is to maintain confidence in transparency of the Company's nominating process. The Board of Directors meeting No.5/2016 held on 11th July 2016 had resolved to appoint Mr.Thamarat Chokwatana as Nominating Committee Member in replace of Mr.Boonsithi Chokwatana who resigned on 30th June 2016. The 3 Members are as follows.

	Name		Position
1	Mr. Manu	Leelanuwatana	Chairman of the nominating Committee
2	Mr. Thamarat	Chokwatana	Nominating Committee Member
3	Mrs. Varindr	Leelanuwatana	Nominating Committee Member

The Nominating Committee holds office for a term of 1 year, in the period May 2016 to May 2017

Powers of the Nominating Committee

1. To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.

2. To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.

Duties and Responsibilities of the Nominating Committee

1. To determine rules and procedures for the Nominating of Company Directors.

2. To examine the biography and other information of persons nominated for appointment as Company Directors, taking into consideration such persons' knowledge, skills, experience and diversity of professional expertise, in order to obtaining the most qualified persons in accordance with the Nominating rules, Articles of the Company and relevant laws.

3. To consider the Nominating of persons having suitable qualifications for a Company Director for nomination to the meeting of the Board of Directors for approval, except in the event of the retirement of Company Directors at the expiration of term where a submission is made to the meeting of shareholders for approval.

4. To prepare opinions or suggestions on various matters for consideration.
5. To revise and amend the Charter of the Nominating Committee and to submit such revisions or amendments to the Board of Directors for approval.
6. To carry out any other acts as assigned by the Board of Directors.

During 2016, The Nominating Committee held its meeting 3 times, and subsequently reported the results to The Board of Directors and shareholders as stated in the annual report, whereby the meeting dates had been decided in advance throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances.

4. Remuneration Committee

Board of Directors Meeting No. 4/2016 on 11th May 2016 passed a resolution to appoint Remuneration Committee Members to perform the duties of supporting the functioning of the Board of Directors in supervising good governance by determining rules for disbursements and forms of remunerations for Company Directors. This is to maintain confidence in transparency and fairness of remunerations. The 3 Members are as follows.

	Name		Position
1	Mr. Boonsithi	Chokwatana	Chairman of the Remuneration Committee
2	Mrs. Varindr	Leelanuwatana	Remuneration Committee Member
3	Ms. Dusadee	Soontrontumrong	Remuneration Committee Member

The Remuneration Committee holds office for a term of 1 year, in the period of May 2016 to May 2017.

Authority of The Remuneration Committee

1. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
2. Authorized to summon the management and company staff to provide comments and clarification, to take part in meetings, and to submit documents deemed as necessary.

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 practices by other companies in the same business category, the business growth and 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 company's directors, the Audit Committee members, the Nominating Committee members, the Remuneration Committee members, and the Risk Management Committee members by taking into account their duty and responsibility scope and related performances, based on the remuneration budget approved by the shareholders' meeting, and propose to the board of directors for approval.
4. Review the remuneration budget for the Nominating Committee members, the Remuneration Committee members, and the Risk Management Committee members (who do not serve as company directors), by taking into account their duty and responsibility scope, and related performances and propose to the board of director for approval.
5. Review and revise the charter for The Remuneration Committee, and present to The Board of Directors for approval.

6. Engage in other acts as assigned by The Board of Directors.

During 2016, The Remuneration Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors and shareholders as stated in annual report, whereby the meeting dates had been decided in advance throughout the entire year.

5. The Risk management Committee

Board of Directors Meeting No. 4/2016 on 11th May 2016 passed a resolution to appoint Risk Management Committee Members to perform the duties of supporting the functioning of the Board of Directors in supervising good governance by reviewing the risk factors pertinent to the entire organisation, appraising risks, determining guidelines for risk management, including the assignment of personnel responsible for finding measures for controlling and managing risks within acceptable levels. The 5 Members are as follows.

	Name		Position
1	Mr. Krish	Follett	Chairman of the Risk Management Committee
2	Mr. Supotch	Pakaworawuth	Risk Management Committee Member
3	Mr. Suchart	Layluxsiri	Risk Management Committee Member
4	Dr.M.L. Sirapirom	Teeraprasert	Risk Management Committee Member
5	Ms. Sunee	Kongsong	Risk Management Committee Member and Secretary

The Risk management Committee holds office for a term of 1 year, in the period of May 2016 to May 2017.

Board of Directors meeting No.5/2016 held on 11th July 2016 has resolved the revision of duties and responsibilities of the Risk Management Committee in consistent with anti-corruption procedure by amending the Risk Management Committee Charter as approved by the Board of Directors meeting No.2/2011 held on 12th May 2011 from 6 to 8 articles as already prescribed.

Powers of the Risk Management Committee

1. The power to invite relevant employees of the Company to provide an explanation, present an opinion, participate in a meeting or submit documents deemed as necessary and relevant.
2. To consult experts or advisors of the Company (if any) or hire external advisors or experts where necessary under the Company's expense.
3. To have the power to appoint a working group to assess and monitor risks in the entire organization.

Duties and Responsibilities of the Risk Management Committee

1. Set forth the policies, plans, and targets in relation to the implementation of the risk management plans, in a clear-cut and continuous manner, to effectively cope with significant risk factors. Consequently, compile and present achievement progress report to The Board of Directors' meeting on a quarterly basis, also notify to the Audit Committee for acknowledgement.
2. Encourage and promote mutual cooperation among various departments within the company, to implement the risk management plans at all operational levels.
3. Supervise to ensure that the company has adequate and efficient risk management system in place, which also cover against such risks resulting from fraudulent practices, while providing attention and priorities to early warning signals and items showing irregularities.
4. Supervise company operations to ensure that all the departments and the company overall duly follow those laws and regulations pertaining to company operations.
5. Develop and upgrade the risk management system throughout the organization, so as to remain effective on a consistent basis.

6. Supervise the compilation of the report by The Risk Management Committee, for disclosure in the annual report compilation by the company, whereby the Chairman of The Risk Management Committee is duly required to affix his signature in verification of said report.

7. Review and revise the charter for The Risk Management Committee, and submit to The Board of Directors for approval.

8. Engage in other acts as assigned by The Board of Directors.

During 2016, The Risk management Committee held its meeting 4 times, and additional meetings to follow up and review the risk assessment of operational units, totally 7 times, on the dates which had been decided in advance throughout the entire year. The Risk management Committee subsequently reported the results to the Board of Directors and shareholders as stated in annual report.

6. The Executive Committee

Board of Directors Meeting No. 4/2016 on 11th May 2016 passed a resolution to appoint Executive Committee Members to perform management duties as assigned by the Board of Directors. These duties are performed responsibly, cautiously and in good faith as a prudent business operator under the same circumstances. As Executive Committee Members, they enjoy trade bargaining powers without undue influence. The 10 Members are as follows.

	Name		Position
1	Mrs. Varindr	Leelanuwatana	Chief Executive Officer
2	Mr. Supotch	Pakaworawuth	Managing Director
3	Ms. Dusadee	Soontrontumrong	Deputy Managing Director and CFO
4	Mr. Suchart	Layluxsiri	Executive Director
5	Ms. Kochakorn	Peungsiricharoen	Executive Director
6	Ms. Siriporn	Hanudomlap	Executive Director
7	Dr.M.L. Sirapirom	Teeraprasert	Executive Director
8	Ms. Marin	Leelanuwatana	Executive Director
9	Ms. Yupaporn	Jearrakul	Executive Director
10	Mrs. Tueanjai	Puengsiricharoen	Executive Director

There are 2 advisors to the Executive Committee, namely Mr. Somchai Songsakdecha and Mr. Kriangsak Sripaisal.

The executive Committee holds office for a term of 1 year, in the period of May 2016 to May 2017.

Powers of the Executive Committee

1. To appoint, remove, transfer, evaluate as well as to determine the remuneration and welfare benefits of employees at every levels.

2. To appoint and remove any other working committee to carry out any activity with respect to the management of the Company.

3. To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.

4. To issue rules and notifications on the performance of work, and to have the ability to delegate powers to an Executive Committee member and/or an executive-level employee as the authorized signatory for giving approval to disposals of the Company's assets.

5. To approve the acceptance or cancellation of the credit lines in an amount not exceeding Baht 60 million each time.

To approve the grant of loans to companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies in the amount not exceeding Baht 80 million per company.

6. To approve the guarantees of credit lines for companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies in the amount not exceeding Baht 40 million per company.

7. To approve investments and sales of investments in capital instruments and/or debt instruments in an amount not exceeding Baht 20 million each time.

8. To approve procurements and investments in fixed assets in an amount not exceeding Baht 20 million each time.

9. To approve the modification, demolition and writing off of fixed assets and/or intangible assets which are decommissioned, out of order, lost, damaged, deteriorated or outdated and no longer usable with book value not exceeding Baht 1 million per year.

10. To approve the adjustment of price and destruction of raw materials and/or outstanding stocks that have deteriorated or become outdated, which could have an effect in reducing the book value as actually occurred.

11. To approve a settlement, dispute settlement by arbitration, filing of complaint, lawsuit and/or to participate in any legal proceedings on behalf of the Company for the non-normal business of the company amounting not exceed Baht 2 million per episode and/or the normal business of the company with amounting not exceed Baht 20 million per episode.

12. To approve the dispatch of employees to foreign countries for work or study visits in an amount not exceeding Baht 1 million each time.

13. To approve transactions not part of the normal business in an amount not exceeding Baht 20 million each time.

14. To delegate authority to the executive-level employees of the Company or any other person to act on its behalf.

15. To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.

16. To issue any other work regulations as deemed appropriate.

17. All powers of the Executive Committee stated above which involve the acquisition or disposal of assets and connected transactions shall be exercised in accordance with Notifications of the Capital Market Supervisory board.

Duties and Responsibilities of the Executive Committee

1. To propose the goals, policies, plan and annual budget to the Board of Directors.

2. To take responsibility for the management of the Company in accordance with the direction, goals and business policies of the Company.

3. To take charge in enhancing the competitiveness of the Company and to promote continual innovations.

4. To supervise the operations of the Company in accordance with the laws, objects, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, as well as relevant rules and regulations.

5. To supervise the preparation of financial statements, this shall be submitted to the auditor for audit and/or review prior to submission to the Audit Committee and Board of Directors respectively.

6. To consider matters submitted to the Board of Directors for approval or endorsement.

7. Executive Committee members may divide the works and responsibilities amongst themselves, in which case reports on the activities within each member's supervision must be submitted to the meeting of the Executive Committee for acknowledgement.

8. To revise and amend the Charter of the Executive Committee and to submit such revision or amendment to the Board of Directors for approval.

9. To carry out any other acts as assigned by the Board of Directors.

During 2016, The Executive Board held its meeting 12 times, where by the meeting dates had been decided in advance throughout the entire year.

7. Chairman

Authority, duty, and responsibility scope of the Chairman

1. Take responsibility as the leader of The Board of Directors in monitoring and supervising the operations of The Board of Directors and various committees.

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.

8. Managing Director

The Board of Directors, in meeting number 4/2016 on 11th May 2016, appointed Mr. Supotch Pakaworawuth as Managing Director. Powers, duties and responsibilities of the Managing Director are as defined by the charter, as follows:

Powers, Duties and Responsibility of the Managing Director

1. To have the power to administer the operations of the Company pursuant to policies, law, objectives, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, resolutions of the Executive Committee, as well as relevant regulations and procedures.

2. To have the power to issue orders and carry out any act as necessary and appropriate in order to satisfactorily carry out the functions under article 1., and in the case of an important matter, a report shall be made and/or notice shall be given to the Board of Directors and/or the Executive Committee.

3. To consider the recruitment, appointment, transfer, removal, including appraisals and disciplinary measures, as well as to determine remuneration and welfare benefits of employees. In any event, any action taken must not be contrary to or inconsistent with the authority of the Executive Committee.

4. To have the power to issue regulations on the Company's operations, such regulations not being inconsistent with or contrary to the policies, articles, regulations, rules, orders and resolutions of the Board of Directors and/or Executive Committee.

5. To grant and/or delegate powers to other persons to perform specific tasks on behalf of the Managing Director.

6. To promote and develop adherence to good conduct, legal compliance, ethics and culture in the Company's business operations while observing good governance principles.

7. To carry out any other act as entrusted by the Board of Directors and/or Executive Committee.

8. Any question or ambiguity arising from the exercise of such powers shall be submitted to the Board of Directors for determination.

9. The above powers of the Managing Director shall not be exercised in the event of the Managing Director's having a potential personal interest in or a conflict of interests of any character with the Company.

In addition, the Executive Committee has appointed several subcommittees to enable participation of employees in certain areas of management of the Company to ensure compliance, efficiency and effectiveness of Company operations. The following subcommittees have been appointed.

1. Safety, Vocational Hygiene and Working Environment Committee
2. Workplace Welfare Committee
3. Provident fund committee
4. Energy management working group
5. Internal energy management assessment committee
6. Company's social responsible committee
7. Thai labor standard and narcotic drug prevention committee
8. Innovation award project management team
9. Anti-corruption working group
10. ISO14001 environmental management system working group
11. Environmental committee
12. ISO9001 QMR committee
13. ISO9001 monitoring team

Nominating and Appointment of Directors and Executive Officers

The Board of Directors was appointed by the shareholders' meeting. Since the Company shareholding was not structured as a joint venture, there is no need to allocate Director positions according to shareholder groups.

1. Selection Procedure for Appointment of Company Directors

The Nominating Committee has the duty of selecting suitably qualified persons for appointment as Company Directors. The nominations are submitted to the Board of Directors for consideration before a proposal to the Annual General Meeting of Shareholders. Appointment is confirmed by the votes of the majority of shareholders in attendance and casting votes. However, in the event of a vacation of office other than the completion of term, with a remaining term of not less than 2 months, the Board of Directors would select a person nominated by the Nominating Committee for appointment as a Company Director by the votes of not less than three quarters of the remaining Directors. Such Company Director appointed to fill the vacant position would serve for the remaining term of the replaced Company Director.

When selecting persons for nomination as a Company Director, the Company has stipulated Director qualifications with due regard to Board Diversity, including professional skills, expertise in a field beneficial to the Company's business and an ability to meet the demands of the vacant position. There is no discrimination against gender. The Company also looks for leadership, vision, fairness and ethics. The selected person must have an unblemished professional record and not be under a disqualification stated by law or the Company's Articles. The Company gives an opportunity to minority shareholders to participate in the nomination of suitably qualified Directors. Also, the Nominating Committee reviews additional nominations from professional directors in the directory of the Thai Institute of Directors (IOD).

As for the nominating of Independent Directors, the Nominating Committee would take into account the qualifications of Independent Directors stipulated by the Company in accordance with the Notification of the Capital Market Supervisory Board in addition to the abovementioned basic criteria.

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, associated company, 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, associated company, 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, associated company, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgment 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, associated company, 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, associated company, 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, associated company, 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, associated company, 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.

After appointed to be independent director who qualifies as stated above, such independent director may be assigned by the Board of Directors for taking part in the business decisions of the company, its parent company, its subsidiaries, its associated companies, same level subsidiaries, major shareholder or controlling person of the company on the condition that such decision must be a collective one.

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.

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. Shareholders' rights to elect company directors

Minor shareholders's rights to propose candidates as company 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 : IR News".

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:

1. One shareholder shall have one vote per one share.
2. 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.
3. 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 person to be appointed as Chief Executive Officer

The nominating of the management

The nominating process for the persons to further serve in management positions for the company begins with the nominating 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.

The nominating of the Chief Executive Officer

With the regard of nominating 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

The designated Company Directors will meet together to select a person which the Company would nominate and vote to appoint as a director of a subsidiary company. The number of persons voted by the Company for appointment would be in proportion to the Company's shareholding. The person appointed as a director of a subsidiary company would be under a duty to act in the best interest of that subsidiary company, except on matters pertaining to important policies having an impact on business operations for which the Company requires such appointed person to obtain the approval of the Board of Directors prior to voting on the resolution.

The Company has a policy of ensuring that a subsidiary has a sufficient and appropriate internal control system. The Company's internal audit office would monitor the subsidiary company's internal control system every year.

In addition, the Company instructs the person appointed by the Company to oversee the subsidiary company's compliance and disclosure of significant information pursuant to the same applicable rules as the Company, such as connected transactions, acquisition or disposal of assets or other significant transactions, including supervision of data collection and financial accounting of the subsidiary company in order to facilitate inspections and consolidation of financial statements in a timely manner.

The Company does not have any agreement with other shareholders on the management of subsidiary companies. The Company also does not have any agreement with other shareholders on the allocation of returns other than normal returns pursuant to the proportion of shareholding in the subsidiary company.

In 2016, the Company sold all of its ordinary shares held in T-Chamber Co., Ltd., a subsidiary, to connected person. The Company has only 2 subsidiaries remaining as a result, the directors of each company are as follow:

1. S.Apparel Company Limited

	ชื่อ – นามสกุล		ตำแหน่ง
1	Mr. Supotch	Pakaworawuth	Chairman
2	Ms. Siriluk	Dhanasarnsilp	Managing Director
3	Ms. Dusadee	Soontrontumrong	Director
4	Mr. Kanokchai	Mingquanpiyakul	Director
5	Mr. Woradej	Puengsiricharoen	Director
6	Mr. Chayarop	Mahamontri	Director

2. Celebrate Wealth Company Limited

	Name		Position
1	Mr. Amnuay	Bumroongwongtong	Chairman and Managing Director
2	Ms. Marin	Leelanuwatana	Deputy Managing Director
3	Mrs. Varindr	Leelanuwatana	Director
4	Ms. Dusadee	Soontrontumrong	Director
5	Mr. Suchart	Layluxsiri	Director
6	Ms.Yupaporn	Jearrakul	Director
7	Mr. Chairat	Wattanachotiwat	Director

Supervision of inside information

The company emphasizes on the protection and supervision over usage of inside information, as specified in the company's business ethics, prohibit directors, managements and employees who access to inside information, from any act in exploitation of such inside information, especially those information not yet disclosed to the public. Violation is considered as a disciplinary offence. In addition, for the period of 1 month prior to the disclosure of financial statements to the public, the company sent out circular letter to directors, managements, and employees who access to inside information, instructing them to refrain from any purchase or sales of company shares. In 2016, no directors, managements and employees were found violate usage of inside information.

Also, the company has required directors and managements to report their shareholding status including those hold by spouses and children under legal maturity within 30 days from the date of appointment as director or management. In case the directors or managements wish to change their shareholding status, they should inform the company secretary 1 day in advance. And shall report to The Securities and Exchange Commission in accordance with article 59 of The Securities and Exchange Act B.E.2535 including inform the company secretary within 3 working days upon completion of the transaction.

In 2016, Directors and executives had strictly complied with the said policy.

Auditor expenses

1. Audit fee

The Company and subsidiary companies have obtained approval from the meeting of shareholders to pay an audit fee to ASV and Associates Company Limited, the audit office of the auditor's affiliation. Details of the fees are as follows:

	Unit : Baht	
Audit Fee	2016	2015
Thanulux Public Company Limited	949,000	909,000
Subsidiary Companies (2016 – 2 Companies) (2015 – 3 Companies)	465,000	441,000
Total	1,414,000	1,350,000

2. Other Services

The Company and subsidiary companies paid fees for other services in the year 2016. The fees were paid for review of compliance with conditions under the Investment Promotion Certificate.

	Unit : Baht	
Other Service Fees	2016	2015
Thanulux Public Company Limited	60,000	60,000
Subsidiary Companies (2016 – 2 Companies) (2015 – 3 Companies)	-	-
Total	60,000	60,000

Compliance with Other Aspects of Good Governance Practices

The Company has announced the application of good governance principles since the year 2002. These principles have been revised and updated by the Board of Directors every year. The Good Governance Principles (1st Revision) was approved on 19th February 2014, in line with the "Good Corporate Governance Principles for Listed Companies 2012" of the Stock Exchange of Thailand, comprising 4 sub-headings, namely:

1. Governance Policies
2. Governance Principles under 5 Chapters
3. Business Ethics
4. Codes of Conduct for Company Directors, Executive Officers and Employees.

The aforementioned improvements are part of the operational standard upgrades pursuant to the Company's good corporate governance principles which have been undertaken as preparation for entry to the ASEAN Economic Community (AEC). These principles include good practices for Company Directors, Executive Officers and employees in the performance of their duties. In order to promote and support consistent compliance, the Company has distributed these guidelines to Company Directors, Executive Officers and employees, which are also disclosed on the Company website.

Good governance principles are divided into five sections, as follows.

Section 1 : Rights of Shareholders

The Board of Directors appreciates and respects the ownership rights of shareholders. As a consequence, corporate governance principles have incorporated safeguards for shareholder rights, including the non-violation or non-infringement thereof. The Board of Directors assumes the function of overseeing the equitable benefits of shareholders, as well as supporting and promoting all shareholder groups whether foreign or domestic, major, retail or institutional shareholders to enable the exercise of their respective rights, as follows:

1.1 Basic rights Referred to the right for shares transaction, the right to receive profits allocation in term of dividend payment based on outstanding shares, the right to access company information in sufficient, timely, and consistent 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 remove directors, 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, 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 held its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. Nevertheless, in the event of such emergency situations possible affecting the shareholders' interests, or involving amendments to the laws or company articles requiring approval by the shareholders, the company was authorized to convene the extraordinary shareholders' meeting on a case by case basis. The company held its meeting at such date, time, and venue, deemed convenient to the shareholders, to facilitate their meeting attendance. For 2016, the company convened the shareholders' general meeting once, without convening any shareholders' extraordinary meeting, according to the following details:

During the 42nd General Meeting of Shareholders for 2016, the Company treated the shareholders in the following chronological order.

Proceedings Prior to the Shareholders' Meeting Day

1. The company informed the shareholders of the resolution to convene the shareholders' meeting 54 days prior to say meeting date, namely on March 3, 2016 to allow the shareholders sufficient time to plan their meeting attendance.

2. The company disseminated the meeting invitation letter via company website, carrying the same content as the letter sent to the shareholders, in both Thai and English, 32 days prior to the meeting, to provide the shareholders with necessary information in a swift, convenient, and sufficient manner in advance.

3. The company sent out the meeting invitation letter to the shareholders 21 days prior to the meeting exceeding the minimum time limit specified by law.

4. The company also posted the announcement notifying said meeting invitation to the shareholders in the newspapers for 3 consecutive days, 8 days prior to the meeting namely during April 18 - 20, 2016.

5. Shareholders could submit questions in advance 5 working days prior to the meeting day. The shareholders were informed of this right through the Company website and the notice of invitation to the shareholders' meeting.

6. 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, 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, as well as procedures for shareholders to post advance questions prior to the shareholders meeting.

Day of Shareholders' Meeting

1. Determination of day, time and place of meeting that is convenient and suitable, and does not pose an obstacle for attendance. In 2016, the Company held the General Meeting of Shareholders on Tuesday, 26th April 2016, 11.00 hours, at Montien Riverside Hotel.

2. Registration of shareholders attending the meeting by barcode scanning was open 2 hours prior to the meeting and remained open until the conclusion of the meeting. Registration was open from 9.00 hours. Sufficient staff was provided for meeting registration. Duty stamps were also provided for shareholders granting proxies to others or Independent Directors to attend the meeting on their behalves. Voting placards and ballot papers were distributed to shareholders for casting votes.

3. The Board of Directors attaches significance to the meeting of shareholders. Attendance at all meetings is deemed a duty, save for important engagements or illness. At the General Meeting of Shareholders for 2016, 9 Directors were present, including the Company Chairman and Chairmen of all Company Committees. In addition, the Managing Director, Chief Financial Officer, Executive Committee Members and Company Auditor were also present and open to questions from shareholders on relevant issues.

4. Prior to the commencement of the meeting, the Company Secretary declared the meeting quorum as well as explained voting and vote counting procedures for voting of shareholders in each agenda pursuant to the law and Company Articles. In the event of a shareholder attending the meeting after the commencement of the meeting, the Company still granted the right to vote in the remaining agenda that had not yet been considered and voted upon. Such shareholder would be included in the quorum.

5. In order to ensure transparency of the meeting in accordance with laws and the Company Article, the Company invited a representative of the Company's audit office, namely ASV And Associates Company Limited, to act as a witness in the vote counting. A barcode system was used for processing of votes in each agenda, and the voting results were displayed instantly on a screen at the meeting room's anterior.

6. During the meeting, the chairman proceeded with the meeting in accordance with the agenda stated in the notice of meeting without adding any new items in the agenda or changing any significant data without giving prior notice to shareholders and gave investors opportunity to question, comment and suggest equally and thoroughly in all agendas. In the General Meeting of Shareholders for 2016, no shareholder requested for the addition of any new item in the agenda. There was a question from 1 shareholder in agenda item 8, other matters, which was responded clearly and directly by the Chief Financial Officer and Chairman. The discussion was recorded in the minutes.

Important agenda in the meeting of shareholders consisted of the following:

(1) Dividend Payout: The Company had provided details on the appropriation of earnings and payment of dividends which were in accordance with the payout policies of the Company. including comparison between the dividend payout of the current year and preceding year Also specified record date for the shareholders who are entitled to receive dividends and the closing date of the share transfer registration.

(2) Appointment of Directors: The Company provided an opportunity for shareholders to elect directors individually. Preliminary information on each person nominated for election as director, together with a specification of positions held in other businesses of the nominees, clearly stating whether the nature of such companies' were identical to or in competition with the businesses of the Company, Shareholding in the Company, Meeting attendance record (In case reappointed at the expiration of term), Type of Directorial Position Nominated and Nominations were made after screening by the Nominating Committee.

(3) Directors' Remuneration: The Company had provided details on the amount of remuneration proposed, which was in accordance with the policies and conditions relating to the remunerations of directors subsequent to review by the remuneration committee. The Company proposed remuneration limits for approval by the meeting of shareholders on an annual basis and disclosed remunerations of the Company Board of Directors and remuneration of other sub committees in Form 56-1 as well as in the Annual Report.

(4) Appointment of Auditor and Determination of Audit Fee: The Company had provided details on the names of auditors, along with their audit office, independence, relationship with the Company, number of years of performing duties, reasons for change of auditor (if any), and comparative data on the audit fees for the current and preceding year. This information had been reviewed by the Audit Committee. Other fees for services rendered by the audit office to which the auditor was associated with respect to both the Company and its subsidiaries were also disclosed.

Voting Summary of Shareholders in Each Agenda

Agendum	Number of shareholders	Approval		Disapproval		Abstention	
		Shares	%	Shares	%	Shares	%
1	91	106,958,237	100.00	-	-	-	-
3	91	106,958,237	100.00	-	-	-	-
4	91	106,958,237	100.00	-	-	-	-
5.1	91	106,958,237	100.00	-	-	-	-
5.2	91	106,958,237	100.00	-	-	-	-
5.3	91	106,958,237	100.00	-	-	-	-
6	91	106,958,237	100.00	-	-	-	-
7	91	106,958,237	100.00	-	-	-	-

Proceedings after the Shareholders' Meeting Day

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 SET, 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.

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

As a consequence of the General Meeting of Shareholders carried out by the Company in a transparent and accountable manner, in compliance with laws and Company Articles, facilitating shareholders attending the meeting, in 2016, the Company was awarded an assessment level “**Excellent**” for quality of shareholders' meeting from the Thai Investors Association.

Section 2 : Equitable Treatment of Shareholders

2.1 The shareholders' meeting

(1) The Company granted an opportunity to shareholders to propose meeting agenda in advance, as well as to nominate suitable persons for election as Directors in the General Meeting of Shareholders for 2016. A proposal could be made between 1-30 December 2015 pursuant to the rules and procedures stipulated and published on the Company website www.thanulux.com. Notice was also given to shareholders through the Stock Exchange of Thailand information system. During that period, no shareholder made any proposal for an addition to the meeting agenda.

(2) The right to vote at the meeting was in accordance with the number of votes held by the shareholder. Each share carried one vote. There was no share which carried a preference or limitation on the voting rights 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 made accessible at the same time as The Thai version.

(4) In the case where shareholders could not attend the meeting in person, the company allowed said shareholders to appoint proxies from independent directors or other parties, to attend the meeting on own behalf. The company provided clear details pertaining to the proxy appointment letter, sent together with the proxy appointment letter (form B), allowing the shareholders to instruct own voting direction. For the shareholders' meeting in 2016, there were 5 shareholders holding the combined 1,241,720 shares who had appointed an independent director to act as the proxy on their behalf.

(5) The voting procedure for each meeting agenda was carried out in a transparent manner, with the voting ballot provided the shareholders for each agenda, whereas only disapproval and abstention votes were kept afterwards. Nevertheless, for the agenda related to directors' appointment, all voting ballots bearing the signature of each shareholder were collected and kept as evidence. Vote tallying was carried out using the barcode system and displayed on-screen in the meeting room, to facilitate convenience, transparency, and easy verification.

(6) Shareholders were given the right to pose questions in the meeting of shareholders. At the 42nd meeting, There was a question from 1 shareholder in agenda item 8, other matters, which was responded clearly and directly by the Chief Financial Officer and Chairman. The discussion was recorded in the minutes.

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. In 2016, no contravention of such policy by any Company Director, Executive Officer and employee was found.

2.3 Supervision over the transaction of company securities The Board of Directors has prescribed measures to prevent the use of inside information and measures to prevent wrongful insider trading for the benefit of oneself or of others, 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, together with the penalties to be imposed in the case of violation or non-compliance with said regulation. In 2016, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period

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. Such transaction items were to be concluded and reported to The Board of Directors on a quarterly basis.

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 : Role of Stakeholders

The Board of Directors appreciates and respects the rights of all stakeholders. Regard is given to the rights under the law or agreements executed by the Company. As a consequence, a policy has been determined as a guideline for treatment of each stakeholder group. Further regard is also given to communities, society and the environment. This policy aims to achieve sustainable development, combat wrongful and corrupt practices, prevent intellectual infringement, as well as respect human rights.

The Company has prepared a **Code of Business Ethics and Employee Conduct** for Company operations in order to secure confidence that all stakeholders will be protected and treated fairly and equally.

3.1 Shareholders The Company respects the rights of both major and minority shareholders as required various laws and regulations. All shareholders are treated equally. The Company strives to satisfactorily represent the shareholders in advancing the businesses as well as generating a fair return in accordance with the dividend policies of the Company. In addition, the Company has mechanisms for ensuring the trust of shareholders in obtaining accurate information, controlling connected transactions, and having measures for preventing conflicts of interests. Measures have also been in place to prevent the exploitation of insiders' information for personal benefits, including the use of such information for the trade of the

Company's securities, especially in the 1 month period prior to the disclosure of financial statements to the public, which is stipulated in the code of conduct for employees.

The Company invited all shareholders to the annual general meeting. Shareholders were given the right to vote on all agenda. Shareholders also have the right to acquire important information, such as the Company's quarterly operating results, investment disclosures and connected transactions. The Company has disclosed these data through channels of the Stock Exchange of Thailand and the Company website (www.thanulux.com).

In 2016, the Company paid dividends for 2015 operations and retained earnings at the rate of Baht 0.75 per share, equivalent to a dividend payout 47.36 percent of the net profits of the separate financial statements on 24 May 2016. This dividend payout exceeds the prescribed dividend policy of Baht 0.20 per share. The payments reflected a continuous payout of dividends to the Company's shareholders, thereby genuinely building long-term wealth to the shareholders.

3.2 Employees The Company realizes that employees are the most valuable resources and constitute the heart and main driving force of the organization to success. The Company has therefore treated its employees in accordance with good governance principles. Human dignity, human rights and ethics are respected and promotion, support, practice, training and knowledge development of employees are provided comprehensively for employees. Employees are given opportunities to express their potential. They are also encouraged to participate in determining the development and operational directions of the Company. In order to secure career path security, the Company offers fair remuneration for employees as appropriate for the knowledge, skills, responsibilities and performances of each employee. (For further details on the promotion and development of employee knowledge, please refer to CSR Report, the heading on Fair Treatment of Labour, under the sub-heading "Personnel Development".)

Moreover, the Company has looked after the working environment by having due regard to the safety of life, health and properties of employees. Security personnel are on duty 24 hours a day. Alarm systems have been installed in buildings. Safety equipment and fire engines have been provided. Basic firefighting training and drills have been held as well as evacuation drills and the use of personal protective equipment. These training and drills were held to promote the employees' understanding of the proper practices according to standard systems on safety and the environment. Various welfare benefits have also been provided for employees to raise the quality of lives and standard of living, e.g.

- Together with the Saha group set up **cooperatives for employees**.
- Provision of a clinic attended by a medical doctor twice weekly and 2 nurses every day.
- Annual medical examination
- Employee uniforms
- Welfare sale of goods at special prices as sustenance aid for employees
- Collaboration with the Government Housing Bank in providing low-interest housing loans
- Accommodation for employees assigned to perform tasks in other provinces
- Provident fund for future savings
- Retirement benefits
- Financial assistance in the event of death of an employee, employee's parent and spouse.
- Financial assistance in the event of an employee being a victim of fire or a natural disaster, such as flooding or storms.
- Cash rewards for employees completing 10, 20, 30, 40 years of employment

In addition, the Company has established a Welfare Committee in order to offer an opportunity for employees to participate in the administration of welfare benefits and to act as a center for the comprehensive distribution of welfare aid to employees, as well as to act as a channel for communications, suggestions or voicing grievances on various matters pertaining to work.

3.3 Customers The Company operates its businesses by adhering to the principles of loyalty, justice and providing accurate information to customers. Customers' complaints are handled with priority and processed with all due fairness in order to promote an expeditious response to customers' needs as well as to develop products and services which meet the requirements of customers. Constant innovations are undertaken in order to add value to products and services according to the quality accreditation ISO9001 on design and manufacture of garments and leather goods. Customers' trade secrets are also protected. A survey of customer satisfaction on quality, services and delivery of goods show that the Company enjoyed a satisfaction approval of more than 90%.

In this regard, the Company has a customer relations center which serves as a central medium for receiving comments and suggestions from customers. The center may be call at 0-2295-0911-9, 0-2295-4171-80

3.4 Competitors The Board of Directors placed much importance on fair and honest business competition under the framework specified by law. Accordingly, the company always implemented its business operations according to fair competition rules. Over the years, the company was never engaged in any trade dispute with other competitors.

3.5 Business partners The Company has prescribed policies relating to fair treatment and responsibilities towards business partners pursuant to agreements, trading terms and conditions and the representation of accurate data. Good relations and understanding have been fostered, including exchanges of knowledge. Products are jointly developed to add value. The Company does not demand, receive or accept any properties or benefits outside the scope of trade agreements. In 2016, there was no case of non-compliance of trade agreement.

3.6 Creditors The Company has prescribed policies on the fair treatment of creditors. The policy espouses responsibility and transparency through strict compliance with contractual terms and conditions. In the previous year, the Company paid sums to creditors in accordance with the agreed credit terms without any default.

3.7 Communities and Society The Company operates business with due regard to impact on communities and society. There is a continual instillation of conscience of responsibility amongst employees. One heading of the social responsibility policy is the importance attached to participation in community development. The Company would consider the needs of communities and participation in the development of community quality of lives. Attitudes and organizational cultures are fostered in order to enable employees to participate in volunteer works and socially beneficial activities with communities.

In 2016, the Company expanded its community and social responsibility activities by holding workshops with communities in the Company's vicinity and improving the environment, as well as holding activities as requested by the communities. A channel was provided for filing complaints relating to the environment and other aspects of the Company which could affect the communities. During the past year, the Company did not receive any complaint. The Company's performance earned accreditation under the social responsibility of industrial operator standard (CSR-DIW Continuous) from the Department of Industrial Works, Ministry of Industry. Activities which are beneficial to the communities and society have been disclosed in the Social Responsibility Report for 2016.

3.8 Environment. The Company appreciates responsibility regarding the environment towards employees and communities The Company has strictly complied with the environmental management standard ISO14001 with continual monitoring by the internal audit team and external organizations. Environmental policies are updated and disseminated to employees and trading partners in order to expand environmental management issues throughout the entire business chain.

3.9 Promotion of efficient use of resources. The Company realizes the importance of control on the use of resources for sustainable development. This can be achieved with the cooperation of all personnel in the organization. A value is promoted amongst employees that society advancement requires a balanced development in the economy, quality of life as well as natural resources and environmental conservation.

In 2016, the Company adhered to energy conservation measures, enabling energy consumption reductions of 2.2% from the preceding year. The Company also engendered an organizational culture and built a conscience in all levels of employees to promote cooperation and mutual responsibility in the utilization of resources. Activities were organised to encourage creativity by employees in the creation of value from leftover materials. Moreover, trainings were also held on efficient energy consumption for employees in the production line, as well as numerous other activities such as campaign boards for water conservation and electricity conservation in various locations to remind employees of the need to maintain efficient and sustainable utilization of resources.

3.10 Knowledge Building and Training of Employees on the Environment. The Board of Directors has promoted employees' awareness of the importance of the environment. The Company disseminated knowledge on the environment to employees via the internet, information notice board and audio announcements, as well as continually promoted employees' training to build knowledge on the environment.

In 2016, employees participated in environmental training in key issues, e.g. ISO14001:2015 course (environmental management system standard) and CSR-DIW Continuous (a project to promote social responsibilities of industries and sustainable co-existence with communities).

3.11 Promotion of Activities or Participation in Community Development Activities. The Board of Directors has attached importance to community development by continually promoting activities which are beneficial to communities.

In 2016, the Company carried out activities for communities throughout the entire year, such as the Project for "Building a Learning and Information Center for Wat Chongnonthri School." The Company renovated the learning center to add life and create an atmosphere amenable to learning. An information system was also installed for the school. Other activities undertaken were donations of lent candles, light bulbs and offerings to monks at Wat Chongnonthri, activities undertaken in collaboration with the senior citizens club of Yannawa District. The Company also held lunch treats for children at the Bua Luang Community Child Center and Pre-School Development Center for Setapram Community (Sathupradit 49)

3.12 Policies and Guidelines Relating to Non-Involvement with Human Rights Infringement. The Board of Directors attaches importance to fundamental human rights. Business operations are in compliance with laws and human rights principles. There is no discrimination on the basis of gender, race, religion, political rights or other factors. The Company also has a policy of not taking any action and not supporting any activity that is in violation of human rights, such as combatting against the use of child labour by not employing any person below the age of 15 as a Company employee. The Company gives the right to employees to file objections and prove one's innocence in the face of an allegation or corrupt practice. Employment is not terminated unfairly. Employees are treated in accordance with the law on labour protection, which includes the firm protection of employees' human rights. Employees are also educated on human rights principles, which would be applied to operations. Throughout the Company's business operations, there has been no history or court proceedings relating to human rights violations (details on compliance with these policies are provided in "Corporate Social Responsibility Report").

3.13 Policies and Guidelines for Non-Infringement of Intellectual Property and Copyrights.The Company has a policy of operating its business transparently, with ethics and fairness. Intellectual properties or trademarks are not used without prior permission. Employees are stimulated to invent innovations to increase the value of goods. Products and work processes are developed to improve efficiency. Innovation contests have been held within the Company continually since 2007, now extending 9 years till present. These contests select candidates for the Saha Group Innovation Contest held during the annual Saha Group Export & Trade Exhibition (Chairman Awards 2016). In the past, the Company received the 2nd place outstanding award for System & Process for the Support Web Sales System innovation.

As for trademarks, the Company has received licenses for manufacturing, sales and distribution of several trademarks. The Company has strictly complied with the contractual terms and conditions. There has been no infringement. There has also been a campaign to prevent employees throughout the organization from using fake products.

In 2016, the Company did not commit any infringement of intellectual property or trademark.

3.14 Anti-Corruption Pursuant to the working philosophy of Dr. Thiem Chokwattana, the founder of Saha Group, there is an emphasis on integrity and justice. The Company has instilled a core value of not promoting actions of employees and Executive Officers which constitute corrupt practices or giving or receiving bribes to obtain benefits for the Company. This value has been stated in the Business Ethics and Employee Code of Conduct. The Company has implemented the policy of compliance with anti-corruption laws by prohibiting Company Directors, Executive Officers and employees from committing any act or from accepting or supporting any form of corruption, whether directly or indirectly. This prohibition applies to all businesses and all related employees.

Anti-Corruption Policy and Anti-corruption procedure can be found under the heading “Anti-Corruption” in the part pertaining to the Social Responsibility Report. The Company received recognition as a member of Thailand’s Private Sector Collective Action Coalition Against Corruption on 14th October 2016

3.15 Participation channels for the stakeholders The Board of Directors provides channels and procedures for all stakeholder groups to report or file a complaint on any matter which poses a risk of loss to the Company, the accuracy of financial statements or an unfair treatment. Shareholders and other stakeholders may contact Mr. Supachoke Sirichantaradilok, Company Secretary and Investor Relations Officer, by telephone at 02-284-0062, facsimile at 02-294-5101, email: supachoke@thanulux.com or contact Mr. Woradej Puengsiricharoen, Vice-President for Internal Audit, who also reports directly to the Audit Committee, by telephone at 02-295-4171-9 ext. 168, facsimile at 02-294-5101, or email: audit@thanulux.com. Investigation outcomes would be reported to the Board of Directors. Details on informants and complaints will be kept secret. Additional information are available in the social responsibility report under the heading “Anti-Corruption”. In 2016, there were no complaints filed by shareholders and stakeholders.

Section 4 : Information Disclosure and Transparency

The Board of Directors oversees that there is proper, transparent and timely disclosure of significant information in accordance with the relevant laws and regulations. These disclosures include reports filed in accordance with accounting periods and reports of events having an impact on shareholders’ interests, as well as the disclosure of other information pursuant to the principles of good corporate governance prescribed by the Stock Exchange of Thailand. Disclosure is made to the extent that the Company’s legitimate interests are not prejudiced. Information is published in both Thai and English on the Company’s website, disclosure channels of the Stock Exchange of Thailand and other channels which are comprehensively and equitably accessible.

The Company has transmitted such information through the information dissemination system of the Stock Exchange of Thailand within the time limit for dissemination to the investors and the general public. Moreover, the Company has added new dissemination channels by publishing the information on the Company's website (www.thanulux.com) in both Thai and English and regularly updating such information.

The information disclosed in the annual reporting form (56-1) and annual report (56-2) include not only financial statements, but also information on various matters which are demonstrative of business transparency, as follows:

4.1 Good Governance. The Company discloses good governance policies, good governance principles, business ethics and codes of conduct for Company Directors, Executive Officers and employees, as well as report performance results on compliance with such policies on the Company website.

4.2 Social and Environmental Policies. The Company holds this as an important business policy, and thus prescribes therefor in its good governance policies. Regard shall be given to impact on natural resources and the environment. Details of compliance with such policies may be found under the heading "Social and Environmental Responsibility".

4.3 Risk Management Policy. The Company has disclosed risk factors affecting businesses, indicating the characteristics of the risks, causes, impact and approaches to preventing or mitigating those risks.

4.4 Shareholding Structure. The Company has disclosed the list of top 10 shareholders of the Company as at the date of book closing prior to the general meeting of shareholders. This disclosure is made on the Company website (www.thanulux.com).

4.5 Report of Board of Directors' Responsibility for Financial Statements. The Board of Directors is aware of the significance of Financial Statements that are accurate, complete and in accordance with accounting standards. The disclosure of such information has been audited by an independent auditor and approved by the Audit Committee and Board of Directors prior to dissemination to shareholders. Also, in order to secure confidence, the Board of Directors has prepared a Report of the Board of Directors' Responsibility for the Financial Statements, signed by the Company Chairman and Managing Director, disclosed in the Annual Report and Form 56-1 together with the Auditor's Report. In 2016, the Company's Financial Statements were approved unconditionally by the auditor. The Financial Statements have been submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission in a timely manner. No instructions were given to amend the Company's Financial Statements.

4.6 Performance of the Board of Directors and Company Committees. The roles and duties of the Board of Directors and Company Committees have been disclosed, along with the number of meetings, attendance of each Company Director in meetings during the past year, under the heading "Management Structure" and "Governance" in the part pertaining to the Board of Directors and Company Committees.

4.7 Securities Holding of Directors and Executive Officers. The Company has disclosed shareholdings and changes in shareholdings in the Company during the year of Directors and Executive Officers, directly and indirectly, in the Annual Report. Details can be found under the heading "Shareholding and Management Structures" in the part pertaining to Report of Shareholdings of Directors and Executive Officers in Thanulux Public Company Limited as of 30st December 2016"

4.8 Remuneration of directors and executives. A disclosure of the policy on remuneration payments to directors and executives, including the forms, types and amount of remuneration received by director and sub-committees, these details have been disclosed in Form 56-1 and in the annual report under the heading on management structure, sub heading "Remuneration of directors and executive officers" .

4.9 Report of Directors' Interests Policy. The Board of Directors has prescribed a policy for Company Directors and Executive Officers to report to the Company every occasion which gives rise to a personal interest or the interest of a connected person. In 2016, the Company Directors and Executive Officers have strictly complied with the policy. In addition, during the meeting of the Board of Directors, an interested Director could not participate in deliberations on an important agenda, and the Company has disclosed the interests of such Company Directors and Executive Officers in the notice of resolution submit to the Stock Exchange of Thailand information system.

4.10 Development of Directors and Executive Officers. The Company has disclosed information on training and development of Directors and Executive Officers. Details can be found under the heading "Personal Details of Company Directors, Executives, Controller and Company Secretary" and "Governance" in the part pertaining to compliance with good governance principles in other areas (Section 5 Responsibilities of the Board of Directors, Article 5.7).

4.11 Connected Transactions. The Company has complied with the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. There are clear, prudent and reasonable guidelines for the greatest benefit of the Company and shareholders. Details of such transactions are disclosed, with specifications of contractual parties, relationships, characteristics of transaction, price terms and value of transaction, to the Stock Exchange of Thailand, published on the Company website and summarized in the Annual Disclosure Report (Form 56-1) and Annual Report (Form 56-2) under the heading "Connected Transactions".

4.12 Quarterly Performance Reports. The Company has published quarterly performance reports on the Stock Exchange of Thailand and Company websites. In the event of a change in net earnings in the same quarter on a year-on-year basis by more than twenty percent, the Company would provide an additional explanation for the performance.

4.13 Whistle Blowing. The Company has prescribed a policy and measures for the protection of employees or whistle blowers in the Code of Conduct of Company Directors, Executive Officers and Employees. Details can be found under the heading "Anti-Corruption on Social Responsibility Report".

4.14 Investor relations: the company has stressed the importance of disclosing transparent and comprehensive information. Various news have been disseminated to investors and related persons in a timely manner and on an equal basis through channels and media of the Stock Exchange of Thailand, and via the Company's website at www.thanulux.com. In addition, the Company has designated a person who can provide information and news as required by investors or related persons. Mr. Supachoke Sirichantaradilok, Company secretary and Investor relations, may be contacted by telephone at 0-2295-0911-19, 0-2295-4171-80, extension 323, by facsimile at 0-2294-5101, or by email at supachoke@thanulux.com.

In 2016, the Company and companies in the Saha Group, comprising a total of 15 companies, in collaboration with the Stock Exchange of Thailand, held the "8th Analysts and Investors Meet Saha Group" event, on 1st July 2016 at Queen Sirikit Convention Center within the 20th Saha Group Fair to give analysts and investors



opportunity to acknowledge significant development of the company. In addition, the Company and companies of the Saha Group jointly prepared a summary fact book on all 15 companies of the Saha Group. The fact books were distributed to analysts and investors attending the event. Interested persons who did not attend the event may watch a video recording of the event through channels of the Stock Exchange of Thailand and the Company website.

Section 5 : Responsibilities of The Board of Directors

The Board of Directors plays an important role in governing the Company to ensure efficient operations. These duties must be performed responsibly, prudently, honestly, and must utilize knowledge and competencies in the determination of the Company vision and mission statement with a view to securing sustained growth. In addition, there must be oversight of Executive Officers and employees to ensure compliance with guidelines in order to achieve the set objectives, as follows:

1 The Board of Directors has prescribed a structure for the Board of Directors comprising of persons having a diverse range of knowledge, competencies and experiences, without limitation to gender, and having the qualifications required by law. At least one Company Director is a Non-Executive Director who has experience in the Company's business undertaking. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission.

2 The Board of Directors has provided a definition for an Independent Director which meets the minimum requirements of the Office of the Securities and Exchange Commission.

3 The Board of Directors has appointed Committees to screen key matters prior to submission to the Board of Directors.

4 The Board of Directors has issued a charter for each Company Committee by prescribing the tenure and scope of powers and duties to clearly demarcate the roles, duties and responsibilities of each Company Committee and the management.

5 The Board of Directors has a policy which requires Company Directors and Executives holding directorial positions in other companies to make a disclosure to the Company Chairman and Chairman of the Audit Committee.

6 The Board of Directors has provided for a Company Secretary to perform duties prescribed by law and as entrusted. The qualifications of a Company Secretary should be a person possessing knowledge of law or accounting, or who has completed training relating to the performance of company secretarial duties. Continual training and knowledge development are also continually provided.

7 The Board of Directors has prescribed policies for governance, business ethics and codes of conduct for Company Directors, Executives and employees to ensure a harmonized approach.

8 The Board of Directors has prescribed a Company vision and mission so that the Company Directors, Executives and employees would strive towards the same goal.

9 The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge amongst Company Directors, Executives and employees.

10 The Board of Directors prescribes an annual meeting schedule in advance every year. The determination of agenda takes into account the fair interests of shareholders and all stakeholders. All Company Directors enjoy independence in the expression of opinions. A Company Director having an interest in an agenda shall not have the right to vote in such agenda.

11 The Board of Directors prescribes a duty for Company Directors to attend all Board Meetings unless there is a necessary cause.

12 The Board of Directors has a policy of encouraging senior Executives to attend Board Meetings.

13 The Board of Directors provides Non-Executive Directors with opportunities to meet among themselves in the absence of the management when necessary. The Managing Director shall be notified of the meeting outcome.

14 The Board of Directors has a policy of promoting the Company Directors' access to essential additional information from the Managing Director, Company Secretary or other assigned Executives within the scope of the set policies. In the event of necessity, the Board of Directors may obtain independent opinions from advisors or external professionals on the Company's expenses.

15 The Board of Directors has implemented measures pertaining to conflicts of interest which are prudent, rational and in compliance with the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

16 The Board of Directors prohibits Company Directors and Executives from trading in Company shares in the 1-month period prior to the public disclosure of financial statements.

17 The Board of Directors has directed Company Directors and Executives as well as their spouses and children who have not attained legal age to have the duty to disclose shares holdings and changes in holdings of the Company shares to the Office of the Securities and Exchange Commission, and to submit a copy to the Company Secretary for reporting to the Board of Directors in the subsequent Board Meeting.

18 The Board of Directors has directed Company Directors and Executives to disclose personal interests and interests of connected persons in accordance with the prescribed rules.

19 The Board of Directors has established an internal audit unit as an internal agency accountable to the Audit Committee.

20 The Board of Directors requires an annual assessment of the Board of Directors' performance.

21 The Board of Directors prepares a report on the responsibilities of the Board of Directors pertaining to the financial statements submitted in the Annual Report.

22 The Board of Directors oversees and determines the payment of appropriate remuneration to each committee member pursuant to the powers, duties and responsibilities and draws comparison to the operation levels in the same business sector.

23 The Board of Directors has prescribed a succession plan for employees in various positions in view of their advancement to higher positions.

24 The Board of Directors provides an orientation for first term Company Directors.

25 The Board of Directors has established an internal control system and risk management system.

26 The Board of Directors has provided for the monitoring and assessment of corporate governance by establishing a corporate governance committee.

5.1 Board and Committee Structures The Board of Directors, Company Committees, and Executive Officers perform assigned tasks.

(1) Composition of the Board of Directors. The Company Articles provide that there shall be no fewer than five Directors. At least half of the Directors must reside in the Kingdom. In 2016, there were 9 Company Directors possessing knowledge, expertise and experience in a variety of fields, namely accounting, finance, management, marketing, law and textiles. The Board of Directors consisted of:

Executive Directors 4 persons

Non-Executive Directors 5 persons (including 4 Independent Directors)

Hence, Independent Directors comprise more than the one-third required by law.

(2) Qualifications of Independent Directors. All Independent Directors possess all qualifications for Independent Directors pursuant to the rules prescribed by the Company in the definition of "Independent Director". This definition is

consistent with the Notification of the Capital Market Supervisory Board. Independent Directors and connected persons do not hold any shares in the Company, parent company, subsidiary company, associated company, major shareholder or controller of the Company. No Independent Director holds a director position in more than 5 listed companies.

(3) **Recruitment Process.** The Board of Directors appointed a Nominating Committee to oversee the recruitment of Directors in a transparent manner (details are provided under the heading “Governance” in the part pertaining to the recruitment of Directors and Executive Officers.)

(4) **Term of Directors.** The Board of Directors is appointed by the meeting of shareholders. Each Director remains in office for a term prescribed by the Company Articles. Upon the expiration of term, a Director may be re-elected for another term in office.

(5) **Number of Companies in which Directors Hold Positions.** The Company has disclosed details on offices of each Director held in other companies under the heading “Personal Details of Company Directors, Executives, Controller and Company Secretary”. The Company does not impose a limit on the number of companies in which Directors are allowed to hold positions since past performances of all Company Directors have shown that they are able to attend meetings regularly and have applied knowledge, competence and full devotion of their time to the management of the Company without any flaws.

(6) **Separation of Chairman and Managing Director Positions.** The Company has clearly delineated the duties of the Chairman and the Managing Director in order to separate their respective management functions. This separation enables independence and checks, creating a balance in exercise of powers. The Company also clearly prescribes the scope of functions of each Company Committee and the management in Board of Directors Directives which are open for inspection so as to ensure transparency of management.

(7) **Company Secretary.** The Company has appointed Mr. Supachoke Sirichantaradilok as a Company Secretary to perform duties and assume responsibilities as provided by law and by the Company (details are stated under the heading “Management Structure”, Article 3 Company Secretary).

5.2 Company Committees. The Board of Directors has appointed Company Committees to assist in responsibilities in each area in order to secure shareholder confidence that Company operations are transparent, prudent, screened, reviewed and duly advised. The scope of functions and responsibilities of each Company Committee has been clearly prescribed (further details have been provided under the heading “Governance” in the part pertaining to Company Directors and Committees and “Management Structure” in the part pertaining to the Board of Directors).

5.3 Roles, duties and responsibilities of the Board of Directors.

(1) **Leadership and Vision** The Board of Directors consists of persons having diverse knowledge, competency and expertise as well as specializations in areas beneficial to the company. The Board would grant its approval to visions, tasks, strategies and authorize important issues pertaining to policies, strategies, plans and annual targets for the executive, as well as oversee that the administration carried out by the management is effective and consistent with the policies and prescribed business plans.

The Board of Directors determines the vision and mission of the Company. A resolution of Board of Directors meeting no. 2/2559 on 3rd March 2016 has altered the vision and mission statements in order to suit current business operations. A policy is in effect to review the vision and mission of the Company at least once a year. Also, the Board of Directors also gives approval to the strategy, target work plans and annual budget of the Company proposed by the management, as well as provides mechanisms for the supervision, monitoring and assessment of management performance to ensure consistency with targets and guidelines. This ensures value adding and prosperity of the Company and shareholders. At the same time, regard is given to all stakeholders.

(2) **Good Corporate Governance** The Board of Directors appreciates the significance of good corporate governance. In this connection, good corporate governance principles have been issued in writing, consisting of 4 parts, namely, corporate governance policies, corporate governance principles, business ethics and codes of conduct for Company Directors, Executive officers and employees. Reviews of compliance and good corporate governance principles are undertaken regularly on an annual basis and published on the Company website. In addition, handbooks have been disseminated to Company Directors, Executive Officers, employees, who have all been directed to strictly adhere to the handbook. This commitment furthers the Company's good governance and business transparency (details of governance policies, business ethics and Codes of Conduct for Company Directors, Executive Officers and employees have been published on the Company website www.thanulux.com).

(3) **Management of Conflicts of Interests** The Board of Directors attaches significance to the scrutiny of transactions which could potentially lead to a conflict of interests. This is to be carried out prudently, honestly and in good faith. Thus, policies relating to conflicts of interests have been prescribed as part of the corporate governance policies and business ethics. Further details are available on the Company website (www.thanulux.com). The Company disclosed details of transactions with potential conflicts of interests under the heading "Connected Transactions".

(4) **Supervision of Control Systems and Internal Audit** The Company has attached significance to internal control systems in regard to administration, finance, operations and supervision. An internal audit unit performs the duties of auditing various operational systems, including computing systems. The unit also gives advice to ensure effective compliance with guidelines, independence, full accountability and checks and balances. The unit reports directly to the Audit Committee and hold regular meetings with the Audit Committee to exchange views pertaining to audit and audit results.

(5) **Risk Management** The Board of Directors has appointed a Risk Management Committee to determine work plans and clear procedures for risk management. The Risk Management Committee classifies risks, causes of risks, including assessments of opportunities and threats, in order to formulate a risk management plan. The objective is to minimize or eliminate certain risks under systematic and continual supervision that is most effective, as well as to monitor and assess the management of each risk factor to within acceptable levels. Parameters have been set for the Committee to undertake reviews, monitors and provide advice on risk headings, as well as approaches for remedying and preventing those risks in a continual and systematic manner. A report is submitted to the Board of Directors every quarter to ensure achievement of the objectives of risk management which encompass the entire Company (details of risk management in each aspect of the Company are stated under the heading "Risk Factors").

5.4 Board of Directors Meetings The Company determines the dates and times of meetings for the entire year, scheduling at least one meeting each quarter, except in the event of a special agendum where additional meetings may be called as necessary. In each meeting, the Company Secretary would send notices of the meeting together with the meeting agenda and supporting documents at least 7 days in advance in order to enable the directors to sufficiently consider and study those documents prior to attending the meeting.

The Board of Directors has given importance to the attendance of meetings and upholds as a duty to attend all Board of Directors meetings in order to acknowledge and participate in the decisions of the Company. In the first quarter of each year, the Board of Directors would invite senior executives to attend the Board of Directors meeting in order to directly provide additional information and details on the standings of problems, as well as to propose operational plans, strategies and targets for annual operations.

In every meeting, the Chairman would give an opportunity to all directors to debate and express opinions independently. A director who had an interest in the matter considered would not attend the meeting and have no right to vote. At the end of the meeting, the Company Secretary, as a recorder of the meeting, would prepare the

meeting minutes and send the minutes to the Chairman within 7 days for consideration and signature as verification. In any event, directors are able to express opinions, request amendments or additions to the minutes for greater accuracy.

Minutes that have been approved by the meeting and signed by the Chairman would be archived systematically at the Company office in order to enable searches, references and inspections by the Board of Directors and related persons.

In 2016, 9 Board Meetings were held. The attendance of each director has already been stated in form 56-1 and the Annual Report.

5.5 Assessment of the Board of Directors. The Board of Directors appreciates the significance of its roles, duties and responsibilities towards the performance of functions for the best interest of the Company and all stakeholders. Therefore, there is an annual assessment of the Board of Directors as a whole. In 2016, the Company added individual evaluations of each Company Director. The results are used to further improve performance of functions. The Company Secretary had sent evaluation forms to all Directors. Each Director enjoys independence in filling the evaluation forms. Upon completion, the forms were returned to the Company Secretary for processing and reporting to the Board of Directors in the Board Meeting.

The annual collective evaluation of the Board of Directors may be divided into 3 aspects, namely:

- (1) Role, duty and responsibility of the Board of Directors
- (2) Independence of the Company Director
- (3) Relationship with management and stakeholders

In 2016, the evaluation result achieved the “very good” grade with an average score of 83.91.

Individual evaluations for each Company Director are divided into 3 aspects, namely:

- (1) roles, duties and responsibilities of the Company Director;
- (2) Duty fulfillment of the Company Director;
- (3) self-development of the Company Director.

In 2016, the evaluation result achieved the “very good” grade with an average score of 88.93.

Evaluation of the Executive Committee (Company Committees)

The Board of Directors arranged for the evaluation of performance of the Executive Committee in 2016. Each Executive Committee Member evaluated the overall performance. Evaluation results achieved the “very good” grade with an average score of 80.42.

Annual Evaluation of the Managing Director

The Board of Directors requested the Chairman of the Executive Committee to evaluate the performance of the Managing Director on an annual basis. The result is used to determine remuneration, based on the following factors:

- 1) vision and business strategy;
- 2) leadership, teamwork and succession plan;
- 3) analytic skills and creativity;
- 4) commitment to efficiency and success;

- 5) flexibility and adaptability;
- 6) integrity and loyalty to the organization.

The evaluation result is confidential personal data which cannot be disclosed.

5.6 Remunerations. The Remunerations Committee would consider the appropriate remunerations limit and make a proposal to the Board of Directors for consideration before submission to the meeting of shareholders for approval of the remunerations limit.

The 42nd General Meeting of Shareholders for 2016 on Tuesday, 26th April 2016 approved the remunerations limit for Company Directors at Baht 10.0 million per year. Payments were made as meeting allowances at the rate approved by the meeting of shareholders and paid only to the Directors present. Annual fees were paid to all Directors. The Remunerations Committee was tasked with the allocation of those fees.

Remunerations of Executive Officers are in accordance with Company policies. Regard is given to the Company's performance and the individual performance of each Executive Officer. In all events, the remunerations of Directors and Executive Officers in 2016 have been disclosed by the Company in Form 56-1 and the Annual Report under the heading "Remunerations of Directors and Executive Officers."

5.7 Development of Directors and Executive Officers. The Company attaches importance and promotes opportunities for increasing knowledge of all Directors and Executive Officers. Thus, the Company sponsors the enrollment of all Directors in courses which would be beneficial to the performance of Director duties. Directors have participated in courses organized by the Thai Institute of Directors (IOD), i.e. Director Accreditation Program (DAP) and Director Certification Program (DCP), at least one of which is required by the SEC for directors of listed companies. Apart from the requisite courses, the Board of Directors also attaches significance to participation in other courses of the Thai Institute of Directors, e.g. Audit Committee Program (ACP), Understanding the Fundamental of Financial Statements (UFS) and Finance for Non-Finance Director (FND), and the Role of Chairman (RCM). These training would enhance their competence as professional leaders with proper understanding of their roles and duties and enable them to become role models for advancing the organization to good governance. Furthermore, there are shorter seminars beneficial to the performance of duties by the Board of Directors, including other courses to be organized by IOD in the future.

Details of participation in training on Director roles of each Director have been disclosed in the Annual Report and Form 56-1 under the heading "Personal Details of Company Directors, Executives, Controller and Company Secretary".

Seminars attended by Directors

25th January 2016, "F.T.I Outlook 2016" by The Federation of Thai Industries.

- Participating Directors
- Mr.Supotch Pakaworawuth, Managing Director
 - Miss Dusadee Soontrontumrong, Deputy Managing Director and CFO

27th June 2016, "Dealing with Insider by Professional Management" by The Stock Exchange of Thailand.

- Participating Directors
- Miss Dusadee Soontrontumrong, Deputy Managing Director and CFO

26th July 2016, "Modern Management emphasizing on Fidelity" by Mr.Thanakrit Permpunkhantisuk.

- Participating Directors
- Mr.Supotch Pakaworawuth, Managing Director
 - Miss Dusadee Soontrontumrong, Deputy Managing Director and CFO

7th October 2016, "Corporate Governance Code" by Mr. Rapee Sucharitakul

- Participating Directors
- Mr.Supotch Pakaworawuth, Managing Director
 - Miss Dusadee Soontrontumrong, Deputy Managing Director and CFO
 - Assoc.Prof. Nares Kesaparakorn, Independent Director and Audit Committee member
 - Dr.M.L. Sirapirom Teeraprasert, Deputy Vice President of Organization Strategy

18th October 2016, “Ethical Leadership: Combatting Corruption Together” by Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC)

- Participating Directors
- Mr.Supotch Pakaworawuth, Managing Director
 - Miss Dusadee Soontrontumrong, Deputy Managing Director and CFO

16th November 2016, “Thailand: Moving with Disruptive Technologies” by The Thammasat Economics Association.

- Participating Directors
- Miss Dusadee Soontrontumrong, Deputy Managing Director and CFO

Orientation of New Directors

The Company organized an orientation for new Directors in order to inform them of the Company’s business policies, as well as relevant information, e.g. the Company’s principal businesses, performance, organizational structure and shareholders, for the benefit of performing duties of new Directors. In addition, a “Handbook for Directors of Listed Companies” are also distributed to all Directors, containing the following details:

1. Summary of comparison between the Company Articles, Securities and Exchange Act and Public Companies Act.
2. Charters of the Board of Directors and Company Committees.
3. Governance Policies

5.8 Succession Plan The Company has a policy of continually developing its personnel in order to strengthen the organization. The aim is to provide drive and opportunity for self-development and the full realization of potentials. In this regard, the company has organized a scheme for developing high-potential personnel through the nominating, analysis and assessment of competencies in order to devise an individual development plan. This scheme prepares the personnel for executive positions where they will continue to drive the organization in the future. Moreover, the Company grants educational scholarships to employees at bachelor’s degree and master’s degree levels for domestic and overseas studies. The aim is to enable employees to obtain knowledge that would be beneficial to the performance of work. The Company also promotes study visits within and outside of the country.

Furthermore, the Board of Directors appreciates the importance of building executives to succeed the chief executive positions. The following principles are pursued:

1. A description of the chief executive positions, relevance to targets and strategies of the organization, as well as a specification of the qualifications, knowledge and skills required.
2. Nominating of executive officers who possess competence and abilities.
3. Analysis of individual qualifications in order to identify strengths and areas in need of further development.
4. Constructing an individual development plan to promote development of competence and potentials.

From the importance attached and the continual development of good governance of Company Directors, Executive Officers and Company Employees. In 2016, the Company received a “very good” governance rating for listed companies from the Thai Institute of Directors, sponsored by the SEC and the Stock Exchange of Thailand.

As for good governance principles which the Securities and Exchange Commission plans to promulgate, the Company is in the process of undertaking studies for implementation.