

1. Corporate Governance Policy

The Company fully recognizes the importance of corporate governance and established its "Policy on Corporate Governance" in 2002. This is regularly modified to take account of changes in the Company's business. It is also kept in line with the corporate governance-related laws and regulations issued by the Stock Exchange of Thailand ("SET") to international standards. The details of Policy on Corporate Governance are posted on the Company's website at www.truecorp.co.th.

2. The Board's Committees

The Committees of the Board of Directors consists of 4 committees as follows:

- 1) Audit Committee
- 2) Compensation and Nominating Committee
- 3) Finance Committee
- 4) Corporate Governance Committee

1) Audit Committee

The Audit Committee of the Company has three year term consisting of 3 persons as follows:

Name	Position	the Audit Committee Meeting in 2015	
		Number of Meeting ^{1/}	Number of Attendance
1. Mr. Vitthya Vejajiva	Chairman of the Audit Committee	7	7
2. Dr. Kosol Petchsuwan	Member of the Audit Committee	7	7
3. Mr. Joti Bhokavanij ^{2/}	Member of the Audit Committee	7	7

Remark : ^{1/} In the Year 2015, the Audit Committee held 7 meetings, one of which was a meeting with the external auditor without the presence of management.

^{2/} Mr. Joti Bhokavanij is knowledgeable and experienced in reviewing the Company's financial statements. Details about his education and working experiences are as appeared in the annual report and the Annual Registration Statement for the Year 2015 ("Report 56-1").

The scope of duty and responsibilities of the Audit Committee:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system including risk management system and internal audit system to ensure that they are suitable and effective, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;

7. To perform any other acts as required by law or as delegated by the Board of Directors

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2) Compensation and Nominating Committee

consists of the following members:

Compensation and Nominating Committee Meeting

Name	the Audit Committee Meeting in 2015	
	Number of Meeting ^{1/}	Number of Attendance
1. Mr. Dhanin Chearavanont	2	-
2. Mr. Soopakij Chearavanont	2	1
3. Mr. Umroong Sanphasitvong	2	2
4. Mr. Joti Bhokavanij	2	2
5. Mr. Li Zhengmao	2	1

In this regards, the Company has disclosed the Charter of the Compensation and Nominating Committee on the Company's website www.truecorp.co.th and disclosed the Report of the Compensation and Nominating Committee for the Year 2015 in the annual report and on the Company's website.

3) Finance Committee

The Finance Committee assists the Board of Directors in overseeing the financial management and performance of the Company. To perform this role, the Finance Committee shall provide opinions and advices to the Board of Directors regarding financial strategies, annual budget, substantial borrowing or indebtedness, securities issuance, acquisitions or disposals of material assets and material investment proposal. The Committee consists of the following members:

Finance Committee Meeting

Name	the Audit Committee Meeting in 2015	
	Number of Meeting ^{1/}	Number of Attendance
1. Dr. Ajva Taulananda	5	5
2. Prof. Dr. Warapatr Todhanakasem	5	4
3. Mr. Umroong Sanphasitvong	5	5
4. Mr. Joti Bhokavanij	5	5
5. Mr. Gao Nianshu	5	2

In this regards, the Company has disclosed the Charter of the Finance Committee on the Company's website www.truecorp.co.th and disclosed the Report of the Finance Committee for the Year 2015 in the annual report and on the Company's website.

4) Corporate Governance Committee

The Corporate Governance Committee assists the Board of Directors in setting and reviewing the Company's corporate governance policy as well as oversees that the Company has a sound and appropriate corporate governance practice. The Committee consists of the following members:

Corporate Governance Committee Meeting

Name	the Audit Committee Meeting in 2015	
	Number of Meeting ^{1/}	Number of Attendance
1. Dr. Kosol Petchsuwan	5	5
2. Mr. Vitthya Vejajiva	5	5
3. Dr. Ajva Taulananda	5	5

In this regards, the Company has disclosed the Charter of the Corporate Governance Committee on the Company's website www.truecorp.co.th and disclosed the Report of the Corporate Governance Committee for the Year 2015 in the annual report and on the Company's website.

3. Nomination and Appointment of Directors and CEO

1) Independent Director

The procedure for nominating an Independent Director of the Company is the same as the nomination of other directors of the Company, details of which are summarized in Item 2). Nonetheless, a person who will served as the Company's independent director must be independent of any major shareholder, the group of major shareholders and the management of any juristic person who is the major shareholder of the Company including free from any other relationship that would interfere with the exercise of independent judgment and holds qualifications defined in the Corporate Governance Policy of the Company (which are more rigorous than that defined by the Capital Market Supervisory Board in area of shareholding percentage). Details are as follows:

- (1) holding shares ^{ถือหุ้น} not exceeding 0.75 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate, principal shareholder or controlling person of the Company, including the shares held by related persons of the independent director;
- (2) ^{ถือหุ้น} neither being ^{ถือหุ้น} nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, principal shareholder or controlling person of the Company unless the foregoing status has ended ^{ถือหุ้น} not less than two years prior to the date of appointment;

- (3) ^{พ่อกับแม่} not being a person related by blood or registration under laws i.e. father, mother, spouse, sibling, and child, including spouse of the children; of other directors, executives, major shareholders, controlling persons, or persons to be nominated as director executive or controlling persons of the Company or its subsidiary;
- (4) ^{พ่อและแม่} not having a business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, in the manner which may interfere with his or her independent judgment, and ^{พ่อกับแม่} neither being ^{พ่อกับแม่} nor having been a principal shareholder or controlling person of any person having business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company unless the foregoing relationship has ended ^{พ่อกับแม่} not less than two years prior to the date of appointment.

The term 'business relationship' aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result 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 value of connected transactions under the Notification of the Capital Market Supervisory Board concerning rules on connected transactions ^{พ่อกับแม่} mutatis mutandis. 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) ^{พ่อกับแม่} neither being ^{พ่อกับแม่} nor having been an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and ^{พ่อกับแม่} not being a principal shareholder or controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the Company unless the foregoing relationship has ended ^{พ่อกับแม่} not less than two years from the date of appointment;
- (6) ^{พ่อกับแม่} neither being ^{พ่อกับแม่} nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the Company, and ^{พ่อกับแม่} neither being ^{พ่อกับแม่} nor having been a principal shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended ^{พ่อกับแม่} not less than two years from the date of appointment;
- (7) ^{พ่อกับแม่} not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the major shareholder;
- (8) ^{พ่อกับแม่} not operate any business which has the same nature as and is in significant competition with the business of the Company or subsidiary, or not being a principal partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or holding shares not exceeding one per cent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the Company or subsidiary;
- (9) ^{พ่อกับแม่} not having any characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs;

- (10) After having been appointed as independent director with qualifications complying with the criteria under the above (1) to (9), the independent director may be assigned by the Board of Directors to take part in the business decision of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company on the condition that such decision must be a collective one; ได้
- (11) In case of any person either having or having had a business relationship or professional service exceeding the amount under the above (4) or (6), such person shall be waived from the prohibition concerning neither having nor having had a business relationship or professional service by the Board of Directors' approval only if the Company provides the opinion of the Board of Directors which perform duty under Section 89/7 of the Securities and Exchange Act B.E. 2535 that the appointment of such person does not impact his or her independent judgment and the Company shall disclose the information required by the Capital Market Supervisory Board in the notice of shareholders' meeting in the agenda for election of such independent director.

All Independent Directors of the Company are genuinely independent and are not authorized signatories binding the Company. All Independent Directors are qualified according to the regulations of the Capital Market Supervisory Board and the Policy on Corporate Governance of the Company.

2) Directors

The Company allows minority shareholders to submit nominations for directors before the Annual General Meeting of the Shareholders by using the form provided by the Company and sending it by registered mail to the Company within the specified period. The Company posts details, rules as well as procedures thereof on the Company's website www.truecorp.co.th.

The Compensation and Nominating Committee is responsible for appraising the qualifications of persons proposed as directors (including independent directors) of the Company in light of the significant prestige, experience required, an overall understanding of telecommunications technologies and industry and qualifications in line with the Company's business strategies to fill the role and with full qualifications required by law and without prohibition and trustworthy characteristics as per notification of the Office of Securities and Exchange Commission. The Committee's deliberations are presented to the Board of Directors for consideration and approval in case of replacement. In case of proposing additional Directors, the Board of Directors will present the relevant information, together with the Compensation and Nominating Committee's opinion, to the Shareholders' Meeting for consideration and approval.

Directors are appointed by shareholders by majority vote. All shareholders have the right to appoint directors. Each shareholder is entitled to one vote for each share held and shall exercise all the votes he or she holds to appoint one or several person(s) to be director(s), provided that he or she cannot divide his or her votes to any person to any extent. However, the Company complies with good corporate governance by allowing shareholders to exercise the right to appoint directors individually by nominating candidates together with their resumes for consideration and voting by shareholder's meeting individually. Candidates shall be appointed as directors in order of their ranks from the highest votes received until all of the director positions are filled. In case the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman shall have a casting vote.

3) Top Executives

The Compensation and Nominating Committee shall consider qualifications of individuals to be nominated for election to be the President and Chief Executive Officer (the "CEO"), which is the top executive of the Company, taking into consideration their qualifications and experiences to find individuals appropriate to the business of the Company, and present the nomination and recommendations to the Board of Directors for consideration and approval.

4. Supervision of Business Operation of Subsidiaries and Associated Companies

1) The Company has the following mechanisms to supervise business operation of subsidiaries and associated companies.

- Sending individuals to represent the Company as directors and executives in subsidiaries and associated companies in accordance with shareholding proportion. The Board of Directors assigned the CEO to consider sending the Company's representatives for such purpose.
- Directors and executives of subsidiaries and associated companies are required to ensure that policies significant to the business operation of subsidiaries and associated companies are determined in harmony with the Company's business policies.
- Subsidiaries are supervised to comply with requirements of the SET where such requirements are applicable to the subsidiaries, i.e. preparation of financial information, entering into related party transactions, acquisition or disposal of significant assets or any other significant transactions of such companies.
- Ensuring that subsidiaries have appropriate and adequate internal control system and prepare financial information for the Company to enable the Company to prepare consolidated financial statement properly in accordance with Thai financial reporting standards.
- Preparing summarized business operation result reports of subsidiaries by their business categories for presentation to the Board of Directors meeting regularly on a quarterly basis to monitor the business operation results of subsidiaries.

2) Agreement between the Company and other shareholders in the management of subsidiary companies and associated companies (shareholders' agreement) with significant effect on work management or control power or profit sharing other than remuneration proportional to normal shareholding.

- None -

5. Insider Trading Policy

The Board of Directors is aware of the importance of protecting the Company from personal insider trading. The Company has a code of conduct regarding inside information and insider trading, as well as the use of applicable laws to monitor and prevent the personal use of confidential Company information by management and related persons. In addition, the

Company has a policy of strict compliance to its requirement that Directors and senior management who have gained inside information on the Company by virtue of their positions do not use that information in any way that violates their responsibilities to the Company and its Shareholders. Material information which has not yet been disclosed is kept confidential, apart from disclosure to the relevant Director and senior management of the Company. Directors and senior management must report purchases, sales, transfers and assignments of securities issued by the Company to the Securities and Exchange Commission ("SEC") within three working days of the transaction's execution, and provide a copy of this report to the Company for its records and incorporation in its regular report to the Board of Directors. In this regard, Directors and senior management are required to submit an accurate report on the securities holding within the required period. This will be deemed one of the material obligations which senior management of the Company needs to be aware of and needs to meet. This gives confidence to Directors and senior management that the business is being managed and developed in a manner which is trustworthy, transparent, and consistent with the Corporate Governance Policy of the Company. It also provides shareholders, including general investors, with confidence in the Company's Directors and senior management.

Additionally, in 2015, the Company has set the additional practice regarding insider information governance which is notification of prohibition period for trading the Company's securities before public disclosure of the Company's financial results. The directors, executives and officers who may access into information relating to financial statements including their spouse and minors are prohibited not to trade the Company's securities in the period of 1 month prior to the public disclosure of financial statements and 24 hours after such disclosure.

6 Remuneration for Audit Firm

1) Audit fee

In 2015, the Company and subsidiaries paid audit fee to the firm, to which the auditors work for, in the total amount of Baht 28.36 million, of which Baht 15.15 million was paid in the 2015 fiscal year and the remaining Baht 13.21 million would be paid in the following year, comprising.

- Audit fee of the Company for 2015 in the amount of Baht 6.20 million, of which Baht 3.99 million was paid in the 2015 fiscal year and Baht 2.21 million would be paid in the following year.
- Audit fee of subsidiaries for 2015 in the amount of Baht 22.16 million, of which Baht 11.16 million was paid in the 2015 fiscal year and Baht 11.00 million would be paid in the following year.

2) Non-audit fee

The audit firm appointed by the Company provided services other than auditing to the Company and subsidiaries, i.e. examination by an agreed method and provision of consultations on taxes etc. during 2015, with remuneration of Baht 1.86 million, of which Baht 0.25 million was paid by the Company and subsidiaries during the year, and the remaining Baht 1.61 million would be paid in the following year.

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Section 1

1. Shareholder meetings

- 1.1 The Board of Directors realizes and places importance on rights of shareholders as well as equitable and fair treatment to shareholders, and, therefore, prescribed a policy relating to shareholders as a part of the Policy on Corporate Governance of the Company, taking into consideration rights of shareholders of all groups as much as possible, not limited only to the rights prescribed by law.
- 1.2 In 2015, the Company organized 1 shareholder meetings, i.e. the 2015 Annual General Meeting of the Shareholders (the "AGM") on 24 April 2015. All shareholder meetings of the Company were organized on such dates, at such time and venue by taking into account convenience of shareholders attending the meetings, by having organized the meetings on working days and hours, i.e. 14.00 hours at the Head Office of the Company, located in Bangkok where access thereto is convenient. Moreover, map and information on travel thereto were prepared as a document attached to the letters of invitation to the meetings and sent to all shareholders eligible to attend the meetings.
- 1.3 In all shareholder meetings, including the 2015 AGM, the Company informed shareholders, in the letters of invitation to the meetings and relevant documents, of the dates, times, venues, meeting agendas, all information relating to the matters to be decided in the meetings, as well as causes and backgrounds of the matters to be decided, by clearly specifying facts, reasons and objectives including comments of the Board of Directors in each agenda, emphasizing on details for those who have not been aware thereof to comprehend the matter easily. In addition, the Company also provided information on votes of shareholders in resolving to grant approval in each agenda proposed in the letters of invitation to the meetings, rules adopted in the meetings, classes of shares and voting rights as well as voting procedures by sending letters of invitation to the meetings to all shareholders entitled to attend the meetings in advance of the meeting dates to enable shareholders to have sufficient time to consider the information and refrain from committing any act which may limit their opportunity to study information of the Company. The Company has no policy to hinder or create obstacles to prevent shareholders from communicating among them.
- 1.4 The President and the Chief Executive Officer and the Chairman of the Audit Committee participated in the 2015 AGM.

- 1.5 In all previous shareholder meetings, including the 2015 AGM, the shareholder meetings have considered the matters in accordance with the agendas prescribed in the letters of invitation to the meetings delivered by the Company to shareholders in advance, without changing the sequence of the meeting agendas and without adding other agendas not specified in the letters of invitation to the meetings.
- 1.6 Remunerations of directors of the Company are in one format only, i.e. regular monthly remuneration determined on individual positions basis. The Company pays no other form of remuneration, such as meeting allowance and bonus or gratuity, to directors. The Company proposed the agenda on remunerations of directors to the AGM regularly on annual basis. As for 2015, the Compensation and Nominating Committee reviewed the appropriateness of the remunerations of directors, taking into consideration the performance standards of the same industry, as well as the experience, duties and responsibilities of directors, and recommended to the Board of Directors meeting that the same rate of remunerations as that previously approved by resolution of the 2014 AGM, which has never been changed since 2002, should be presented to the 2015 AGM for approval.
- 1.7 The Board of Directors concurred with the Audit Committee's recommendation to propose the appointment of the Company's auditor and the determination of the audit fee for the Year 2015 to the AGM for approval as the Company has done annually. To provide auditor information for shareholders prior to the AGM Day, the Company disclosed the following auditor information in the AGM invitation letter: name of the auditor, age, company name, educational background, working experience, experience in conducting the audit and expressing an opinion on the financial statements, family relationship with the Company's management, any relationship or conflicts of interests, which could affect the independence of their performing as well as the audit fee proposed for the year 2015 and its remuneration in the previous year.
- 1.8 The Company disclosed the dividend distribution policy of the Company and subsidiaries companies in the annual report and Report 56-1 and also presented it to the AGM for consideration regularly on annual basis, with clear information and supporting reasons for the 2015 AGM. The Company proposed to the shareholders' meeting not to distribute dividends and not to appropriate to the reserve fund from the 2014 operation result by giving explanation in the letter of invitation to the meeting advising shareholders that the Company still had accumulated loss, in which case the Company could not distribute dividends to shareholders in accordance with law and needed not appropriate to the reserve fund.
- 1.9 Regarding the agenda to consider the election of the directors, the Company nominated candidates for shareholders to elect as directors individually and provided details of the nominees proposed in the AGM invitation letter. The details of each nominee proposed for the election of the directors consisted of director's name and surname, current position, type of director to be elected, nomination criteria and procedure, family relationship (to the Company's management or major shareholders), date appointed as director, period of directorship, number of board or committee meetings attended during the year (if applicable), age, nationality, educational background, director training programs attended, working experience, and number of companies in which they hold director or executive office in other organizations categorized as companies listed and non-listed in the Stock Exchange of Thailand, and companies which may have any conflicts of interests to the Company and number of the Company's shares holding by the director.

- 1.10 The Company clearly determined shareholder meeting agendas on individual matters, e.g. in the agenda relating to directors, the Company divided the matter on director election and that on consideration for approval of remunerations of directors into separate agendas
- 1.11 In case several matters were proposed for consideration to the shareholder meeting in the same agenda, which had no related legal effect, the Company would require resolution made on each matter, for example, in respect of the director election agenda, the Company gave shareholders opportunity to vote for election of directors on individual basis by nominating one individual at a time for election as director by shareholders to give shareholders opportunity to elect directors of their real choices.
- 1.12 The Company facilitated all groups of shareholders, both natural persons and institutions, to exercise their rights to participate and cast their votes in meetings at no cost and without complicated procedures, and refrained from committing any act which limited shareholders' meeting attendance, provided spots where list of shareholders ^{ers} and number of shares held by them could be examined by their categories, which helped facilitating and expediting the registration on the meeting date.
- 1.13 In all shareholder meetings, including the 2015 AGM, the Company provided a channel for shareholders to send questions to the Company 7 days in advance of the meeting date through the e-mail address: ir_office@truecorp.co.th ^{truecorp.co.th} or via registered mail to the Investor Relations Department, True Corporation Public Company Limited, 18th Floor, True Tower, No. 18, Ratchadapisek Road, Huai Khwang, Bangkok 10310, 15 days in advance of the shareholder meeting. The Company publicized the matter for information of shareholders through the Company's website and in the letter of invitation to the meeting delivered to all shareholders eligible to attend the shareholder meeting.

2. Procedures on the shareholder meeting date

- 2.1 The chairman of the meeting ensures there is appropriate time set aside for discussion and encourages shareholders to express their opinions and ask questions related to the Company's operations.
- 2.2 Technology has been used during the shareholders meeting registration, vote counting and vote result announcement so the meeting is done promptly and accurately.
- 2.3 For the sake of transparency and historical record, the Company encourages the use of voting cards for every agenda that need to be voted. The Company also arranges an independent law office to verify the vote counting where the name of the independent law office and its representatives are introduced to shareholders before starting the agenda session. The voting cards will be kept as evidence if there is any dispute over the results after the meeting.

3. Preparation of minutes of the meeting and disclosure of shareholder meeting resolutions

- 3.1 The Company notified the Stock Exchange of Thailand of the 2015 AGM's resolutions specifying the number of approving, objecting and abstaining votes in each agenda item on the date the meetings were organized and posted on the Company's website on the next business day to provide shareholders and investors a chance to review the AGM's resolutions in a timely manner

3.2 The Company also recorded details the following matters in the minutes of the shareholder meetings: (1)

(1) Voting and vote counting method, which was explained by the Secretary of the Meeting prior to convening the meeting in accordance with the agendas, (2) votes of shareholders, by clearly specifying either voting for, against or abstaining, and the number and proportion of votes in each agenda, (3) names and positions of directors, senior executives, auditors, legal advisor and vote counting supervisor participated in the meeting, (4)

(4) summarized essence of inquiries, comments and recommendations of shareholders including explanations of directors and executives in response to inquiries of shareholders in each agenda for information of shareholders who did not participate in the meetings

4. There was no cross holding in the Company Group.

5. The Company distributed shareholding of minor shareholders in accordance with requirements of SET, i.e. as at 17 March 2015, which was the shareholder register closing date to determine the rights to attend the 2015 AGM, the Company had minor shareholders' shareholding proportion (free float) of 30.86%, institution investors' shareholding proportion of 38.39% and the shareholding proportion of the Board of Directors including related parties of 0.12%.

Section 2 Equitable Treatment of Shareholders

1. The Company has only one class of shares, i.e. ordinary shares, with equitable voting right, i.e. one share per one vote.
one vote.

2. Provision of information prior to shareholder meetings

2.1 When the meeting of the Board of Directors resolved to approve the organization of the 2015 AGM, the Company notified the Stock Exchange of Thailand of significant resolutions of the Board regarding the meeting schedule together with the meeting agendas as well as comments of the Board within the same day as the Board of Directors meeting date, and publicized the information on the Company's website on the next working day. Such disclosure was made 55 days in advance of the shareholder meeting date.

2.2 The Company prepares letter of invitation to the meeting together with relevant documents in the Thai language for Thai shareholders and in the English language for foreign shareholders and delivered to all shareholders at the same time in advance of every meeting date. As for the 2015 AGM, the Company delivered the letters of invitation to the meetings together with relevant documents to shareholders 23 days in advance of the meeting.

2.3 The Company publicized the letters of invitation to the meetings and relevant documents, both in the Thai and the English languages, on the Company's website at the same time in advance of all meeting dates. As for the 2015 AGM, the Company publicized the letter of invitation to the meeting and relevant documents on the Company's website 32 days in advance of the meeting date to provide shareholders with sufficient time to study the meeting supporting information before receiving the information in hard copy format from the Company, and also publicized the information via electronic means of SET for information of shareholders.

2.4 Prior to the AGM's agenda session, the secretary of the meeting will notify shareholders regarding meeting rules,

type of shares, voting rights, voting method, vote counting and vote result announcement. This process has regularly been done in the past years.

3. Protection of rights of minor shareholders

- 3.1 The Company allows shareholders who cannot attend meetings to cast a proxy vote, without any conditions that will make it difficult for shareholders to appoint their proxy. Moreover, the Company allows shareholders to submit their proxy form to the Company Secretary and Securities Department in advance of the meeting date for verification to save the shareholders' time on the meeting date
- 3.2 The Company encourages the use of proxy forms on which shareholders can specify their voting preferences. The proxy forms are attached together with the invitation letter to the shareholder meeting. The Company provides options for shareholders to appoint 2 independent directors as their proxy (with their background information provided).
- 3.3 Under the agenda on election of directors in shareholder meeting, the Company would nominate candidates one by one for shareholders to consider and allow shareholders to exercise the right to elect directors individually.
- 3.4 The Company placed much emphasis on protection of the rights of minor shareholders. One of the practices the Company always adhered to was to request shareholders who were executives of the Company to refrain from adding meeting agenda not proposed in advance in all cases. Should there be any necessary additional agenda, it would be requested that a new shareholder meeting be held for such agenda to enable other shareholders to have sufficient time to study the information before making decision.
- 3.5 The Company provided opportunities and clearly prescribed rules to enable minor shareholders to propose matters to be included as meeting agendas and to nominate individuals for election as directors at least 3 months in advance of an AGM. Such practice has been adopted regularly every year up to present, and shareholders could submit information in accordance with such rules and in such format as prescribed and publicized by the Company on its website.

At the 2015 AGM, proposed issues were sent via registered mail to the Company from 1 October 2014 to 31 December 2014. The Company posted the above proposals on its website and through the SET's electronic system. Nevertheless, shareholders did not propose any issues or nominations for directors

4. Prevention of the use of inside information

→ The Company monitored the use of inside information by including it in the good corporate governance policy and code of conducts, as well as the use of applicable laws to monitor and prevent the personal use of confidential Company information by management and related persons. Material information which has not yet been disclosed is kept confidential, apart from disclosure to the relevant senior management of the Company. Directors and senior management must report purchases, sales, transfers and assignments of securities issued by the Company to the Securities and Exchange Commission (SEC) within three working days of the transaction's execution, and provide a copy of this report to the Company for its records and incorporation in its regular report to the Board of Directors. In 2015, there were no

case where Board members or executives take advantages of using inside information for trading securities issued by the Company and violating this practice.

The Company disclosed information on the number of shares of the Company held by each director and executive, separating into number of shares held personally and those held by their spouses. The number brought forward as at the end of 2014, the number acquired and disposed of during 2015 and the balance as at the end of 2015 were presented in the Report 56-1 and the 2015 Annual Report as well.

5. Conflicts of interests by directors

The Board of Directors formally prescribed "The Criteria and Procedures for Reporting the Interests of Directors and Executives", with which all directors and executives properly complied.

In addition, in a Board of Directors meeting, any director with material interest which could prevent the director from commenting freely would refrain from participating in the consideration of that agenda and that would be recorded in the minutes of the Board of Directors meeting.

6. Throughout the past and including 2015, the Company has never conduct transactions which provided financial assistance to companies which were not subsidiaries of the Company.
7. The Company adopted measures and steps for granting approvals of related party transactions as prescribed by law and in accordance with standards prescribed in the requirements of the Capital Market Supervisory Board and SET by implementing the "Rules of Entering into Related Party Transactions", which were approved by the Board of Directors. For related party transactions which required approval from shareholder meeting prior thereto, the Company would disclose information on such transactions in the letter of invitation to the meeting, e.g. names and relationships of related parties, nature of the transactions, the transaction pricing and valuation policy, reasons for making such transactions including opinions of the Board of Directors and the independent financial advisor on such transactions, etc., and deliver the letter of invitation to the meeting within such time as fixed, and properly and completely fulfilled all relevant obligations in accordance with requirements of the Capital Market Supervisory Board and SET. Throughout the past up to present, the Company has always been strictly complying with laws, requirements as well as regulations on related party transactions and have never done any related party transaction by violating or not complying with laws and rules for related party transactions as well as relevant requirements.

In 2015 the Company had no related party transaction which required prior approval from the shareholder meeting.

As for other types of related transactions, the Company did them fairly with prices and conditions in accordance with the normal course of trade (fair and at arms' length).

No related person of the Company in the shareholding structure of the Company Group held shares in any subsidiary and associated company exceeding 10 percent of the issued and paid-up shares thereof.

The Company disclosed the details of related transactions of all types made during 2015 in the annual report and Report 56-1 under the heading "Connected Transactions".

8. The Company strictly complied with laws and requirements of the Capital Market Supervisory Board and SET relating to transactions on acquisition or disposal of assets. In case of transactions on acquisition or disposal of assets approved by shareholder meeting, the Company would disclose details thereof in the annual report and the 56-1 Form of that year. Up to present the Company has never entered into any transaction on acquisition or disposal of assets by violating or failing to comply with relevant laws and requirements.

In 2015, the Company had no transaction on acquisition and disposal of assets which required compliance with notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

Section 3 Role of Stakeholders

1. Prescription of policy on treatment of stakeholders and compliance with the policy

- 1.1 The Board of Directors recognizes the importance of acknowledging the rights of all stakeholders and their ability to positively influence the Company's conduct and activities, and vice versa. Accordingly, the Company has established a "Code of Conduct" covering employees and stakeholders which includes:

Employees

- The right to privacy and the right to be protected from any violation of that privacy
- The right to receive fair and equal treatment
- The right to fair and equal employment such as the right to take leave and to receive fringe benefits, and the opportunity to be promoted, to transfer to other work units, and to receive performance assessments

Customers

- The right to receive fair and equal treatment
- The right to receive full and efficient service from the Company's employees
- The right to receive quality goods and highly efficient service
- The right to protection of confidential information

Suppliers and dealers (business partners)

- The right to receive fair and equal treatment
- The right to protection of confidential information
- The right to be treated honestly and reliably
- The right to information on relevant laws, regulations and policies
- The right to fair competition

Competitors

- The right to receive fair and accurate comparisons of products and services without defaming competitors or their products and services
- Not to engage in industrial espionage, sabotage or bribery with regard to competitors or potential competitors
- The right to receive fair and equal treatment, to not give preference to any competitor over another in terms of quality and testing as well as installing and maintaining the regulated common carrier services.

Creditors

- The right to be treated in accordance with terms and conditions of all agreements under relevant law and regulations
- The right to receive correct and complete financial information
- The right to receive payments owing, as well as safeguarding all guaranteed assets given as security

Investors

- The right to receive fair and equal treatment
- The right to be treated with the best intentions of the management to operate the business with their best knowledge, skills, and honesty
- The right to be protected from the use of insider information for pursuing private interests

Government agencies

- The right to regulate, monitor and punish according to laws and regulations and the government agency's standard practice.

1.2 The Company has focused on safety and occupational health at work by putting in place its "Safety, Occupational Health and Work Environment Policy" and also announced its "True Employee's Health Promotion Policy" providing management of safety, occupational health and the work environment as well as promoting employee' health as follows:

- 1) Providing procedures and operational instructions relating to safety, occupational health and the work environment in the Company's Procedure Manual System (PMS). For example, the procedure for safety assessment, safety in working at heights, electrical safety, safe working in confined space and underground cable manhole and emergency evacuation drills, etc.
- 2) Providing safety instructions (in an e-Book format) for office workers and technicians so they can easily access, study, understand the instructions and put them into practice.
- 3) Establishing safety rules and regulations for the Company's employees and contractors.
- 4) Establishing preventive plans and evacuation plans in case of an emergency at each of the Company's offices and also providing employees with the relevant instructions videos and manuals.

- 5) Providing safety training courses, e.g. working at heights, working in underground cable manholes and basic first-aid rescue, for employees and contractors of the Company.
- 6) Launching various health promotion campaigns for employees, both in Bangkok and other provinces, to promote and urge sports groups of the Company to organize activities for employees to participate in more exercises, including mental care, by allowing employees to study and have mental care for 5 days per year without treating it as a leave. Besides the exercise activities promoted to our employees, the company provides a new fitness facility at the 7th Floor, TRUE Tower II.
- 7) Monitoring and measuring, in random, air quality in offices where plenty of employees are working, i.e. the Head Office, office buildings where telephone operators are performing, main telephone exchange office buildings and TRUE Shops (parameters measured include carbon dioxide, carbon monoxide, fungus, yeast, mold, bacteria formaldehyde, dust particles affected respiratory, temperature, moisture etc.).
- 8) During the outbreak of the Severe Acute Respiratory Syndrome (SARS), the Company arranged to have its establishments fumigated to prevent them from being contagious places, not only provided flu preventive vaccines at special price for employees but also hepatitis A-B vaccine, Invasive Pneumococcal Disease vaccine(IPD), Human Papillomavirus vaccine(HPV16-18) by quarterly.
- 9) However, despite the Company's having safety, occupational health and the work environment management, in some cases accidents occurred from work performance. Statistics of work-related accidents during 2014 and 2015 were as follows.

Year	Accident Statistics	Leave Statistics	Loss Working Day Statistic	IFR	ISR
2014	7	-	41	1.37	8.04
2015	1	-	3	0.20	0.61

Remarks : IFR : Injury Frequency Rate = $\frac{\text{number of employees suffered from accidents} \times 1,000,000 \text{ hours}}{\text{total number of employees} \times \text{number of working hours (whole year)}}$

ISR : Injury Severity Rate = $\frac{\text{Injury Severity Rate} = \text{number of days of treatment} \times 1,000,000 \text{ hours}}{\text{total number of employees} \times \text{number of working hours (whole year)}}$

Total number of employees in 2014 and 2015 were 2,453 and employees 2,374, respectively.

- 1.3 Employee remuneration in both short-term and long-term is considered in accordance with the Company's business operation results. Balanced Scorecard (BSC) is a management tool to drive the Company's strategy into action while key performance indicators (KPI) are used as a guideline to evaluate employees' performance.
- 1.4 The Company disclosed procedures on remuneration and welfare of employees in details under the heading "Personnel" in the annual report and Report 56-1.

- 1.5 The Company has established a provident fund for employees.
- 1.6 The Company emphasizes on developing and improving the human resources management and development system to advance in line with technology and meet international standards to enhance and develop employees to be both good and skillful people with involvement in social development and support. As a whole, the Company encourages both internal and external educations to enable employees to develop on a continuous basis. Tele-education system is established for employees in provincial areas. The Company establishes the "Learning & Development Center" to design and develop appropriate training courses. There are about 200 training courses organized within the Company per year. In 2015, there were a total of 25,295 training mandays with total budget of Baht 72 million. The Company disclosed information on personnel training and development in the annual report and Report 56-1 under the heading "Personnel".
- 1.7 The Company had a policy and procedures on fair selection of vendors and responsibility to vendors, i.e. the Company had a process in placing order for goods and services between the company and providers of goods and services, using electronic system which was convenient to examine in various aspects, e.g. budgets, approval authority and other information on the purchasing process, with the help of the Internet in placing orders for goods and services, to enable purchasers to select goods and services personally from Online Catalog in a self-service manner, and could specify their purchase by themselves (Online Purchasing). The Company had a process to select goods and services providers on a fair basis with appropriate price comparison in accordance with policies of individual companies in the Group, under good supervision measure to ensure transparency, fair and equal benefits of all parties concerned, as well as availability of examinable system.
- 1.8 The Company has declared its intention to be a part of the "Private Sector Collective Action Coalition Against Corruption Council" (CAC) with determination to strictly comply with the laws of Thailand in relation to countering corruption. The "Anti-Corruption Policy and Measure" is therefore implemented and prepared in writing to be a clear code for business conduct, leading to sustainable development of the organization and the country.
- The Anti-Corruption Policy and Measure was approved by the Board of Directors of the Company and declared by CEO to effect throughout the organization and all subsidiaries ("True Group Company") including all directors, executives, and employees.
- 1.9 The Company has set procedure to assess risk from corruption and has disclosed on the Company's website. Details are as follows;
- (1) The Company shall carry out risk assessment of business transactions that may have processes or procedures which may fall within the scope of corruption. The Risk Management Committee shall assess and review the Company's risk of corruption involvement annually.
 - (2) The Company shall implement risk management policy in order to mitigate the risk of corruption involvement by identifying activities and highlights situations that are highly susceptible to corruption that may occur from business operations. The Company shall estimate the corruption risks that may occur and the corresponding potential impacts as well as regularly monitor and review the risk management measures to ensure its

effectiveness in countering the corruption. Such risk management policy shall be continually reviewed in order for the Company to have an appropriate and effective risk management measures to manage the corruption risks to be at an acceptable level.ได้

1.10 The Company has set guideline regarding supervision and control to prevent and monitor risk from corruption and disclosed on the Company's website, details are as follows:

- (1) The Company will provide an assessment procedure and an internal control system to prevent corruption, to ensure that the prescribed risk management policy has achieved its goals and effectively prevent corruption and to monitor and ensure that the Company's internal operations are in compliance with applicable rules and regulations. Such assessment procedure and internal control system shall apply to all sectors of the Company, including sales and retail, marketing, procurement, human resources management, finance, accounting, data collection, operation, as well as other sectors of the Company, which related to the Anti-Corruption Policy and Measure.
- (2) The Company will ensure that the assessment by the internal audit team be conducted regularly and annually.
- (3) The Finance Department of the Company shall be responsible for the examination of the accounting item and disbursement payment processes, by appointing authorized persons and specified certain amount which can be approved by such person. Disbursement must be supported by clear evidences to avoid any misconduct.
- (4) In case any accounting item lacks clear supporting evidences, or there is a doubt that this Anti-Corruption Policy and Measure may be violated, the Finance Department of the Company shall report to the Audit Committee.

1.11 The Company has set the guideline for monitoring the implementation of Anti-Corruption Policy and Measure, details are as follows:

- (1) The Company shall review the Anti-Corruption Policy and Measure annually and examine the compliance of the policy regularly.
- (2) The Company shall ensure that the internal control system and procedures are reviewed regularly, and report issues found immediately to ensure that the internal control system efficiently counter corruption. The result of the examination shall be discussed among relevant parties in order to find appropriate solutions to solve the issues and shall be reported to senior executives and the Audit Committee for information.

1.12 The Company has set the guideline for training the Anti-Corruption Policy and Measure for employees. The training Center and Development is assigned to design and develop the appropriate training course for staff in each level to educate knowledge on the policy and practice.

- 1.13 The Company has provided channel for reporting suspicious behavior or making complaints of any illegal acts or any act that may indicate corruption or misconduct of the personals of the Company, including employees and other stakeholders, which was posted on the Company's website, www.truecorp.co.th.

} ช่องเก็บคํ่า:

Any report of suspicious behavior or complaint about corruption or misconduct may be reported through the following channels:



(1) Audit Committee

E-mail address: auditcommittee@truecorp.co.th or a sealed letter addressed to the Chairman of the Audit Committee or to the Audit Committee directly at the address below:

The Chairman of the Audit Committee
 18 True Tower Building, Ratchadaphisak Road
 Huaykwang, Bangkok 10310

or

(2) Chief Executive Officer and Managing Director

By sending a sealed letter addressed to the Chief Executive Officer and Managing Director directly at the following address:

Chief Executive Officer and Managing Director
 18 True Tower Building, Ratchadaphisak Road
 Huaykwang, Bangkok 10310

or

(3) Human Resources Department

E-mail address: Sarinra_Won@truecorp.co.th

or

(4) Fraud & Cyber-Crime Department

E-mail address: Nopadol_Som@truecorp.co.th

- 1.14 The Company provided channels for any stakeholder to make complaints or provide information concerning fraud, wrongdoing or violations of the Company's Code of Conduct to the Board of Directors via the Audit Committee. The information about the said channels are on the Company's website www.truecorp.co.th, the details are as follows:

Stakeholders can, in confidentiality, make complaints or provide information concerning fraud, wrongdoing or violations of the Company's Codes of Conduct to the Company's Board of Directors via the Audit Committee through the following channels;

- Email: auditcommittee@truecorp.co.th
- Mail address

Audit Committee
 True Corporation Public Company Limited
 18 True Tower, 28th floor
 Ratchadapisek road, Huai Khwang
 Bangkok 10310

The Company Secretary, in the capacity of Secretary of the Audit Committee, will be responsible for gathering the issues and forwarding them to the Audit Committee for its consideration and further action. The Audit Committee will summarize results of any investigation and report to the Board of Directors every quarter.

Conditions for processing complaints and information:

- Anonymous letters are not accepted
- Stakeholders who submit complaints or information must provide their full names. The Company will keep their personal information confidential. Only officers or persons authorized by the Audit Committee can access the information.
- Irrelevant issues such as the following shall not be processed by the Audit Committee:
 - Job inquires
 - Surveys and other requests for information about the Company
 - Offers or advertisements of goods and services
 - Requests for donation and sponsorship

In 2015, The Audit Committee did not receive any complaint or information concerning fraud or wrongdoing. But there was 5 problems regarding the Company's services which the Audit Committee had already submitted to the relevant Departments where appropriated actions were taken and all issues were already solved.

1.15 The Company emphasized on the matter of the environments and promoted implantation of consciousness of employees and extending to the general public and organized training courses to educate employees and the general public on the environment through the natural conservation photograph contest which provided employees and the general public with opportunity to participate in the activity on natural photography training course and submit their photographs to the contest. Said natural photography training for employees and the general public would create the feeling of love and care for nature and the environment conservation consciousness, persuasion of interest in nature with close perception and transmitting those beauties through beautiful photographs with common feeling to protect their continued existence. In this regard, the Company, jointly with the Department of National Parks, Wildlife and Plant Conservation, has been organizing the project on natural conservation photograph contest "Animals are valuable, forests are useful" regularly every year since 1995 up to present, which is the 20th year. Competent persons and experts on environmental conservation

are invited to provide know-how on the environment aspect to instill in Thai citizens a feeling of joint owners and create cooperation in rehabilitating and increasing the number of wildlife, which shall help maintaining the natural balance existence.

- 1.16 The Company group by True Lab which is the cooperation for research development and innovation between True by True Innovation and leading education institutions organized the "Popcorn by True Lab" Project. The Project is the contest of business inventions to encourage all students, undergraduates to participate in creating business inventions which are beneficial to social and private sectors. Top 10 winners will be awarded with fund and training by entrepreneur whose businesses are successful.

True's innovation center signed the cooperative agreement in True Lab Project with Chulalongkorn University to provide area which is favorable for studying and research and innovation development to meet the demand from business sector nowadays, to share the knowledge between academic institution and business sector and to be the community for lecturer, researcher, university students and personnel at this area.

Moreover, the Company has been organizing the "True Innovative Award for True" Project regularly on yearly basis up to present. The Project is the contest of inventions within the Company to encourage all employees at all levels to participate in creating inventions which are beneficial to the organization and the society as a whole, by encouraging employees to recognize the importance and benefits of inventions and the application thereof in work units to create continuous developments to educate participating employees on inventions on integral basis and enable them to materialize and effectuate the inventions and creativities to solve problems for customers, develop goods, services and processes beneficial to the organization, customs and the society, for example, enhanced customer satisfaction, revenue increase, process improvement, value adding, creation, etc.

Apart from organizing internal innovation contest, the Company also has a determination to help creating innovative inspiration amongst Thais. The Company, therefore, organizes the "True Innovation Awards" contest which is held annually since the year 2010. It allows Thai inventers to present their ideas and develop innovative works to benefit society and country as a whole as well as an opportunity to leverage Thais' potential to meet with international standards.

- 1.17 The Company places emphasis on intellectual properties by preparing publications for posting through website www.trueinnovationcenter.com to educate employees to comprehend the meaning of intellectual property, encourage employees to recognize and respect the value thereof, and not to infringe any intellectual property against the owner thereof, both in term of copyright and industrial property, whether being patent, trademark, trade secret, trade name etc. In respect of intellectual properties owned by the Company, the Company clearly prescribed guidelines, in writing, for employees to follow in "Ethics and work performance guidelines", whereby employees are required to protect the Company's intellectual properties, refrain from disclosing them without permission, and not to misuse them or use them illegally.

2. Preparation of report on corporate social responsibility

→ The Board of Directors has approved a Corporate Social Responsibility (CSR) policy which follows the Global Reporting Initiative which is available on the Company's website in English and Thai. In addition, the Company operates its business

ness while adopting the sufficiency economy philosophy and taking into consideration environmental and social matters with a focus on promoting a knowledge-based society as a path to sustainable development for Thailand. The Company places emphasis on using modern telecommunications technology to develop educational projects which help with the development of youth and underprivileged children in Thai society.

The Company disclosed the information as well as activities in connection with corporate social responsibility in the annual report and Report 56-1 under the heading "Corporate Social Responsibility".

Section 4

Disclosure and Transparency

1. Information disclosure

- 1.1 The Company was able to submit both the quarterly and annual financial reports for 2015 within the schedule determined by the SEC and SET. The Company emphasized on preparing financial statement properly in accordance with generally accepted accounting standards, using appropriate accounting policies applied on a consistent basis. The Company was very rigorous in submitting financial statements and financial report within the schedule prescribed by law. The Company's financial statements were certified with unqualified opinions by the auditor and have never been ordered by the SEC to make any correction thereto and have never been submitted late.
- 1.2 The Company prepared Management's Discussion and Analysis by giving analytical explanations on financial position and operation results of the Company and forwarded them to the SEC and SET together with all quarterly financial statements and publicized them on the Company's website as information supporting disclosure of all quarterly financial statements to enable investors to be aware of and comprehend the changes to the financial position and operation results of the Company in each quarter better.
- 1.3 The Company provides summaries of the Corporate Governance Policy and the Corporate Social Responsibility Policy approved by its Board and reports on both practices through various channels such as its annual report and website.
- 1.4 The Company provides a statement of the Board's responsibilities concerning the Company's financial report. This statement is presented in the Company's annual report.
- 1.5 Auditors of the Company were those approved by the SEC and appointed by AGM. The Company disclosed information on payment of audit fee to auditors for 2015 in the annual report and Report 56-1, by clearly separating the remuneration into audit fee and non-audit fee.
- 1.6 The Company discloses the roles and responsibilities of the Board of Directors and its committees, the total number of meetings and the number of meetings each member attends, the results of tasks performed as well as any ongoing training courses and occupation knowledge development programs each member attends during the year in the annual report, according to the SET and the SEC regulations.

- 1.7 The Company disclosed the backgrounds of all directors in the annual report, Report 56-1 and on the Company's website by specifying their names-surnames, ages, positions, educational backgrounds, training, working experiences, number of shares in the Company and proportion of shareholding, holding of director office in any other company, clearly separating into the heading of listed company and other companies, date appointed as director, as well as family relationships among executives.
- 1.8 Remunerations of directors of the Company reflected the obligations and responsibilities of each director. The Company paid directors their remunerations in 2015 at such rates as approved by the 2015 AGM, which were the same rates as approved by the 2014 AGM, which have remained unchanged since 2002. Details are as follows.

Remuneration of Directors is paid on a monthly basis as follows:

Chairman	Baht 300,000	per month
Honorary Chairman	Baht 200,000	per month
Vice Chairman	Baht 150,000	per month
Director	Baht 100,000	per month

Any Director being an employee of the Company shall receive the Director's remuneration in addition to his or her salary as an employee.

Independent Directors who hold a position on a Committee shall receive remuneration as follows:

Independent Directors who are also the Chairman of a Committee Baht 300,000 per month

Independent Directors who are also member of a Committee Baht 200,000 per month

Remuneration of Independent Directors who are not members of a Committee, and directors who are not Independent Directors shall remain the same.

In this regard, the Company disclosed the amount and type of remuneration received by each director from the Company and subsidiaries individually in the annual report and Report 56-1 under the "Management Structure" and publicized them on the Company's website.

- 1.9 In 2015, the Company paid high-level executives their remunerations in accordance with the Company's policy to pay remuneration by reflecting the obligations and responsibilities of each high-level executive and at suitable rates by comparing with the same type of business, and disclosed the details of remuneration payment in respects of format, nature and amount of remunerations in the annual report and Report 56-1.
- 1.10 The Company established a policy requiring directors and senior executives to submit copy of report on holding of securities of the Company, both in case of initial report (Form 59-1) and in case of changes to the holding of securities (Form 59-2) to the Company within the same period when the directors and senior executives delivered it to the SEC Office for retention by the Company as evidence and report to the Board of Directors meetings on a regular basis.

Moreover, the Company disclosed changes to the holding of securities of the Company by directors and high-level executives by illustrating in the annual report the number of shares held at the beginning of the year, changes during the year and the number of shares held at the end of the year.

- 1.11 The Company has an Investor Relations Department to communicate with outsiders on an equitable and fair basis. Investors may contact the Investor Relations Department via telephone number 0-2699-2515 or e-mail address: ir_office@truecorp.co.th. The Company advised general investors of the contact channel via the Company's website, annual report and Report 56-1 for all individual investors. For the year 2015, the Investor Relations Department prepared press release on the Company's financial performance as well as held analyst and investor meetings following the release of the Company's quarterly results at the Company's headquarters. For analysts and investors who cannot attend the meeting in person, a Webcast is provided. The Company also provided information related to the Company while organizing meetings with analysts as well as local and international investors, including holding roadshows, and provided equal opportunities for investors, both institutional and retail, to call the Company for additional information/discussion on the Company's outlook and strategies.

2. Information disclosed on the Company's website

The Company publicized financial and non-financial information as required by SET accurately, completely, timely and transparently, both in the Thai and the English versions, via various channels, i.e. SET's channel, annual report, Report 56-1 and on the Company's website. The Company also publicized on the Company's website significant documents and prepared other details which were anticipated to be of interest to investors and analyzers, e.g. long term objective and target, visions and obligations, business operation nature, Company Group structure, top 10 shareholders, list and authorities of the Board of Directors and subcommittees, organizational structure, financial statements and financial information at least 3 years retroactively for comparison purpose, annual report, Report 56-1, letter of invitation to meeting together with documents relating to shareholder meetings, Articles of Association and Memorandum of Association, Corporate Governance Policy, the Company's newsletters etc., periodically updated. Documents and information of all types were publicized on the website both in the Thai and the English versions to enable investors and analyzers to access thereto conveniently and equitably and to download information of their interest. The Company also gave on its website telephone number, facsimile number and e-mail address for contact with the Investor Relations Department.

Section 5

Responsibilities of the Board

1. Structure of the Board of Directors

- 1.1 As at 31 December 2015 the Board of Directors comprised 18 qualified and knowledgeable members with wide experiences and specialties beneficial to the Company. The number of directors was appropriate and adequate to the size and type of the Company's business with non-executive directors having experiences in major business being operated by the Company. The structure of the Board of Directors comprised: (1) 4 Executive Directors and (2) 14 Non-Executive Directors, of which 6 directors were independent directors or 1/3 of the total number of directors, which was in accordance with requirements of the Capital Market Supervisory

Board, and 8 qualified directors not involved in routine work administration including representatives of major shareholders, in accordance with fair proportions of investments of each group of shareholders.

The Company disclosed the structure of the Board of Directors, authorities, nomination rules, significant information of each director, e.g. name-surname, position, date appointed to the director's office, as well as background of each director in the annual report, Report 56-1 as well as on the Company's website at www.truecorp.co.th.

- 1.2 The Company clearly fixed the term of office of directors by specifying in the Corporate Governance Policy and Articles of Association in accordance with law.

The same rules in respect of the term of office of directors apply to the term of office of independent directors.

- 1.3 The Company has specified the details of Independent Directors' qualifications in its annual report and Report 56-1. Mr. Joti Bhokavanij who serves as the Independent Director and Audit Committee member has an [ac](#) counting and finance background. The Company revised the qualifications of Independent Directors by using a more rigorous definition than that defined by the Capital Market Supervisory Board in area of shareholding percentage i.e. an Independent Director of the Company must have no more than 0.75 percent share ownership in the Company, its parent company, subsidiary, affiliate, principal shareholder or controlling person of the Company, including the shares held by related persons of the Independent Director.

- 1.4 The Company details the background and position of each member of the Board in its Annual Report and Report 56-1. Shareholders can download this information from the SET website at www.set.or.th or from the Company website at www.truecorp.co.th.

- 1.5 None of the Company's directors or executives is or was an employee or partner of the external auditing company providing services to True Group for the past two years.

- 1.6 The Company established policy regarding the number of companies each director, including independent directors and the President, could hold office therein, by specifying it in the Corporate Governance Policy of the Company disclosed on the Company's website, i.e. directors could hold office in other companies, but such directorship must not be obstructive against their performance as directors of the Company. As regards the number of companies in which each director could hold office of director, the Board of Directors encouraged directors to consider limiting to not exceeding 5 listed companies. There has been no independent director holding office of director in more than 5 other listed companies.

- 1.7 The Chairman of the Board is a non-executive director and the CEO is not the same person as the Chairman. The roles and responsibilities of the Chairman are in accordance with the law. The roles and responsibilities of the CEO are determined by the Board of Directors and the authority and responsibilities of the Chairman and the CEO are disclosed under "Management structure" in the annual report and Report 56-1 which is also posted on the Company's website.

- 1.8 The Company's Internal Audit Department reports directly to, and is accountable to, the Audit Committee.

The Company has disclosed the name and profile of the head of Internal Audit Department in the annual report and Report 56-1 which is also posted on the Company's website.

- 1.9 The function of Company Secretary is in place to serve the Board of Directors in area of providing advice on laws and regulations related to the Board, helping organize the Board's activities, and monitoring compliance with the Board's resolutions. The Company Secretary is knowledgeable and experienced in accounting and continuously attends training courses as well as participating in any company secretary-related training courses.

The Company has disclosed company secretary's job description, working experience and related training courses attended in the annual report and Report 56-1 which is also posted on the Company's website.

2. Committees

- 2.1 The Board of Directors has established the following committees to reflect good corporate governance:

The Audit Committee

is responsible for reviewing the Company's financial reporting process, reviewing the Company's internal control system and internal audit system, reviewing the Company's compliance with the law and regulation on securities and exchange including the laws relating to the Company's business, determining an internal audit unit's independence, considering and proposing appointment of the Company's external auditor and reviewing the transactions that may lead to conflicts of interest. Details of the Audit Committee's duty and responsibilities have been disclosed in Clause 2. "The Board's Committees".

The Compensation and Nominating Committee

is responsible for making recommendations to the Board of Directors regarding the compensation of directors and the Chief Executive Officer; and the nomination of directors of the Company.

The Finance Committee

is responsible for assisting the Board of Directors to review and monitor the Company's financial management. To perform this role, the Finance Committee shall provide opinions and advices to the Board of Directors regarding financial strategies, annual budget, substantial borrowing or indebtedness, securities issuance, acquisitions or disposals of material assets and material investment proposal.

The Corporate Governance Committee

is responsible for assisting the Board of Directors to establish and review the Company's corporate governance policy as well as making sure that the Company has a sound and appropriate corporate governance practice.

The Company has also specified the details of Committees which are name lists, scope of duties and numbers of meetings attendance in its annual report and Report 56-1 in Clause 2. "The Board's Committees".

Shareholders and investors can download the information regarding each committee from the Company's website at www.truecorp.co.th.

- 2.2 In order for the committees can perform their duties transparently, independently, and at the same time effectively, their membership comprises independent directors, and non-executive directors.

3. Roles and Responsibilities of the Board

- 3.1 The Board of Directors considered and granted approvals on significant matters related to the Company's business operation, e.g. visions and obligations, strategies, financial targets, risks, work programs and budgets (which will be reviewed on yearly basis) including monitored the implementation thereof. Moreover, the Board also oversaw the Management to execute the works in accordance with the policies and scheduled programs efficiently and effectively clinging to self-sufficiency economic philosophy, i.e. moderation (awareness of the Company's actual capabilities), reasonability and good self-immunity, based firmly on honesty and circumspection to ensure continuation of business operation in the long term. The Company disclosed the power and duties of the Board of Directors in the annual report and Report 56-1 publicized on the Company's website.

Throughout the past up to and including 2015, the Company has never committed any act violating or breaching rules and regulations of the SEC and SET.

- 3.2 The Board sets, initiates and is involved in consideration and approval of a written corporate governance policy for the Company. In addition, the Company reviews the policy and its compliance annually.

- 3.3 The Board of Directors ensures that a written code of business conduct is in place so that all directors, executives and employees understand and comply with the Company's ethical standards for doing business by earnestly monitoring compliance with the code. The Company has also disclosed the details of the Code of Conduct on its website.

- 3.4 The Board of Directors considers transactions involving conflicts of interest thoroughly. It follows clear guidelines on approving such transactions so that they are conducted in the best interests of the Company and all shareholders. The person who has an interest in the transaction does not participate in the decision-making process. The Board also monitors compliance with the regulations regarding criteria, procedures and disclosure of transactions involving conflicts of interest.

During 2015, similar to every previous year, no director and executive of the Company as well as individual related to such parties were in breach of requirements pertaining to the conflict of interest in the Company's transactions.

- 3.5 The Board of Directors ensures that internal control systems are in place, including financial, compliance and policy controls, and assigns the Audit Committee to monitor and review the major system on annual basis. The Audit Committee's opinion has disclosed in the Company's annual report under "Report from the Audit Committee" topic.

- 3.6 The Company has established its "Strategy Development and Risk Management Committee" and also officially announced "Risk Management Policy and Framework", in order to integrate risk management with its business strategy and operations. The Management complied with the policy and reported to the Audit Committee on a regular basis. The Internal Audit Department is responsible for reviewing the Company's various operational systems by using a Risk-based Audit Approach and presents its Internal Audit Report to the Audit Committee on a regular basis. The said procedure was disclosed in the Company's annual report under "Report from the Audit Committee" topic.

In addition, the Company reviews the risk assessment to be used for risk management on an annual basis, accordingly.

- 3.7 The Company signed the Declaration on "Private Sector Collective Action Coalition Against Corruption" (CAC), with the Thai Institute of Directors (IOD) acting as Secretary of the project and anti-corruption policy and measure (the "Anti-Corruption Policy and Measure") is therefore implemented and prepared in writing to be a clear code for business conduct, leading to sustainable development of the organization and the country.

This Anti-Corruption Policy and Measure was approved by the resolution of the board of directors' meeting of the Company and declared by CEO that it came into effect throughout the organization and all subsidiaries ("True Group Company") including all directors, executives, and employees.

Additionally, the Company had measure and guideline for implementing, monitoring, following up and training employees, including channel for reporting suspicious behavior or making complaints of any illegal acts or any act that may indicate corruption or misconduct of the personals of the Company, including employees and other stakeholders.

- 3.8 The Board of Directors had a mechanism to supervise subsidiaries to safeguard interests in the investments of the Company. The Company disclosed such information under the Heading "Supervision of business operation of subsidiaries and associated companies".

4. Board Meetings

- 4.1 The Company sets its Board of Directors meeting schedule throughout the year beforehand and notify the Directors early in the year including set main agendas in advance. However, in an emergency the Company can also call for an additional Board meeting.
- 4.2 The Company has stated in its Corporate Governance policy that the Company allows non-executive directors to hold meetings amongst themselves without participation from executive directors and management, if they would like to have a discussion on the management issues or any issues they are interested in. In 2015, non-executive directors had held such meetings, in an unofficial form, after finishing the Board Meetings.
- 4.3 The Company organized 5 Board of Directors meetings during 2015, which were appropriate to the obligations and responsibilities of the Board of Directors and the Company's business operation. Participation of all directors in such meetings represented 80.00% of the total number of meetings of the year.

- 4.4 The Chairman and/or Vice Chairman of the Board and the CEO jointly set the agenda for each Board meeting. Moreover, each Board member is free to suggest agenda items.
 - 4.5 Meeting documents are sent to each director at least five days prior to the meeting day. These documents are concise but contain all relevant information. Any confidential issues are discussed during the meeting.
 - 4.6 The Chairman of the Board allocates enough time for the meeting to receive full presentations from management and host comprehensive discussions by directors, and encourages thorough discretion by concentrating on all issues brought in the meeting, including the issue on corporate governance.
 - 4.7 The Board is able to access additional information, under a prearranged agreement, via the CEO or the Company Secretary or the executive designated as a contact person. If necessary, the Board and each committee can also acquire any independent opinions from external consultants or experts under the Company's expenses.
 - 4.8 The Board of Directors encourages the CEO to invite the top executives to attend Board meetings in order to present details on the issues that they are directly responsible for.
5. Board and Committees selfassessment and board member self-assessment
- 5.1 The Board of Directors conducts Board of Directors assessment annually. The criteria and procedures are as follows:

Assessment Criteria

Criteria on Board of Directors self-assessment were based on 3 levels of opinions, as follows:

- Low level (need improvements)
- Moderate level (acceptable, but can be improved)
- Very good level (should be maintained)

The details of assessment criteria shall cover the following subjects.

- Satisfaction of the performance of the Board, the performance of the Company, the performance of the Company's subsidiaries and the problem solving by Management
- Comprehension of the Company's Board of Directors on role of the Board, the Company's business and the Company's strategies
- Relationships between the Board and the Management
- Roles and the process for assessing CEO
- Performance efficiency of the Board's committees
- Adequate and Suitable time to consider various matter in the Board of Directors meeting
- Directors' preparations before each meeting
- Directors' potential to express their opinion independently and impartially
- Provision of opportunities and encouragement for each Director to express his opinion independently

Procedures

The Chairman of the Corporate Governance Committee shall sign a letter sending assessment forms to all directors, requesting each director to return the assessment form to the Company's Secretary for compilation of information. The Company's Secretary shall then process the information and present the summary thereof to the Corporate Governance Committee for analysis of the assessment. Subsequently, the Corporate Governance Committee shall report to the Board of Directors on the assessment result and make recommendations for improvements as appropriate.

- 5.2 In 2015, the Board of Directors initiates individual performance assessment and shall conduct such assessment annually. The criteria and procedures are as follows:

Assessment Criteria

Criteria on individual performance assessment were based on 3 levels of opinions as mentioned in item 5.1 as follows:

- Low level (need improvements)
- Moderate level (acceptable, but can be improved)
- Very good level (should be maintained)

The details of assessment criteria shall cover the following subjects.

- Satisfaction of the performance of the Board, the performance of the Company, the performance of the Company's subsidiaries and the problem solving by Management
- Comprehension of the Company's Board of Directors on role of directors, the Company's business and the Company's strategies
- Relationships among each Board's member and the Management
- Roles and the process for assessing CEO
- Performance efficiency of the Board's committees
- Adequate and Suitable time to consider various matter in the Board of Directors meeting
- Directors' preparations before each meeting
- Directors' potential to express individual's opinion independently and impartially
- Provision of opportunities and encouragement for each Director to express his opinion independently

Procedures

The Chairman of the Corporate Governance Committee shall sign a letter sending assessment forms to all directors, requesting each director to return the assessment form to the Company's Secretary for compilation of information. The Company's Secretary shall then process the information and present the summary thereof to the Corporate Governance Committee for analysis of the assessment. Subsequently, the Corporate Governance Committee shall report to the Board of Directors on the assessment result and make recommendations for improvements as appropriate.

- 5.3 Moreover, each committee also conducts performance assessment annually. The criteria and procedures are as follows:

Assessment Criteria

Criteria on committees' performance assessment were based on 3 levels of opinions as mentioned in item 5.1. The details of assessment are as following:

- Satisfaction of the performance of the committee which the directors belong to, the performance of the Company, the performance of the Company's subsidiaries and the problem solving by Management
- Comprehension of the directors on role of directors in the committees
- Relationships among each director in the committees and the Management
- Directors' preparations before each meeting
- Directors' potential to express individual's opinion independently and impartially
- Provision of opportunities and encouragement for each Director to express his opinion independently

Procedures

The Company Secretary shall send assessment forms to each committee member in every committee, requesting each member to return the assessment form to the Company Secretary for compilation of information. The Company Secretary shall then process the information and present the summary thereof to each committee for analysis of the assessment. Subsequently, the Chairman of each committee shall report to the Board of Directors. Directors

6. Remuneration

- 6.1 Board members' remuneration is comparable of other directors in the Company's industry, and reflects the experience, obligations, range of work, accountability, responsibilities and contributions of each director. Members of the Board with greater responsibilities, such as independent directors who also hold committee memberships, are paid more.

In 2015, the Company disclosed the remuneration of each director in its annual report and Report 56-1 which also posted on the Company's website

- 6.2 Remuneration of the CEO and top executives is set in accordance with Board policy, within the limits approved by shareholders (for the types of remuneration that require such approval). Executives' salaries, performance pay, and other long-term compensation reflect the Company's performance and that of each executive
- 6.3 The Compensation and Nominating Committee evaluates the performance of the CEO annually to set his compensation. The basis of the appraisal is agreed upon by the CEO ahead of the evaluation. The criteria are objective, including financial performance, long-term strategic performance, career development planning, etc. The Chairman of the Board or a senior director communicates the evaluation results to the CEO.

7. Board and Management Training

- 7.1 The Company encourages and facilitates training for all internal parties who have a role in corporate governance, including directors, members of the Audit Committee, executives, the Company Secretary, etc. Training - either internal or external - enables them to continuously update their knowledge for performing their duties.
- 7.2 The Board encourages directors to enhance their knowledge for performing their duties by regularly attending training courses and joining seminars. In 2015, 3 directors carried on attending training courses organized by IOD, the Stock Exchange of Thailand and the Securities and Exchange Commission Office. The training course is The Responsibilities of Board's and Managements' in Internal Control.
- 7.3 Every time that the Company appointed new directors or replaced them, the Management prepared and provided new directors with material and information beneficial for fulfilling their duties including introduction to the Company's various businesses and business direction for new directors
- 7.4 The Company has established an official executive "Succession Plan" because the Company is aware that succession planning is a key component of sustainable business success. In light of this, the Company has established processes and procedures to appropriately identify and select candidates for succession at all levels of significant management position. The succession process is consisting of:

(1) Establish the list of candidates to enter the succession process:

where top executives and management select the candidates and conduct the evaluation of these candidates by descending order. The candidates have to undergo the followings performance evaluations:

- Employee and its performance evaluation which are consisting of:
 - Past performance and the anticipation of their performance in the future
 - The decision-making ability, strength, what to improve or what to provide for further development and career path
 - Employee's capability assessment
- 360 Degree Feedback Surveys in relation to the Company's corporate value
- 9-Cell Charts evaluation which is a review of the performance and behavior of candidates in relation to the Company's corporate values

(2) Establish candidate slate:

where the person who is currently in the post has to make his or her candidate slate by specifying three (which can be more or less) potential successors and listed those candidates in the order of their readiness

(3) Review the candidate slate and establish the Company's Succession Plan:

where the President, top executives and Human Resources executive have to work together in order to

review the candidate slate and establish the Company's overall succession plan which will be based on the following key elements; business unit overview, organization chart, candidate slate, 9-cell charts evaluation, employee evaluation and 360 degree feedback surveys

- (4) Establish the personal development plan for each of the candidates, execute the development plan and follow up
- (5) Perform an evaluation and a review of the Succession Plan on an annual basis

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