



ANNUAL CSR REPORT 2014

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SUPALAI PUBLIC COMPANY LIMITED

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A handwritten signature in white ink, appearing to read 'Prateep'.

(Mr.Prateep Tangmatitham)
Chief Executive Officer
Supalai Public Company Limited



Chief Executive Officer's Statement

From the beginning, the objective is to establish "Supalai" to be the leading real estate development company in Thailand by focusing on being an organization with sustainable business practices through corporate governance. The Company recognizes the satisfaction of all concerned stakeholders according to vision called S P L, which stands for SUPALAI meaning to recognize and emphasize importance of all relevant parties.

- | | |
|-----------------|---|
| S Superiority | means excellence in terms of products, service and good management. |
| P Profitability | means emphasis on profits for all concerned parties, there are customers, shareholders, employees, contractor for trading partners and society. |
| L Longevity | means operation of business continually based on secure foundation. |

By adhering to S P L vision since its inception, "Supalai" determines its Corporate Social Responsibility policy together with the Company's operations for over the past 25 years which is the source of the slogan "SUPALAI.....WE CARE FOR THAI SOCIETY"

The Company has strived to create a good home with an emphasis on Green Design concept by applying energy-saving innovations, which are environmental friendly in order to provide residents a comfortable, peaceful living and energy saving homes, of which the quality has been guaranteed by relating winning award received from the Ministry of Energy. In addition, Supalai has also received the Award for Listed Company with Excellent Operational Results, Rassadapipat Award, Award for Excellent Property Development Company of Thailand and Award for Excellent Property Development Project, etc.

Furthermore, "Supalai" has also organized seminars on diverse topics including mindfulness meditation, development of landscapes in religious premises, activities to strengthen family relationship, etc. in order to impart knowledge to the public, customers, employees and society at no cost, while looking after the employees within the organization with good welfare so as to be truly happy in working.

For over 25 years, SUPALAI has adhered to principles of business by focusing on creating innovative housing while carrying out social development to make Supalai a warm and quality society. It will continue to strive for quality supervision to ensure that the Company adhere to principles of good faith, good governance, ethics, coupled with legal righteousness in order to drive SUPALAI towards sustainable growth.

Finally, I would like to thank all parties involved with Supalai, namely, customers, trading partners, shareholders and employees, etc. for all efforts with the intention to achieve social responsibility mission. This is an important driving force towards prosperity and sustainability of the organization.

Getting to know Supalai :

An organization with state-of-the-art innovation and management in advancing towards sustainability

Many people asked how “Supalai” manage to be an organization with sustainable growth.

“Supalai” uses a streamlined, flexible management approach without attaching to traditional management pattern and is always open to a wider perspective. We combine scientific and artistic creativity that always evolves into something better on the basis of legitimacy, good professional standards, ISO 9001: 2008 International Standard and our commitment to our customers altogether with morality, ethics and good manners.

Supalai uses ISO9001:2008 as a management tool; we have a Plan-Do-Check-Act list for all employees to follow under the same standards, contributing to a more efficient and timely operation which enable us to better meet our customers’ demand. More important, all working processes can be traceable. Also, we take very good care of our customers’ documents. All of our contractors, employees, consultants and suppliers are under a stringent quality control. Our employees’ competency has also been developed to better fit the job positions. Even before we applied ISO in our organization, Supalai is the first real estate developer that has quality control (QC) sticker and warranty attached to major parts of houses before delivery to the customers.



Let’s see some of the state-of-the-art management examples in “Supalai” style.

1. Naming “Supalai”

“Supalai” is an innovative naming. The name which has never been used by anyone before is a compound word formed of “Supa + Alai” “Supa” means good, prosperous, propitious, and “Alai” means dwellings. When combined as “Supalai”, the word means propitious dwellings.

Before the name “Supalai” was created, a variety of names of existing property development companies had been searched through. Many companies are found to use foreign names while some use figures as their names. Some names are even five-syllable long. Finally we got the idea by determining the “naming rules” first: what kind of name did we want and what kind most people like, ensuring that we will get the name other people like and we will be also satisfied with.

As a Thai company we are, we set rules that our name must be a Thai name with no more than three syllables to make them easily recognized. The name must refer to land - buildings. People should know what business we do by our name. Moreover, the name should be easy for foreigners to pronounce and also sounds beautiful when pronounced. And absolutely, it must be unique.



The Pali-Sanskrit words were chosen since terms of reverence or royal words usually use Pali or Sanskrit words which sounds better and more elegant.

The English abbreviations S P L from SUPALAI also have good meanings, that is, S is Superiority, which means excellence in products, services and management, P is referred to Profitability for all parties involved: customers, employees, contractors, society and shareholders, L refers to Longevity or sustainability. In addition, the word "Supalai" can be used as a prefix for every housing project such as Supalai Lake, Supalai Park, Supalai Place, Supalai Ville, Supalai Premier. This method also makes known of the name "Supalai" faster, better and more cost-effective.

2. Project feasibility analysis

A feasibility study is suitable for newly initiated projects, especially a complicated one. There is, however, no need to undertake a feasibility study if the new project is similar to the existing ones, or, for example, the case where the Company purchases a plot of land adjacent to the existing project at lower cost.

Currently, the project feasibility study still has many shortcomings. In particular, out-of-date data is often used despite the fact that the study results will be used in the future. Also, the study with too many details that takes too much time will also deliver only outdated results.

Sufficiently detailed feasibility study that consumes moderate time will enable the Company not to miss an opportunity to buy a beautiful plot of land.

"Supalai" is a property development company that creates many suburban horizontal housing projects and high-rise condominium buildings in the city center. Not only that, the Company also develops housing projects in provinces and, therefore, possess a huge and reliable collection of information to support and expedite its project feasibility study. Moreover, "Supalai" has developed a compact and concise MODEL that can timely produce a thorough project feasibility study and investment analysis results with minimal risks.

3. Marketing

"Supalai" have developed pricing strategy by providing five different terms of payment for condominium buyers according to their individual capabilities and relying on the present value and the minimum lending rate of the Company's major creditor banks. Customers are more satisfied with this strategy and they purchase more. The company has great success in such technique.



Due to the economic crisis in 1997 together with the lower lending interest rate, a more stringent consumer protection and some weaknesses during the construction period that some home builders do not want their customers to see, there has emerged a new trend of readily-built home for sale to ensure the customers will get the houses they have purchased.

“Supalai” offers both readily-built houses and made-to-order houses, but most houses sold are nearly-complete houses to let customers see the progress of construction and feel confident that the houses will be completed on schedule since there is only a small amount of work yet to complete. In such cases the Company can control the costs and construction time well while commitments made to customers are honored and there is less risk of holding stock and less burden of the interest cost.

Readily-built houses are available for customers who want to promptly move in. Meanwhile, some customers who prefer to choose location first and move to a new house in the following year may choose made-to-order houses.

In our marketing communication, advertising and public relations to make known of our projects, the Company gives straightforward and clear information, sometimes the messages are informative e.g. energy-saving houses. All of them are for the satisfaction of customers, and to build up confidence and reliability of Supalai among customers in the future.

4. Design

“Supalai” wins most of “energy-saving house design awards” from the Ministry of Energy, and it is the only listed company on the Stock Exchange of Thailand that receives an energy-saving label, ensuring that the houses are cool and comfortable while saving 26-30% in electricity costs.

With an emphasis on Green Design since before the year 2005, the Company’s condominiums and houses are spacy and airy, with insulation and sun roof installed and trees planted to block sunlight. The open kitchen is well ventilated. The use of lightweight bricks and green reflective glass helps make the home cooler. The Company chooses only Green Products which is environmental-friendly and cause no pollution. The houses and condominium are designed to be comfortable, incorporated with durable beauty and functionality. Bathrooms are divided into two functional areas; wet and dry. In the master bedroom, walk-in closet is provided, thus reducing air-conditioned area, saving electricity cost.



In addition, the Company also takes into account the design of the house to promote family relationship. The staircase is in the middle of the house which is convenient for everyone to use and see each other. There is also a common area for family members to do activities together.

Supalai's landscaping and interior design tend to be energy-saving as pollution-free and energy-saving materials are used. Landscaping, gardening, and planting trees also help reduce the absorption of light or heat.



Supalai Grand Tower Building is another example of an outstanding innovative design which no one has ever done before. The building is oval-shape, which is aerodynamic. It has less wall areas around the building compared with the typical rectangular buildings. As a consequence, the construction cost is lower while the building receives less heat from outside, which helps save the energy.

5. Value Engineering

"Supalai" applies value engineering or VE with all parties involved in order to obtain a suitable building patterns that are effective and efficient for all parties involved i.e. customers, residents, designers, building contractors, material and equipment suppliers, and the Company as an developer as well as social community around the building.

"Supalai" is one among the first group of operators who enable collaboration among designers, manufacturers and distributors of concrete and building contractors, resulting in a use of high strength concrete at the market price (formerly, high strength concrete was only used in high rise or special buildings at very expensive prices). Using high strength concrete makes the building stronger and customers also benefit from improved living thanks to smaller structure poles needed. Moreover, construction is faster and more economical.

"Supalai" design has been developed to reduce machinery dependence. Rooftop water tanks were designed to locate in proper place and height to cut the need of water pump in the top tier. Temperature in the elevator machine room is not high, no need to have insulation or air-conditioner installed, while water pressure is more stable. Apart from huge sum of investment cost, machines are always come with electricity cost, maintenance throughout service life, but an independent system like Supalai's can be used all the time at no cost.

An application of Value Engineering (VE) makes the buildings of Supalai perfect in the overall picture. All systems are balanced, the buildings are beautiful, durable and economical while residents feel comfortable in their buildings. These qualifications become new and exclusive standards of Supalai. The Company

still collects new information to constantly continue development and remove obsolete data. As time changes, taste and demand of customers change too. The Company, therefore, has to keep abreast of the customers' ever changing tastes and demand.

6. Construction

Instead of using only large-sized construction contractors, "Supalai" employs "large", "medium" and "small" ones because each of them has different advantages - disadvantages. Large contractors definitely have more investment budget and machinery and equipment availability but are less flexible. Meanwhile, though medium and small contractors have less budget and machinery and equipment available, they are more flexible. Therefore, the Company considers and assigns work to them as appropriate. Some supportive measures are also given to medium and small contractors e.g. financial support, fast payment, and provision of some construction materials.



All contractors are required to work according to ISO 9001:2008 and QC system requirements.

"Supalai" focuses on the details of the construction, it prepares Shop Drawing for power and water supply systems and ensure that all houses are built under the same standards by using the same pattern and the same materials.

In addition, there is also a set of standards for construction contractors and supervisors to follow, ensuring every house passes standards and supervision of Supalai. All details of construction and quality control of each house are also compiled in a book and kept in the same place for easy review.

"Supalai" has been developing construction system and system for selection of materials, roof structure for instance, was formerly made from painted steel shapes before changing to TRUSS structures which are better in qualifications e.g. anti-rust better, consume less volume of steel. The Company is among the first property developers to use such material in its housing projects. The Company has also applied G4 lightweight bricks with standard prevention of noise, fire and heat in the housing projects. G4 brick is one core component of the Company's award-winning energy-saving house. The award was given by the Department of Alternative Energy Development and Efficiency.

The Company also provides residents with a home instruction manual. This manual advises them how to take care of their new home. Besides, this is another innovative thing provided for the benefits of Supalai customers.

7. Procurement

“Supalai” uses different approaches to buy plots of land, depending on objectives and need of the sellers. For sellers who prefer higher prices and do not mind to receive late payment, an aval may be issued, but for some sellers who prefer prompt payment whereas price is negotiable, appointment to transfer land ownership would be expedited and payment would be made in cash. These approaches help to make the Company’s land acquisition easier.

8. Account Receivable Management

After the economic crisis in 1997, some customers of “Supalai” were unable to receive ownership of land as agreed in the contract, the Company had, therefore, offered a flexible way out that has least effect on customers as follows.

1. Customers whose family member died or were seriously ill were reimbursed with the entire down payment without penalty or any charge.
2. Customers whose some family members were unemployed and thus could not apply for a loan from the bank were recommended to terminate existing contracts and maintain the down payment with the Company, wait and come back to buy a new house later when the situation improves.
3. Customers whose monthly income had been reduced and felt uncertain about their capability to pay for home loans were recommended to shift to another house where price is lower.

9. Meetings

Many companies usually arrange meetings to brainstorm solutions to their problems, make decisions etc. Sometimes there are too many people at the meeting, too many meetings have been held, or too small issues have been discussed at the meetings. As such, the meeting is not worth arranging as considerable amount of time would be lost.

The meeting of the 30 people for 3 hours becomes 90 hours in total, which is equal to one person does his job for over 11 days, for instance.

Sometimes the resolution of the meeting that came from one person one vote principle gives a deviated result from what it should be, because people have unequal knowledge and experience.

One of the world leading companies in Bangkok have as many as 14 meeting rooms for approximately 300 employees. The meeting rooms are located separately on different floors. On the contrary, some companies terminate meeting rooms on different floors and gather them in one place to reduce the cost of space rental and equipment required. Flexible design may be



applied to this concept by arranging the meeting rooms to be able to merged and extend as a large one when needed.

10. Financial Management

TRIS Rating has upgraded the ranking of the organization and unsecured - unsecured debentures of Supalai Public Company Limited from "A-", to "A" The upgrading of the rank reflects the better results of operations and the strong financial position of the Company.

"Supalai" has been rated as premium customer by commercial banks, most of which provide both short-term and long-term loans to the Company at relatively low interest rates. The Company can, therefore, manage the interest expenses.

Although the Company has been so well trusted by banks, it has been also prepared to look for other financing sources in which investment cost is lower than the borrowing rates of financial institutions. At good timing and opportunity, the Company has raised capital through issuance of debt instruments. During the year 2014, the Company has issued bonds amounting to Baht 7,400 million, of which the financial cost was lower than the project loan. So, the company can raise funds to finance the construction cost and purchase of land to accommodate the growth of the Company at a lower financial cost.

11. After-sales service

"After sales service" is important. This definition covers services and maintenance of home, utility system, and community services. Supalai has forwarded this concept and policy to all parties who have contacted with the residents. All of our employees are trained to have service minded and be "thoughtful" in the after-sales service. When a customer complains about something, all possible approaches must be used until the problem gets resolved and the customers are satisfied.



"Supalai" reiterates to its employees to have good manners, courtesy, humility, and also be "attentive", patient, punctual; give customers advice or promptly take action for them.

Apart from instilling attitude to the employees, the management must be their role model. Every Supalai executive needs to go out and check the project site at least once a month to see what's going on and take information back for further improvement and development.

In addition, "Supalai" has set up Supalai's Smart Center to give general information of the Company and also receive customers complaints. All complaints and maintenance requests of the projects would be recorded here and forwarded online to the responsible projects.

These information are statistics, and there is also a system to follow up if the request has been responded or not. This system makes our customers more satisfied.

12. Customer Service

“Supalai” has continued to develop an innovative customer service system to facilitate prospective buyers, for example, an online reservation system has been introduced in its new housing project where the prospective buyers can browse a unit layout to see available units and reserved units in real time. This online reservation system has facilitated and expedited the services of the Company.



In respect of home loan payment, Supalai provides various innovative payment systems. In the past, house or condominium buyers had to go to the project site or sales office to pay their downpayments, which was rather inconvenient. Now the Company has simplified payment system where the customers can pay their downpayment via any bank counter and Automatic Teller Machine (ATM). The customers can use Supalai VIP Card that has barcode and magnetic strips on the back. ATM laser will read the data automatically, no need for customers to key anything but the sum of money they want to pay. Supalai also negotiated with the banks to reduce service charge for payment by direct debit to credit card account or bank account and the Company is also responsible for all charges for customers. These innovative payment systems have been initiated by Supalai before the banks extended to other property developers.

From the above examples, it is apparently seen that the management on the basis of codes of ethics and good conducts, incorporated with ultra-modern management innovation, does not result in lower profits as many people think. It can be seen that management can always be developed into something better.

If we have dynamic and adaptable properties, not stick to traditional theory, or something we are already familiar with, we will surely be able to create an unlimited innovative new management like a boundless sky. Beyond the sustainability of the organization, these innovations bring about benefits and satisfaction to stakeholders in all sectors, which are altogether an important driving force for Supalai to be a sustainable organization forever.

SPL Philosophy is CSR Vision of Supalai

Supalai Business Strategy Reflects Principles and Practices According to CSR Principles

SPL stands for Supalai which is not only the business philosophy of the Company that focuses on the excellence of the products, services, management, creation of satisfaction to the stakeholders or all business sectors involved and continual business operations with stability. It is also the CSR vision of the Company that envisions the future and lays down strategic management foundation for sustainability and social responsibility of the organization as detailed below.

Philosophy of Supalai:

S Superiority : Excellence in terms of products, service and good management. Superiority in creating quality products, services and management for maximum satisfaction of customers, which is an important factor contributing to Supalai’s being a leading company in real estate development with continual growth.

P Profitability : Emphasis on profits for all concerned parties concerned as follows:

- | | | |
|--------------------------------|---|---|
| Customers | : | to gain profit in the form of money or life reward. |
| Employees | : | to receive salary, bonus and good welfare. |
| Contractors / trading partners | : | to get fair prices. |
| Society | : | to gain benefits from the Company’s development projects. |
| Shareholders | : | to receive appropriate dividends from shareholding. |

Supalai has adopted management policy which helps generate profits, returns and satisfaction that finally bring happiness to stakeholders. This policy is the CSR vision underlying the Company’s responsibility for providing benefits and happiness to the society, which covers two main groups of stakeholders who are directly and indirectly involved in the Company’s business.

L Longevity Operation of business continually based on secure foundation, and joining the Stock Exchange of Thailand

For better understanding and clarification on how Longevity Philosophy is related and connecting to CSR vision, it is necessary to refer to part of the ISO 26000 standard rules governing corporate social responsibility to substantiate as follows:

“CSR is the matter regarding how organization responds to economic, social and environmental issues with the aim to contribute to the public, community and society. In addition, it is also involved with the roles of business organizations in the society and the society’s expectation of such organizations. These activities must be made voluntarily and the management must be involved as well. Also, such activities must be evaluable in three dimensions, that is, in terms of economic, social ,and environmental aspects, which will eventually lead to sustainable development”.

SPL philosophy of Supalai has been an approach for organizational management since its inception in June 1989, which means that, it has been more than 25 years that Supalai Public Co., Ltd. has vision and conducted CSR work as the business entity that care for the society and the environment, which is the source of its slogan “SUPALAI...WE CARE FOR THAI SOCIETY”. Evidently, it has been recognized by the society in general that the Company has been growing steadily and continually, while maintaining the status of a leading real estate development company in Thailand at present.



Policy on Responsibility toward Community, Society and Environment

Supalai Public Company Limited is committed and attaches importance to business operations with the responsibility towards communities, society and the environment in order to achieve sustainable development in terms of economic, social and environmental aspects by taking into account interest of related stakeholders in the project area as well as the society in general. This is to return benefits to the community, the society and the environment on a sustainable basis. Such policy also covers the operations of the subsidiaries and associated companies as approved by the resolution of the Board of Directors' meeting No. 12/2555 held on 18 December 2012, of which practical guidelines are as follows :

1. The Company shall raise awareness among the Board of Directors, executives and employees regarding responsibility towards communities, society and environment.
2. The Company should take advantage of natural resources only as needed by causing least impact and damage to the communities, the society and the environment as well as the quality of life of the people. It also encourages the reduction of energy and resource consumption.
3. The Company shall cooperate in the implementation of standards or agreements on issues intended to help protect or reduce impact on the environment.
4. The Company prepares projects and activities for community development in the areas of its projects and the society in general with the emphasis on improving the quality of life, conservation of nature, environment, culture including the development of community economy.
5. The Company communicates and creates understanding of its operation in the communities in which it has set up the projects and ready to listen to opinions or feedback in order to ensure successful operations and provide benefits to the communities.
6. The Company creates understanding for the stakeholders by providing information on the operations and the responsibilities as an organization for the community, society and the environment.
7. The Company aims to create understanding and communicate with the society on the status and facts regarding the operations of the Company as well as the responsibility for the community, society and environment without concealing the fact that can be disclosed and cooperate in providing information to investors, shareholders, and other interested parties in a timely manner.

8. The Company provides supports to projects and activities of government sectors and the society in relation to the business of the Company by significantly taking into consideration the public interests as well as the provision of assistance in times of natural disasters.
9. The Company encourages and supports the directors, executives and employees to participate in corporate social responsibility activities.
10. The Company provides supports for public activities beneficial to the community, the development or improvement of the environment, charitable organizations as well as local events.
11. The Company is engaged in social activities by providing support in cash and kind to activities to maintain the traditions and culture. It has also been a good follower of religion and provides supports to religious activities on a regular basis.
12. The Company provides support to educational activities, development of professional knowledge, and ability in sports as well as providing assistance to the less fortunate.
13. The Company provides support and assistance to the society and communities as well as the victims of disasters on a regular basis.
14. The Company promotes and supports the design, research and development of products for the conservation of energy and environment.
15. The Company has launched a campaign to raise awareness regarding the environment and natural resources through activities with continuous employee involvement.
16. The Company provides support to the society and organizations for the conservation of the environment including the support for dissemination of environmental information to create good image and understanding of the Company's environmental management.
17. The Company has cultivated the concept of environmental responsibility among its employees in order to understand the importance of caring for the environment by providing trainings on environment on a continually basis.

Supalai's Awards & Accolades

Supalai Public Company Limited

Supalai Public Company Limited has operated real estate development business and has been recognized as a leading developer today. This has been achieved by adhering to the S P L philosophy, **S - Superiority**: Focus on the superiority of goods, service and management, **P-Profitability**: Emphasize profitability for every party concerned, i.e. customers, employees, contractors, shops, society and shareholders, **L- Longevity**: To operate business continuously based on security, and joining the Stock Exchange of Thailand, and implementing a quality policy in compliance with the ISO 9001: 2008 international standard, while ensuring to give back to societies on a continuous basis. The aforementioned factors have contributed to achieving a long list of prestigious awards and accolades which have brought the Company pride and joy. These awards symbolizes not only the Company's management competencies and social responsibility, but also the ability to offer quality products and its executives' professional performances, all of which emphasizes the business that has enjoyed the progressive and sustainable growth.

The awards to be proud of by Supalai and subsidiaries are as follows:

1. Awards for its potential regarding corporate management as listed below:

- In 2014, the Institute of Directors jointly with the Stock Exchange of Thailand and the Securities and Exchange Commission had conducted a survey and monitored the development of the corporate governance of listed companies in Thailand with the objective to prepare CGR report to provide an overall picture of corporate governance of listed companies in Thailand with recommendations, and to be information for securities analysts in order to support investment decisions. In 2014, the result of such annual survey and monitoring had placed Supalai Public Company Limited 1 of 29 companies that received the excellent score out of 550 companies under such survey.



- In 2010, the Company received the best performance award and recognition certificate for “Listed Company with Excellent Operational Results of 2010” from the Stock Exchange of Thailand in the SET Awards 2010 presentation ceremony. It is the only listed company to receive the award among the group of listed companies with market capitalization higher than Baht 10,000 million.



- In 2010, the Company received the “Best Under A Billion Award” from Forbes Asia Magazine. Supalai is one of 200 companies to receive such distinguished award considered and selected among 13,000 companies in the Asian region, and 1 out of 9 Thai listed companies to receive this award as measured by the profits, growth rate, debt burden and future business opportunities.

2. Award of Transparency and Good Corporate Governance

- In 2014, the Company received the “Top Corporate Governance Report Awards” from the Stock Exchange of Thailand at the SET Awards 2014 event; such award has been given to listed companies having outstanding reports on compliance with good corporate governance practices.



3. The following awards are for corporate social responsibility :

- In 2014, the Company received the Consumer Protection Thailand Call Center Award 2014 from the Office of the Consumer Protection Board.



- In 2013, the Company received the Award for “Good Real Estate Developer of 2013” from the Office of the Consumer Protection Board (CPB), the Prime Minister’s Office in the Starred Real Estate Projects CPB, whereby, 4 projects of Supalai had received such award, namely, Supalai Suvarnabhumi Project, Supalai Park Srinakarin Project, Supalai Park Yaek Tiwanon and Supalai River Place projects. This is the third time that Supalai had won such award consecutively.

- Also received in 2012 was the “Ratsadakorn-Pipat” award or the “Excellent Taxpayer 2011” award presented by the Revenue Department, Ministry of Finance in accordance with its “Integrity, Pride, and Contribution to the Nation” policy. This award is offered to any individual or corporate taxpayers who are worthy of praise and admiration as they file and pay taxes accurately, willingly and forthrightly. Such responsibilities also exemplify people’s good deeds and create confidence among citizens, entrepreneurs, agencies and organizations, while making them realize how their tax paying can immensely contribute to the country’s prosperity and stability.



- In 2012, the Company as the owner of Supalai Grand Tower Building received the award for “Safe Building, Feeling Good All Over the City” from the Bangkok Metropolitan Administration. It was given as a complementary for good management of the building in the project for participation in safety of houses and buildings organized by the Office of Civil Works of Bangkok Metropolitan Administration.

- In 2012, Supalai Public Co., Ltd. received a plaque in honor of the “Ruam Raeng Thai, Raksa Nam Sai Thuk Khu Khlong” project (Canal Dredging and Cleaning Project) for joining to help maintain the good quality of canal water in a sustainable manner. The plaque was bestowed upon the Company by Prime Minister Yingluck Shinawatra, who chaired the award-giving ceremony.



- In 2010, the Company received the “Good Property Developer Award of 2009 - 2010” from the Office of the Consumer Protection Board, Office of the Prime Minister in the Real Estate Star Project; and Supalai has received this award for 2 consecutive years already.
- In 2008, the Company received the Award for “Good Property Developer Award of 2007-2008” from the Office of the Consumer Protection Board of the Prime Minister’s Office in the project to select good property developers.
- In 2003, the Company received the Award for “Developer who Preserves Consumers’ Advertisement Rights : Fair Advertisement of Products and Services for Consumers” from the Consumer Protection Board of the Prime Minister’s Office.

4. The following awards are for being the leader in excellent product development:

- In 2014, the Company received a plaque and certificate of BCI Asia Top 10 Developers Awards 2014 from BCI Asia Construction Information Company Limited and Future Arc Journal. Supalai has received this award for 4 consecutive years. The awards had been given due to the designs and development of construction projects of the Company, which have been widely accepted by the consumers.
- In 2013, the Company was awarded “BV Symbol of Confidence in International Standard” of Bureau Veritas Certification (Thailand) Ltd. (BVC). Such award has been given by taking into consideration the application of ISO 9001: 2008, the accreditation system of BVC as part of the advertising media of the Company, which has been extensive, efficient, correct according to the rules, beautiful and creative.



- In 2013, the Company had also received BCI Asia Top 10 Developers Awards 2013 in the form of plaque and certificate from BCI Asia Construction Information Co., Ltd. and Future Arc Journal, whereby Supalai had received this award for the 3rd time consecutively as one of the top 10 property developers in Thailand to receive this award. The award had been given by taking into consideration the design and the development of the construction projects of the Company, which have been widely accepted by the consumers



- The Company, also in 2012, won accolades for the Outstanding Real Estate Project 2012: for the Supalai Parkville Romklao-Suvarnabhumi project in the category of “detached house” and the Supalai Park @ Tiwanon Junction project for “condominium”, which were presented by the Research and Evaluation Center for Thailand’s Real Estate, Agency for Real Estate Affairs Co., Ltd. (AREA). This award represents a housing project which comprises the “worth-buying” features, by taking into account its price, quality, location and materials, as well as the style, design and the environment within the project.
- By taking the outstanding design and construction development of a housing project into account, the Company was one in ten real estate developers in Thailand that won the BCI Asia Top 10 Developers Awards 2012 organized by the BCI Asia Construction Information Co., Ltd. and FuturArc Journal. The four projects which earned the Company this award comprised Supalai Premier Asok, Supalai Park Khae Rai-Ngamwongwan, Supalai Park Ekkamai-Thong Lor and City Resort Ratchada-Huai Kwang
- In 2011, received the Thailand Property Awards 2011 in the category of Best Affordable Condo Development (Bangkok) for Supalai Park @ Tiwanon Intersection and Supalai Premier Ratchada-Narathivas-Sathorn from Property Report Magazine



- In 2011, the Company has received the plaque of honor for the Excellent Property Development Project 2011 for Supalai Park Ratchaphruek-Phetkasem Project from the Thai Real Estate Research and Assessment Center of Agency For Real Estate Affairs Co., Ltd. Such award is for the “Value for Money” projects by taking into consideration suitable price (price per square meter), location, materials, patterns and designs of the environment of the project as well as additional giveaways.

- In 2011, the Company has received “Top 10 Developers Awards 2011” from BCI Asia as one of top 10 property developers in Thailand. Such award has been given due to the designs and development of construction projects of the Company, which are extensively acceptable by the consumers.
- In 2011, the Company has been awarded altogether 27 sets of “Certified Energy Conservation Building Label 2011” from the Department of Alternative Energy Development and Efficiency, Ministry of Energy for 13 housing designs.



- In 2010, the Company has just received a Complementary Award of the “Urban Design Award 2009” at the organizational and professional level in the category of project for master planning of group of buildings for Supalai Casa Riva project from the Thai Urban Architects Association.



- In 2009, the Company received the Certified Energy Conservation Building Label 2009 from the Department of Alternative Energy Development and Efficiency, Ministry of Energy for 5 housedesigns, they are, best label for Supapat (new) design and goodlabels for Supadarul (new) design, Supawanna design, Supivat design andSupanuch (special) design.

- In 2009, the Company received the Living in Thailand Award of Excellence 2008 in the category of special Reader’s Choice Award for Best Designed Property from Living in Thailand Magazine.
- In 2008, the Company received a Good Award for “Excellent Energy Conservation House” for Supanuch (special) design and the Supadarul (new) design in the category of small detached house of Supalai Garden Ville Outer Ring Road Pinklao-Rama 5 project from the Department of Alternative Energy Development and Efficiency, Ministry of Energy.



บ้านศุภาลัย
ได้รับรางวัล
บ้านจัดสรรอนุรักษ์พลังงาน
จาก กระทรวงพลังงาน 3 ปีซ้อน

- In 2007, the Company received a Good Award for “Excellent Energy Conservation House” for Supavat (new) design in the category of small detached house of Supalai Garden Ville Outer Ring Road Pinklao-Rama 5 project, and for the Supatarin design in the category of medium size detached house of Supalai Suvarnabhumi project from the Department of Alternative Energy Development and Efficiency , Ministry of Energy.
- In 2005, the Company received an Outstanding Award for “Excellent Energy Conservation House” for Supivat design in the category of small detached house of Supalai Orchid Park Watcharapol project and Supakarul design in the category of medium size detached house of Supalai Orchid Park 3 project from the Department of Alternative Energy Development and Efficiency, Ministry of Energy.

5. The professional awards for the Company’s executives are as follows:



- In 2014, Mr. Prateep Tangmatitham, Chief Executive Officer of Supalai Public Company Limited had been awarded the “Khon Dee Sri Suan” (Outstanding Member of Suan Kularb), which is an award of honor for 1 outstanding alumni member of each class in the commemoration event of the 11 cycle or 132th anniversary of the establishment of Suan Kularb School.



- In 2014, Ms. Ajchara Tangmatitham, Executive Vice President of Supalai Public Company Limited had been conferred a royal decoration of Companion (Fourth Class) of the Most Admirable Order of the Direkgunabhorn due to her dedication to continually do good deeds beneficial to the country and the people by donating personal fund to Thammasat Hospital to improve phase 2 of the special orthopedic patient ward on the 6th Floor of Kittiwattana Building.



- In 2013, HRH the Crown Prince had conferred an honorary Ph.D. Degree of Science in the field of Innovation In Property Development to Mr. Prateep Tangmatitham, Chief Executive Officer of Supalai Public Company Limited at the main conference hall of Thammasat University on 1 August 2013.

- In 2013, Mr. Prateep Tangmatitham, Chief Executive Officer of Supalai Public Company Limited was awarded a plaque of honor as “Outstanding Person of the Year 2012 in the Field of Arts and Culture” from King Prajadhipok Institute’s Society, which was presented by Mr. Somsak Kiatsuranon, the President of the National Assembly at Ratripradabdaw Commemoration Night in 2013.
- In 2009, Khun Varunee Lapitananuvat, Senior Assistant Managing Director of Finance and Accounting of Supalai Public Company Limited received the “Analysts’ Popular CFO Award of 2009 in the Category of Real Estate and Construction Material Business” from the Securities Analysts Association.

6. Awards indicating the management potential of Supalai Group comprise:

- In 2010, Haadyai Nakarin Co., Ltd. received the “Good Corporate Governance Award” in terms of transparency and integrity from the National Counter Corruption Commission.
- In 2009, Haadyai Nakarin Co., Ltd. received the Thai Chamber of Commerce Business Ethics Standard Test Award 2009” from the Thai Chamber of Commerce.
- In 2008, Haadyai Nakarin Company Limited received the Award for “Excellent Ethical Conduct” from the Chamber of Commerce of Songkhla Province for being the organization with ethical management according to the ethical principles of the Chamber of Commerce.

Business and Social Innovation

Through creative planning of quality housing, constructing houses that are “Cool and Happy” to live, and being fully aware of environmental protection, Supalai Public Company Limited is one of the business operators which initiated the design of energy-saving houses well accepted by the consumers. The details of the process, concept and creation are as follows:

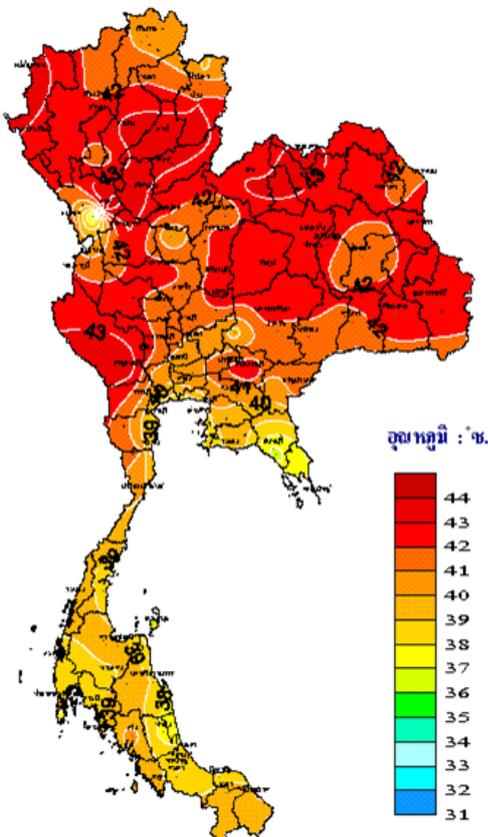
Concept : Environmental Conservation and Energy Saving

(Save our World, Save your Money)

Reasons for Energy-Saving Concept of Supalai

- Rising cost of electricity every year.
- Global warming and natural disasters.

The highest temperature of Thailand during 1978-2007

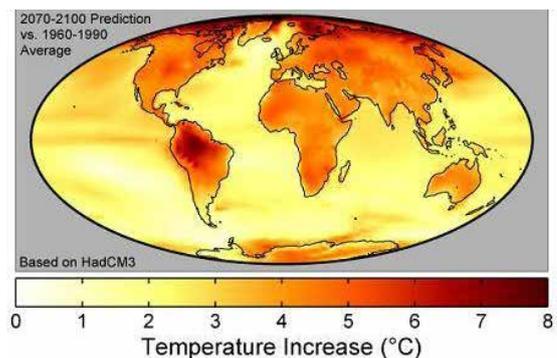


Remark Highest Temperature at 44.0 degree celcius in Muang Tak District, Tak Province on 25 April 2007.

Global Warming Predictions



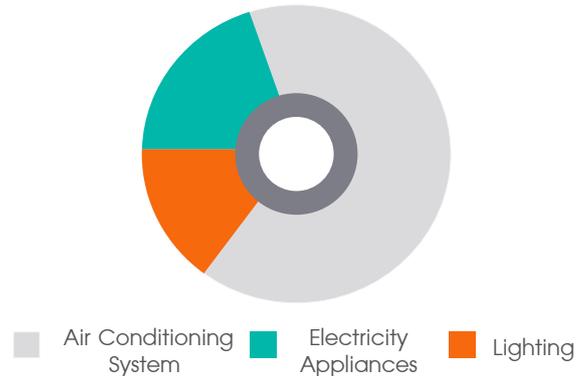
Global Warming Predictions (°C)



Proportion of Energy Use in Houses

Heavy use of air-conditioning system due to

1. behavior of residents
2. environment conducting heat into the building
3. not observing principles of design for tropical region
4. inappropriate choice of materials

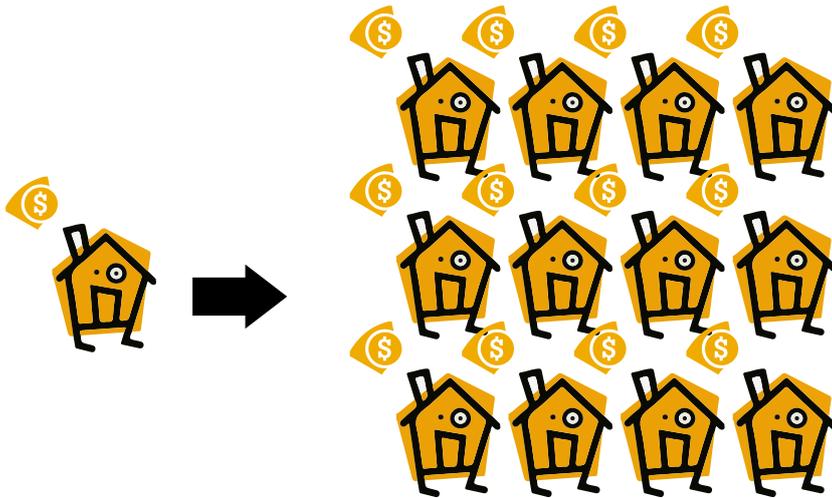


The architectural work itself can reduce the amount of heat into the building.

Supalai Green Design Concept

The concept of environmental conservation and energy - saving design has been used by Supalai in its housing and condominium projects started back in 1989 when the company was established. The concept was "Save Our World, Save Your Money", thus our design focuses on natural passive cooling houses. Overtime, this concept has been developed to become our main theme, while at the same time, the "active cooling" technology has been applied in be in accordance with the modern way of life as an integration for energy-saving of air conditioners. At the same time electricity cost can also be reduced by reducing lighting system and use less of other appliances. In doing so, the Company can still maintain the construction price at the level as that in the general market. As a result, the price of the house is cost-effective for suitable use with reduced cost of electricity, which is a good reason for selecting Supalai project.





This energy-saving concept becomes clear at the project level. Each of Supalai's project is like an Eco Land that helps the world reduce global warming and helps the nation save the money by using less energy.

Designing Concept and Principles

There are various designing concepts and principles of energy-saving houses. Supalai divides them as follows:

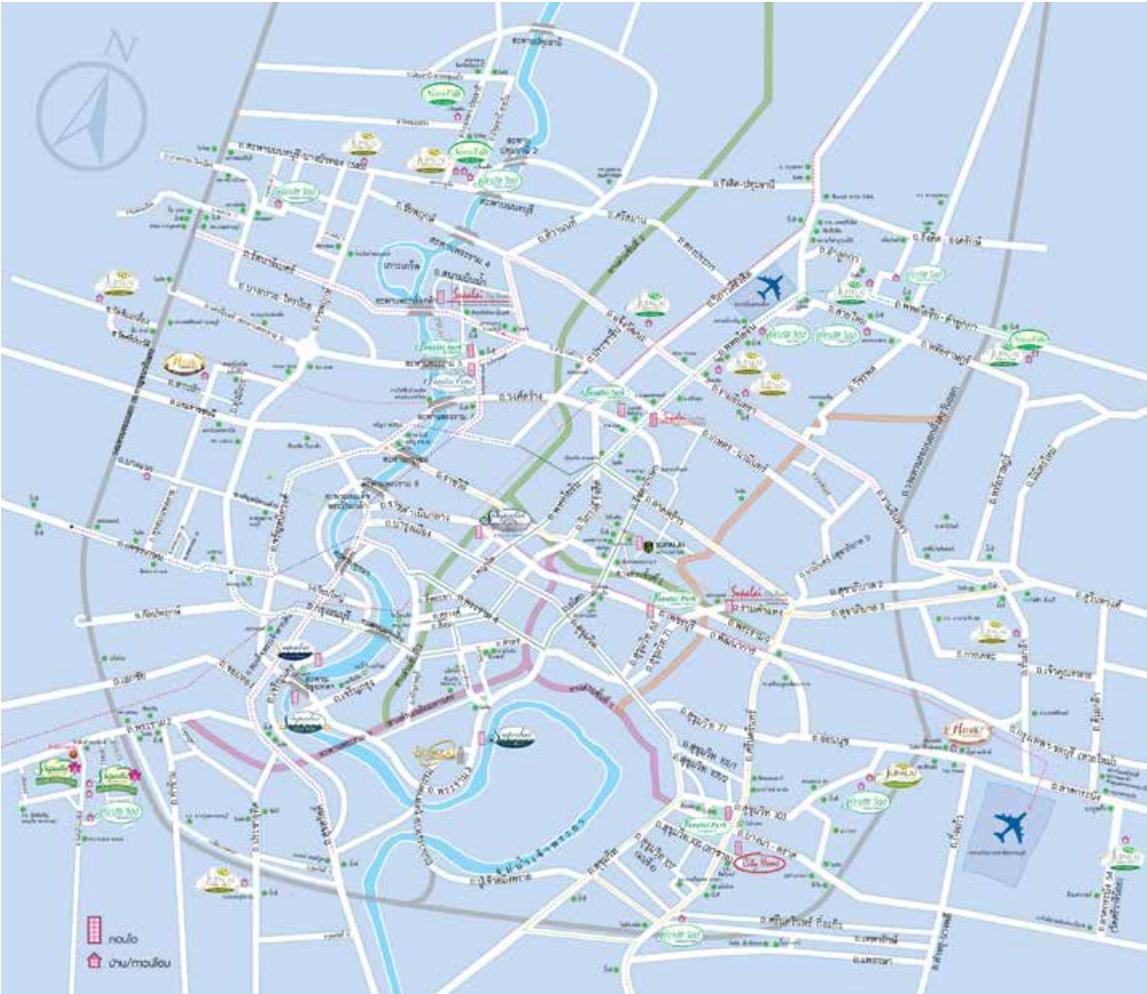
1. Project Level
2. Building envelope Level
3. Interior area Level
4. Choice of material Level

The energy-saving methods through these 4 design concepts will lead to architectural design in a more concrete manner.

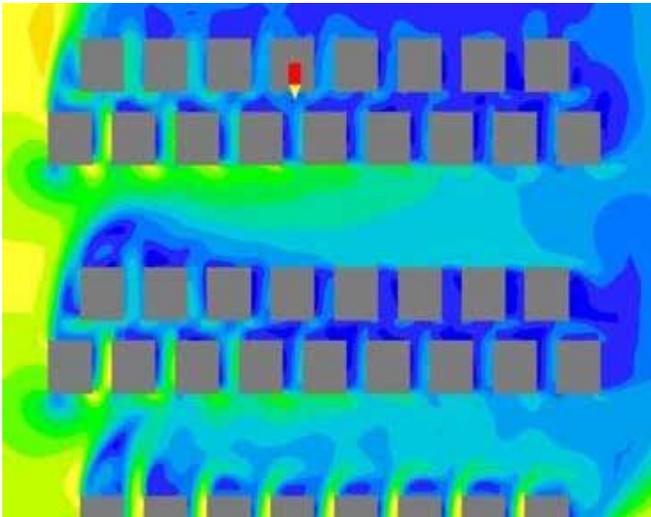
Project Level

- Land selection for development project, the land chosen must have high potential with convenient transportation, fully equipped with infrastructures and facilities to reduce commuting time in order to save energy.
- Project layout, the direction of airflow is taken in to consideration to ventilate the air, and waste disposal point must be downwind.
- Water retention area (Monkey Cheek), must be initiated to create a monkey cheek within the project to prevent flood water from reaching the house.

Supalai projects



The layout in most Supalai projects is designed to have houses overlapping each other to enhance the speed of airflow with excellent ventilation and less dead space to reduce wind impact on the building.

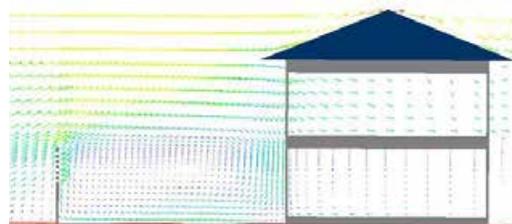


The Supalai Orchid Park on Ringroad-Pinklao in Jaransnitwong 13 lane was built with a monkey cheek project. The physical topography of the project is that the monkey cheek did not drain the water immediately after rainfall but the water would be retained and not flood the houses immediately. The water would then be drained out of the project. A good monkey cheek area would be “in quickly, out slowly” according to Supalai design.



Building Envelope

- Layout, the house or building will be aligned north-south to reduce sunlight, while accepting airflow.
- An eave is designed to provide shade around the house, appropriate slant of the roof will build large air mass in the roof to reduce heat from the roof and release outside through vents in the roof. The ceiling will be insulated against heat to keep the house cool.
- Doors and windows are designed to be in many directions for better air ventilation, whereby the doors or windows which are opposite each other would be designed to be in the direction that air can be freely flow by natural methods in order not to use air-conditioner.
- Large trees are planted to shade the house and reduce heat from coming into the house.
- The fence is designed to be airy and open with good ventilation, while garbage collection point must be hygienic.



Fence designed to be airy for air ventilation



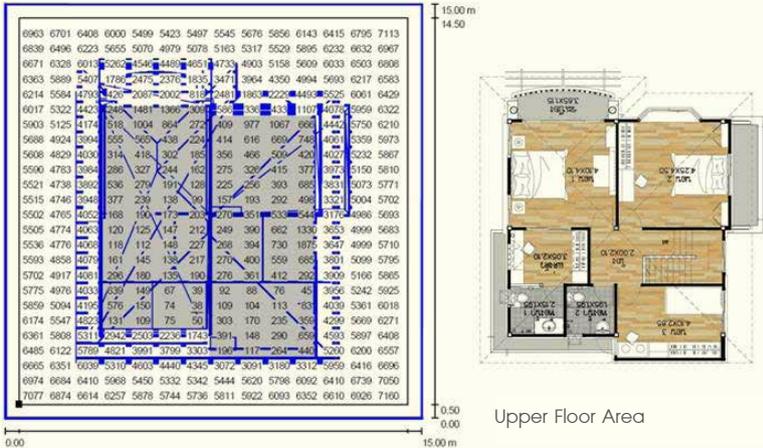
Lower Floor Area



Upper Floor Area

Interior Areas

- In the master bedroom, walk-in closet can help reduce the load of air-conditioner.
- Rooms that may generate smell are designed to be downwind.
- Furniture placement must not block the airflow in the house.
- Natural lighting must be allowed in sufficient amount.
- Areas that need to be disinfected by sunlight are placed at the outer most part of the house.



Simulation of natural light value of the new “Supaphat” design house for analysis of suitability of doors and window



Choice of Material and Equipment

- Use low heat conduction materials
- Use heat reflecting materials
- Use energy-saving electrical appliances
- Use insulation material to prevent loss of cool air from air conditioning



Outstanding Point of Supalai Houses

Design

1. Focus on usable areas, both inside and outside the house.
2. The space in the house must be open, airy with good air ventilation, and the heat from heat-generating equipment must be controllable in order not to be distributed to other parts of the house and must be released from the house rapidly through good ventilation positioning doors and windows. Natural light must be allowed into appropriate areas as much as can be done such as the bathrooms.
3. The design of “ Modern Classic Style” has lasting beauty that will remain up to date.
4. Layout of the house is consistent with geographical condition, climate and Feng Shui.
5. Emphasis on comfortable living and energy-saving.
6. The bathrooms contain separate wet and dry areas with lighting system so it is not humid.
7. Promote family relations with open space design and stairsway in the middle of the house to provide continuity, as well as open area for family activities.



Materials

1. Hazardous materials having effect on health are not allowed to use such as materials made of asbestos, optic fibre, lead paints, etc. Exterior paint must be heat-reflecting type made of acrylic, which can stick well on the wall surface with high flexibility to prevent the peeling off. The paint film comprises network molecular that does not absorb water, and dirt cannot seep into the paint film. It also prevents fungi, moss, and it is self-cleaning.
2. Use durable materials: stainless rail, the walls are reinforced with tie columns and reinforced concrete lintel beam to prevent cracks.
3. The first storey floor is made of ceramic, which is scratch-resistant and easy to clean. The higher floors are laid with 12-mm laminated wood on foam to prevent humidity from cement structures.
4. UPVC Doors & Windows are chosen to provide soundproofing, preventing air leaks at the connection between door and lintel, which help save expenses for cooling by air-conditioner. They are durable and non-flammable, using low energy to produce. There is also the set of fiber screens to prevent mosquitoes and insects to enter and cause nuisance to residents in the house.

5. 5 mm. heat absorbing green-tinted glass is installed as they have low SHGC but very high VT (energy-saving glass No. 5), เบริร์ 5)
6. Door frames of bedrooms, bathrooms and exits to washing areas are WPC lintel (wood + plastic). They are simulated wood to prevent bloating with water, breaking and being eaten by termite. This also helps reduce the use of natural wood.



7. Bricks used in construction are 7.5 cm foamed concrete blocks which are more porous than regular bricks, very light in weight and will retain less heat (lower OTTV)
8. Insulation, 3 inches thick insulation will be installed behind the ceiling board, 6 inches in some cases.
9. Reducing the volume of humidity in the house by lining the wall of every room with wallpaper as the wallpaper is made of vinyl, which can prevent water from running through and can reduce humidity from accumulating in the wall. It can also block the humidity in and out of the wall.
10. Detailed attention is paid to the material used: such as 2" x 5" door frames are used in the bathrooms to ensure smooth level with bathroom tiling. Doorframes, eaves and wooden parts of the ceiling are painted with "Timber Shield", to provide longer lasting protection than regular paint.

11. High-efficiency, compact fluorescent light bulbs are used both inside and outside the house with automatic switch system, the light bulbs of the lamps on the gate posts are controlled by the photo switch to reduce unnecessary usage of electricity. In the future, the compact fluorescent bulbs will be replaced by LED bulbs because they use lower electricity value but longer useful life, so it can help save the cost of electricity and maintenance of the light bulbs in the long run.
12. Air conditioned with the #5 label, signifying maximum savings on electricity as they have EER higher than 11 Btu/hr/w.
13. All electric outlets are ground wired with additional Installed earth leak circuit breaker to prevent danger from electrical shocks and for safety of residents. For Outside wires, NYY (waterproof) are used.
14. Water taps, shower heads and all sanitary ware are certified water saving products with green labels.
 - Water supply system installed in bypass form can help save the power because there is no need to turn on the water pump during the period when there is sufficient pressure of the water supply.
 - The sanitary system has been designed to have separate valves for turning on and off the water of the first and the second floors for convenient maintenance. The hidden grease traps and floor drain can make water drain rapidly. It also traps smell and hairs not to clog in the drainage pipe. The ready-made type of treatment tank is used for cleanliness and conserving the environment.
 - Emphasis is on convenience, easy maintenance and hygiene for bathrooms with the vent for natural light and ventilation for natural disinfection of the bathrooms. There is shower box made of durable safety glass. The dry and wet areas are separated. Water-save faucets are used and 3-6 litre-toilet bowls are used for suitable use to save water.
15. 25-degree slope ceramic tile roof can allow suitable air mass volume in Supalai houses to prevent to prevent heat transfer from roof into the house. The light-tone roof color can transmit lower RTTV value of the heat in the roof.
16. Air-ventilation UPVC materials are used for exterior ceilings for ventilating heat in the roof, which can also help reduce heat to be released from the roof as well.

Management in the Project

1. There is drainage pipe cleaning in the housing project after completion of the construction, and it must be done before rainy season in order to prevent flooding.
2. For waste management, it is the responsibility of the district office of such area and the project has coordinated with the authorities to ensure that they collect the garbage according to the schedule. In case of tree branches, there will be coordination for the authorities to collect them on a special case and regular basis.
3. A waste water and grease treatment system is also installed.



Award-winning Supalai Homes

Projects with Energy Saving Labels:

- Supaphat (New)
- Supanuch(Special)
- Supadaral (New)
- Supiwat
- Supawanna



Energy Saving House

Assessment Criteria ≥40 ≥55 ≥70



Assessment Criteria for Energy-Saving and Environmental Friendly Building

Criteria	Energy-Saving	Responsibility to the Environment
1. Location (distance from public transport)	4	2
2. Layout plan and architectural landscape (open space, plants, ratio of east-west wall areas, shade under hard surfaces, architectural landscape)	8	8
3. Building envelope (roof skylight area, OTTV RTTV values, ratio of windows to wall, use of glass, air leakage etc.)	40	0
4. Air-conditioning system (air conditioned area, use of air-con #5)	10	2
5. Lighting and electricity (low energy consumption, energy saving light bulbs)	12	1
6. Natural system and alternative energy (natural air flow, main space receive natural light, alternative / recycled energy)	12	5
7. Sanitation system (waste water treatment, trash-grease trap, water-saving toilet bowl/shower head/tap)	4	5
8. Material and construction (pollution prevention plan, use of paint, insulation, reuse-recycle materials)	0	5
9. Design technique and energy saving strategy/ environmental conservation	10	5
Total score	100	33



Supaphat (New)

(Small detached house with 3 bedrooms, 3 bathrooms and useable area of 161 sq.m.)



Lower Floor Area



Upper Floor Area

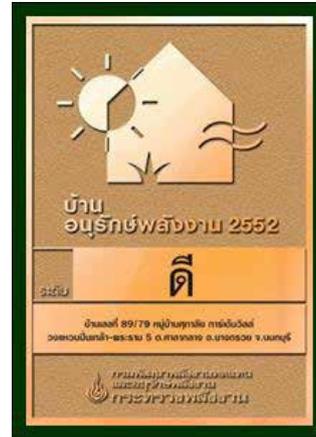
Designing Principles for Energy-Saving Home

The designing principle for energy-saving home in the tropical environment such as Thailand are:

1. Reduce and prevent outside heat from coming into the house.
2. Control heat generated from all appliances inside the house so that it does not spread to other parts and ventilated out of the house as soon as possible.
3. Prevent and reduce heat from sunlight through direct doors and windows, and allow natural light into areas needed.
4. Easy-to-care house and equipment provide convenience and help save cost and energy.

Supanuch (special)

(Small detached house with 3 bedrooms, 2 bathrooms and useable area of 143 sq.m.)



Arrangement of useable area

Area of Group 1 Living and dining rooms (open and connected area), focus is on reducing temperature by natural means using the speed of wind.

Area of Group 2 Bedrooms, focus is on educing temperature by natural means and some air-conditioning in the summer. Large bedroom has walk-in closet to separate the bathroom from relaxing area, preventing humidity from entering the relaxing area.

Area of Group 3 Bathroom, as this is wet area that requires sunlight and good airflow, it must be designed to be next to the outer wall of the house with window for sunlight and wind. Wet and dry areas are separated for convenient use and easy cleaning.

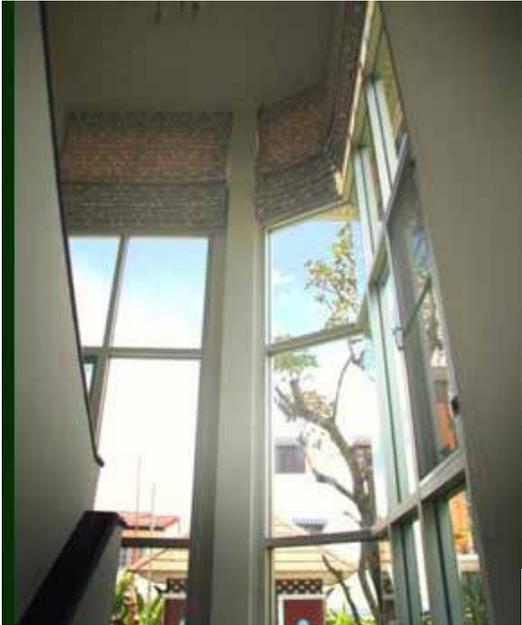
Area of Group 4 Kitchen, this is located to the south with open window for air and heat flow and natural light to reduce humidity.

Area of Group 5 Storeroom and foyer of stairway, these areas require natural light for convenient use and saving energy during the day.



Supadaral (New)

(Small detached house with 3 bedrooms, 3 bathrooms and useable area of 175 sq.m.)



Shape of Building

1. Use of natural lighting where necessary such as stairs by designing environment for indirect light, such as light reflected from the lawn and light filtered through trees. In some cases where the opening parts receive direct sunlight, the customers are offered green non-glared glass or heat reduction film as option.
2. Design of the building incorporates shading appropriate for useable area such as awning.

Supiwat

Small single house with 3 bedrooms, 3 bathrooms and useable area of 171 sq.m.)



Lower Floor Area

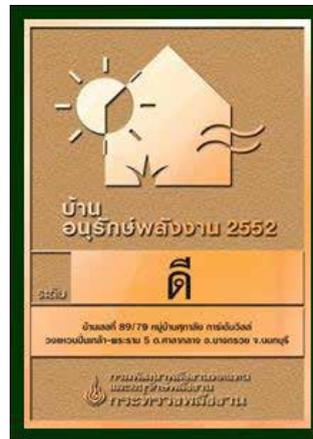
Upper Floor Area

Construction Material

1. Construction materials used have heat-reduction quality such as concrete roof tiles with 3 inches insulation against heat above ceiling board on 2nd floor. Part of the soffit maybe trellis-type to release heat trapped under the roof.
2. Walls are constructed with 7.5 inch foamed concrete blocks to reduce heat that may come in through the walls.
3. Openings are fitted with quality material that can bring natural light into the house such as 5 mm, green tinted non-glare glass.

Supawanna

(Small detached house with 4 bedrooms, 3 bathrooms and useable area of 82 sq.m.)



Construction Material

Building materials are easy for maintenance and energy-efficient such as

- large finished-edge tiles are used for ground flooring as they are durable and easy to clean;
- earth leak circuit breaker is installed to ensure safety of the residents and can help check electrical leaks;
- high-efficient energy saving light bulbs are used such as compact fluorescent and fluorescent light bulbs;
- air-conditioning unit are # 5 energy-saving type;

- lighting for fence will provide light inside and outside the area with auto light sensor control to save energy;
- sanitary system is designed with separate top/lower floor valves for easy maintenance. A standard water tank is installed, as well as a grease trap and waste water treatment tank to reduce impact on the environment;
- water-saving taps are used and dual flush(3/6 litre) toilets are installed.

Good air-flow and constant heat release outside the house means that the house will be comfortable to live in. Energy use inside the house and building will be reduced, cutting cost of maintenance for the owner. The use of earth's precious resources will be lessened, helping reduce global warming. From the calculations, Supalai houses can save approximately 26-30% of electricity cost.

Design of the energy-saving building has always been part of Supalai' concept and will be continually developed to make Supalai houses and condominiums better living places for the customers.

Preparation of Report on Corporate Social Responsibility

About this Report

Supalai Public Company Limited is committed to conducting its business with social and environmental responsibility. It, therefore, intends to report on the implementation of such responsibility, whereby the presentation in this report comprises results of operations and significant changes in the economic, social and environmental aspects during the period from 1 January - 31 December 2014. This report constitutes the third consecutive year report.

Reporting Guidelines

The Company has prepared this report based on the guidelines for preparing report on the sustainability of the Global Reporting Initiative (GRI) and social responsible practices of listed companies on the Stock Exchange of Thailand: Property Business Group for appropriate, complete and business specific disclosures of information.

Important Matters

The Company has prepared this report by including assessment process according to important matters of sustainability reporting guidelines of the Global Reporting Initiative (GRI) to reflect the factors that affect the sustainable business operation of the organization in terms of economic, social and environmental aspects including the responsibility towards all groups of stakeholders of the Company. In addition, there has been a review of the changes every year.

The preparation of this report has been done by adhering to the principle of materiality by taking into consideration: 1)Relevance, which affects the ability of the Company in creating value both in the short and long terms; 2)Significance of the size of the impact occurred, or expected to occur, which can result in organizational changes and 3)Prioritization under the governance of the Company and the opinions of concerned stakeholders that contribute to the content of the report on social responsibility.

The collection of information through the monitoring process is carried out by those who are responsible from various departments directly involved according to the operation indicators being selected and collected. The information would be given to the social responsibility report preparing team to be compiled and publicized to the public, that is, the data would be processed, and the results would be used for controlling, reviewing and making decision. The operation of the Company in all aspects has attached importance to the rights of all stakeholders both inside and outside the Company in order to create understanding and foster cooperation between the Company and all groups of stakeholders, which are shareholders, employees, customers, suppliers, competitors, communities and the economy of the country.

The Company has been operating on the basis of fairness and balance on mutually beneficial basis in addition to the supervision and protection of fundamental rights. This will lead to a stable and sustainable development in the future. However, in order to define the report on social responsibility to be complete in the economic, environmental and social dimensions, the Company has set out framework for disclosure of information and policy on the implementation of social responsibility according to the actual operation of the Company.

Dissemination Channels

This report has been prepared in two languages, Thai and English, so as to facilitate interested foreign investors. The report also presents the indicators based on guidelines for sustainability reporting in the appendix, it has also been prepared in the form of CDs and publicized on the Company's website for variety and convenient access. Besides, the report can certainly be downloaded from the website: www.supalai.com.

For more information

Please contact Corporate Social Responsibility Reporting Section

Supalai Public Company Limited

1011 Supalai Grand Tower Building,

Rama 3 Road, Chongnonsee District, Yannawa, Bangkok 10120

Telephone : 02 725 8888 ext. 450

CORPORATE GOVERNANCE

The Board of Directors of Supalai Public Company Limited is well aware of the importance of corporate governance and responsibilities to the society in the belief that good corporate governance will be a key element in enabling its business to achieve success. It will also create confidence that there is efficient management system with transparency and accountability to ensure confidence of shareholders, investors, stakeholders and all parties concerned, which will bring about sustainable growth with quality and add value to the business. The Board of Directors understands its roles, duties, and responsibilities to the shareholders, as well as various parties concerned, and is determined to conduct business under good corporate governance principles in accordance with good practices or regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission as well as other concerned regulations.

Corporate Governance Policy, Code of Conduct and Business Ethics

In 2014, the Board of Directors set out the “Corporate Governance Policy Handbook” approved in writing by the Board of Directors on 13 August 2014. The handbook encompasses details on the implementation of good corporate governance guidelines, authorities of the Board of Directors, as well as the practice guideline for the management and internal control system. Furthermore, the Board has arranged for the review on the part of the “Code of Conduct and Business Ethics of directors, executives and employees” to be conducted on an annual basis. In 2014, the Board added topics of examples of practice guidelines, cautions, and best practices in various situations while also clearly specifying personnel at different levels that need to comply with the Code of Conduct set forth in each policy. In this regard, the Company has disseminated the “Corporate Governance Policy Handbook” and the “Code of Conduct and Business Ethics” on the Company’s website to inform third parties. The Company also established a communication channel through its intranet system for the directors, executives and employees to understand and implement as operational guidelines when dealing with all groups of stakeholders. These guidelines are used as a standard in compliance with the Good Corporate Governance Policy to 5 chapters of corporate governance, which consist of the following :

1. Shareholders’ Rights
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Information Disclosure and Transparency
5. Board Responsibilities

The Company has implemented a guideline for encouraging and supervising the directors, executives and employees to comply with Code of Conduct. They are required to make efforts to understand the Code of Conduct and Business Ethics of the Company and sign their names to affirm their commitments. On top of that, a test of knowledge and understanding of the Code of Conduct is arranged annually through an e-Exam developed by the Company.

The Code of Conduct and Business Ethics for directors, executives and employees are regarded as disciplines that all personnel must strictly adhere to. Any persons violating or not following the principles of the Code of Conduct will be subject to disciplinary actions.

Directors, executives and employees of the subsidiary companies are obliged to follow and encourage others to follow the Code of Conduct and Business Ethics. The following actions shall be regarded as violation of the Code of Conduct:

- 1) do not comply with the Code of Conduct.
- 2) advise, encourage or support others against the compliance with the Code of Conduct.
- 3) be negligent and inactive when exposed to a violation or non-compliance with the Code of Conduct in case that they know or should know as such a violation or non-compliance is related to the work under their responsibilities.
- 4) do not cooperate or impede the investigation and fact-finding into the claim of a violation or non-compliance with the Code of Conduct.
- 5) Perform unfair actions towards others due to lack of reports in case of non-compliance with the Code of Conduct.

With regard to the above-mentioned actions against the Ethics and Code of Conduct, those committing such actions are subject to disciplinary penalties as set out by the Human Resources Department. In addition, any employees taking any action which is an offence according to laws may be punished by law.

Therefore, executives on behalf of supervisors, must pay close attention to the matter and advise their sub-ordinates to strictly comply with the Code of Conduct and may provide development support as deemed appropriate. Importantly, directors, executives and employees must also strictly adhere to the Code of Conduct.

The Company has attached great importance to and focused on the development of Good Corporate Governance through promoting the continuous compliance with Corporate Governance principles. This has been achieved by implementing a transparent and accountable management system while respecting the rights of both shareholders and stakeholders, and gaining their confidence. As a result, the Company received a number of awards and scores in Good Corporate Governance assessment from external regulatory organizations in 2014 as follows.

- The Company was one of the 10 corporates who were awarded the Top Corporate Governance Report Award for 2014 in the "SET AWARDS 2014" event jointly - organized by the Stock Exchange of Thailand and the Money & Banking Magazine.

- The Company was 1 of 29 companies that received the score “Excellence” (surveyed from a total of 550 listed companies). The Company achieved the score “Excellence” from the year 2013 to 2014 consecutively.
- The Company was ranked among the 17 Thai listed companies whose marks were equal to or above 90 of the ASEAN Corporate Governance Scorecard. The Company achieved an average score of 95.48, which was higher than the average score gained among a total of 529 ASEAN listed companies, and among the top 100 Thai listed companies in terms of market capitalization.
- The Company was 1 of 128 companies that received the score 100% full marks or the “Excellence” level from the AGM Quality Assessment from 2013-2014 consecutively.

The Company established a Compliance Unit (For details, please refer to: Corporate Governance for the operation of the Company) to supervise, monitor and ensure that the Company’s directors, executives and employees comply with the requirements of external regulatory organizations. In 2014, directors, executives and employees of the Company, as well as, employees of the subsidiaries and associated companies followed the guidelines on Corporate Governance along with the Business Ethics and Code of Conduct as well as other policies concerned. The details are as follows.

Chapter 1 : Shareholders’ Rights

The Company recognizes and attaches importance to the rights of shareholders. It, therefore, shall not violate or reduce the rights of shareholders, instead, the basic rights will be provided to them on an equal basis, such as the right to purchase and sell or transfer shares, repurchase of shares, the rights to receive dividend, to have a share in profit of the business and to consider all forms of remuneration, to receive sufficient data and information of the Company in a timely manner, to attend the shareholder’s meeting to exercise their rights to appoint or remove directors, auditors and matters having impact on the Company, etc.

The Company does not have a policy to create a mechanism that prevents the taking over of the Company business and makes the management or persons who have power manage the Company without transparency and efficiency. The shareholding structure of the Company does not include cross-holdings or pyramid schemes among its group of companies. The Company has a free float as of 31 December 2014 at the rate of 65 percent or more (see details on the website of the Office of Securities and Exchange Commission). In addition, The Company has observed the policy on treatment of shareholders by requiring that the Board of Directors respect the rights and treat all shareholders equally, especially the small shareholders, foreign shareholders and institutional shareholders, not limiting to only legal rights. The Company has performed its duties and operated business with honesty, transparency and accountability towards shareholders, while managing and caring for the Company’s assets not to be depreciated, lost or wasted. It also shall not do any act for personal gains or the gains of related persons. The Company also has the policy to facilitate and encourage every shareholder and shareholders who are institution investors to attend the Company’s shareholders’ meetings, while ensuring that the

policies are observed in order to conduct the meeting in compliance with the laws and guidelines for shareholders' meetings. In 2014, the Company's shareholders had the following rights;

1.1 Rights to Receive Share Certificates and Rights to Buy, Sell or Transfer Shares.

The Company has appointed Thailand Securities Depository Co., Ltd. to perform the duty as its securities registrar to provide convenience to shareholders regarding securities registration matters of the Company.

1.2 Rights to Propose Meeting Agendas in Advance, Nominate Persons to be Appointed as Directors and to Pose Questions Relating to the Company.

The Company has set out criteria in proposing agenda, nomination of persons for appointment as directors and raising questions about the Company. This is to encourage small shareholders to participate in overseeing the Company and to select qualified directors, who can perform their duties effectively for the best interests of shareholders and all groups of stakeholders (The criteria are posted on the Company's website (www.supalai.com) in the Investor Relations section under the "AGM"). For the 2015 meeting, the Company has published the criteria on both its website (www.supalai.com) and that of the Stock Exchange of Thailand from 1 October 2014 to 7 January 2015 in order for shareholders to nominate persons to be elected as directors, propose agendas and inquire about the Company.

1.3 Right to Attend Shareholders' Meetings

- Shareholders' Ordinary Meeting

In each year, the Company will arrange a shareholders' ordinary meeting within not more than 4 months from the end of its fiscal year. Being aware of the shareholder rights, and to enable them to fully exercise their rights in the meeting, the shareholders are given an opportunity to propose the agendas for the meeting as well as the list of persons to be appointed as Company directors, and advance questions to the Company in both Thai and English, via the Company's website (www.supalai.com) at least 3 months prior to the closing date of the accounting year of the Company. In the past year, the Company had already notified its shareholders via the SET and its website since 1st October 2014 until 7th January 2015, for maximum benefit to the shareholders, the Company has posted in its website the criteria and supporting information, both Thai and English, for the meeting to give its shareholders time to study the information before the meeting. On the date of the shareholders' ordinary meeting, the Board of Directors, advisors to the Board and the executives responsible for finance-accounting would attend the meeting and be ready to answer questions.

In the previously year, the Company organized the annual ordinary meeting on 22 April 2014 at Supalai Grand Tower, Rama 3 Road, Bangkok. During the year, there would not be the extraordinary meeting of shareholders. To come to the meeting, shareholders can travel conveniently by many routes, such as

- ❖ Take the expressway via Dao Kanong and take Rama 3 exit (Chongnonsi-Nang Linchee road) then take the flyover bridge of 1 junction and turn left and pass through the tri-section traffic lights, go straight for 500 meters, then make a U-turn, Supalai Grand Tower is on the left.

- ❖ Take Bhumipol 1 Bridge and Bhumipol 2 Bridge from Suksawad road or Samut Prakan Province or Samut Sakorn Province to the exit on Rama 3 road, after reaching the traffic lights turn right, go straight for 500 meter, then make a U-turn, Supalai Grand Tower is on the left.
 - ❖ From Thapra junction, go to Krungthep Bridge and to Rama 3 road, then get on the flyover until seeing the Head Office of Krungsi Bank (on the right), then do not continue on the bridge but go on normal road, Supalai Grand Tower is on the left.
 - ❖ From Asok-Sukhumvit junction, come straight passing Sirikit National Convention Center and on the flyover bridge at Klong Toei to Rama 3 road and on through 2 junctions flyover bridges. After leaving the bridge and passing the tri-junction before getting on Bhumipol 1 Bridge, go straight for 500 meter, then make a U-turn, Supalai Grand Tower is on the left.
 - ❖ From Silom-Sathorn, take Narathiwat Ratchanakkarin road until reaching Rama 3 road, then turn right and go through the tri-junction before the road to Bhumipol 1 Bridge by going straight for 500 meter, then make a U-turn, Supalai Grand Tower is on the left.
- **Invitation Letter to Attend the Meetings**

The Company delivers an invitation letter to a meeting of shareholders with required documents to the shareholders to study in advance at least 21 days before the meeting date. The shareholders will then be well-prepared for the subjects to be considered at the meeting and also for their consideration whether to attend or not. The documents will include objectives and rationales along with opinions of Sub-Committees and the Board of Directors to support the consideration of each agenda.

The Company clearly defines the agenda topics for the shareholders' meeting with no other agendas being proposed in the meeting. The Company will avoid adding any agenda that had not been identified in advance as it will not be fair to the shareholders who are unable to attend the meeting. Regarding the appointment of directors, the Company will provide the names and brief bio-data of each director to be appointed to the shareholders. Similarly, as for the appointment of the auditor, the Company will clearly identify the name of the auditor, his/her affiliated company, experience, skills, independence and the length of duration that the proposed auditor had been the auditor at the Company including his/her audit fees. Also, the Company will propose at the meeting to pay the dividend. The Company's dividend policy will be announced with the dividend rates being proposed to the shareholders along with reasons and background information. (For details, see "Dividend policy of the Company and subsidiaries"). In regard to the shareholders' meeting, in the invitation letter, the company will present the list of 3 independent directors in order for the shareholders absent from the meeting to choose whether to appoint independent directors or other shareholders as their proxies at his/her own discretion. With respect to the voting of each agenda, the shareholders can vote as pre-specified in proxy forms or their proxies can vote for all agendas at the meeting.

- Meeting Invitation

Thailand Securities Depository Company Limited the Company's share registrar, is responsible for forwarding an invitation to attend the meeting along with supporting documents for various agendas with adequate details for decision making as well as proxy forms and annual report to the shareholders not less than 21 days before the date of the meeting. This is to give its shareholders and institutional investors time to study details of each agenda and to make preparation for proxy where it is not convenient to attend the meeting on one's own. In addition, the stamp duties for affixing on the proxy forms are also provided free of charge to lessen the burden of shareholders as well as for their convenience.

Furthermore, the letter of invitation, supporting documents and proxy forms, both Thai and English, would be posted in the Company's website (www.supalai.com) more than 30 days before the meeting, as another channel of information for shareholder such is the same information forwarded by the Company to its shareholders in documentation form. The meeting notification would also be advertised in the newspaper for a period of 3 consecutive days — 14 days before the meeting as stipulated by the laws.

The Company always informs its shareholders in the letter of invitation to attend the meeting of their legal voting right, principle and procedure. There would not be any other agenda added without prior notice except in case of urgency arisen after forwarding the invitation letter, or upon any urgency relating to or affecting the shareholders' interest and it is necessary to propose that as a special agenda. In such case, the Company would urgently call an Extraordinary General Meeting of which the Company Secretary will take the minutes of the meeting properly and completely of every agenda to be further examined by its shareholders.

One or several shareholders with not less than 1 percent of paid-up capital and with shares held consecutively for not less than 1 year and still held on the day of nomination may nominate a person for election as a director. In this regard, the Nomination and Compensation Committee will screen the lists proposed by the shareholders to see whether the persons nominated are qualified or not, accordance with the criteria for Nomination of Qualified Candidate for Directorship, has announced via the company's website since 1 October 2014.

- Shareholders' Meeting Procedures

On the meeting date, the Company would have registration officers ready 2 hours before the meeting and until the end of the meeting to provide convenience to shareholders and proxies who attend the meeting. In addition, there has been an application of e-Registration for the Annual General Meeting (AGM) as well as the e-Voting system beginning from the preparation of information for the members attending the meeting, printing of voting ballots and compiling of voting results according to the agendas and minutes of the meeting to facilitate the shareholders' meeting as well as organizing a reception for shareholders attending the meeting.

Before the meeting begins, the chairman would inform the meeting clearly of the voting and vote counting procedures for each agenda under the articles of association, as well as the requirement

that the voting ballots be used for every agenda in order for the shareholders to exercise their voting rights as may be deemed appropriate for each agenda.

Explanation on voting procedures and vote counting are as follows :

1. One share shall be counted one vote and the majority of votes shall be deemed resolution. In case of an equality of votes, the Chairman shall be entitled to a casting vote distinguishing from that he has in the capacity of shareholder.
2. Any shareholder who has in a resolution a special interest shall not be entitled to exercise the right of proxy to vote, and the Chairman may ask him to leave the meeting temporarily. However, there is no prohibition for the voting for election or removal of directors.
3. Shareholders attending the Meeting in person can cast votes as they wish on the ballots handed to them at the time of registration. The proxy appointed by the shareholder can also cast votes as directed by the grantor specified in the Proxy Form, and deliver to the staff to be recorded together with the votes that the shareholders have in advance given proxy to the independent directors proposed by Company.
4. The chairman will inform the Meeting of all voting results in each agenda. The votes as counted will include all votes per directions of all shareholders that appointed proxies. Each agenda will use the latest number of shares under possession of shareholders present in the Meeting.

For the selection of directors, the vote would be cast individually to enable shareholders to elect the preferred directors, whereby the Company would nominate names to be voted one by one. For transparency of this agenda, every shareholder who either votes for, against or abstains, was required to vote by using ballots, which would be collected by the officers after all the votes have been cast. Each director who is elected must receive more than half of the entire votes cast by shareholders who attend the meeting and have the right to vote.

The Company attendees would also be given an opportunity to raise questions or to give opinions with reasonable time for discussion. The issues of the questions and answers would be recorded in the minutes of the meeting in order to inform the shareholders who had not attended the meeting, and the chairman would conduct the meeting according to the agendas and would not add any agenda without notifying the shareholders in advance.

In 2014, the Company organized only one ordinary meeting which was the 2014 Annual General Meeting of shareholders held on 22 April 2014 at Supalai Grand Tower, Rama 3 Road, and Bangkok. On the meeting date, the Chairman presided over the meeting to meet and answer questions posed by shareholders regarding the management of the Company. The chairman of every Sub-Committee, the Board of Directors and the executive in charge of finance — accounting, totaling 11 persons, had attended the meeting by the concerted as follows:

1. Mr.Prateep	Tangmatitham	Chairman of the Board
2. Mrs.Ajchara	Tangmatitham	Director and Executive Vice President
3. Mr.Tritecha	Tangmatitham	Director and Deputy Managing Director
4. Mr.Prakit	Pradipasen	Independent Director and Chairman of the Audit Committee
5. Mr.Prasob	Snongjati	Independent Director and Chairman of the Nomination and Compensation committee
6. Dr.Virach	Aphimeteetamrong	Independent director and Chairman of the Corporate Governance Committee
7. Mr.Anant	Gatepithaya	Independent Director and Chairman of the Risk Management Committee
8. Assist.Prof. Awin	Bijayayodhin	Independent Director
9. Mr.Atip	Bijanonda	Director
10. Mr.Prasas	Tangmatitam	Director
11. Mrs.Varunee	Lapitananuvat	Senior Assistant Managing Director of Finance and Accounting and Company Secretary

Furthermore, the Company had invited Mr.Supachai Phanyawattano is the auditor from EY to attend since the meeting in order to listen to the opinions and answer questions raised by shareholders.

In the meeting, the Chairman explained before the meeting began how to vote and how to count the votes, as well as the requirement to use voting ballots for every agenda. The chairman also asked for concurring opinion that for those who attended the meeting later, they would be considered as forming a quorum and given voting rights from the beginning agenda, of which the meeting gave concurrence. To proceed with the meeting, the Chairman presented matters in the order of agendas and gave time for questions of each agenda. For other matters apart from the agendas, there was question time in the latter part, of which every shareholder had equal rights and was given reasonable time.

- Shareholders' Meeting

The meeting of shareholders will be facilitated by the Company, ensuring that it does not contain any complicated procedure or limit the opportunity of those who wish to study the information of the Company. In addition, the Company shall not perform in any way that creates barriers to or hinders effective communication among shareholders. The Company shall take into account the convenience of the participants by not organizing the meeting on traditional holidays or holidays of commercial banks. Also, it shall conduct the meeting during appropriate period, that is, during 8.30 - 17.00 hours and the venue is at the headquarters of the Company, which is in the area of Bangkok, and convenience is provided such as having the staff to provide sufficient convenience, to check documents and provide lunch for shareholders attending the meeting, while convenience is provided for the elderly and the disabled as well as security system and emergency plan for the participants.

In 2014, the Company organized the annual ordinary meeting on 22 April 2014, of which 10 directors (the total number of directors is 10) and 1,183 shareholders attending the meeting. There were

totaling 1,047,696,486 shares or 61.03 percent of all outstanding shares (the total paid-up shares of the Company are 1,716,553,249 shares), comprising 166 shareholders who attended the meeting themselves with total shares of 521,607,729 shares, amounting to 30.39 percent of all outstanding shares, and 1,017 proxies with total shares of 526,088,757 shares, amounting to 30.65 percent of all outstanding shares, forming a quorum under the articles of association and under the Public Limited Company Act, i.e. not less than 25 shareholders must attend the meeting, either by themselves or by proxy, and with total shares of not less than 1/3 of the total outstanding shares. In addition, for transparency and to be in accordance with the best practice in organizing the shareholders' meeting of listed companies, volunteers from the minority shareholders, namely, Dr.Sukulpat Khumpisarn and Mrs. Sunantha Chaoanajin were requested to observe the vote counting at the counting point. At each agenda of the meeting, the Company held the voting and recorded resolution of the meeting clearly whether agreed or disagreed or abstained from voting. In addition, Miss Siriporn Kattapong, a representative from the Thai Investors Association had also attended this meeting.

- **Disclosure of Results of the Meeting**

The Company had disclosed the resolutions of the ordinary shareholders' meeting with result of the vote in a letter to the Director and Manager of the Stock Exchange of Thailand and on the Company's website (www.supalai.com) within 1 day after completion of the meeting, which was on 22 April 2014 as well as the minute of the meeting with the votes for each agenda and important questions or suggestions fully recorded. The minutes of the meeting had been forwarded to the Stock Exchange of Thailand (SET), and relevant agencies within 14 days from the date of the meeting, which was on 6 May 2014 and also disseminated via the Company's website for distribution to interest shareholders.

- **Report on the shareholders' meeting**

In order for the shareholders to review meeting details within a reasonable time and to ensure equality for both Thai and foreign shareholders concerning access to the information, the Company has implemented a policy on distributing minutes of the shareholders' meeting in a comprehensive manner. Each agenda contains important information, comprising the essence of agendas, resolutions and voting results (either votes for, against, or abstained), as well as questions, clarifications, and comments during the meeting in both Thai and English. Such information will be displayed on the Company's website within 14 days from the meeting date for shareholders to ensure the accuracy of the minutes' data which will be later forwarded to the Ministry of Commerce within the time prescribed by laws.

In 2014, the Company disseminated the minutes of the shareholders' meeting on 6 May 2014.

1.4 Rights to Receive Dividends and Share of Profits

The Company allocated profits to shareholders in the form of dividends. Shareholders will be informed of the Company's dividend policy along with the proposed dividend rates including reasons and other related information for their consideration. The Company determined the list of shareholders entitled to the dividends for the year 2014 (Record Date) on 11 March 2015 and collected the names in accordance with Section 225 of the Securities and Exchange Act. The book closing date is 12 March

2015 with the dividend payment being scheduled to take place on 6 May, 2015 (For details, see Section: Dividend policies of the Company and subsidiaries).

1.5 The right to consider remuneration for directors

As regards remuneration for directors, the Company has complied with the policy on the criteria for considering and proposing the directors' remuneration to shareholders. Accordingly, the Nomination and Compensation Committee was appointed to consider the form and criteria for the payment of remuneration to each position of the directors. Such remuneration has been considered by taking into account the remuneration of similar groups of industry and expansion of the business. The Company has also proposed all forms of remuneration, i.e., monthly allowance, gratuity and meeting allowance, which will be proposed to the shareholders for approval at every annual ordinary shareholder's meeting. Neither cash nor other assets will be offered to the directors unless it is the remuneration as per the rights and entitlements on a normal basis for the position as directors of the Company (For details, see "Remuneration for Directors and Executives"). The remuneration payment shall be in accordance with the Public Limited Companies Act, Section 90, which stipulates that "the remuneration payment to directors must be in accordance with the resolutions of the general meeting of shareholders that consists of not less than two-third of the total votes of the shareholders present at the meeting. The Company has publicized such a policy on its website (www.supalai.com) for the acknowledgement of both shareholders and the general public.

1.6 The right to receive adequate business information in a timely manner

The Company has disclosed business-related information on the news system of the Stock Exchange of Thailand while also posting important information and current updates on its website (www.supalai.com). Such an effort is considered the protection of shareholders' rights beyond their legal rights.

1.7 The right to approve the appointment of auditors and determination of audit fees

The Company has set out agendas for the appointment of auditors and determination of audit fees for shareholders to approve at the general meeting of shareholders on an annual basis. Details on the proposed auditors and audit fees will be provided sufficiently to shareholders for consideration.

Chapter 2: Equitable Treatment of Shareholders

The Company has complied with the policy to treat its shareholders equally by placing emphasis on equality of both major and small shareholders, and attaching importance to their fundamental rights and encouraging them to exercise their rights as given by law. Information is provided completely and equally to make the shareholders feel confident in making investments, and provide benefits and share profits on an equal basis regardless of gender, age, race, nationality, religious beliefs, social status, disability, or political opinion. Though shareholders are unable to attend the meeting because of any inconvenience, they are entitled to appoint a proxy to attend the meeting. For such purposes, the

Company has publicized guidelines on the website of the Company (www.supalai.com) to inform the shareholders and the general public.

The Company is determined to develop itself towards international standard. Therefore, its business operation is conducted based on integrity, transparency and fairness. For effectiveness and achievement of its objectives, the Company had prescribed the Code of Conduct for its directors, executives and employees to be used as a guideline for proper behavior. It has also laid down as a policy for strict compliance for maximum benefit to the shareholders and stakeholders, i.e. conflict of interest management, confidentiality, responsibility for the property and reputation of the Company, and accountability to its stakeholders.

2.1 Conflict of Interest Management

The Company complies with the policy on conflict of interest, whereby directors, executives and all employees as well as employees in the subsidiaries and the associated companies are required to strictly comply with such policy to prevent the conflict between personal interest of its employees or his/her close associates and the Company's overall interest by requiring that the directors, executives and every employee must avoid having any personal interest that will have adverse effect on their performance for the Company's interest or that will make it difficult to perform the work properly, e.g. to make investment or to involve in any business in which the Company is interested in and it has come to one's knowledge due to the work performed under one's responsibility; or to seek interest in any organization that conducts business or is the Company's competitor; or to conduct business on behalf of the Company with one's own family members or with any business organization in which oneself or one's family members are significantly involved; or to work as an employee, director, partner or advisor of an organization that conducts business or seeks to conduct business with the Company or is in business competition with the Company or provides service to the Company's main competitor; or to get involved in the work conducted on one's own or employed by others to the extent that causes adverse effect in any respect to the work performed for the Company. Besides, the Company has the policy to prohibit directors and executives with vested interest in any agenda from participating in such particular agenda of the Board of Director's meeting.

In this regard, every director, executive and employee is required to disclose upon arising of any situation believable as a cause for conflict of interest. Where an employee is in doubt that there might be a conflict of interest or there is something that might make others consider as a conflict of interest, he/she must report that to the Board of Directors promptly. Any business opportunity from utilizing of the Company's property or information must also be disclosed before using such opportunity for any purpose for self-interest. The Company's property or information or work position must not be used for personal gain. The Company does not have any transaction in the form of financial assistance to any company that is not its subsidiary company. There has never been any case of insider trading by its directors or executives, or any case of violation/non-compliance with the rules on related party transaction and the rules on asset trading, the Company has publicized the Ethics and Code of Conduct, Director's Handbook, and Corporate Governance Policy Handbook on the website of the Company (www.supalai.com), to inform shareholders and the general public.

In 2014, The company has required the directors, management and all employees to disclose potential conflicts of interest through a specific disclosure form and no such cases of significance have arisen.

2.2 Use of Inside Information

The Company complies with the policy on conflict of interest, whereby directors, executives and all employees as well as employees in the subsidiaries and the associated companies are required to strictly comply with such policy. The directors, executives and employees shall not use inside information of the Company or business trading partners of the Company, that they know from performing duties, to purchase or sell or offer to purchase or sell. They shall not persuade others to purchase or sell or offer to purchase or sell securities of the Company or those of the Company's trading partners for personal gains or for the gains of others. In addition, they shall not engage in any business that competes with the Company as well as its related businesses even though their businesses do not cause the Company to lose benefits. They shall also strictly comply with related laws. Directors and executives are required to

- Submit the list of their first securities holding and report on changes of securities holding including those of their spouses and minor children, as well as related persons. The submission and report shall be conducted in accordance with Section 59 of the Securities and Exchange Act 1992 (B.E. 2535) within 3 working days from the date of buying, selling, transferring or receiving the transfer of the securities. The directors and executives are also prohibited from buying and selling of the Company's securities during the period of one month prior to disclosure of financial statements to the public.
- Report on the change of securities holding to the Securities and Exchange Commission Thailand and submit the copy of the report to the Company on the same day they submit the report to the Securities and Exchange Commission Thailand.
- Directors and executives who know essential inside information that has influence on securities price must not buy or sell the Company's securities for one month prior to the disclosure of financial statement to the public and they shall not disclose such essential information to other people.
- Report to the Board of Directors on buying and selling shares of the Company at least 1 day before starting the transactions.

The Company Secretary will provide a written notice to directors and executives as well as the departments, which had acknowledged inside information, during the week before the closing date of financial statements, requiring them not to disclose the information to external persons or unrelated persons. Furthermore, they are prohibited from selling or buying the Company's securities in the duration of one month before the financial statements are disclosed to the public.

In 2014, the Board of Directors and executives have strictly followed the applicable rules. There was neither violation nor non-compliance with the regulations on buying and selling securities using inside information as well as those prescribed by the Stock Exchange of Thailand and the Office of Securities and Exchange Commission of Thailand.

The Company considers inside information and all business information essential information for operation and management of the Company. Such information is confidential and shall not be disclosed to the public. If such information is exposed, the Company and its employees, including its subsidiaries, associated companies and particularly the value of the stocks traded on the Stock Exchange will be affected. Therefore, unless authorized to disclose, or legally obligated to disclose, the Company's personnel are required to maintain the confidentiality of inside information, the Company has publicized the Ethics and Code of Conduct, Director's Handbook, and Corporate Governance Policy Handbook on the website of the Company (www.supalai.com), both in Thai and English, to inform both shareholders and the general public. (For details, please refer to the Section "Use of Inside Information")

2.3 Related Party Transaction

The Company has complied with the policies on related party transaction by requiring that directors, executives and all employees as well as employees in the subsidiaries and associated companies strictly comply with the regulations of the Stock Exchange of Thailand in every respect. When a transaction is not in accordance with normal trading conditions, an approval must be obtained from the Audit Committee and then presented to the Board of Directors for approval of the transaction. The implementing steps regarding interrelated transactions or related party transaction are as follows:

1. To consider doing related party transaction, the Company shall use the same criteria as that used with general customers and in accordance with the Company's normal lending procedures to support the company operation which must be fair and reasonable with maximum benefits to the Company. For example, if the Group requests for a loan, an interest rate charged must be the same rate applied to the third parties.
2. The evaluation of the transactions of assets or services according to the total value of consideration paid or received or book value or the market value of such assets or services, depending on whichever is higher.
3. If there are transactions between each other of the Company or the subsidiaries incurred to the person who may have a conflict of interest or stake or may have a conflict of interest in the future, the Company will require the Audit Committee's comments about the need and appropriateness of such transactions. If the Audit Committee has no expertise regarding such transactions, the Company shall arrange for an independent expert or internal auditor of the Company to provide their comment in order to support the decision making of the Board of Directors or shareholders, as the case may be.
4. If the Company has a transaction between each other or other related party transaction which are applicable to requirements of the Stock Exchange of Thailand, the Company must strictly comply with such requirements.
5. The Company is required to disclose transactions with potential conflicts of interest or related party transaction or transactions between the Company and subsidiaries according to the regulations issued by the Securities and Exchange Commission Thailand which disclosed in its annual registration statement and annual reports or any other reports, as

the case may be. There shall also be disclosure of related party transaction to the Stock Exchange of Thailand in accordance with the rules of the Stock Exchange of Thailand as well as items related to the Company in accordance with accounting standards which must be disclosed in the notes to the financial statements being audited by the auditor of the Company.

The directors, executives and all employees must avoid any personal interest that will have a negative effect on the performance of work for the benefit of the Company or making it difficult to perform the task correctly and efficiently. A conflict of interest may arise in many situations. However, in performing duties, the Company's benefit under legitimate law and ethics must be observed. The Company had completely disclosed related party transaction in its Annual Report (Form 56-2) and Annual Registration Statement (Form 56-1). Furthermore, the Company forbids its executives and employees from undertaking or participating in any business that is in competition with the Company's business, regardless of whether such directors, executives and employees will receive either direct or indirect interests. It is clearly indicated in the Company's Code of Conduct. However, to conduct related party transaction or transactions with conflict of interest, the Board of Directors has laid as a policy that they must be considered and approved by the Board before proceeding. In addition, the information on details of transactions, transaction value, reasons and the need must be disclosed in the annual registration statement and annual report as per the rules of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The meeting must also be attended by the Audit Committee to ensure that the related party transaction are conducted fairly, reasonably, and with proper pricing policy, taking into consideration the maximum benefit of the Company, the Company has publicized guidelines on the website of the Company (www.supalai.com) to inform the shareholders and the general public.

2.4 Proposing Meeting Agenda, Nomination of Persons to be Appointed as Directors and Raising of Questions about the Company

The Company has set rules for proposing meeting agenda, nomination of persons to be appointed as directors and raising of questions about the Company to give an opportunity for the minority shareholders to participate in monitoring the Company's operations and selection of qualified directors who can perform duties effectively for the maximum benefit of every shareholder and stakeholder of the Company. (The rules have been disclosed on the website of the Company (www.supalai.com) in the Section "Investor Relations" under the heading "Shareholder's Meeting")

For the Meeting in 2015, the Company has publicized such guidelines on the Company's website (www.supalai.com) and made an announcement on the website of the Stock Exchange of Thailand from October 1, 2014 to January 7, 2015 to invite the Company's shareholders to propose names of candidate to be appointed as directors, to propose meeting agenda and raise questions about the Company. However, no one proposed meeting agenda, names of candidate to be appointed as directors, or raised questions about the Company during such period.

2.5 Exercise of Voting Right

The Company gives its shareholders equal voting right, one share one vote for ordinary share, which is the only type of share issued by the Company to its shareholders. One share shall be counted as one vote, and the majority of votes shall be deemed as the resolution of the shareholders' meeting.

2.6 Proxy

The Company informed its shareholders in the event that they were unable to attend the meeting in person. These shareholders could appoint a proxy or an independent director nominated by the Company, who would be given rights and treated as a shareholder. The Company provided these shareholders with convenience by delivering to them a proxy form as set out by the Department of Business Development, Ministry of Commerce along with an invitation letter to the meeting in both English and Thai. This proxy form described thorough and clear details of the proxy and was delivered to the shareholders not less than 21 days prior to the meeting date. To ensure clarity and avoid inconvenience in attending the meeting of the proxies, details about the meeting, i.e., meeting schedule, agendas, including information on the procedures, documents and testimonials required for the proxy are also provided in the invitation letter. Such information was also posted on the Company's website (www.supalai.com) in the Section "Investor Relations" under the heading "Shareholder's Meeting" more than 30 days prior to the meeting date. In this regard, the shareholders can request further information via phone, email to the Investment Relations unit (For details, please see the Section "Investor Relations")

2.7 To facilitate the holding of a meeting of shareholders.

To facilitate the shareholders who are foreigners, the Company has prepared all relevant documents in two languages i.e. English and Thai for Thai and foreign shareholders such as in Thailand and overseas, such as the notice of the meeting, proxy instrument, minutes of the meeting, annual report etc., and developed the Company's website (www.supalai.com) in two languages.

The Company will send the notice of the meeting and relevant supportive documents of various agendas to the shareholders not less than 21 days prior to the meeting date and will publicize details about the meeting, the meeting schedule and the meeting agenda on the website of the Company (www.supalai.com) 30 days prior to the meeting date.

The Company did not impose any conditions or rules that needed to be certified by government offices or other regulations that caused difficulties for shareholders to appoint a proxy. To lessen the shareholders' burden of acquiring stamp duties and photocopying, the Company provided stamp duties for affixing in the proxy form at the meeting and assigned staff to assist in photocopying and verifying documents required for attachment free of charge at the point of registration. The meeting was open for registration 3 hours before it commenced. Additionally, barcode technology was also used to facilitate casting votes while a reception was hosted by the Company for the participating shareholders.

Chapter 3 : Roles of Stakeholders

The Company attaches importance to the rights of every group of stakeholders, both internal and external such as shareholders, employees, trading partners, competitors, government agencies including

the responsibilities toward the society and the environment. The Company has also set the Code of Conduct as ethical guidelines for business operations by taking into consideration the principle of fairness, human rights, legal respect, intellectual property rights and anti-corruption. In 2012, the Company has adopted clear policy on treatment of each group of stakeholders, policy on treatment of the society and the environment and the policy relating to anti-corruption measures by taking into account the rights of such stakeholders according to the laws or the contract made with the Company. All directors, executives and employees including employees of the Company, subsidiaries and associated companies are required to strictly comply with such policies, and such policies have been disseminated on the Company's website in order to inform shareholders and the general public. Furthermore, it has provided its stakeholders with a channel for expression of opinion regarding its operations or for making complaints in case of unfair treatment by the Company via Company's website (www.supalai.com).

The Company identifies its stakeholders by taking into account the stakeholders with truly significant impact to the Company's operations, i.e. the organization's activities, products, services and connecting to value chains that cause economic, social and environmental impacts on the stakeholders, not only concerning the Company, but including its subsidiaries, partners that are related parties, without any influence or inclination towards presentation only the information of the stakeholders who are in favor of or agree with the Company.

Human Rights Principles

The Company has complied with the policy on human rights principles by requiring that the directors, executives and all employees as well as employees of the subsidiaries and associated companies strictly comply with such principles. The Company regards human rights principle as common practice by taking into consideration human dignity, freedom and equality of individuals, and shall not do any act and nor encourage the violation of human rights. The Company shall not be involved with any agency, organization or individual that violates human rights in every case. The Company has provided a better understanding of human rights to employees in performing their duties, and has not supported any activity that violates human rights and all employees shall not do any act in the manner of sexual harassment, flirting, possessing pornographic pictures, using sexual language or touching the employees of the Company or outsiders who contact the Company.

For more than 25 years, Supalai Public Company Limited has been dedicated to the property development business, together with continuous conducting the corporate social responsibility activities. The Company recognizes and values the activities in support of surrounding communities and society, as well as paying attention continuously to care for the environment. Furthermore, the Company intends to work with all parties involved by focusing on building a relationship of mutual trust and acceptance as well as taking into account the impact which may occur to its stakeholders, namely, shareholders, employees, community members, customers, partners, or government agencies, including the society and the nation. In addition, an attitude and culture of the organizational have been established in order to encourage employees towards having social responsibility.

The Company recognizes the importance of human rights and freedoms with non-discrimination by promoting equality of disadvantaged and disabled people, as well as the impartiality of opportunity between women and men. There is neither gender and racist discrimination, and there is no child labors in the Company. The wages are managed to be comparable to those of other companies in the same business. Organizational structures are improved and updated in accordance with the laws of Thailand and all related occupational health and safety regulations to provide the safe working environment for all its employees.

All level of employees - from maids to executives — will be cared and treated fairly and equally without discrimination both in terms of remuneration and welfare according to the labor laws. In times of emergency and need, the Company treats its employees and their families with mercy and compassion. The opportunities will be given to employees to progress in their career path along with the growth of the Company by focusing on human resources development and being learning organization in order to enhance employees' knowledge and skills to increase capability to meet operational business of the Company either in the form of scholarships or familiarization trips, both at home and abroad. There are Intranet and library for employees to research for self-development. Moreover, there exists the suggestion box being an upward communication channel for all level of employees to executives who will answer every question via email. Human rights activities which the Company has carried out are as follows:

1. Design buildings by taking into account the convenience of the disabled such as ramps and toilets for disable people.
2. Encourage people with disabilities to live independently with human dignity and equality to other people, and to participate fully and effectively in social activities under an environment where people with disabilities can access and make use of it. Disable people are given opportunity to work with the Company. In 2014, the Company employs 4 handicapped employees from the total of 791 employees.
3. Respect human rights and freedom of individuals. All parties, whether women or men, were treated equally by the Company with equal opportunities for women and men to be executives. At present, the Company's Management Committee comprises 9 members with 3 female executives included.
4. The Company pays attention to safety in the workplace by having security officers who will supervise the steps and procedures to be performed correctly, resulting in minimal number of employees' accidents from work. However, to accommodate possible risk of accidents, the Company has bought accident insurance for all employees.

Principle of Law Compliance

The Company recognizes the importance of law, and applies laws along with morality, ethics and integrity with both internal and external stakeholders. It can be seen from the Company's quality policy

which is focused on continuous quality improvement in the system planning, design, construction, sales and community management to meet the requirements of the law, professional standard, occupation and written agreements with customers. Such quality policy are regarded as creation of culture in the organization and attitude for employees and executives to comply with the laws. Also, since 2004 onwards, the Company has adopted the policy to monitor the business operations to be in line with relevant regulatory laws. The Legal Department is responsible for updating the list of enforced laws within the Company and follow up the progress, the consideration and drafting legislations, relating to the Company's business operations as well as verification, revision, amendment, confirmation on the updated list of enforced laws, and confirmation on law compliance of every department once a year (within June of each year). In general, Legal Department will report to the Chief Executive Officer, and / or the Board of Directors subject to nature of the case. Then it will be reported to the Management Committee, the Audit Committee and supervisors in all departments. Furthermore, the Chief Executive Officer has assigned the Internal Audit Department to be responsible for the follow-up of the result as well.

In addition, the Company also provides trainings to all employees involved whenever there is a promulgation of new laws or there is modification, amendment or revocation of laws or regulations as well as educating new employees, such as trainings and seminars held by the Legal Affairs Department, offering comments to improve rules and regulations suitable to the economic social environment through the state agencies and independent organizations such as the National Economic and Social Advisory Council, etc.

The Company is well aware that its business operations must be under the regulatory laws, therefore, there shall be no fraud or illegal act or making use of the gap of laws in its operation.

Currently, the Company is committed to business operation under the policy of "Supalai ... we care for Thai society". Although the business operation must be under the framework of the laws, it needs to take into consideration morality and ethics as well. This is to ensure the fairness and the respect of interests of all parties concerned, examples of the implementation of the Company's policy in planning in the operational level are as follows:

- The Company has a standard form of contract for the purchase and sale of land in case the Company wants to purchase land to develop projects which is be in accordance with the standard set by the Office of Consumer Protection Board. In general, legal language will be used in the contract to purchase and sell land and sometimes the parties may not well understand because they are villagers living in the provincial areas. In such case, the Company has adapted the contract to purchase and sell the land to a language easy to understand and there shall be explanations before signing the contract which shows that the Company adheres to integrity and do not take advantage of the other party.
- In case the customers who enter into a contract to purchase and sell land or other goods with the Company and have already made a certain amount of downpayment, and the buyers subsequently, notify the Company that they have suffered for some reasons and request the

Company to have a refund of such downpayment. The management of the Company, after having considered such request, can return the payment equal to the amount requested by the customers. This is based on humanitarian principles for the sake of the customers. Normally, such request, if it is not the fault of the Company, the Company shall have the right not to refund such amount of down payment, which is in accordance with the law.

- If the owner of the adjoining land points the boundary line of his land into the land of the Company even though the evidence from the land survey confirms that such boundary line belongs to the Company's land, but the adjacent land owner still insists on the boundary line he has pointed out. In such case and in order to solve the problem and end the conflict, the Company uses the decision criteria based on the fact that, in the near future, the Company's projects and the owner of such adjacent land will become a neighbour, therefore, it should maintain a good relationship with each other. The Company shall then decide to end this dispute by accepting the boundary line of the land to be in the Company's land for development though the Company will lose investment opportunity, after all.
- In the case that the Company helps construct a juristic person office building for its own housing project for those who live in the Company's project, while according to the law, the Company would just allocates a plot of land for legal entity office purpose with an area of 20 square wah with no need to construct an office building. However, the Company understands the need of customers living in the project, therefore even though a land for constructing a juristic person office building is provided, the Company also has a policy to construct a juristic person office building to be given to the customers in the housing project for further use. This is to create the value, worthiness and support to the management of that particular housing estate.

During the period of 25 years in business, it is apparent that the Company has not only focused on the best interests of the organization but also carried out the management by adhering to the legal principles, honesty, integrity, transparency, honesty and accountability as well as paying attention to the importance and responsibility of concerned parties, both directly and indirectly, such as customers, suppliers, competitors, the environment and local culture based on compromising principles along with the political and legal principles as can be seen from a variety of awards received from many agencies such as

- In 2003, the Company received the Award for "Developer who Protects Consumers' Advertisement Rights : Fair Advertisement of Products and Services for Consumers" from the Consumer Protection Board of the Prime Minister's Office.
- In 2008, the Company received the Award for "Good Property Developer Award of 2007-2008" from the Office of the Consumer Protection Board of the Prime Minister's Office in the project to select good property developers.
- In 2010, the Company received the "Good Property Developer Award of 2009 - 2010" from the Office of the Consumer Protection Board of the Prime Minister's Office in the Real Estate Star Project; and Supalai has received this award for 2 consecutive years already.

- In 2013, the Company received the “Good Property Developer Award of 2013” from the Office of the Consumer Protection Board of the Prime Minister’s Office in the Real Estate Star Project, whereby 4 projects of the Company received such award, namely, Supalai Suvarnabhumi, Supalai Park Srinakkarin, Supalai Park Yaek Tiwanon and Supalai River Place projects. Supalai has received this award for 3 consecutive years already.

Intellectual Property

The Company has complied with the policy on Intellectual Property by requiring that the directors, executives and all employees as well as employees of the subsidiaries and associated companies strictly comply with such principles. The employees who are employed by the Company,

Products or production procedures, findings and development, improvement or invention of products, process, procedures; or objects made, used, sold or developed by the employees relating to the work of the Company or expanded from the work of the Company shall be considered as the products or procedures of the Company. All employees have the duty to maintain the confidentiality of trade secret, namely, business information and all technical information of the Company by protecting confidential information or business partners of the Company. The obligation to protect such information shall continue even after the employees have already resigned from the Company.

Any employees who disclose any information without permission and cause damage to the Company shall be subject to penalty according to the law. All the employees shall use computer programs with the copyrights provided by the Company, and shall not install and use unlicensed computer software in the Company, shall not demand, accept or use business information acquired illegally or immorally, and shall not to infringe the copyrights, patents and trademarks of others.

Ethical Practice

Apart from the policy to support the business operation with integrity, transparency and fairness to all parties involved, the Company also provides support of Dharma activities by publishing the book called “Sustainable wealth and happiness” and building Buddha image of a contemporary art form called “PhraSupanimitrmingmongkolpanyabaramee” that can communicate philosophy with a focus on the essence of Dharma in order to uplift the mind and wisdom of those who worship to stay above greed, anger and delusion, which comprise the foundation of Buddhism represented by the Buddha image as offerings to the Lord Buddha and for the well-being of good friends in the contemporary period.

Responsible to stakeholders

Analysis of Stakeholder and Development of Operation Strategies

The Company divides stakeholders into groups and sets up a mission to satisfy the need of each group of stakeholders. Regarding the impact on stakeholders in relation to business operations, both directly and indirectly, positively and negatively, the Company has based its consideration on its relationship to the organizations in order to enable response to the needs and expectations of the stakeholders which are shareholders, customers, employees, trading partners, contractors, competitors, communities, the society, environment, economy of the country, and government agencies.

Criteria for Stakeholder Identification

The Company has categorized its stakeholders into 2 major groups as follows

- Primary Stakeholders are those who are directly involved with the business, receiving direct interest or effect from the business operations, i.e. shareholders, customers, employees, trading partners, contractors, competitors, communities, society and the environment.
- Secondary Stakeholders are those who are indirectly involved with the business, receiving indirect interest or effect from the business operations, i.e. government agencies and the country economy.

Due to a wide variety of stakeholders, the Company has arranged various tools and channels to look for the needs and expectations of each group of stakeholders, as well as to exchange opinions for further development by the Company, such as;

- Customer opinion survey after transfer of ownership
- Collecting of comments, from customers, contractors, and employees through suggestion box.
- Expression of opinions in the shareholders’ meetings, where shareholders can ask for information, as well as to give suggestions in respect of the Company’s products, services, and operations in various aspects.
- Employee visit, both at the Head Office and project sites, by top executives and Human Resource Department, to look after their daily livelihood and operations.

From the use of such tools and channels as guidelines for operation improvement and in responding to expectations of every group of stakeholders properly and continuously, it will eventually result in sustainable business growth based on participation and good corporate governance.

Objectives of building relationships with the Company’s stakeholders

The subjects raised by the Company’s stakeholders range from economic, social and environmental areas. The Company has responded to each group of stakeholders, to which the subjects selected for action are;

Stakeholder	Subject
Shareholders	Taking into consideration maximum returns, placing emphasis on equality between major shareholders and small shareholders.
Customers	Build quality home in accordance with construction standards.
Employees	Take care of remuneration, welfare and knowledge development; treat employees fairly and equally under human rights principles.
Trading partners	Treat trading partners in strict compliance with agreed contracts and conditions.

Stakeholder	Subject
Contractors	Receive facilitation in various areas, e.g. support for credit acquiring, transfer of payment to account on due date, etc.
Competitors	Treat business competitors fairly and not to destroy competitors by using various tricks.
Community	Oversee construction with noise/dust impact, affecting neighboring communities.
Society and Environment	Carry out construction of high-rise buildings by taking into consideration the environment as approved by the Expert Committee for Consideration of EIA Report, e.g. green belt, health, traffic, fire prevention, etc.
Economy	Adhere to the principles of good entrepreneur for sustainability of the country's economic system.
Government agencies	Strictly comply with laws and report operation results.

Analysis of Social and Environmental Trends and Changes

The Company has used data from analysis of social and environmental trends and changes in considering the matters that are important to the Company's operations which may affect the society and its stakeholders. Furthermore, it has also used data from risk analysis with significant economic, social and environmental impacts, both from internal and external factors and severity of impact in consideration of the matters that are important to the Company's operations. They are disclosed in its annual report for 2014 under the topic of General Economic Conditions, Social Responsibility, Personnel Development, and Community Care.

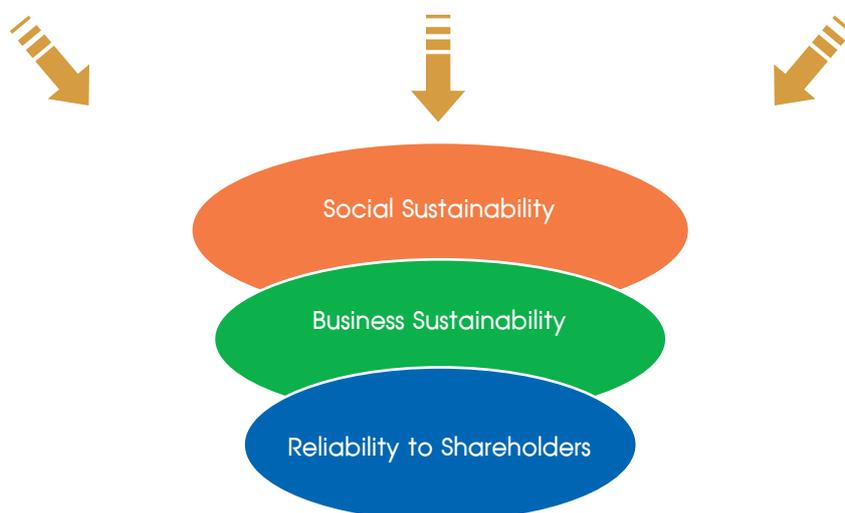
Its social and environmental practices result from stakeholder analysis, using criteria that are industrial benchmarks, all of which are significant to the organization in economic, social and environmental dimensions, in line with the expectations of its stakeholders, for example;

- The trend in building the organization to have competitive potential has resulted in the Company's emphasis on employee development of creativity in order to create innovation for the Company, by giving them opportunity to express opinions, and supporting knowledge development and career progression. The employees are also provided with continuous studies and development.
- The trend of energy saving campaign results in energy saving home designed by the Company. The Company has created and developed housing designs with emphasis on energy saving and being environmentally friendly, so that its customers can play a part in environmental conservation, as well as for saving of money on electricity bill, which is in line with Green Design Standard.
- Due to the trend of higher cost of living, the Company has reviewed the salary and welfare increase in various areas, e.g. expense for medical treatment, discount rate for buying of project

housing, etc., by obtaining data from suggestion boxes, and considered by the Remuneration and Compensation Committee, for fairness to employees.

- According to the trend of environmental care emphasized by public sector and with the promulgation of environmental law, Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (1992), the Company has to design its projects in compliance with the law, with long-term benefit for the community and the environment in the project area.
- Due to the trend of community development for sustainability, the Company has created quality society; there has been activities organized to enhance relationship or acquaintance building among members of the community, increase security, provide cooperation with public sector, establish housing estate juristic persons, carry out repair and maintenance of public utilities and communicate with residents for better understanding.

The social and environmental practices of the Company start from complying with relevant laws and regulations, ensuring that the impacts from its operations would not cause problems to the community, neighboring areas, or the society affected from its operation. It has also given chance for the community and society to play a part in its operations, creating shared value between the business and the society, as well as to lay down guidelines and conduct operations towards sustainability. Thus, it is in line with the sustainability development plan in business development towards Creating Shared Value.



Management Guideline

The elements of management guidelines are as follows

1. Vision: the Company defines its vision related to the society and the environment as “Supalai... We Care to Create Thai Society”, which has arisen from the awareness of social responsibility of the organization.

2. Strategic objectives: the Company defines its management philosophy as:

To develop quality society of “Supalai People”, the Company sets out a firm commitment in creating quality housing, continuing product development, developing a society of warmth and safety, developing good services in professional manner for customer satisfaction by adhering to its management philosophy.

S (SUPERIORITY)	Excellence in terms of products, service and good management.
P (PROFITABILITY)	Emphasis on profits for all concerned parties, there are customer, shareholders, employees, contractor for trading partners and society.
L (LONGEVITY)	Operation of Business continually based on secure foundation.

3. Key performance indicators: criteria have been put in place to indicate that something has impact on operation results, the Company has defined reasonable indicators that can provide clear, non-complicated information that is measurable and proper to the organization.

4. The Company has reviewed its activities relating to stakeholders to ensure that they are in accordance with the objectives and key performance indicators, business nature, business size, and readiness of the organization.

5. There has been review of the relationship between activities and strategic objectives by ensuring that the activities conducted can respond to the strategic objectives for efficiency in performing its social and environmental activities.

6. Action has been taken for CSR-in-process and CSR-after-process with budgets allocated by the Company, pressing forward various activities, including participation by employees and stakeholders.

In this regard, the Company has defined the scope and format of operations in each issue for each group of stakeholders as follows:

A) Shareholders

The Company places emphasis on the quality and sustainable business growth. Thus, it has conducted business with integrity, transparency, aiming to provide good services for customers’ satisfaction, which will result in value adding and maximum returns to its shareholders in the long run. All shareholders, both major and small shareholders.

The Company complies with a policy on equal treatment of both major and small shareholders by respecting their rights, and treat all of them equally, while operating business with honesty, integrity and transparency. The Company also manages its business to grow on a stable basis for sustainable

benefits of shareholders by carrying out efficient operation with good business performance, while disclosing information to shareholders appropriately, completely with standards under legal framework, ethical principles and good corporate governance practice.

B) Customers

The Company has committed to comply with the policy on treatment of customers, and requires that the directors, executives and all employees as well as employees of the subsidiaries and associated companies to strictly comply with such policy in order to focus on the development of customer's satisfaction and confidence and is committed to treat customers with integrity, honesty and fairness on the basis of a fair return to both parties, while delivering a quality product at a fair price as well as aiming to provide, develop and produce quality products to meet customers' demand with regular evaluation and improvement of the potential impact on customers. The Company also controls and ensures that its product has the quality that is up to the standards and requirements of the Consumer Protection Act or other relevant laws, and also provides effective after-sales service to the customers. Such policy has been disseminated to customers through the Company's website (www.supalai.com).

The Company focuses on building customers' satisfaction and trustworthiness. It has, therefore, implemented the quality management system, ISO 9001: 2008, an international standard mainly emphasizing quality management and customers' need. The Company pays attention to every step with the need for quality check up to the delivery of goods to customers, including servicing. The management is carried out in a preventive manner based on customers' satisfaction, which is of direct benefit to the consumers. It is also another alternative for the consumers to choose houses that undergo the management process under ISO standards. The Company has laid down its quality policy as follows: "Supalai Plc. puts emphasis on the continuous development of "quality" in the systems of planning, designing, construction, sales and community management, to be in line with legal requirements, professional standards and written agreements made with customers".

It has also defined the quality objectives by requiring various departments related to the quality system to set the quality objectives that can be assessed and practicable. Each department must communicate the quality objectives to the responsible persons in the unit for achievement of such quality objectives.

The quality objectives put into practice by each unit must be approved by the Chief Executive Officer and must be announced so that every unit can take them as work targets that will lead to the achievement of objectives of the quality policy as prescribed by the Company.

Supalai Public Company Limited is the first and only real estate Company in Thailand that receives quality management assurance under ISO 9001: 2008, covering planning, designing, construction, sale, and after-sale serviced as can be seen by many awards received as follows:

- The Company has been awarded with "Top 10 Developers Awards 2014" from BCI Asia Construction Information Co.,Ltd. and Future Arc Journal from which the Company received four time consecutively, that was in 2011 - 2014, and has been 1 out of 10 property developing companies of Thailand to receive such award. The award had been given by taking into

consideration the design and the development of the construction projects of the Company, which have been widely accepted by the consumers.

- The Company was awarded “BV Symbol of Confidence in International Standard of 2013” of Bureau Veritas Certification (Thailand) Ltd. (BVC). Such award has been given by taking into consideration the Company’s extensive, efficient, correct, beautiful and creative application of ISO 9001: 2008, which is the accreditation system of BVC, as part of the Company’s advertising media.
- The Company has been awarded with the “Excellent Property Development Project 2012” for Supalia Parkville Romklao–Suvanrnbhumi project and Supalai Park Yaek Tivanont project. Also, the Company received the “Excellent Property Development Project 2011” for Supalai Park Ratchapruek — Petchakasem Project from the Thai Real Estate Appraisal Research Center of Agency for Real Estate Affairs Company Limited. Such award refers to the “Worth Buying” projects, of which appropriate price, quality, location, materials, format and design as well as the environment of the projects are taken into consideration.
- The Company received “Thailand Property Award 2011” in the category of Best Affordable Condo Development (Bangkok)” for Supalai Park Yaek Tiwanon Project, and Supalai Premier Ratchada — Narathiwat — Sathorn Project from Property Report Magazine.
- The Company has been awarded with “Certified Energy Conservation Building Label 2011” by the Energy Conservation Building Promotion Project of the Department of Alternative Energy Development and Efficiency, Ministry of Energy, altogether 27 awards. As a result, Supalai is the only property developer that received the highest number of labels for 13 housing designs and it has been awarded with such labels two time consecutively, that is in 2009 and 2011 as the presenting ceremony has been organized every period of 2 years. In addition, based on such award, the Company has developed housing designs by focusing on energy-saving and environmental friendly for its customers in every Supalai project. In so doing, it helps conserve the environment and save the electricity cost, which is in accordance with the Company’s policy of “Green Design Standard”, or the design that is environmental friendly.
- Best Performance Awards for 2010 from the Stock Exchange of Thailand of which Supalai is the only company that received such awards in the group of market capitalization higher than Baht 10,000 million. The Company’s results of operation were outstanding in terms of net profit margin, return on equity, return on assets, net gearing. Furthermore, such awards would take into consideration the results of operation over the past 3 years in the areas of continuous growth, good corporate governance, compliance with the rules of the Stock Exchange of Thailand regarding disclosure of information, the outstanding figures of Return on Assets, Return on Equity, Debt to Equity, Return to Investors etc.
- The Company received the “Best Under A Billion Award” from Forbes Asia Magazine. Supalai is one of 200 companies to receive such distinguished award considered and selected among 13,000 companies in the Asian region, and 1 out of 9 Thai listed companies to receive this award as measured by the profits, growth rate, liability and future business opportunities.

- In 2009, the Company received the Living in Thailand Award of Excellence 2008 in the category of special Reader's Choice Award for Best Designed Property from Living in Thailand Magazine.
- In 2010, the Company has just received a Complementary Award of the "Urban Design Award 2009" at the organizational and professional level in the category of project for master planning of group of buildings for Supalai Casa Riva project from the Thai Urban Architects Association.

The Company has been committed to strictly comply with the contracts made with the customers. Fairness provided to the customers begins from the designing to respond to current demand of the customers, preparing standard contract specifying clear details of construction materials, and inspecting to deliver the house before ownership transfer and offering guarantees various arrangements have been done as follows:

- **Implement the quality management system, ISO 9001 : 2008**, the Company pays attention to every step with the need for quality check up to the delivery of goods to customers, and has also set up quality policy and ensures that the employees have been communicated for acknowledgment and compliance.
- **In designing the house** the Company takes into consideration benefit of usable areas and energy saving for maximum benefits. The Company has also designed model of the house for the disabled and the elderly as it has research and development department which has the duty to study the materials used by the Company. Therefore, a committee has been appointed for selecting each type of materials.
- **The standardized contract** : that is prescribed by the Land Allocation Committee and the Office of Consumer Protection Board has ensured that a customer who buys a house from the Company will be treated fairly from the step of making contract, because the Company will use the agreement to sell under the standard defined by the Land Allocation Committee and Office of the Consumer Protection Board. This is to prevent and solve problem in the past where house buyers would often be taken advantage by sellers in making contract, and caused buyers not obtaining the house as requested and could not bring legal action against the seller for contract compliance as easy as this standardized contract.
- **Clear specifications of construction materials** : in sale and purchase agreement the Company will attach the list of materials used in construction with the sale and purchase agreement for every customer. It will indicate what materials will be used for the house purchased by the customer.
- **Inspection before transferring ownership** : the Company will make appointment with customer in order to inspect and accept delivery of house before transferring ownership to the customer. If the customer finds any defect in the construction or is not satisfied with the construction because the standard is lower than the model shown in the project, the Company will make modification until reaching satisfaction before transferring ownership.

- **House guarantee** : the Company provide guarantee against any defect for further 5 years in the part of building structure, and guarantee for component part or equipment essential to the building within 1 year after the transfer of ownership. The Company aims to give customers satisfaction and confidence in the event where there are any faults or defects in the house delivered and with ownership transferred but still within guarantee period. Upon being informed, the Company will make correction repair until completion.
- **Customers' opinion survey** : the Company will give customers a form to survey their satisfaction after the transfer of ownership and after-sales services in order to improve its quality and service.
- **Regarding the complaints** : the Company has the channels for accepting complaints of customers such as by phone, suggestion boxes at site, Glass Bell Project (manage@supalai.com), Smart Center (1720), Website (www.supalai.com), etc. thus, the system has been set up to solve the problems for customers rapidly and appropriately; the information reported would be further used for making improvement and development of the Company's products and services.
- **After-sale services** : are provided for customers' convenience, such as acquisition of bank credits, authorization in order for the Company to act as the customers' representative for ownership transfer, etc.
- **Delivery of House Manual** : to the home owners for the purpose of maintaining different parts of the house after the transfer of ownership.

C) Employees

Employees are considered the highest valued resources, the Board of Directors has, therefore, laid down clear and tangible policy of employee treatment, in respect of remuneration and welfare. That is, the Company has committed to comply with the policy on Treatment of Employees, Policy on Remuneration and Welfare and Policy on Employee Development. The Company is fully aware that employees at all levels are valuable resource of the Company, which is a factor for success and achievement of the goals of the Company. Accordingly, it shall provide care and fair treatment in terms of opportunity, returns, appointment, transfer and trainings for the employees as well as encouraging them to show their potential in order to be part of a sustainable development of the organization. The Company is well aware of the importance of all employees regardless of which section or department they are working in without any discrimination, and focuses on creating a good working environment, safety, with appropriate remuneration for their work. Such remuneration has been considered to be paid at similar rates of the same group of industry and according to the operational results of the Company, that is, for the short term, it depends on the ability to make profits each year, while for the long term, the employees are provided with Employee Stock Options. This also depends on the considerations of the Nomination and Remuneration Committee and the Board of Directors. There is also good welfare to employees as well as the provision of innovation and new technologies to support their work as rewards to all employees operated for maximum benefits of the Company. Regarding development of

personnel, the Company is fully aware that employees are valuable assets. Therefore, it always emphasizes development of knowledge and ability for all employees in order for them to grow sustainably along with the organization. Various policies of the Company have been publicized on the Company’s website (www.supalai.com), for every employee to acknowledge and such policies are also included in every orientation of new employees.

The Company is well aware of the importance of its employees. It pays attention to and treats every employee of every level with fairness, both in terms of remunerations and welfares as prescribed by the labor laws. It also looks after employees and their family in emergency time based on loving kindness principles. Moreover, employees are given opportunities to be promoted along with the Company’s growth. The Company attaches importance to the potential reinforcing of its employees because it foresees that “personnel” is essential resource considered as Human Capital. They can push business operation forward to meet the targets, which will result in a sustainable growth of the Company. In this regard, the Company has conducted annual Opinion Survey under the slogan “Every valuable opinion means every growth and progress together with the Company”. In addition, due to continuous business expansion, the numbers of the Company’s employees, in 2014, are as follows.

Unit: Persons

Employee Level	Male	Female
Executives	6	3
Supervisors	84	50
Operating	335	313
Staff	47	100
Total	472	466

Moreover, for happiness to every employee, the Company has taken care of its employees’ welfare by adopting 8 categories of happiness in its workplace, they comprise;

1. Happy Body : Being healthy, both physically and mentally, knowing how to spend life, how to eat, how to sleep, with the following provided;
 - Sports Day, internal sporting event, and friendship games between the Company and the Press, and the Company and real estate business groups.
 - Fitness room, for employees to exercise before work, at lunch time, and after work.
 - Pre-employment physical examinations and annual health check-up.
 - Welfare for health care, dental treatment fees and accident insurance.
 - Medical care unit for employees who fall ill during work.
2. Happy Heart : To have a generous mind, with the following provided;
 - Service Award to the employees who provide constant heartfelt service, to instill in them service mind and to help build culture that leads to excellent service.

3. **Happy Relax** : To have a relaxing attitude towards life and work, with the following provided:
 - Supalai Club, to arrange various activities for employees, e.g. Sports Day, New Year Party.
 - Welfare such as staying at the Company's affiliated hotels.
 - Budget for external trainings and seminars with other organizations.
4. **Happy Brain** : Happiness from an ongoing study and development, leading to professionalism and advancement in the career, with the following provided:
 - The 1 Business Unit 1 IDEA Project, year 3, to promote creativity for development of the Company on a teamwork basis.
 - A learning organization by having set up a library for employees to acquire further knowledge, as well as allocating budget for annual training that is in accordance with the policies and goals of the Company. In addition, employees are continually developed under the plan to enhance their capabilities in working.
 - Scholarships for Bachelors and Masters Degree.
 - Study tour, both in Thailand and abroad.
5. **Happy Soul** : Happiness from one's wit and wisdom of the "Peaceful and Virtuous Path", that is to have faith in one's religion and to lead a moral life with a sense of shame and fear for wrongdoings, with the following provided:
 - Preaching by monks in respect of working with happiness.
 - Permission granted to employees to take leave for religious observances, e.g. ordination, undertaking the Hajj Pilgrimage to Mecca, Saudi Arabia, etc.
 - Arrange the Kathin Robe Offering ceremony.
 - Merit making on occasion of its 25th anniversary.
6. **Happy Money** : Knowing how to save, how to spend, how to live in a proper lifestyle, with the following provided:
 - Provident fund at the rate of 3-10% according to number of years of service, of which the Company will make contribution equaling the rate of the employee's savings as a tangible action taken by the Company to look after its employees in the long run, and also to build financial stability for its employees in the event of resignation, retirement, disability, or loss of life. This is to create a good relationship in the organization and to increase work motivation, as well as to ensure its employees a life of quality.
 - Allowance for employees, namely, funeral benefits, wedding allowance. allowance for employees and families upon difficulties in various matters.
 - Provide knowledge to employees on how to plan their savings and make financial investment.
 - Distribution of employee uniforms to help reduce cost of living.
 - Shuttle bus for employees between the Company and BTS stations.

7. Happy Family : Having a warm and secure family, with the following provided:

- School scholarships for employees' children with outstanding academic performance. In 1996, 3 top executives of the Company, i.e. Mr.Prateep Tangmatitham, Mrs.Ajchara Tangmatitham, and Mr.Atip Bijanonda, had added up their personal money amounting to Baht 3,000,000 to set up a fund for employees. Scholarships have been given to children of the employees of the Company and subsidiaries, who are in school age (primary to higher education levels), with average school-record of not lower than 3.00, without any limitation on the number of child applying for the scholarship. In 2014, scholarships had been awarded to employees' children in primary level amounting to Baht 2,500 each, secondary level of Baht 3,500 each, and higher education level of Baht 5,000 each. From 1996 up to the present, 864 scholarships have been awarded to employees' children with good school-record, totaling Baht 2,032,000.



- Employees are provided with special privilege in buying residential places under the Company's and its subsidiaries' projects with special discount. This is to provide a chance to employees to have their own houses or to expand or change residence proper to the family size.

8. Happy Society : Creating a good society with happiness, love, harmony and kindness, with the following provided:

- Coaches to train new employees.
- Activity during Songkran Festival by organizing pouring water ceremony for the elderly.
- The Company has the policy to strengthen the love and bonds between its employees and the organization according to the "Promote from Within" & "Recognize" policy, for long year-of-service employees. There has been recognition event and awards given to employees with 5, 10 and 20 years of service. Furthermore, it has emphasized to the employees to behave in a good and virtuous way so as to be quality persons of the society. They are encouraged to participate in religious observances, e.g. meditation, study tour to the Land of Buddha, the four holy places of Buddhism in India, etc. Employees with good potential are also promoted under the "Outstanding Employee of the Year" Program and "Service

Award” Program, to instill in them service mind and to help build culture that leads to excellent service, and the “Excellent Creative Award” in order to build an innovation organization.

- For training courses, the Team Learning & Development has been organized by giving a course on “Supalai Way to Excellence”, under the program for efficiency development and boost up of neo - working power under Core Competency, for behavior change and reinforcement of new working culture. Every employee is encouraged to have good attitude and conscience towards oneself, colleagues and the organization by way of self potential development, both physically and psychologically. There is a combination of team building and supporting to develop a team with attitude, knowledge and skill in the same direction.

In addition, employees are encouraged to fulfill their potentials for greater efficiency to increase competitiveness. There is Employee Development Plan (EDP) carried out in the direction that is in accordance and connected with business strategy. It is considered by the Company as a key policy and implemented continuously. Employees are encouraged to learn new things, as well as to practice necessary skills in order to increase their capability. Support is provided to employees of all levels so that they can obtain knowledge to enhance their efficiency. The Company has implemented the Competency system for personnel development of knowledge and ability, as well as to accumulate knowledge, skill, personality and desirable attitudes proper for the positions. The Company has communicated to every employee of every level to have a right way of thinking and right attitude with understanding in the principles and philosophy on Core Competency. The activity for Team Learning & Development has been arranged under the program for development and increase of efficiency and neo workforce based on its Core Competency to bring about change in behavior for the building of new work culture. In 2014, the average training course for employees are 1 course / per person / per year. The information on employee training is as follows.

	Average numbers of hours/person/year
Information on employee training	
Average numbers of training hours (hrs/person/year)	23,50
Average numbers of training hours classified by sex	
Female	22.0
Male	25.0
Average numbers of training hours classified according to employee level	
Executive level	30,50
Employee level	23,50

The Company provides several channels for upward communication from employees of every level to the top management as follows:

- Suggestion box, the top management will answer every question via email to every employee.
- Site Visit by the top management and Human Resource Department to look after the employees, both in terms of work and daily life.
- Meeting program between employees representatives and the management to exchange opinions and suggestions in respect of the operating process of the Company.

The Company had also promoted employees with excellent performance by selecting the outstanding employee of the year. Employees with employment period of 5, 10, 15, 20 and 25 years, considered as valuable resource of the Company, were granted awards, to encourage their love for and committed to the Company. Moreover, the HRMS system has been implemented in the Company to raise the capabilities and efficiency of personnel management and human resource development.

- **Management** : guidelines for the organization's risk management in the new era, human resource management for supervisors, performance management system, quality management system (ISO 9001:2008), etc.
- **Change of behavior** : to create a shared value for employees of every level and every project to have a servicing culture to move forwards to achieve Supalai — Service Excellence, Supalai Way Activity, to build up unity among employees. The Key Performance Indicator (KPI) had been used to assess individual performance, causing employees to have work targets with a fair assessment in place, etc.
- **Increase of efficiency** : to make all the works performed with consistency until achieving the goals, the Company has laid down the Supalai-7 R policy to increase efficiency of its teams. The Supalai-7R strategy is an idea to build up efficiency of every department concerned, both internal and external, sharing the same objectives and targets, comprising:
 1. **CSR (Corporate Social Responsibility)** : Supalai and the society, by aiming at corporate social responsibility and returning of profit to the society, building relations between the society and Supalai, making the Company to be talked about with better image.
 2. **PR (Public Relation)** : Supalai and the media, e.g. public and media relations, by focusing on building good relations with the public and mass media, making familiarity between the management and the media with the wish to make the media a part of the organization in a constructive manner to strengthen cooperation.
 3. **CRM (Customer Relations Management)** : Supalai and customers, by aiming at better relations between the Company and its customers by organizing various useful activities for customers' satisfaction.
 4. **ER (Employee Relation)** : Supalai and employees, by emphasizing good relations with employees to make every employee live and work in unity like family members and enjoy their work

5. IR (Investor and Shareholder Relation) : Supalai and shareholders, by creating better understanding among shareholders and investors so as to be better informed about the Company in order to have a positive feeling about the Company and become long-term shareholders. The Company also aims for operational results satisfactory to investors and shareholders
6. SCR (Supplier Contractor Relation) : Supalai and suppliers and contractors, by attaching importance to suppliers by treating suppliers and contractors with fairness and sincerity to obtain good returns and trust.
7. GR (Government Relation) : Supalai and relevant government agencies, by emphasizing relations between government agencies and the Company for coordination and flexibility; the Company complies with laws and regulation, and provides cooperation, both directly and indirectly.

In this regard, the Company has focused on reinforcement of good culture and working environment and treated every employee equally. There has been Code of Conduct for directors, executives and employees, while Supalai magazines are issued monthly. To make its employees respond to the Company's vision and mission, the Company has therefore adopted the annual motto of 2015 as follows: "Charms of Supalai People ● Clean and tidy ● Friendly ● Courteous ● Sincere ● Service minded"

D) For Trading Partners

The Company has committed to comply with the policy on Treatment of Trading Partners, it has the policy to treat its contractors, trading partners, vendors and financial institution creditors equally with fairness, whereby directors, executives and all employees as well as employees in the subsidiaries and the associated companies are required to strictly comply with such policy, by taking into account the best interests of the Company, while focusing on fair returns to both parties by avoiding situations that cause a conflict of interest. It shall also comply with contractual obligations by providing accurate information and correct reports. Any negotiation to solve problems and find solutions shall be based on the business relationship. The Company has supported the construction contractors on a continual basis to boost the morale and to encourage them to create quality work products.

The Company has committed to comply with the policy on Treatment of Creditors, whereby directors, executives and all employees as well as employees in the subsidiaries and the associated companies are required to strictly comply with such policy. The Company is committed to conducting business in a fair manner in order to create trust among creditors. The Company is committed to maintaining a sustainable relationship and mutual trust with the creditors. The Company is committed to strict compliance with the conditions of the creditors regardless of whether it is the objective in spending the money, repayment, maintaining of quality of collaterals and any other agreed matters made with the creditors in order to achieve mutual benefits. In the case of non-compliance with any of the conditions, it shall inform the creditors promptly in order to jointly solve the problems by applying reasonable principles. The Company shall not do any dishonest act against the creditors. The Company treats its counterparties/creditors as follows:

- The Company strictly complies with various agreements and conditions. In the event where the Company cannot fulfill any one of the conditions, it will inform the creditors promptly in order to jointly find a solution based on rationality.
- The Company strictly follows the conditions made by its creditors, regardless of whether it is about the spending objectives, repayments, maintaining of quality of collateral, guarantee conditions, capital management, payments for goods, and any other matters agreed with its creditors in order to achieve mutual benefits.
- The Company has adopted as its policy, requiring employees whose work is to contact with suppliers to be fair-minded. In particular, employees must not receive or demand any benefit from suppliers or potential suppliers, which may affect the fair assessment or consideration in purchasing and price. This has been indicated in the Code of Conduct to be strictly complied with by the directors, executives and employees. Before making any purchase order such as construction materials for house, suppliers that are the Company's counterparties must propose quotations first so that the Company can compare for the best proposals and terms.
- The Company attaches importance to the payment of goods by making payment upon due date as agreed. However, in some cases where a supplier needs to receive payment before due date and agrees to give discount, the Company is willing to provide assistance if it has adequate liquidity and in a position to do so.
- It is the Company's policy to treat contractors as business partners, while adhering to contract or agreement mutually made under requirements of the law. In order to obtain mutual benefits in operating business between the Company and its trading partners, the Company has followed the policy to select the contractors (trading partners) on a fair basis with transparency and strictly complying with trading conditions. It also jointly considers and solves the problems with the contractors on a regular basis, for instance, the Company normally employs the contractors by providing a lump sum for the materials and the labor cost, however, in case of shortage of materials, the Company has leverage potential to assist the contractors to procure material supplies for maximum benefits in the joint business operation. In addition, the Company provides privilege to the construction contractors having worked for the Company for a long time to carry out construction work in the provincial projects in order to have work continually.
- The Company has organized events to express its gratitude to the contractors and presented the award to the role model contractors under the concept "Joint Labor and Spirits of Supalai & Contractors" in order to strengthen mutual relationship and boost the contractors' morale so as to create continual constructive work.
- The Company has also coordinated with the banks to provide support of credit lines to the contractors so as to have supplement liquidity and capacity in expanding work.

- The Company has also supported the contractors to have an opportunity to expand or change the residence by providing privilege to contractors building houses in the Company's projects to buy Supalai's houses or the houses of its subsidiaries at the discount rate of 10% from the maximum reduction price sold to the general customers of each project.
- The Company has offered a chance to new contractors to jointly work with the Company in order to create quality work. To obtain more information, such contractors can contact the Company at 02-725-8888 ext. 310 on work days of Monday-Friday.
- To jointly find a way, to develop and test materials in cooperation with the manufacturers to ensure that all materials used for construction possess the qualifications as specified.
- Taking into consideration fairness to financial institution creditors : when the economic crisis broke out in 1999, the Company had entered into the debt restructuring process with the Office of Corporate Debt Restructuring Advisory Committee (CDRAC) of the Bank of Thailand, and completed the debt restructuring in 2002, with every creditor receiving the principals in full. As such, the Company gains trust from financial institutions which continue their support to the Company in many projects.

The Company has informed its trading partners of such policies and disseminated them on the Company's website : www.supalai.com

E) Competitors

The Company has committed to comply with the policy on Treatment off Competitors, whereby directors, executives and all employees as well as employees in the subsidiaries and the associated companies are required to strictly comply with such policy.

- Whereby the business operations shall be conducted under the free and fair competition framework and shall not seek trade secret of the competitors by fraudulent, dishonest, inappropriate, immoral or illegal acts.
- Regarding its competitors, the Company shall not do any act to cause damage to the reputation of the competitors by accusing, defaming or using any tactics without grounds; and shall not do any act to violate intellectual property rights and copyrighted works of others or competitors; and shall not conduct monopoly with its trading partners or suppliers. The Company has never had any dispute regarding trading competitors.

Such policy has been publicised on the website of the Company (www.supalai.com).

F) Community, Society, Environment, and Safety

Community and Society

The Company has committed to comply with the policy on Responsibility toward Community, Society and Environment, whereby directors, executives and all employees as well as employees in the subsidiaries and the associated companies are required to strictly comply with such policy. The Company is committed and attaches importance to business operations with the responsibility towards communities,

society and the environment in order to achieve sustainable development in terms of economic, social and environmental aspects by taking into account interest of related stakeholders in the project area as well as the society in general. This is to return benefits to the community, the society and the environment on a sustainable basis.

Over the past 25 years, the Company has committed to operate business while giving back to the society on a regular basis according to the slogan "Supalai...We Care for Thai Society" in order to return profits to the society. The Chief Executive Officer of the Company has initiated that "the return of profits to the society of business organizations is important part of corporate governance, that is, it is mutual responsibility to care for and develop the society to have good quality continually in addition to the creation of good environment for the community. Guidelines for the creation of society of Supalai focus on the provision of knowledge because knowledge can be a base for developing and improving the quality of life for personal and family benefits as well as the benefits for the society in general. Accordingly, providing knowledge is an extraordinary great contribution for happiness of the society better than providing any other factors or things. That is the source of "Saeng Prateep" Project, it is a project to create light and illumination for the development of quality of life. It is a non-profit project of which activities comprise

- Free trainings and seminars for the public relating to health, dharma (religious teachings), arts, finance and investment. In 2014, the seminars conducted were, Ways to Richness through Crisis, Non-Secret Tips to Find Best Stocks to Become a Millionaire in the Latter Half of the Year, Complete Change in Lifestyle, Tips to become Great Photographer Like a Pro, Tips for Body Shape Up and Health with Towel Yoga. Also, photo and writing contests had been organized under the topic "Happiness in Supalai", so that every family in Supalai projects could share the happiness in Supalai.
- Educational activities, in the past, the Company, having recognized the importance of education for Thai children, has provided support for the development and improvement of classrooms, school buildings, libraries, dormitories in many schools in rural areas at primary schools, secondary schools and universities, for instances, the Company provided Baht 2 million to the Department of Architecture and City Planning of Thammasat University as support for preparing classrooms, and Baht 2 million to the Department of Architecture of Chulalongkorn University and more than Baht 2 million for establishing a museum of Suankularb Witthayalai School and the National Education Museum, etc. Furthermore, the Company has, jointly with the University of Illinois Alumni Association Thailand Chapter, arranged visits to schools in remote areas and made donations to these schools, i.e. money, computers, books, educational materials, sports equipment, school uniforms, medical equipment. On the occasion of its 25th anniversary, the Company has played a part in constructing and renovating school buildings, toilets, washbasins. In 2014, these activities had been organized by the Company for Baan Hin Kong School, Sa Kaeo Province, Baan Huai Poon School, Surin Province, Baan Khok Klang Nong Lai Phitthaya San School, Khon Kaen Province, Wat Kukham Municipal School, Chiang Mai Province, including donation of money and medical equipment to Wat Kukham also in Chiang Mai Province.

- **Art and cultural activities**, the Company had organized “Creative Power” art exhibition, of which all the proceeds from selling art works of Baht 2,491,414 was presented to Her Royal Highness Princess Mahachakri Sirindhorn for the charity of the Thai Red Cross Society. In addition, sculpture contest had been organized to celebrate its 25th anniversary of success, under the topic of “Happiness, Love, Prosperity” to win a total cash prizes of Baht 2,100,000.
- **Activities on production of media for worldly and Dharma knowledge**, the Company has produced books of which the contents are tips for leading daily life and Dharma song verses called “Mong Kwang, Kid Klai, Faisung” (having wide perspectives, thinking far with high ambition) to be given to customers and the general public, and the books named “Getting Rich with Sustainable Happiness” were published at the expenses of the Company, and all the proceeds were donated to the Thai Red Cross Society.
- **Social activities**, the Company had provided life saving bags to mitigate difficulties to victims of disasters in many places and donated money to the “Capital Market Joined Forces to Help Victims of Flood” Foundation to help victims of the floods in a total amount of more than Baht 10 million. In addition, the Company had provided “Rurul Home for Farmers” designs to be given to interested farmers free of charge.
- **Activities to promote family institution**, the Company attaches importance to the promotion of good relations in the family on a continual basis in order to reinforce the foundation of Thai society by organizing activities for love bondage to strengthen gratitude to parents, etc.
- **Health activities**, the Company has invited the team of medical doctors and nurses from leading hospitals to provide free health check up to Supalai customers’s family and the general public, and organized annual activities for blood donation at the Company’s main office.
- **Community development activities**, such as the improvement of road along Klong 4, donation of garbage collection truck. Installing pipe under the road and improving Soi La Sale, installing water drainage pipe and clarifier in the area of Soi Paholyothin 4, donation of operating equipment to the police stations.
- **Religious activities**, the Company has improved the landscape in the areas of temples, mosques for safety and shady areas comfortable for people visiting religious monasteries.
- **Medical check up**: The Company will invite physicians and nurses from leading hospitals to provide medical check up free of charge, and to give medical knowledge under interesting topics, with seminars on health and alternative medicine. The Supalai family and general public can participate in such activities.

- Activity to strengthen family ties
 - Mother's Day activity : Every August will be the national Mother's Day festival. Therefore, the Company organizes every year an activity to return profit to the society under the concept of "Mother-Lovers Gathering". All of the Supalai Families of every project and the public can join the activity to build up a good relationship among the Supalai Families.
 - Bonds strengthening activity : for example, meditation to strengthen family ties, activity to strengthen bonds of affection to increase gratitude towards one's parents.
- The Company has transferred knowledge through activities which are beneficial to the society in various forms, such as seminars to provide knowledge to the general public without having to pay for any expenses. It also has organized the activities to distribute life saving bags to the flood victims, the big cleaning day to clean various projects of the Company after the floods. In addition, activities have been organized for members of the projects with an objective to promote a warm Thai society with good family relationship.
- Provides support services to customers in the housing project in term of safety, cleanliness and beauty and the perfect establishment of Juristic person for housing project to satisfy residential customers and help promote a good image since the Company recognizes that living in a society with good environment will inevitably affect the quality of life of the residents in the community. As a result, the Company emphasizes creating Supalai society with good quality in order to a warm and safe society by focusing firstly on building strong relationships within the family and cultivating good attitude toward the family so as to be a good foundation for society as a whole. The Company, therefore, organizes an event that instill gratitude to the parents, or events that continuously help strengthen relationships within the family such as mindfulness - meditation, new year activities that promote the activities of family members, etc. Supalai cares not only for the Supalai residents but also for the residents of nearby areas starting from the development of the site from the beginning of the project, thus, there is a schedule for security check and prevention of various effects that may occur to the residents living in surrounding areas due to the construction. One aspect demonstrates the importance on taking care of Supalai residents is having various communications channels leading to the development of products and services in order to importantly achieve maximum benefit and satisfaction of our customers. The available communication channels are used for relating happy story or information or send feedback through community project officer, executive officer of the community and at the headquarters. Contact can be made at 02 725 8888 ext 553, 557, Smart Center at 02 725 8899 ext, 1720, or www.supalai.com, project comment box and "Glass Bell" project.

Due to the policy of Supalai Public Company Limited which focuses on conducting real estate business on a continual basis along with participation in the creation of Thai society under the concept of "Supalai.....we care for Thai Society", emphasis has been placed upon a variety of activities organized

every year as from its establishment up to now so as to return profits to the society. Being aware of Corporate Social Responsibility (CSR), several activities with benefit to the society had been organized in several forms. Moreover, the Company has defined in its policy regarding the responsibility to the community, society and environment, the instilling of sense of responsibility for the environment into its employee, and has continuously organized environmental training for them.

Environment

As regards the use of resources, the Company has also observed the policy on efficient use of resources, whereby the directors, executives and all employees including employees of the subsidiaries and associated companies are required to strictly observe this policy as currently, natural resources are diminishing; the Company, therefore, focuses on raising awareness of the employees to make the most effective use of resources in order to further create the habit and apply at home. This by-product is also expected to result in more efficient use of resources at national level. Such good habit would be passed on to the younger generations and be a role model for the future. This habit will lead to the concept of “thinking before using” and will further help create the saving habit. The Company has applied various methods to create awareness on the use of resources, such as affixing stickers, conducting public relations, exhibition boards and providing knowledge through trainings under the theme “3Rs-Reduce, Reuse, Recycle” in order to achieve effective utilization of resources and reduce energy in irradiating waste, reducing pollution and reducing greenhouse gas emissions.

The Company is committed to comply with all the laws relating to environmental protection and all the laws relating to health and safety, and therefore requires that all employees do the same. It also provides knowledge on the environment, health and safety to the employees and the general public in order to be applied at the office and extended to the outsiders. The topics of the trainings comprise “Saving Energy of the Company” and “Producing Household Products”, which can be naturally decomposed and not adversely affect the environment.

In addition, the Company encourages and provides supports for the design, research and development of products in order to conserve the energy and the environment by applying the principle of polluter paying the costs in order to encourage the reduction of pollution and reduce the burden of the society according to the environmental governance. The Company also encourages its directors, executives and employees including employees of its subsidiaries and associated companies to use resources efficiently by adopting relevant policies, such as policy on the use cars, electricity, air conditioners, office equipment and water as well as the policies on reducing waste and recycle. Such policy has been publicised on the website of the Company (www.supalai.com).

The Company focuses on creating awareness of environment and safety among employees and relevant departments as follows:

- Under the concept “Supalai Save Our World Save Your Money”, the Company has initiated the development by designing environment and energy-saving homes and buildings by means of natural passive cooling, while preparing for mechanical cooling and active cooling as integrated elements as option to reduce the use of energy for air-conditioning,

reduce lighting by electricity and other appliances where the construction cost remains at similar level as those of general houses in the market. As a result, the pricing is cost-effective with appropriate use and saving the cost of electricity. From the energy-saving concept, each Supalai project is similar to Eco Land that helps reduce global warming.

- **Tree Conservation and Deforestation Reduction:** To acquire land for project development, the Company would conduct a survey of the area. If it is found that there are trees that can be used for landscape design within the project, the Company would uproot such trees for further transplanting, in recognition of the value of tree conservation and also to maintain physical environment of the area. The Company can reduce the cutting down of approximate 200 - 500 trees each year. Such action has been done not only to conserve the environment but also to provide a shady place of living to customers buying houses in the Company's projects. In addition, the shareholders receive greater returns on investment due to the Company's ability in cost control.
- **Environmental impact study** in accordance with the Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment, although the process of public participation is not mandatory, the Company has resorted to meetings to listen to the public opinions in the area which are expected to be affected by the operation of the Company. That is, there is a preliminary inquiry of all houses in expected area of the project, the information shall be then analyzes to clarify the understanding of the issues and concerns as well as adopting mitigation measures for the expected effects which may occur and to inform the public in such areas for participation in the public hearings. All meetings are opened to the public to be able to fully express their opinions, particularly regarding specific measures to mitigate the environmental impact that the Company has gathered from the preliminary inquiry. If the people are not satisfied, the measures will be modified in order to meet the needs of the people. In case of doubt by the community or group of people, or they think the environmental mitigation measures are inadequate, the Company will not disregard but will hold a Focus Group in order to listen to the concerns of the community or a specific group to find ways to mitigate the impact on the community or concerned group properly and satisfyingly.
- **Educating employees and the public on environment**, such as energy savings in the Company by improving landscape around the fire exit stairs in order to persuade employees to use the stairs instead of the elevator, preparing the products for household use, which are naturally decomposed and environmental friendly.
- **Preventing pollution during the construction**, during the construction, the Company has installed fences and canvas to cover the building to reduce noise and dust, closed working area in order to decrease the volume of dust and noise and installed dust and sound level meter as well as cleaning the wheels of vehicles before leaving the project site to prevent any soil attached.

- Environmental conservation activities, the Company has planted mangroves, released sea turtles for ecological abundance, grown traditional plants in Thai literature at Ban Pang Samakkee, Kaeng Khoi District, Saraburi Province.
- Providing a security supervisor on-site for every project in order to conduct functional analysis, monitoring, supervision, and support in terms of security.
- Activities relating to safety of life and health of the employees and customers, such as 5S activities for the employees by adopting the 5S policy while monitoring the implementation of such policy annually. The Company has also provided trainings on safety and annual fire drills for all employees and customers renting the building spaces, etc.
- Environmental improvement for safety to life, health, property of its employees and customers, e.g. activity of 5S campaigns (Clearance, Convenience, Cleanliness, Hygiene, Habit Making), annual fire-drill for all employees and customers renting the spaces in the building, taking into consideration the safety, health and environment, whereby:
 - In 2012, as the owner of Supalai Grand Tower, the Company received an award for “Safe Building, a Comfort to All” from Bangkok Metropolitan Administration, as the building with safety management system, a complimentary award in the project for increasing of participation in home and building safety by Public Works Department of the Bangkok Metropolitan Administration.
 - In 2012, the Company received a plaque under the “Thai Join Hands for Clear Canals” Project from the Prime Minister, who presided over the award giving ceremony on the occasion where the Company was a real estate company that participated in the project for sustainable saving of canals.
- Various campaigns in the Company, e.g. reducing global warming with our hands, turning off lights every time after use, turning off computer screen at lunchtime or whenever it’s not needed, using stairs instead of lifts, using both sides of the paper, reducing hardcopy document transmission by changing to transmission via computer instead, donating of aluminum to create prosthetic limbs and crutches, etc.
- The Company has disclosed its information on CSR practices in accordance with the Corporate Governance Report of Thai Listed Companies and assessment criteria of CSR in Process, which have been used by the Company as guidelines for disclosing of information according to the business nature of the organization.

The Company and its subsidiaries have not been investigated or under investigation by any authorities regarding the practices of the Company or its subsidiaries, in respect of any violation of social and environmental laws. It has also never taken part in or been accused of undertaking business in such a way that create adverse effect on the society and the environment, either in the news published in the media or in the case that might significantly affect business operations, reputation, or trustworthiness of the Company or its subsidiaries.

Safety, Occupational health and Environment in working

As regards safety, the Company has complied with the policy on safety, occupational health and environment in working, whereby the directors, executives and all employees including employees of the subsidiaries and associated companies have strictly complied with such policy. Having attached importance to the safety, occupational health and environment in working, the Company is committed to improve its operations in terms of safety, occupational health and environment on a continual basis. Activities on safety in working have been encouraged and supported, while monitoring and evaluating the policy implementation for maximum efficiency.

The Company has set up the Committee on Safety, Occupational Health and Workplace Environment, comprising 11 members, in accordance with the Notification of the Ministry of Labor and Social Welfare, Re: Committee on Safety, Occupational Health and Workplace Environment, requiring a workplace with 500 employees or more to set up a committee of not less than 11 members, comprising the employer or his/her representative as chairman, 4 representatives of supervising level and 5 representatives of operating level as members, with the work safety officer as member and secretary. The committee members of supervising level were selected by the employer. The selection of committee members of operating level was in accordance with the Notification of the Department of Labor Protection and Welfare, Re: Rules and Procedures for Election of Committee Members Representing Employees. The employees at operating level of at least 3 but not more than 5 persons, who do not wish to apply for the election, shall be appointed as the election committee to conduct the election of committee members at operating level. In 2014, the Company's arrangement regarding safety can be summarized as follows:

- Organizing meeting on safety once a month.
- Inspecting the safety of work area, whereby members of the Committee on Safety, Occupational Health and Workplace Environment are divided to perform such duties. The inspecting results would be considered in the meeting, with follow-up made and advice given if it was found out that the correction method used was not suitable.
- Giving advice and/or order for correction of work condition that might cause danger according to the monthly report on unsafe work condition.
- Giving advice and/or order for solving of accident problem according to the report on accident project.
- Organizing training on Occupational Safety, Health and Work Environment for employees at supervisor level in order to increase knowledge, ability, and to create self-awareness for supervisors and their subordinates.
- Arranging for an annual fire-drill jointly with Supalai Grand Tower.
- Launching a campaign: turn off the lights, unplug appliances and office equipment during long holidays to prevent accident from shortcut to electricity.

- Launching a campaign for safe driving every long holiday to prevent car accident, including a campaign for every employee on prohibitions in driving to raise awareness for safe driving.
- Launching a campaign for self protection from disease, e.g. dengue fever, influenza and physical exercise to reduce office syndrome etc.

In addition, the Company had reported the statistics on accidents in the report of professional level of the work safety officer in accordance with the Notification of the Ministry of Labor and Social Welfare, Re: Work Safety of Employees, which done on quarterly basis. In 2014, the statistics of accident, sickness, and absence from work are as follows:

Summary statistics of accidents, sickness, and absence from work for 2014

Details		Male	Female
Employees injured from accident	(person)	1	-
Numbers of days taken for sick leave	(day)	849	666
Numbers of employees on sick leave	(person)	224	141
Numbers of days of absence without leave	(day)	442	205
Numbers of employees absent without leave	(person)	149	106

G) Economy of the Country

The Company places emphasis on operating business with social and environmental responsibility in order to create simultaneous sustainable social and economic systems of the country, whereby:

- Commitment to be good business operator, the Company has the policy to pay tax in a correct, complete and timely manner since its establishment in order for the country to use for development of housing, occupation, convenience, safety and prosperity of the country. In 2012, the Company receive “Ratsadakorn Pipat” award or “Quality Taxpayer of 2011”, an award given by the Revenue Department, Ministry of Finance, under the policy “Right, Proud, for the Nation”. The award was given to the taxpayers who deserved praise because these organizations or individuals were good citizens of the land, paying taxes correctly, fully, willingly, and honestly. They were exemplars for doing good things and building confidence to the public, various entrepreneurs, entities and organizations, making them aware of the benefit of taxpaying, which would be further used to bring about prosperity and security to the country.
- Generating income in the area of real estate development projects, the fact that the Company has developed the project in neglected and untidied land to be housing or condominium projects has supported the surrounding communities to have better livelihood as some projects have helped develop the drainage systems and access roads as well

as new business, new jobs, new occupations such as laundry and convenient stores, gardening, hairdressing, etc

- Developing energy-saving houses, the Company has received the Excellent Energy-Saving House Award and Energy-Saving Building Label, which indirectly help the country save cost for acquiring energy sources, such as,
 - In 2005, the Company received an Outstanding Award for “Excellent Energy Conservation House” for Supivat design in the category of small detached house of Supalai Orchid Park Watcharapol project and Supakarul design in the category of medium size detached house of Supalai Orchid Park 3 project from the Department of Alternative Energy Development and Efficiency, Ministry of Energy.
 - In 2007, the Company received a Good Award for “Excellent Energy Conservation House” for Supavat (new) design in the category of small detached house of Supalai Garden Ville Outer Ring Road Pinklao-Rama 5 project, and for the Supatarin design in the category of medium size detached house of Supalai Suvarnabhumi project from the Department of Alternative Energy Development and Efficiency , Ministry of Energy.
 - In 2008, the Company received a Good Award for “Excellent Energy Conservation House” for Supanuch (special) design and the Supadarul (new) design in the category of small detached house of Supalai Garden Ville Outer Ring Road Pinklao-Rama 5 project from the Department of Alternative Energy Development and Efficiency , Ministry of Energy.
- The development of low-cost houses for low and middle-income people, the Company sees the sufferings of low income people, and has, therefore, joined the Board of Investment (BOI) project to develop good quality houses at reasonable prices for lower and lower-middle income people, which comprise a sizeable number in the society.

H) Government Agencies

The Company has complied with the laws and strictly reported on such compliance, be it the tax payment and other expenses according to the regulations and rules prescribed by the state sector, and provided cooperation and support in implementing the state policies for the benefits of the country. It is also committed to carry out projects beneficial to the public, either being assigned by the state sector or initiated by the Company itself.

The Company has no operation that is in violation of the laws regarding labor, employment, consumers, trade competition and environment; it also has not been subject to any action by regulatory agency due to its failure to publicize information on significant event within the time prescribed by the authority.

In this regard, the Company has arranged in place channels for stakeholders to communicate, make suggestions, provide information useful to the business operation, or to lodge complaints against improper actions, directly to the Board of Directors. The channels of receiving information or complaints, right protection of the information providers, information related to the persons making complaints are

kept confidential, with the access to information allowed for those responsible for complaints examination only. The Independent Directors will consider the matter and report to the Board of Directors. The various channels are as follows; Supalai Smart Center, tel. 1720, 02-725-8899, "You call, we care", or Website: www.supalai.com or project opinion box. In addition, the Company has, in 2014, received the Consumer Protection Thailand Call Center Award 2014 from the Office of the Consumer Protection Board (OCPB).

Chapter 4: Information Disclosure and Transparency

The Company has a policy to disclose the information to the investors and all groups of stakeholders on an equally basis by disclosing accurate, complete and transparent information in a timely manner. Such information includes the information on finance, results of operations, future directions of business operations and other information in order that the shareholders and all groups of stakeholders to be able to have access to the Company's information conveniently, promptly and in a timely manner.

4.1 Shareholding Structure

The Company has clearly disclosed the structure of shareholders with most updated information so that the users of the information are able to have access to the true information of the Company by presenting details of the structures of the major shareholders and the proportion of the small shareholders. In addition, the Company has no policies that allow one company and two other companies or more to hold each other's shares to take advantage of business clusters or to create structures of the group of companies. (Please see details under topic "Overall business operations of the Company and its subsidiaries" and "Chart of Shareholding Structure of Companies Group"

4.2 Disclosure of Attendance of Each Director at Board of Directors' Meetings

In 2014, the Company organized the Board of Directors' meetings and Sub-Committees' Meetings, whereby the number of attendances of each director has been disclosed as follows:

Director's name		Board of Director (12 Meetings)	Risk Management Committee (1 Meeting)	Audit Committee (12 Meeting)	Nomination and Compensation Committee (2 Meeting)	Corporate Governance Committee (1 Meeting)
Mr. Prateep	Tangmatitham	12/12	1/1*	-	-	-
Mrs.Ajchara	Tangmatitham	12/12	1/1*	-	-	-
Mr.Tritecha	Tangmatitham	12/12	1/1	-	-	-
Mr.Prakit	Pradipasen	12/12	-	12/12	2/2	-
Mr.Prasob	Snongjati	11/12	-	-	2/2	1/1
Dr.Virach	Aphimeteetamrong	12/12	-	-	2/2	1/1
Mr.Anant	Gatepithaya	12/12	1/1	12/12	-	-
Assist.Prof.Aswin	Bijayayodhin	12/12	-	12/12	-	-
Mr.Atip	Bijanonda	12/12	1/1	-	-	1/1
Dr.Prasas	Tangmatitiam	11/12	-	-	-	1/1
Mr. Krid	Chancharoensuk	8/8 The Annual Ordinary General Meeting of Shareholders on 22 April 2014 approved to elect him to be new director				

Remark : These two directors are change position from Director of Risk Management Committee to Adviser of Risk Management Committee. The Board of Directors 1/2015 on 13 January 2015 approved.

4.3 Report on Direct and Indirect Holding of Securities of Directors and Executives

The Company has put in place the supervision of the use of inside information by requiring that its directors and executives submit the list of their securities holding including those of their spouses, children who are minors and related persons and report on changes of the list to the Office of the Securities and Exchange Commission within 3 day from the date of purchase, selling, transferring or receiving the transfer of the securities. This is to comply with Section 59 of the Securities and Exchange Act 1992. The directors and executives are also prohibited from buying and selling of the Company's securities during the period of one month prior to disclosure of financial statements to the public and forward the report on selling and buying of Company's shares to the Company Secretary to keep as evidence.

In 2014, the company arrange to prepare a report on direct and indirect securities holdings of the directors and executives and also changes in securities holdings of directors and the first 4 executive officers at to the Board of Directors' meetings for acknowledgement 4 times in January, April, July and October. The details are as follows:

Report on Holding of Securities of Directors and Executives as of 31 December 2014

Name – Surname	Number of Share			
	As of 31 December 2013	Acquired during year 2014	Disposed during year 2014	As of 31 December 2014
1. Mr.Prateep Tangmatitham and spouse	484,004,244	-	-	484,004,244
2. Mrs.Ajchara Tangmatitham and spouse	484,004,244	-	-	484,004,244
3. Mr.Tritecha Tangmatitham and spouse	-	-	-	-
4. Mr.Prakit Pradipasen and spouse	-	-	-	-
5. Mr.Prasob Ssongjati and spouse	380,533	-	-	380,533
6. Dr.Virach Aphimeteetamrong and spouse	2,461,466	-	(30,000)	2,431,466
7. Mr.Anant Gatepithaya and spouse	-	-	-	-
8. Assist. Prof. Aswin Bijayayodhin and spouse	-	-	-	-
9. Mr.Atip Bijanonda	5,334,140	-	-	5,334,140
10. Mr.Prasas Tangmatitiam and spouse	-	-	-	-
11. Mr.Krid Chancharoensuk and spouse	-	-	-	-
12. Mr.Punnapan Nengpetch and spouse	759,733	-	-	759,733
13. Mrs.Varunee Lapitananuvat and spouse	-	10,000	-	10,000
14. Mr.Kitipong Sirilugtrakun and spouse	507,373	-	-	507,373

4.4 Report on Vested Interest

Supalai Public Company Limited has committed to comply with the policy on Vested Interest, set requirements that the directors and executives report to the Company on their own or their related person's vested interest relating to the management of business of the Company or its subsidiaries pursuant to Section 89/14 of the Securities and Exchange Act B.E. 2535 (1992) amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008). Such report shall constitute information to support the Company's operations according to the requirement regarding related party transaction, which are transactions that may cause conflict of interest and lead to the siphoning of interest of the Company and its subsidiaries. The directors and executives must also perform their duties with due care and honesty, and they shall make decision on the Company's matters without vested interest either directly or indirectly. The information in such report is, therefore, beneficial in monitoring and ensuring that the directors and executives perform their duties in accordance with such principles.

Reporting

1. The directors and the executives are required to report to the company their own stake, or those of their related persons in case of stake related to the management of business of the company or its subsidiaries by filling in Form for Reporting on Stake of Directors and Executives (as in attached document) as follows:

- First report: It should be done by the 15th of the following month from the on which there is transaction of stake.

- Report on changes of information on stake: It should be made without delay, that is, within 3 business days from the date on which the information has changed by specifying the orderly number of such change.
2. The directors and executives shall submit report form of having their own stake or those of their related persons to the Company's Secretary for acknowledgement immediately or within the specified date. The Board of Directors has required that the basic reporting form "Report of Interest" of the Listed Companies Association.
 3. The Company Secretary shall do as follows:
 - Submit a copy of the report on stake according to Section 89/14 to the Chief Executive Officer of the Company and the Chairman of the Audit Committee within 7 business days from the date on which the Company receives such report.
 - Maintain reports on stake reported to the Company by directors and executives.
 - Disclose the information on stake of directors and executives in the annual report (Form 56-2) and the annual registration statement (Form 56-1).

Penalties

Under the provisions of the law are as follows:

- Section 281/2 of the Securities and Exchange Act prescribes that any director or executive does not perform the duties responsibly with caution and honesty in accordance with Section 89/7 to the point that it causes damage to the Company or causes oneself or others to benefit from the violation or omission to perform such duties shall be liable to a fine not exceeding the amount of damages incurred or the amount of benefit received. However, the fine shall not be less than five hundred thousand Baht.
- Section 281/3 of the Securities and Exchange Act prescribes that any director or executive officer who fails to comply with Section 89/14 shall be liable to a fine not exceeding five hundred thousand Baht and a fine not exceeding three thousand Baht per day throughout the period of incorrect performance.
- Section 281/5 of the Securities and Exchange Act prescribes that any company secretary, who does not perform the duties in accordance with Section 89/15 (1) (2) or (3) or Section 89/16 shall be liable to a fine not exceeding one hundred thousand Baht.
- Section 203 of the Public Limited Companies Act B.E. 2535 (1992) prescribes that any director fails to comply with Section 88, or complies incompletely or incorrectly shall be liable to a fine not exceeding twenty thousand Baht.

In addition, during the past year, there was no director, executive and related person having vested interest that may cause conflicts of interest.

4.5 Diversification of Communication Channels

For the disclosure of key information, the Company had done via various channels and the media on consistency basis to enable its shareholders and stakeholders to be informed entirely. The channels for dissemination are as follows.

1. The Stock Exchange of Thailand
 - 1) Annual Report
 - 2) Financial Statement
 - 3) Operational Results Report on a quarterly basis
 - 4) Resolution of the Board and others
2. The Securities and Exchange Commission
3. Ministry of Commerce
4. Newspaper
5. Magazine
6. Television
7. Press Release
8. Investor Relation (contact 0-2725-8888 Ext.851 or e-mail address : ir_spali@supalai.com)
9. The Company's website (www.supalai.com)
10. Company Visit and One-on One Meeting
11. Domestic and Foreign Road Show
12. Analyst Meeting
13. Public Relation, Press Conference and Press Release of financial status of the Company
14. Document delivery notify shareholders by mail

In 2014, the Company disclosed the financial information, explanation on financial position analysis and operational results (Management Discussion and Analysis) including reports on information and important decision making to the Office of Securities and Exchange Commission and the Stock Exchange of Thailand and the shareholders regularly on a quarterly and an annual basis via the news system of the Stock Exchange of Thailand, while also disseminating information through the website of the Company in both Thai and English.

The financial statements of the Company had no qualified opinions from the auditors and the Company has no record of delays in submitting the quarterly and annual financial reports, and has no notification from external regulatory organizations to correct the financial statements.

Besides, the Company publicized the invitation letters for shareholders' ordinary meetings, supporting documents of the meetings, minutes of the latest shareholders' ordinary meeting and annual reports on the Company's website that can be easily downloaded. The Company also publicized the Annual Report within 120 days after the end of the fiscal year.

4.6 Investor Relations

The Board of Directors of the Company is well aware of its mission and duty to treat all shareholders equally by ensuring that the disclosure, both financial and non-financial information, is made correctly, fully, adequately, reliably and in a timely manner in order for the shareholders to receive information on an equitable basis as required by laws, relevant organizations and government agencies. The Investor Relations Section under the Business Development and Investor Relations Department is the Company's representative in communicating and supervising general investors, securities analysts, and shareholders. Information will be disseminated via various channels, ranging from the mass media, website, telephone, the Stock Exchange of Thailand, the Securities and Exchange Commission.

Before making any disclosure via various channels, in normal and urgent cases, it must be firstly considered by the Board of Directors for correctness, completeness, adequacy of information, before forwarding to the Stock Exchange of Thailand. Once forwarded to the Stock Exchange of Thailand, the financial statements will be disseminated via IR Website at www.supalai.com and www.shareinvestor.com.

The Company has taken proactive action by going out to visit analysts and investors, joining by its executive directors and executives responsible for accounting and finance to give clarification and opportunity for investors, analysts, as well as those interested to make inquiry. In addition to local investors, the Company had organized Road Show to present information and progress of the Company to foreign investors. There was also disclosure of information to the public, e.g. annual report, 56-1 Form, information presented on the day of meeting with investors, etc., to ensure full compliance with relevant regulations. Furthermore, the Company had provided information and disseminated its operation results to investors, shareholders and those concerned on quarterly basis. There were press conferences and disclosure of information to the Stock Exchange of Thailand.

The Company established a unit on Investor Relations to communicate with the general investors, securities analysts, shareholders, and to be a center for disclosing important information to the investors, to take care of the process of financial reports to equally reveal to the investors both in the country and overseas the results of the company's operation, the trend of the revenue and future project development on a regular basis with complete and true information. The dissemination of information has been made at appropriate time through various channels including the media, website, telephone calls, the Stock Exchange of Thailand and the Office of Securities and Exchange Commission.

In addition, the Company has prepared the calendar of its activities in advance to disseminate information that is useful to investors, shareholders, analysts and the general public. The Company also revealed the operational results to the analysts, financial institutional investors, financial institutions and the media after every quarter and also held press conferences and disclosure of information to the Stock Exchange of Thailand to ensure that the Company has been completely in compliance with regulations stipulated in related laws. For investors and related persons who have queries and need more information, they can contact the Investor Relations Department of Supalai Public Company Limited, telephone 0-2725-8888 ext. 851, e-mail: ir_spali@supalai.com or via Company's website (www.supalai.com). The Company has set out the Code of Conduct for the investor relations as follows;

1. must carry out duties using knowledge and ability proficiently in compliance with professional principles consistently with honesty, fairness, diligence and responsibilities.
2. must present information of the Company, news and changes with transparency, clarity and in a timely manner based on the interest of all groups of stakeholders equally and honestly.
3. refrain from disseminating information that affects the price of securities of the Company or may have impact on decision making to invest or on the rights and benefits of shareholders; present the information only after the formal submission of the information to the Stock Exchange of Thailand.
4. refrain from disclosing the information that has no conclusion or in the process of negotiation which contains uncertainty or overestimate.
5. refrain from using inappropriate words or format that may cause misunderstanding on the securities of the Company.
6. create confidence, promote the good image and attitudes of the Company as well as maintaining good relations with the investors and the analysts.
7. perform duties in accordance with rules and regulations, related laws and those of the regulatory organizations.
8. maintain good relations with colleagues in the organization and external organizations.

The Company has publicized the Investor Relations' Code of Conduct in the Company's website, www.supalai.com both in Thai and English. In 2014, the Company presented the results of operations to analysts, investors and financial institutional investors, financial institutions and the media as planned. (For details, please see Section: Investor Relations).

4.7 The Company's Website

The Company has set up a website in both Thai and English, to be used as a tool in communicating, and disseminating various kinds of information to shareholders or the investors to be informed of information relating to the Company in a timely manner, such as the nature of business, financial statements, press releases, shareholding structure, organizational structure, the structures of its subsidiaries, information relating to the Board of Directors, the executives, roles and duties of the Board of Directors, Sub — Committees, reports on results of performance of the Sub-Committees, information on investor relations, Articles of Association, certificates, letters of invitation for the shareholders' meetings, reports on the shareholders' ordinary meetings, ethics and business's code of conduct, Handbook on Corporate Governance Policy and other policies, all of which can be downloaded conveniently from the website.

4.8 Board of Directors' Responsibility for Financial Reports

The Board of Directors had arranged for reports of its responsibility for the financial reports to be included in the Annual Report for the year 2014 by being responsible for the financial statements of the Company and the Company's subsidiaries including the financial information appeared in the Annual Report. The financial statements had been prepared in accordance with financial reporting standards

stipulated in the Accounting Profession Act by taking into consideration the appropriate accounting policy. Such practice has been done on a regular basis with careful discretion and the best estimate in preparing such statements. Besides, the Company had sufficiently disclosed important information in the note of the financial statements based on facts with rationale and transparency to be useful for the shareholders and investors in general.

A part from this, the Board of Directors has set up an appropriate and efficient internal control system and has designated the Audit Committee comprising all independent directors to supervise and review the accounting policy, quality of financial report, internal control system and process in internal audit to ensure efficiency. The comments of the Audit Committee have already been included in the report of the Audit Committee.

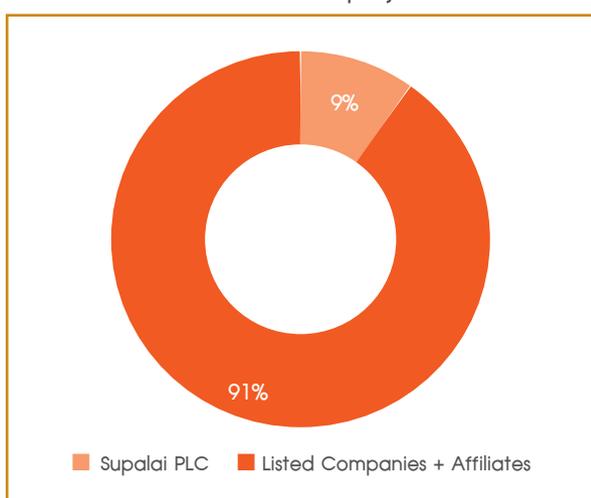
4.9 Market Share

The Company has a ratio of sales to the total sales made by the group of listed companies on the Stock Exchange of Thailand (SET) in the year 2014 as summarized below;

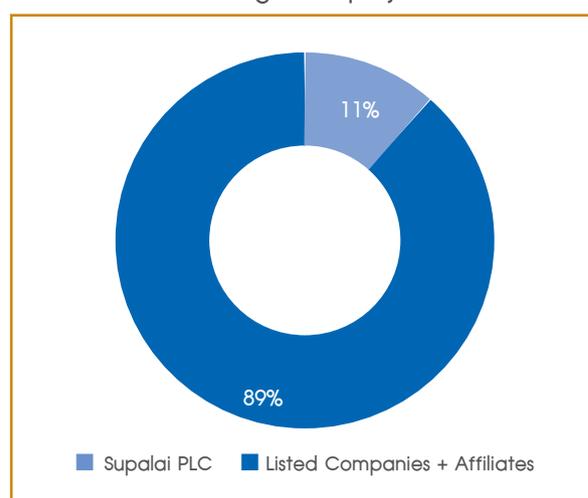
- For the group of low rise projects, the Company has a market share of approximately 9%
- For the group of high rise projects, the Company has a market share of approximately 11%

The Company’s total market share amounts to approximately 7% of the entire shares achieved by the group of listed companies on the Stock Exchange of Thailand, details of which are illustrated below:

Ratio of the Company’s sales to the total sales of the group of listed companies on the SET— Low-rise projects

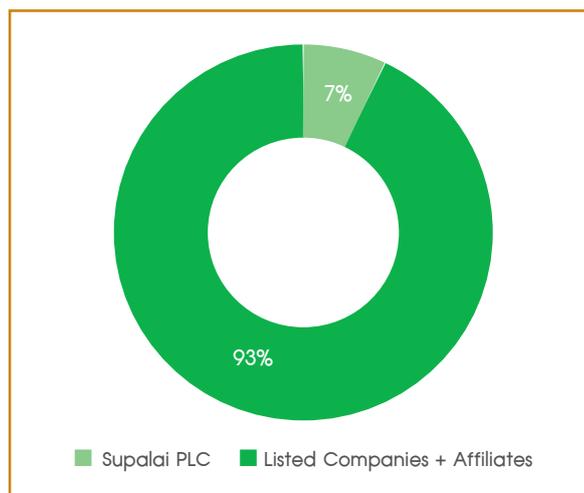


Ratio of the Company’s sales to the total sales of the group of listed companies on the SET— High-rise projects



Source: AGENCY FOR REAL ESTATE AFFAIRS

Ratio of the Company's sales to the total sales of the group of listed companies on the SET— Low-rise and high-rise projects



Source: AGENCY FOR REAL ESTATE AFFAIRS

Chapter 5: Board of Directors' Responsibilities

5.1 Board Structure

- Composition of the Board of Directors

The Company's Board of Directors comprises qualified persons with knowledge, ability and experiences useful to the Company. There are 11 directors in total. The election of directors was in accordance with the resolution of the shareholders' meeting under the rules and procedures prescribed by law, comprising;

- 4 Executive Directors
- 2 Non-executive Director
- 5 Independent Directors

The Authorized Directors to sign on behalf of the Company are Mr. Prateep Tangmatitham or Mrs. Ajchara Tangmatitham or Mr. Tritecha Tangmatitham or Mr. Krid Chancharoensuk, jointly signed by any two out of these four persons and affix with Company's seal.

Furthermore, the Company has set as a policy that its Board of Directors shall have a range of diversified structure, comprising gender, age, educational level, knowledge, professional skill, work experience, expertise, as well as integrity and ethics. It also has appointment criteria and process for newly nominated directors (please see details under the title "Nomination of Board Members). In addition, the 11 Directors of the Company and its Executive Management have never been employees or partners of the external audit firm providing service over the past 2 years. The present Board of Directors has 5 independent and 3 non-executive directors the totally 8 Directors, with work experience related to the Company's business.

- **Company Secretary**

Mrs. Varunee Lapitananuvat, Senior Assistant Managing Director of Finance and Accounting (E-mail: Varunee@supalai.com) has been appointed as the Company Secretary by resolution of the Board of Directors' Meeting No. 7/2008 held on 29 May 2008 which is also an effective date of her appointment and commencement date of her duties. The qualifications, duties and responsibilities of the person in this position are as follows:

- **Qualifications of the Company Secretary**

1. Graduate with a degree in Accounting and Finance and has completed relevant training courses in the Company's secretarial functions and possess good knowledge and understanding of the business type of the Company and the Company secretary-related duties i.e. duties of directors, duties of the Company, and also possess knowledge on relevant laws and regulations, and always keeps abreast with news and information in order to improve the performance of duties.
2. Comply with related laws, the Company's objectives, Articles of Association as well as resolutions of the Company's Board of Directors and the resolutions of the shareholders' meetings with accountability, care, honesty and commitment to support the Company's operations to achieve objectives under the principles of good corporate governance and business ethics.
3. Adhere to ethics and morality and always consider the interest of the shareholders; shall not do anything that may affect reputation and image of the Company.
4. Keep the Company's information confidential and safe and not look out for personal gains from the Company's business opportunity.
5. Have good interpersonal skills and ability to liaise with various departments and agencies, both within and outside the Company.

- **Duties and responsibilities of the Company Secretary**

1. Give basic advice to Directors in respect of laws, orders and regulations of the Company of which the Board of Directors needs to know, as well as to ensure proper and consistent compliance. Report any significant change in matter of laws to Directors.
2. Organize the shareholders' meeting and Board meeting in accordance with the laws, articles of association and proper practice.
3. Take the minutes of shareholders' meeting and Board meeting, as well as to ensure compliance with the resolutions of the shareholders' meeting and Board meeting.
4. Prepare and keep the register of Directors, annual reports, letters of invitation for shareholders' meeting, letters of invitation for Board meeting, minutes of the shareholders' meeting and minutes of the Board meeting.

5. Keep the reports of interests filed reported by directors or executives and make submission as required by laws.
6. Ensure that there is the disclosure of information under responsibility to the regulatory agencies according to the regulations and requirements of government agencies.
7. Contact and communicate with general shareholders to keep them informed of various shareholders' rights and Company's news.
8. Take care of the activities of the Board.
9. Carry out other duties as prescribed by the Capital Market Supervisory Board as well as complying with related laws and the Company's objectives, Articles of Association, resolutions of the Board of Directors and the resolutions of the shareholders' meetings.

- **Independent Directors**

The Board of Directors has defined Independent Directors as those who can independently express their opinions to support policies beneficial to the shareholders or provide recommendations freely according to the assignments given taking into account any interest regarding properties or positions. The Independent Directors shall be independent from the control of the management and majority shareholders of the Company, and shall have no relations, vested interest and shall not be under the influence of any individual or groups of persons. Also, there shall be no situation that prevents the Independent Directors from expressing their opinions as deemed necessary.

- **Set out Qualifications of Independent Director**

To build up confidence for investors and to keep a good balance of management, the Company, therefore, defines the independence of "Independent Director" in a more strict manner than the rules prescribed by the Capital Market Supervisory Board, as follows:

1. Appointed by the Board of Directors or the shareholders of the Company to be the Audit Committee members and be independent directors.
2. Hold shares of not more than 0.5 percent of the voting shares of the Company, subsidiary companies, associated companies, or any juristic persons with potential conflict, including the shares held by related persons of such independent director.
3. Must not be nor have ever been a director with participation in management, a hired worker, an employee, an advisor with fixed salary, or a person with control over the Company, subsidiary companies, associated companies, or juristic persons with potential conflict, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director.
4. Must not be a person related by blood or by legal registration as father, mother, spouse, sibling, and offspring, including spouse of offspring of an executive or major shareholder, controlling person, or a person who will be nominated as executive or controlling person of the Company or subsidiary companies.

5. Must not have nor have ever had any business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts to the extent that may obstruct the using of his/her independent discretion, and is not nor ever have been a major shareholder, a non-independent director or an executive of those with business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, unless having been relieved from such title for not less than 2 years before the date of filing an application with the Office of the Securities and Exchange Commission.
6. Must not be nor have ever been an auditor of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, and is not a major shareholder, a non-independent director, an executive, or a managing partner of the audit firm where the auditors of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts are working for, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director.
7. Must not be nor have ever been a provider of any professional service, including a legal consultant or financial consultant, with remuneration in excess of Baht2 million per annum from the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts. Where the provider of professional service is a juristic person, it shall include the major shareholders, non-independent directors, executives, or managing partners of such professional service provider, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director.
8. Must not be a director appointed as the representative of the Company directors, major shareholders, or any shareholders who are connected persons of the major shareholders of the Company.
9. Must not possess any other characteristics that will prevent the independent expression of opinions in respect of the operations of the Company.
10. The Independent Director who are qualified according to 1 - 9 may be assigned by the Board of Directors to make decision on the operations of the Company, the operations of the subsidiaries, associated companies or juristic entities which may have a conflict. The decision could be made in the form of panel.

- **Term of Sub-Committees**

The term of Sub-Committees, i.e. Audit Committee, Corporate Governance Committee, Risk Management Committee and Nomination and Compensation committee, shall be 3 years for each term. Upon the retirement at the end of a term, reappointment may be made.

5.2 Board of Directors

- Segregation of roles and duties between the Board of Directors and the Management Team

The Company has clearly segregated the roles, duties and responsibilities of the Board of Directors from those of the Management Team as per the following details:

➤ Roles and duties of the Chairman of the Board of Directors

1. Be responsible for, as the Leader of the Board for overseeing, monitoring and supervising the management of the Executive Committee and other sub-committees in order to implement the Company's plans as have been set forth.
2. Act as the Chairman of the Board of Directors' meetings and the shareholders' meetings.
3. Give a casting vote in the event of a tie of vote in the Board of Directors' meetings.

➤ Roles and duties of the President

1. Manage and operate the business of the Company according to the policies and powers prescribed by the Board of Directors.
2. Set up both short-term and long-term business goals in the annual business plan as well as the expense budget and long-term strategic plan to be approved by the Board of Directors, and report the progress of the plan and the approved budget to the Board of Directors after every period of 3 months.
3. Supervise the operations through the Management Committee to achieve the goals as specified in the business plan by building the competitiveness and provide appropriate returns to the shareholders.
4. Allocate resources and recruit personnel with potential to create maximum benefits.
5. Employ, appoint, remove, relocate, promote, reduce, cut the salary or wage, impose disciplinary penalties upon the officers and employees and remove the employees from the positions according to the regulations prescribed by the Board of Directors.
6. Promote and establish a strong organization culture and support the vision and business growth.
7. Monitor the operations of the Company closely, evaluate the operational results and report the operations already carried out by the Management to the Board of Directors from time to time in a timely manner.
8. Consider, screen and propose for approval from the Board of Directors regarding the policies and business direction of the Company, matters which, if carried out, would cause significant change to the business of the Company and matters to follow the laws and regulations of the Stock Exchange of Thailand.
9. Prepare details on operational powers within the Company in order to decentralize

such power to enable the employees to carry out the operations and make decision efficiently with flexibility without losing control, to be proposed for approval by the Board of Directors.

10. Prepare reports every quarter on financial position and financial statements to be considered and approved by the Board of Directors.
11. Has the power to consider and approve the purchase of construction materials in the amount more than Baht 500,000 per transaction.

The above-mentioned authorization of power to the Chief Executive Office must not be in such a manner as to be able to approve the transaction of interest of oneself or other persons who may have conflict or conflict of interest with the Company or its subsidiaries unless it is a normal business operation of the Company and has been approved by the meeting of the Board of Directors, in which attended by independent Directors and the scope of consideration has already been clearly outlined. Also, such authorization must be in compliance with the criteria of the Office of the Securities and Exchange Commission and the Regulations of the Stock Exchange of Thailand or as prescribed by other government agencies.

The Company's Board of Directors perform the duties by taking into account integrity, transparency, fairness and maintenance of the Company's interest.

● There are 2 main aspects of the duties and responsibilities of the Board of Directors as follows:

1. Adopt Business Directions, Policies and Strategy

- Supervise and manage the Company's business operations according to the laws, objectives and articles of association of the Company as well as the resolutions of the shareholders' meeting, and maintain the interest of the Company according to the business good governance principles.
- Set out vision, mission, directions and strategies of the Company, consider and review such vision, mission and strategies regularly and grant approval every year to be in accordance with the Company's business plan.
- Control and supervise the operations of the Company to be in line with the rules and regulations of concerned agencies, be responsible and maintain the benefits of shareholders. The Board of Directors must also disclose information in sufficient, correct, complete, standardized and transparent manner to shareholders and all relating parties.
- Grant approval to important strategies and policies including the objectives, financial goals and plans of the Company; monitor and supervise to ensure that the Company's strategies and plans have been implemented.
- Consider and approve the annual budget for investment and business operations as well as supervising the use of the Company's resources.
- The Board of Directors has the power to appoint one Director to be the Chief Executive Officer and Company Secretary as may be deemed appropriate.

- Supervise the system or mechanism for paying suitable remuneration to high level Executives as both short-term and long-term incentive.
- Organize the annual ordinary general meeting of shareholders within 4 months from the closing date of the accounting year of the Company, and organize the extraordinary meeting of shareholders when necessary.
- Organize the meeting of the Board of Directors every quarter and there must be not less than one half of the number of Directors attending the meeting; the decision of the meeting must be made by a majority vote; if there is a tie of votes, the Chairman can have a casting vote.
- Provide advice, jointly discuss the problems extensively and make careful decision on matters according to the agenda of the Board of Directors' meeting.
- Authorize the Chief Executive Officer to have the power to carry out the business operations of the Company as well as the power to appoint and remove the employees of the Company and determine the remuneration for working according to the policies of the Board of Directors; and authorize the employees with the operational powers in accordance with the business condition.
- Determination duties and responsibilities of the Executive and Management Committee clearly.

2. Monitoring the operations of the Management for a Check and Balance by

- **Disclosing Information of the Company**
 - Arrange for accounting system, financial and auditing reports and ensure that there are efficient and effective internal control system and audit Internal.
 - Arrange for suitable communication channels with each group of shareholders and stakeholders of the Company.
 - Arrange for disclosure of correct, clear, transparent, reliable and high standard information.
 - Arrange for a preparation of statements of financial position and income statements as at the ending date of the accounting year of the Company to be presented to the annual ordinary meeting of shareholders for approval whereby the Board of Directors must arrange for an audit by the auditor before presenting to such meeting of shareholders.
 - Arrange for a report on important financial and general information to the shareholders in a correct, complete and sufficient manner; and confirm the verification of information reported.
 - Monitor and solve the problem regarding conflict of interest as well as related party transaction , which may be incurred.
- **Internal Control and Risk Management**
 - Set up guidelines for risk management in an extensive manner and ensure that the Executives are equipped with effective system or risk management process.

- Arrange for an internal control and audit as well as systems for financial control, business operation and supervision including risk control and management.
- Remuneration for Directors
 - The Board of Directors has the duty to propose remuneration for directors to be approved by the Annual Ordinary General Meeting of Shareholders.
- Remuneration for Executive Management
 - The Board of Directors has the duty to evaluate the performance of Executive Management and set out remuneration in accordance with their performance.
- Offering for Sale Securities to the employees and the Directors.
- Appointment and Removal of Company Directors

The Board of Directors has delegated to the Nomination and Compensation Committee to propose to the shareholders' meeting for approval under the rules and procedures as prescribed in the articles of association, with the key contents as follows.

1. The Company Directors are elected by the shareholders' meeting, with the number of not less than five directors, and of which not less than 3 must be independent directors. Not less than one half of all directors must have domicile in the Kingdom. In addition, at least 1 director must possess knowledge in accounting and finance. The directors must have qualification as prescribed by laws and regulations.
2. The shareholders' meeting shall elect directors as screened and nominated by the Nomination Committee under the following rules :
 - (1) A shareholder has the vote of one share per one vote.
 - (2) Each shareholder must put all of his/her votes under (1) to elect a person or several persons as directors, but he/she is not allowed to split his/her votes.
 - (3) Those who receive the highest number of votes will be elected in descending order as directors, equaling the numbers of directors to have or to be elected at that time. In case of a tie between runners-up, exceeding the numbers of directors to have or to be elected at that time, the Chairman shall make the casting vote.
3. At every annual ordinary meeting, one-third of directors shall retire from office. If it is not possible to divide the numbers of directors into 3 exact portions, retirement shall be made by the numbers closest to one-third. The directors to be retired in the first year and second year after company registration shall be decided by a draw. For the later years, the directors who have been in office for the longest period shall retire.
4. Any director who wishes to resign from his/her position shall submit the resignation letter to the Company. The resignation shall take effect as from the date on which the resignation letter reaches the Company.

5. Resolution to remove any director from a position before the end of his/her term shall be made by the votes of not less than three-fourth of the numbers of shareholders that attend the meeting and with voting right, and with all the shares held together not less than one half of the shares held by those attending the meeting with voting right.

- **Delegation of Authority by the Board of Directors**

Two out of four Authorized Directors with signatory power, jointly affix their signatures, for the Company, to authorize other directors or other persons to perform on his/her behalf the Company's affairs within a certain period.

In this regard, the delegation of authority and responsibility by the Board of Directors will not be the delegation or sub-delegation of authority in such a manner that enables the Board or its attorneys to approve any transactions for oneself or for any person with potential conflict (as defined in the Notification of SEC) for both the Company and subsidiary companies. The approval authorities of the Board of Directors are as follows;

- Consider and approve the acquisition or disposal of assets unless such transaction must be approved by the meeting of shareholders; such approval must be made according to the notifications, regulations and/or rules relating to the Office of the Securities and Exchange Commission.
- Consider and approve the related party transaction unless such transactions must be approved by the meeting of shareholders; such approval must be made according to the notifications, regulations and/or rules relating to the Office of the Securities and Exchange Commission.
- Consider and approve the payment of interim dividends to shareholders when deem appropriate that the Company has sufficient profits to do so, and report such dividend payment to the subsequent shareholders' meeting.
- It has the power to consider and approve the borrowings or application for any credit facilities from financial institutions or determine new amount of overdraft (OD) as well as the amount of capital for investment and purchase of land of any item worth more than Baht 200 million each.

- **Nomination of Board Members**

The Company has appointed the Nomination and Compensation Committee to consider selecting and screening the persons nominated for appointment as directors, taking into consideration the proper proportion, numbers and composition. The Nomination and Compensation Committee shall consider selecting qualified persons who do not possess any prohibited characteristics pursuant to the Company's Articles of Association for recommendation to the Board of Directors in order for the Board to nominate such persons to be elected on an individual basis in the shareholders' ordinary meeting.

The Nomination and Compensation Committee set the criteria providing and process for remuneration in a systematic manner are as follows;

1. The Company provides for shareholders to nominate the names of directors or consider the persons from the director pool or consider existing directors to be re-appointed, or each director proposes the name of suitable persons to be appointed.
2. Select and screen the persons with suitable qualifications to be directors, such as suitable knowledge, experiences and specific ability beneficial to the business operations of the Company and in line with the Board Skill Matrix.
3. Examine list of names of nominated persons if they possess the qualifications according to the laws and requirements of regulatory agencies.
4. Consider the dedicated time of directors in case of re-appointment for another term of office by taking into account the performance of duties while serving their terms including the number of companies to be working for as directors to ensure that their efficiency will not decrease.
5. In case of appointment of independent directors, their qualifications must be in line with the criteria adopted by the Company, which is more strict than those adopted by the Capital Market Supervisory Board.
6. Prepare the list of names already considered and screened by the Nomination and Compensation Committee including their qualifications in an orderly manner to be proposed to the Board of Directors to be further proposed to the ordinary shareholders' meeting to consider one after another.

In case of the appointment of directors retiring upon the end of term of office and the appointment of new directors, according to the Articles of Association of the Company, the shareholders shall elect the Directors according to the following criteria and methods:

1. One shareholder has one vote per one share.
 2. One shareholder must exercise all the votes in (1) to elect one or many persons to be Directors but cannot divide the votes to any one person in different numbers.
 3. The persons receiving the highest numbers in respective order shall be selected to be Directors in the number equal to the prescribed number or the number for such particular election. In the case of a tie of votes for the respective order of the candidates exceeding the prescribed number of Directors or the number of Directors for such particular election, the Chairman shall have a casting vote.
- Authority of the Board of Directors
 1. The Board of Directors shall work in accordance with the laws, objectives and regulations

of the Company, as well as the resolutions of shareholders' meeting, with integrity, honesty and in the best interest of shareholders in both short term and long term. The Board shall also comply with the rules and regulations of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission Thailand and the Capital Market Supervisory Board established under the Securities and Exchange Act B.E. 2535 (1992) amended by the Securities and Exchange Act (No. 4), B.E. 2551 (2008).

2. The Board of Directors is empowered to appoint a director as the Chairman, and can also appoint Vice Chairman, as deemed appropriate.
3. The Board of Directors is empowered to appoint a director as the Chief Executive Officer, and can also appoint any person to be the Company Secretary, as deemed appropriate.
4. The Board of Directors has the right to attend trainings or to participate in activities in order to increase knowledge on concerning work by using the Company's resources.

- **Meeting and Quorum of the Meeting**

The Company organizes the Board meeting at least once a month, and with special meetings organized as necessary. Directors are required to attend meeting every time except in case of necessity. The meeting will be pre-scheduled with exact date, time, and agenda for the whole year, which will be every second Tuesday of each month. A letter of invitation along with meeting agendas and supporting documents will be forwarded to each Director not less than 7 days before the meeting to allow them with enough study time, except in case of emergency that affects the Company's interest. The minutes of the meeting will be taken down and completed within not more than 14 days from the date of the meeting. Every Director can check the minutes of the meeting anytime by making request with the Company Secretary. The minutes of meeting already adopted by the Board of Directors will be retained in full along with related documents.

1. The Company has adopted a policy which states that if in any agenda of the meeting, any director has an interest which may be in conflict with the interest of the Company, the Company Secretary shall not forward the meeting agenda concerned to him or her. Consequently, the director who has such an interest must temporarily leave the meeting room and shall abstain from voting on such resolution. This is to be in line with the traditional practice of the organization that the Board of Directors has continuously abided by.
2. To form a quorum for a Board meeting, not less than one half of the total numbers of director must attend the meeting. Where the Chairman is not in the meeting or cannot perform the duty, the Vice Chairman, if any, shall act as the Chairman. If there is no Vice Chairman, or if the Vice Chairman cannot perform the duty, the directors attending the meeting shall select one director to act as Chairman of the meeting.
3. A decision is reached by a majority of the votes.

4. Each director has 1 vote, with the exception that any director with interest in the issue is not entitled to vote in such matter. In the event of a tie of vote, the Chairman shall give the casting vote.
 5. To call a Board meeting, the Chairman or the person delegated shall send the letter of invitation not less than 7 days before the meeting, except in case of emergency for the protection of the Company's right or interest, the meeting may be called by other means and may be made sooner.
 6. In respect of good corporate governance, the Company has set out a policy determining that a minimum quorum of a meeting required at the time of voting must comprise not less than two-thirds of the number of all directors.
- Performance of Duties of the Board of Directors

In 2014, the Company organized 12 meetings of the Board of Directors. The performance of the Board of Directors is summarized as follows;

1. Considered and approved land purchase, application for credit line, foreign investment and other matters relating to the business operations of the Company.
2. Considered and approved the payments of interim dividend for 2014 and the annual dividend for 2013.
3. Considered agendas for shareholders' meetings and submission of advanced questions about the Company prior to the date of shareholders' meetings.
4. Considered and reviewed the vision, mission and strategies of the Company.
5. Considered and approved the annual work plan.
6. Considered and reviewed the requirements of the Board of Directors and the sub-committees.
7. Considered and reviewed/ revised the Director's Handbook, Handbook on Good Corporate Governance Policy, Ethics and Business Code of Conduct, Risk Management Policy and other policies such as the Policy on Equitable Treatment of Shareholders
8. Considered and approved quarterly financial statements.
9. Acknowledged results of monthly operations in 2014.
10. Acknowledged related party transaction and report on securities holding of the directors and executives on a quarterly basis.
11. Acknowledged results of performances of the sub-committees such as:
 - Reports of the sub-committees comprising reports of the Audit Committee, the Nomination and Compensation committee, the Corporate Governance Committee and the Risk Management Committee.
 - Evaluation of the Internal Control System of 2014.

- Payment of special remuneration of 2014.
- Results of self — appraisal of the Board of Directors and the sub-committees of 2014.
- Result of quality assessment in organizing shareholders’ ordinary meetings, receipt of SET AWARD 2014 for Excellent Corporate Governance Report, result of Good Corporate Governance Survey of Thai Listed Companies and the award for CGR and ASEAN CG SCORECARD of 2014.
- Results of the organization risk assessment and the corruption risk assessment of 2014.

5.3 Sub –Committees

The Board of Directors has appointed committee members who possess proper knowledge, expertise as the Sub-Committees, to help in studying and screening important matters that need close supervision and to give suggestions to the Board. The Company’s Committees comprise Audit Committee, Corporate Governance Committee, Nomination and Compensation Committee and Risk Management committee.

5.3.1 Audit Committee

The Board of Directors approved the establishment of the Audit Committee on 18 November 1999 by appointing the Company’s directors who possess qualifications according to the Securities and Stock Exchange Act and as set out by the Stock Exchange of Thailand to be the Committee members. The Audit Committee comprises the following 3 independent members who have possessed knowledge, understanding or experience in Accounting and Finance.

No.	Name	Position in Audit Committee	Position in Board of Directors
1.	Mr. Prakit Pradipasen	Chairman of the Audit Committee	Independent Director
2.	Mr. Anant Gatepithaya	Member of the Audit Committee	Independent Director
3.	Assist.Prof. Aswin Bijayayodhin	Member of the Audit Committee	Independent Director

The Board of Directors has adopted the Charter of the Audit Committee as follows;

➤ **The Committee Composition**

1. Audit Committee members must be independent directors.
2. The Audit Committee must consist of at least 3 members, and at least 1 member must have knowledge on finance and accounting.

➤ **The Qualifications of Audit Committee**

1. Appointed by the Board of Directors or the shareholders of the Company to be the Audit Committee members and be independent directors.
2. Hold shares of not more than 0.5 percent of the voting shares of the Company,

subsidiary companies, associated companies, or any juristic persons with potential conflict, including the shares held by related persons of such independent director.

3. Must not be nor have ever been a director with participation in management, a hired worker, an employee, an advisor with fixed salary, or a person with control over the Company, subsidiary companies, associated companies, or juristic persons with potential conflict, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director.
4. Must not be a person related by blood or by legal registration as father, mother, spouse, sibling, and offspring, including spouse of offspring of an executive or major shareholder, controlling person, or a person who will be nominated as executive or controlling person of the Company or subsidiary companies.
5. Must not have nor have ever had any business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts to the extent that may obstruct the using of his/her independent discretion, and is not nor ever have been a major shareholder, a non-independent director or an executive of those with business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, unless having been relieved from such title for not less than 2 years before the date of filing an application with the Office of the Securities and Exchange Commission.
6. Must not be nor have ever been an auditor of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, and is not a major shareholder, a non-independent director, an executive, or a managing partner of the audit firm where the auditors of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts are working for, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director.
7. Must not be nor have ever been a provider of any professional service, including a legal consultant or financial consultant, with remuneration in excess of Baht2 million per annum from the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts. Where the provider of professional service is a juristic person, it shall include the major shareholders, non-independent directors, executives, or managing partners of such professional service provider, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director.
8. Must not be a director appointed as the representative of the Company directors, major shareholders, or any shareholders who are connected persons of the major shareholders of the Company.
9. Must not possess any other characteristics that will prevent the independent expression of opinions in respect of the operations of the Company.

10. The Independent Director who are qualified according to 2.1 - 2.9 may be assigned by the Board of Directors to make decision on the operations of the Company, the operations of the subsidiaries, associated companies or juristic entities which may have a conflict. The decision could be made in the form of panel.

➤ **Scope of Duties and Responsibilities**

1. To review for the Company to ensure the accuracy and sufficient disclosure of the reports on both financial and non-financial performance while offering opinions and management guidelines to ensure appropriateness and transparency of the Company's operations.
2. To review for the Company to ensure proper and effective internal control and internal audit. Consider the independence of internal audit department, as well as to approve the appointment, transfer, dismissal of the head of internal audit department or any other departments responsible for internal audit work.
3. To review for the Company to ensure compliance with the laws governing securities and exchange of Thailand, requirements of the Stock Exchange or any laws related to the Company's business.
4. To review effectiveness and suitability of the risk management while providing recommendations and following up with significant progress systematically.
5. To ensure that the Company has the internal control measures including the supervision, implementation of anti-corruption measures, risk assessment as well as providing recommendations, and report regularly to the Board of Directors on the audit results according to the anti-corruption measures.
6. To select and propose for appointment of an independent person to act as the Company's auditor, and to offer remuneration for such person, as well as to attend meeting with the auditor at least once a year without a presence of the management.
7. To consider related party transaction or transactions with potential conflict so that they are in compliance with laws and regulations of the Stock Exchange of Thailand, to ensure that such transactions are reasonable and for maximum benefit of the Company.
8. To prepare report of the Audit Committee, disclosed in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and must comprise at minimum the following information:
 - 8.1 Opinions in respect of the accuracy, completeness, reliability, of the Company's financial reports.
 - 8.2 Opinions regarding the adequacy of the Company's internal control system.

- 8.3 Opinions about compliance with the laws governing securities and exchange, requirements of the Stock Exchange of Thailand or laws relevant to the Company's business.
- 8.4 Opinions about the suitability of the auditor.
- 8.5 Opinions about transactions with potential conflicts of interest.
- 8.6 Numbers of meeting of the Audit Committee and attendance by each committee member.
- 8.7 Opinions or remarks in whole obtained by the Audit Committee from performing duties under the charter.
- 8.8 Other items that should be known by its shareholders and general investors under the scope of duties and responsibilities assigned by the Board of Directors.

9. The Audit Committee has the right to attend trainings or to participate in activities in order to increase knowledge on concerning work by using the Company's resources.

- **Any Other Operations Assigned by the Board of Directors with the Audit Committee's Approval**

In performing duties, the Audit Committee is responsible directly to the Board of Directors. The Board of Directors also has responsibility for the operations of the Company to the third party.

In performing duties, if the Audit Committee has found or suspected that there are items or acts relating to 1) items with a conflict of interest, 2) dishonest acts or irregularity or major defects in an internal control system 3) breach of the Securities and Exchange Act, requirements of the Stock Exchange of Thailand or the laws relating to the business of the Company which may have a significant impact on the financial position and operational results of the Company. The Audit Committee shall report to the Board of Directors for rectification and improvement within the time deemed appropriate by the Audit Committee.

If the Board of Directors or the executives do not take any actions to ensure the rectification in time, one of the Audit Committee members may report on such item or action to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

- **Reporting**

After each meeting of the Audit Committee, the Secretary of the meeting shall summarize the opinions and comments of the meeting and submit to the Company's Board of Directors for acknowledgment and / or for consideration.

- **Miscellaneous**

1. The Audit Committee has the authority to invite the executives, related persons or auditors to attend a meeting to provide additional explanation and information.
2. The Audit Committee may seek independent opinion from any other professional advisors as deemed necessary with the Company's expense.

3. The Audit Committee are in charge of consideration and providing opinions on the appointment, transfer, considering of merit or dismissal of the internal audit manager and executive members of the Internal Audit Department.

Interested parties could view full version of the aforementioned Charter on the Company's website www.supalai.com under Section: About Us/Sub-Committee/Audit Committee/Audit Committee Charter.

➤ **Performance of the Audit Committee**

In 2014, the Audit Committee organized 12 meetings and reported to the Board of Directors. The Audit Committee also attended meetings with the external auditor every quarter and participated in meetings with the Senior Assistant Managing Director of Finance and Accounting. The performance of the Audit Committee based on the attendance of the 12 meetings can be summarized as follows:

1. Approved the annual plan of the Audit Committee meetings and the internal audit work plan.
2. Reviewed the financial reporting system to ensure that the financial statements have been prepared in accordance with the provisions of laws and accounting standards as stipulated in the Generally Accepted Accounting Principles taking into account the accuracy and reliability of the financial statements including sufficiency in disclosure of the statements in a timely manner to benefit investors and users of the statements.
3. Reviewed the report on results of non-monetary operations so as to discuss issues or problems or raise concerns in order to provide opinion and consider management guidelines to ensure that the Company's operations are carried out in compliance with the guidelines appropriately and with transparency.
4. Reviewed the risk management taking into consideration efficiency and appropriateness in following up the progress of important risk management to ensure that the Company has a systematic assessment of significant risks.
5. Reviewed the internal control system to ensure that the Company has sufficient internal control system and risk supervision that contribute to the effectiveness of business.
6. Reviewed the compliance with business related laws to ensure the compliance with the Securities and Exchange Laws, the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission and other laws relating to the business of the Company.
7. Reviewed the related party transaction or the transaction which might contain conflict of interest to ensure that the directors, executives and employees have no transaction with significant conflict.
8. Reviewed the compliance with the anti-corruption measures to ensure that the Company has appropriate and sufficient internal control system and risk supervision according to the anti-corruption measures and the guidelines of the Private Sector Collective Action Coalition Against Corruption Council.

9. Reviewed the requirements of the Audit Committee and the Charter of the Internal Audit Department to ensure suitability and consistency with the duties and responsibilities of the Internal Audit Department as the requirements and the Charter would be used as operational guidelines and raise awareness on the importance of good corporate governance.
10. Reviewed the report on results of internal audit, the compliance with the resolutions of meetings, the operational results of the Internal Audit Department, and acknowledged the result of the operation assessment of Internal Audit Department to ensure that the internal audit is in accordance with the international standards and the Standard for the Professional Practice of Internal Auditing with increasing effectiveness. Also, the Audit Committee followed up the corrections made on significant issues in accordance with the recommendations stated in the audit result report.
11. Considered the nomination of the auditor and the auditing fee for 2014 and proposed to the Board of Directors and the shareholders for further approval.
12. Reviewed other matters as assigned by the Board of Directors such as the Director's Handbook, Handbook on Ethics and Business Code of Conduct, etc.
13. Reviewed the report of the Audit Committee of 2014 for disclosure in the Annual Report.

5.3.2 Nomination and Compensation Committee

The Board of Directors approved the establishment of the Nomination and Compensation Committee comprises the following 3 independent members as follows;

No.	Name	Position in Nomination and Compensation Committee	Position in Board of Directors
1.	Mr. Prosob Snongjati	Chairman of the Nomination and Compensation Committee	Independent Director
2.	Mr. Prakit Pradipasen	Member of the Nomination and Compensation Committee	Independent Director
3.	Dr. Virach Aphimeteetamrong	Member of the Nomination and Compensation Committee	Independent Director

The Board of Directors has adopted the Charter of the Nomination and Compensation Committee as follows;

➤ The Composition of the Committee.

1. The Nomination and Compensation Committee comprises totally of independent members.
2. The Nomination and Compensation Committee other than those in 1.1 must be non-executive members.
3. The Nomination and Compensation Committee shall comprise at least 3 members, and the Chairman of the Committee must be the senior person or the person with high level of knowledge and experiences.

➤ **Qualifications of Nomination and Compensation Committee Members.**

1. Appointed by the Board of Directors or the shareholders of the Company to be members of the Nomination and Compensation Committee.
2. There is no any other aspect preventing members from making comment freely on consideration of forms and criteria for paying Compensation to directors and Executives Management.
3. Having knowledge, ability, experiences and understanding regarding the qualifications, duties and responsibilities of the Nomination and Compensation Committee as well as the knowledge relating to corporate governance.
4. Being independent according to good governance principles and being impartial in nominating and recruiting persons qualified to fill in various positions.
5. Being able to devote sufficiently time in performing duties.

➤ **Scope of Duties and Responsibilities**

1. Establish rules and procedures for selecting persons to be appointed as directors suitable for the nature of business operations of the Company.
2. Consider, select and screen the persons qualified to be Directors of the Company, that is, the persons must have skills, experiences and specific ability relating to the business operations of the Company, and propose to the Board of Directors in order to further propose to be elected by the meeting of shareholders.
3. Consider, select and screen the qualified person to be the Chief Executive Officer and propose to the Board of Directors to consider.
4. Consider the qualifications of persons to be appointed as independent directors to be in accordance with the criteria adopted by the Company which is more strict than those adopted by the Capital Market Supervisory Board.
5. Consider and scrutinize the Compensation rate for Directors in order to propose to the Board of Director to further propose for approval by the meeting of shareholders.
6. Consider and scrutinize the Compensation rate for the Chief Executive Officer and executive management in order to propose for approval by the Board of Directors.
7. Consider and give opinions on the proposals of the Chief Executive Officer to be further proposed to the Board of Directors regarding the policies on human resources to be in accordance with the business strategy of the Company.
8. Ensure that the succession plan of important high level executive positions and list of qualified persons is reviewed from time to time.
9. Review the strategies on providing benefits and propose to the Board of Directors in order to be incentives to retain the employees with potential as well as to make suggestion to senior executives of the Company on consideration of the salary or other benefits.

10. Determine terms and conditions for employment of the Chairman of the Executive Committee including benefits and recruitment, and propose recommendations to the Board of Directors to consider the successor of the Executive Committee Chairman.
11. Consider the structure and composition of the Board of Directors by reviewing the number, qualifications and experience of the directors to be suitable with the size, category and complex of the business; also consider the compensation, and provide recommendations for the selection of persons who are eligible to be nominated as directors to be approved by the shareholders.
12. The Nomination and Compensation Committee has the authority to invite the executives or related persons to attend the meeting to provide additional explanation and information.
13. Consider the knowledge development plan for existing directors and new directors so as to be suitable and in line with the roles and duties of existing directors and those of the Board of Directors as well as developments critical to the business operations of the Company.
14. The Nomination and Compensation Committee may seek advice from experts at the expense of the Company in order to be able to perform their duties in accordance with the Charter efficiently.
15. The Audit Committee has the right to attend trainings or to participate in activities in order to increase knowledge on concerning work by using the Company's resources.
16. Perform any other duties regarding the nomination and determination of Compensation as assigned by the Board of Directors.

- **Reporting**

After each meeting of the Nomination and Compensation Committee, the secretary of the meeting shall summarize the opinions and comments of the meeting and submit to the Company's Board of Directors for acknowledgment and / or for consideration. The report on operational results of the Nomination and Compensation Committee shall be prepared to be signed by the Chairman of the Nomination and Compensation Committee and disclosed in the annual report of the Company.

- **Disclosure of Information.**

The information has been disclosed in the annual report regarding policies on recruitment, remuneration, responsibilities, the form and the amount of Compensation for the Board of Directors and the Chairman of the Executive Committee, the Managing Director and Executives Management.

- **Assessment of the Nomination and Compensation Committee.**

The Nomination and Compensation Committee shall arrange for evaluation of the performance of the Board of Directors and sub-committees in the form of the total committee and on a personal basis (self-evaluation) at least once a year and report to the Board of Directors in order to use the evaluation results to improve operational efficiency and achieve its objectives.

Interested parties could view full version of the aforementioned Charter on the Company's website www.supalai.com under Section: About the Company /Sub-Committee/ the Nomination and Compensation Committee / the Nomination and Compensation Committee.

➤ Performance of the Nomination and Compensation committee

In 2014, the Nomination and Compensation Committee conducted 2 meetings. The performance of the Nomination and Compensation Committee is summarized as follows;

1. Approved the annual meeting plan of the Nomination and Compensation committee.
2. Reviewed the requirements of the Nomination and Compensation Committee to ensure suitability and consistency with the duties and responsibilities which will be used as operational guidelines, and to raise awareness on the importance of good corporate governance.
3. Nominated new directors to be members of the Board of Directors and nomination of directors to replace the retired directors whose term of office had ended.
4. Considered the remuneration for the directors and the sub-committee members.
5. Considered the salary raise and the annual bonus for 2014.
6. Considered the results of self-appraisal of the Board of Director and the Sub-Committees of 2014 so as to be used for reviewing of performance, issues and problems or obstacles of the previous year as well as for improving the performance of the directors to increase their effectiveness in performing duties.
7. Reviewed other matters as assigned by the Board of Directors, for instance, the survey of employees' opinions of 2014.
8. Reviewed the report of the Nomination and Compensation Committee of 2014 for disclosure in the Annual Report.

5.3.3 Corporate Governance Committee

The Board of Directors approved the establishment of the Corporate Governance Committee comprises the following 5 members as follows;

No.	Name	Position in Corporate Governance Committee	Position in Board of Directors
1.	Dr.Virach Aphimeteetamrong	Chairman of the Corporate Governance Committee	Independent Director
2.	Mr.Prosob Snongjati	Member of the Corporate Governance Committee	Independent Director
3.	Mr.Prasas Tangmatitam	Member of the Corporate Governance Committee	Director
4.	Mr. Atip Bijanonda	Member of the Corporate Governance Committee	Director
5.	Mr.Tritecha Tangmatitham	Member of the Corporate Governance Committee	Director

The Board of Directors has adopted the Charter of the Corporate Governance Committee as follows;

➤ Elements of the Corporate Governance Committee

1. There is not less than one-half members of Corporate Governance Committee being independent directors.
2. The Corporate Governance Committee consists of at least three members, and the Chairman of the Corporate Governance Committee must be independent director.

➤ The Corporate Governance Committee Qualifications

1. Appointed by the Board of Directors as a member of Corporate Governance Committee.
2. There is no any other aspect preventing such member from making comment freely on corporate governance.

➤ Scope of Duties and Responsibilities

1. Prescribe importance principles and procedures of the corporate governance process that is effective and suitable for the Company.
2. Oversee the works performed by the directors and the management to ensure compliance with the good corporate governance of the regulatory agencies, i.e. the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
3. Provide to the Good Corporate Governance Task Force the Company's policy on good corporate governance.
4. Develop and announce excellent corporate governance principles.
5. Lay down policy and support the annual self assessment of internal corporate governance standards.

6. Develop and prepare supervision plan to ensure the implementation of the announced corporate governance principles.
7. Review on consistency basis the good corporate governance principle of the Company, compared with international practice and recommendations of regulatory agencies or relevant agencies given to the Board.
8. Review the Board's Manual to ensure its continuing suitability for the Company's business while submitting the Board Charter as well as the charters for all committees appointed by the Company.
9. Provide recommendations relating to business ethics and code of conduct for directors, executives and employees.
10. Review the Corporate Governance Policy Manual to ensure its continuing suitability for the Company's business.
11. Review the Company's values as well as public announcements in regard to Good Corporate Governance.
12. Encourage the dissemination of good corporate governance culture for understanding by the executives and employees of every level and with real practice.
13. Review and report to the Board of Directors regarding good corporate governance of the Company and provide opinions on practical guidelines and recommendations for improvement as deemed appropriate.
14. Supervise and ensure that good corporate governance principles are implemented.
15. Provide advice to the task force for preparation in receiving rating for good corporate governance by external central unit not less than 1 time in every 3-year period.
16. Arrange in place a system to receive complaints from interest persons in the case concerning corporate governance and business ethics and code of conduct for directors, executives and employees.
17. The Corporate Governance Committee has the power to invite concerned parties or persons deemed appropriate to attend the meeting or to give explanation on related matters.
18. The Corporate Governance Committee has the duties and responsibilities to report its duties or any other assigned duties to the Board of Directors at least once a year.
19. The Corporate Governance Committee may request for advice from specialists in order to be able to efficiently perform its duties according to the Charter with the expenses paid by the Company.
20. The Corporate Governance Committee has the right to attend trainings or to participate in activities in order to increase knowledge on concerning work by using the Company's resources.

- Reporting

After each meeting of the Corporate Governance Committee, the secretary of the meeting shall summarize the opinions and comments of the meeting and submit to the Company's Board of Directors for acknowledgement and / or consideration within the date of the next Board meeting.

- Performance of the Corporate Governance Committee

In 2014, the Corporate Governance Committee organized 1 meeting. The performance of the Corporate Governance Committee is summarized as follows.

1. Reviewed the requirements of the Corporate Governance Committee to ensure the suitability and consistency with the duties and responsibilities so as to be used as operational guidelines and to raise awareness on the importance of good corporate governance.
2. Considered and approved the Handbook on Corporate Governance Policy and the Director's Handbook.
3. Reviewed ethics and business code of conduct of the directors, executives and the employees.
4. Supervised the organization of non-executive directors' meetings without participation of the management in order that the independent directors can discuss various problems freely.
5. Acknowledged the compliance with the assessment criteria for good corporate governance of 2014.
6. Acknowledged the survey result of the Corporate Governance of Thai Listed Companies (CGR) 2014 and the rating result of the ASEAN CG Scorecard 2014 and the receipt of SET AWARD 2014.
7. Acknowledged the compliance with recommendations of CG project of the Stock Exchange of Thailand and the progress of the implementation of good corporate governance such as CG Day activities, the motto for the good corporate governance and the newsletters to communicate the matter of good corporate governance with the employees.
8. Reviewed the report of 2014 of the Corporate Governance Committee for disclosure in the Annual Report.

5.3.4 Risk Management Committee

The Board of Directors approved the establishment of the Risk Management Committee comprises the following 10 members as follows;

No.	Name	Position in Risk Management Committee	Position in Board of Directors
1.	Mr. Anant Gatepithaya	Chairman of the Risk Management Committee	Independent Directors
2.	Mr. Atip Bijanonda	Member of the Risk Management Committee	Director
3.	Mr. Tritecha Tangmatitham	Member of the Risk Management Committee	Director

No.	Name		Position in Risk Management Committee	Position in Board of Directors
4.	Mr.Krid	Chancharoensuk	Member of the Risk Management Committee	Director
5.	Mr.Punnapan	Nengpetch	Member of the Risk Management Committee	-
6.	Mrs.Varunee	Lapitananuvat	Member of the Risk Management Committee	-
7.	Mr.Kittipong	Sirilugtrakun	Member of the Risk Management Committee	-
8.	Mr.Boonchai	Chaiananbovorn	Member of the Risk Management Committee	-
9.	Mrs.Suchawadee	Suppha-asa	Member of the Risk Management Committee	-
10.	Mr. Adisak	Warinsirikul	Member of the Risk Management Committee	-

The Board of Directors has adopted the Charter of the Risk Management Committee as follows:

➤ **Composition of Risk Management Committee**

1. The Risk Management Committee shall be appointed by the Board of Directors and composes of the Management Committee and at least 1 independent director.
2. The independent director shall be the Chairman of the Risk Management Committee.

➤ **Qualifications of Risk Management Committee Members**

1. Appointed by the Board of Directors to be the Risk Management Committee members.
2. There is no any other aspect preventing members from making comment freely on consideration of risk.
3. The Risk Management Committee who are qualified according to 1 - 2 may be assigned by the Board of Directors to make decision on the operations of the Company's subsidiaries, associated companies or juristic persons which may have a conflict. The decision could be made in the form of tribunal.

➤ **Scope of Duties and Responsibilities**

1. Lay down the rules, policies and process of risk assessment and management with impacts on the Company.
2. Establish the internal control system that covers all aspects, whether they be finance and accounting, operations, legal matters, anti-corruption, or regulatory compliance. This includes verification, monitoring, evaluation and reporting of results to the Board of Directors.
3. Assess, analyze risks, arrange priority of risks, define risk management guideline and strategy to make the risks at acceptable level within proper costs on a quarterly basis.

4. Monitor and assess the risk management results and report the risk management results to the Executive Committee and the Audit Committee including Credit Risk, Operation Risk, Strategic Risk, Liquidity Risk and other risk aspects such as Legal risk, Risk of Fraud and Corruption and Regulatory Risk.
5. Consider the risk management policy of the Company so that it covers credit risk, operation risk, strategic risk, liquidity risk , corruption risk and other risks like regulatory risk.
6. Consider and review the risk management guidelines and tools for efficiency and proper to the nature and size of risk each of transactions conducted by the Company while also providing comments and suggestions on key issues regarding the risk management of the Company.
7. Consider and review the risk limits and corrective measures in the event where it is not within the risk limits.
8. Monitor the risk assessment results under both normal situation and stress testing.
9. Assess the likelihood risks for new products or new transactions, as well as to define preventive measures.
10. The Risk Management Committee is empowered to invite executives or those concerned to attend meeting for further clarification.
11. The Risk Management Committee may, at the Company's expense, ask for advice from specialists to enable efficient performing of duty under the charter.
12. Organize activities or operational processes to create knowledge and understanding of risk management. This includes the provision of trainings on risk management guidelines for both executives and employees.
13. Facilitate communications and trainings for high-level employees concerned regarding their responsibilities for each risk factor. Such communications include those about the risk management policy and practices from executives to employees, and vice versa.
14. Produce a risk management manual to be distributed to employees.
15. Establish a risk management plan (Risk Map) and consider the relationship between risks and the impact among units of the Company.
16. Approve risk mapping by taking into account the relationship between risks and the impact toward each unit of the Company.
17. Review risk management of the Company.
18. Arrange for people in the Company to take a knowledge test regarding the risk management policy and structure as well as their responsibilities toward such matters.
19. Members of the Risk Management Committee are entitled to attend trainings and activities to increase their knowledge in related fields using resources of the Company.

- Reporting

After each meeting of the Risk Management Committee, the secretary of the meeting shall summarize the opinions and comments of the meeting and submit to the Company's Board of Directors for acknowledgement and / or consideration.

- Performance of Risk Management Committee

In 2014, the Risk Management Committee organized 1 meeting. The performance of the Risk Management Committee is summarized as follows;

1. Reviewed the requirements of the Risk Management Committee to ensure the suitability and consistency with the duties and responsibilities so as to be used as operational guidelines and to raise awareness on the importance of good corporate governance.
2. Considered and approved the Handbook for Risk Management.
3. Considered and reviewed the risk factors of 2014.
4. Acknowledged the result of risk assessment of the organization, the result of risk assessment on anti-corruption of 2014.
5. Considered the risk management plan for 2015.
6. Considered the report of the Risk Management Committee of 2014 for disclosure in the Annual Report.

5.4 Executive Committee

The duties and responsibilities of the Executive Committee

- 1) Establish guidelines and strategies as well as overseeing the operations of the Company to be most efficient and effective.
- 2) Oversee and follow up the performance of the Company to ensure compliance with the approved business plan.
- 3) Review the operational results from time to time in order to find quick solutions to achieve business targets.
- 4) Evaluate and screen large scale investment project and annual budget before submitting for consideration by the Board of Directors.
- 5) Set up the organizational structure and carry out efficient management covering the recruitment, trainings, employment and termination of employment of employees, executives and Executive Management.
- 6) Provide advice to the Board of Directors for making decisions on important matters, and perform any other duties as assigned by the Board of Directors of the Company.
- 7) Act as a representative and operate on behalf of the Company with the third parties.
- 8) Has the power to consider and approve the payment for investment and purchase of land in the amount not more than Baht 200 million per transaction.

Furthermore, 2 members of the Executive Committee have the power to consider and approve the purchase of land not more than Baht 100 million per transaction. The exceeding amount of Baht 100 million but not more than Baht 200 million can be approved by the Executive Committee, and each member of this Committee has the power to approve the purchase of construction materials in the amount not more than Baht 500,000.

The above-mentioned authorization of power to members of the Executive Committee must not be in such a manner as to be able to approve the transaction of interest of oneself or other persons who may have conflict or conflict of interest with the Company or its subsidiaries unless it is a normal business operation of the Company, and has been approved by the meeting of the Board of Directors, in which attended by independent Directors and the scope of consideration has already been clearly outlined. Also, such authorization must be in compliance with the criteria of the Office of the Securities and Exchange Commission and the Regulations of the Stock Exchange of Thailand or as prescribed by other government agencies.

5.5 Management Committee

The Management Committee comprises the Chief Executive Officer, Executive Vice President, Deputy Managing Director, Executive Director, Senior Assistant Managing Director, Assistant Managing Director and Director of Department Administration.

- The duties and responsibilities of the Management Committee

Finance

- Sign on the payable checks or order payments from the bank account.
- Consider and approve the purchase/redemption/renewal of promissory notes, bills of exchange and other financial instruments issued by financial institutions.
- Consider and approve the reduction of debt in normal trading/according to contracts.
- Consider and approve the transfer of money between banks.

Customer Service

- Consider and approve the postponement of convey and approve the termination of contracts.

Legal Affairs

- Consider and approve the purchase of land/development of land and applying for permission from government agencies.
- Negotiate, consider documentary contracts relating to normal operations of the Company, and provide advice and recommendations on such matter in order to be considered, scrutinized and concluded by the Board of Directors or the Executive Committee and/or responsible persons.

Personnel

- Consider and determine the beginning wage rates.
- Consider and approve the wage rates, adjustment of positions, salaries during the year, scholarship and welfare.
- Consider and approve the employment, appointment, relocation, suspension from work, removal, dismissal, resignation, termination of employment.
- Consider and approve the promotion at the levels lower than the Director of the Department.

Advertisement and Public Relations

- Consider and approve the expenses for advertisement to be actually incurred as approved of the budget by the Board of Directors.
- Consider and approve the sales-marketing plan and issue selling regulations.

Management of the Operations

- Implement the policies, directions, strategies and management structures of the Company to be efficient and effective.
- Operate according to the business plan and budget approved by the Executive Committee with integrity, honesty and care in order to best maintain the benefits of the Company and the shareholders.
- Supervise general management as specified in the regulations of the Company.
- Follow up and ensure that the operations of the Company are in accordance with the policies, the business plan and the allocated budget.
- Exercise other powers necessary for the operations of the Company as assigned by the meeting of the Board of Directors and/or the Executive Committee.
- Communicate with the outside stakeholders of the organization as needed and according to the authorized powers.

The above-mentioned authorization of power to members of the Management Committee must not be in such a manner as to be able to approve the transaction of interest of oneself or other persons who may have conflict or conflict of interest with the Company or its subsidiaries unless it is a normal business operation of the Company, and has been approved by the meeting of the Board of Directors, in which attended by independent Directors and the scope of consideration has already been clearly outlined. Also, such authorization must be in compliance with the criteria of the Office of the Securities and Exchange Commission and the Regulations of the Stock Exchange of Thailand or as prescribed by other government agencies.

5.6 Efficiency Evaluation of the Board Meetings

The Company has organized efficiency evaluation of every Board meeting on a yearly basis. In 2014, there were 12 Board meetings. The criteria used for efficiency evaluation of the Board meetings consists of the following 10 items:

1. Notifying the meeting at least 7 days before the date of the meeting.
2. Receiving documents in full along with letter of invitation.
3. Beginning on time with time control.
4. Appropriateness and clear details of each agenda.
5. Participation of Directors.
6. Format of presentation made by the management.
7. Taking into consideration the benefits of stakeholders.
8. Summary of clear resolutions of the meeting.
9. Control and management of conflicts by the Chairman in the meeting.
10. Attendees rate.

Efficiency Evaluation Criteria of the Board Meetings

Received Score (%)	Rate
90 - 100	Excellent
80 - 89	Very good
70 - 79	Quite good
60 - 69	Moderate
Less than 60	To be improved

From the full score of 100%, the average efficiency evaluation of the Board meeting in 2014 was 96.89%, an excellent outcome.

5.7 History of Illegal Acts, or Dishonesty, or Corporate Governance, or Ethical Offences or Labor

The Company has assigned Internal Audit Department to be its Compliance Unit to perform the duties in supervising the operations, whereby during 2014,

- The Company and the Board of Directors including the management did not commit serious offenses. There was no record of violating the rules and regulations of the Office of the Securities Exchange Commission and the Stock Exchange of Thailand.
- None of them had been convicted of a criminal offense or being subject to criminal prosecution or being adjudged to be bankrupt or placed under receivership.
- There was no record of the transactions that may cause the conflict of interest with the Company during the past year.
- There was no record of criminal offenses against properties in bad faith or against ethical conduct.

- There was no resignation of the executives due to the issue of corporate governance.
- there was no dispute concerning the reputation of the Company in a negative manner caused by the supervision failure of the Board of Directors. In addition, there was no significant labor dispute during the past 5 years.

5.8 Leadership and Visions

The Board of Directors has set a vision of being “Leader in innovation and value-added creation”, with a mission to “create and develop innovation for good operating results and sustainable growth”. Therefore, every kind of housing (single house, twin house, townhouse, and condominium) had been developed for the purpose of risk diversification and creating of growth potential. The Company had also developed energy-saving homes, paying attention to details in range of utilization, activity area placement, as well as materials and home-style designs. Furthermore, it was well aware that the energy and natural resources have been under depletion, it had, therefore, applied both science and art for home design and construction with energy efficiency and maximum benefits to the residents for customer satisfaction, whereby the Board of Directors has reviewed and granted approval to the visions and mission every year in order for the executives and the employees to set the goals in the same direction.

5.9 Conflict of Interest

The Company abides by the policy on conflict of interest, and requires that all of directors, executives and employees are not allowed to utilize information available from their positions for personal gains. To make business decision, the maximum benefit of customers and shareholders must be taken into account, and not to let personal reason or family members to influence the decision that will be a deviation from the above principles. The directors, executives or employees with interests in such transactions must not take any part in the approval. The Company had completely disclosed related party transaction in its Annual Report (Form 56-2) and Annual Registration Statement (Form 56-1). Furthermore, the Company forbids its executives and employees from undertaking or participating in any business that is in competition with the Company’s business, regardless of whether such directors, executives and employees will receive either direct or indirect interests. It is clearly indicated in the Company’s Code of Conduct and Corporate Governance Policy. However, to conduct related party transaction or transactions with conflict of interest, the Board of Directors has laid as a policy that they must be considered and approved by the Board before proceeding. In addition, the information on details of transactions, transaction value, reasons and the need must be disclosed in the annual registration statement and annual report as per the rules of the Stock Exchange of Thailand and the office of the Securities and Exchange Commission. The meeting must also be attended by the Audit Committee to ensure that the related party transaction are conducted fairly, reasonably, and with proper pricing policy, taking into consideration the maximum benefit of the Company. All of this the Company’s policy is on the website of The Company (www.supalai.com) both Thai and English.

- Conflict of Interest

The Board of Directors requires that the directors, executives and all employees write report on conflict of interest with the Company, which is deemed the Company's internal control process. The Audit Committee and the Internal Audit Department shall supervise and manage the conflict of interest, and the results of conflict of interest audit are as follows:

Section 89/12 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008) stipulates that the directors, executives or related persons can carry out the transaction with the company or its subsidiaries only after such transaction has been approved by the meeting of shareholders of the company except when such transaction is qualified according to the following characteristics:

"The transaction is a trading agreement with the characteristics that reasonable person would do with party to the agreement in general in the same circumstances with trading leverage without the influence of the person in the position of director, executive or related person, as the case may be. Also, it must be the trading agreement approved by the board of directors or according to the basis which has already been approved by the board of directors."

In 2014, there have been related party transaction worth Baht 104 million, which is more than the requirement according to the Notification of the Capital Market Supervisory Board No. TorJor. 4/2552(2009), which has set out the definition of business relationship as the trading transaction of 3% or more of the net tangible assets of the applicant for permission or from Baht 20 million or more, depending on whichever amount is lower. During the previous years, the trading transactions between the 2 companies were reported to the Board of Directors' meeting on a quarterly basis every year.

As a matter of fact, the Board of Directors is of the opinion that the business relationship between Supalai PCL (Purchaser of Construction Materials) and Diamond Building Products PCL (Supplier of Construction Materials), of which Mr. Prakit Pradipasen is the Chairman of the Board of Directors, consists of normal trading transactions of Diamond Building Products PCL in its business operations of more than 3% of the net tangible assets, or more than Baht 20 million or more, depending on whichever amount is lower, with Supalai PCL.

Such relationship has not impacted the performance of duty and provision of independent opinion by Mr. Prakit Pradipasen who is also an independent director and Chairman of the Audit Committee of Supalai PCL according to Section 89/7 and Section 281/2 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008) due to the following reasons:

- 1) Trading items which are the purchases made by Supalai PCL from Diamond Building Products PCL have no material impact on the income amount of Diamond Building Products PCL.
- 2) The price of goods, payment conditions and other trading conditions of transactions made with Supalai PCL by Diamond Building Products PCL have been the same as those made with other customers of Diamond Building Products PCL.
- 3) The procurement of construction materials of Supalai PCL has been made through transparent process, and comparison of prices and quality has been made without being subject to Mr. Prakit Pradiasen's influence, whatsoever.

The Board of Directors of the Company, therefore, resolved that Mr. Prakit Pradipasen continue to be an independent director and Chairman of the Audit Committee of the Company.

Furthermore, in 2014, the Company required all directors, executives and employees to prepare report on conflicts of interest, whereby no significant conflict has been found.

5.10 Management Philosophy

For a quality society of "Supalai People", the Company stands firm in creating quality residence, incessant product development, society development for safety, development of professional good service, for Customers' maximum satisfaction, by adhering to the management philosophy;

S : SUPERIORITY

P : PROFITABILITY

- Customers : Profit in the form of money or gains from life
- Employees : Good income and welfare, happy with work
- Contractors : Participate in business with satisfaction and fairness / Trading Partners
- Society : Gain benefits from the Company's Project Development
- Shareholders : Receive dividends and value added shareholding

L : LONGEVITY

5.11 Check and Balance by Non-Executive Directors

The Company has a proper number of Directors, that is, 11 Directors. The Company's Board of Directors comprises;

- 4 Executive Directors
- 2 Non-executive Director
- 5 Independent Directors

The Independent Directors comprises a half of all Directors. Among these, there are 7 Directors with finance and accounting knowledge. During the Board of Directors' meetings, every Director performs the supervisory duty by taking into consideration maximum benefits of the shareholders.

5.12 Meeting of the Non-Executive Directors, Independent Directors

The Company promotes and supports the development of its management and operating systems by allowing its non-executive, Independent Directors to conduct meeting among themselves as deemed appropriate, without any executive Directors or the management in the meeting, in order to discuss various problems relating to business management of the Company or other interesting matters of benefits to the Company and all parties of stakeholders because they can express opinions freely and creatively in various points of views. In 2014, there was 1 meeting of non-executive Directors held on 15th May 2014.

There have been 5 non executives Directors, Independent comprising:

- | | |
|------------------------|------------------|
| 1. Mr.Prasob | Snongjati |
| 2. Mr.Prakit | Pradipasen |
| 3. Dr.Virach | Aphimeteetamrong |
| 4. Mr.Anant | Gatepithaya |
| 5. Assist. Prof. Aswin | Bijayayodhin |

5.13 Integration or Segregation of Positions

The Company has combined the positions of Chairman and Chief Executive Officer for the purposes of management efficiency and cost-saving. However, all resolutions passed in every meeting must be by a majority of votes. The Chairman shall vote only in case of a tie of votes. For an important issue, a resolution must be passed by a unanimous vote from every Director attending the meeting. In case of dissent by any Director, such agenda shall not be deemed approved by the Board of Directors. In the event where the Chairman has interest in a certain issue, he/she shall abstain from voting.

5.14 Holding Position of Director in Other Companies by Chief Executive Office of the Executive Committee and the Deputy Managing Director

The Company complies with a policy on restriction of number of director positions in other companies that the CEO and the Deputy Managing Director can take. Such policy has been publicized on the Company's Website, www.supalai.com. If the CEO and the Deputy Managing Director take too many director positions in other companies may affect the performance of duties for the Company. The Company's Board of Directors has, therefore, established the policy on holding of position of director in other companies by the Chief Executive Office of the Executive Committee and the Deputy Managing Director for maximum benefit of the Company in order for them to devote more time to perform their duties effectively follows:

1. The Chief Executive Office of the Executive Committee and the Deputy Managing Director can hold positions in Supalai Public Company Limited and its subsidiaries and associated companies.
2. To be a director in other companies, of which the business is similar to or competitive with the business of the Company, a request must be submitted for opinion of the Audit Committee prior to submission for approval by the Board of Directors and the shareholders respectively before being appointed to such position.
3. The holding of position of director in any organization other than specified in Clauses 1 and 2, which when combined is more than 5 places, must be approved by the Board of Directors' meeting before being appointed to such position.

In 2014, the President and the Deputy Managing Director of the Company strictly complied with the policy on the limitation of directorship in other companies (for details, please see Section: Board of Directors)

5.15 Remuneration for Directors and Executives

Remuneration for Directors

The Company has the policy on criteria for proposing to shareholders to consider remuneration of directors, which shall be considered and scrutinized by the Nomination and Compensation Committee consideration the same industrial sector, which shall then propose to the Board of Directors to further propose for approval by the meeting of shareholders.

Remuneration Policy for Directors

The Company has the criteria for providing remuneration to the Board of Directors and Sub Committees clearly and transparent, which shall be considered the same industrial sector and business expansion. It's believed that such remuneration could attract, retain and motivate the directors to perform their roles and carry out their responsibilities to accomplish the Company's goals efficiently.

Remuneration for Executive Management

The Company has adopted the policy and criteria in providing remuneration to the executives by assigning the Nomination and Compensation committee to assess the performance of the executive management by considering and screening the remuneration, such as the President and the executives at the level of assistant managing directors and above by determining the remuneration to be consistent with the operational results of the Company and the performance of each executive to be further proposes to the Board of Directors for approval.

5.16 Orientation for New Directors

The Company is well aware of the importance of duty performing of new directors, it has, therefore, defined guideline regarding preparation for duty performing of directors to enable new directors to know the Company's expectations of their roles, duties, responsibilities, policies, businesses and corporate governance practice. These include to enable them understand about the Company's business and operation, as well as to visit its business units for being prepared to perform the duty of director promptly follows:

1. Coordinate in providing of the Company's data in legal area and others to the Board of Directors.
2. Submit "Directors Guidebook" to new directors, the guidebook contains the Company's information and relevant crucial laws which will be useful for members of the Board of Directors. The Company Secretary is responsible for coordinating to deliver this guidebook to the Board of Directors. Contents of the guidebook are as follows.
 - 1) Articles of Association of the Compan.
 - 2) Objectives of the Company.
 - 3) Affidavit of the Company.
 - 4) Public Limited Companies Act.
 - 5) Securities and Exchange Act.

- 6) Guidebook for Directors of Listed Companies
- 7) Charter of the Board of Directors and Charter for Sub-Committees.
- 8) Business Ethics of the Board of Directors.
- 9) Guidebook for good corporate governance, and other policies of the Company.

3. Arrange meetings with the Chairman, Board of Directors, committees and executives to make them informed of the Company's business operation for using as their principles in performing duty. The presentation is made as a whole picture and in details under the following topics:

- The Company's vision mission and goals
- Strategy and Management structure
- Management structure
- Operating data and Company's activities
- Roles, duties and responsibilities of directors
- Good corporate governance policy
- Summary profiles of other directors and executives
- Qualifications and remuneration of directors

In 2014, the Board of Directors assigned the Company Secretary to hand over "Director's Handbook" to newly appointed directors on 6 May 2014. The Company also organized an orientation course for the new directors on topics relevant to the Company such as the Company's business, operational plans, goals, visions and mission, structure of the Company and shareholding, managing operation, roles and duties as well as responsibilities of the Board of Directors, philosophy and ethics as well as business code of conduct of directors, executives and the employees, good corporate governance, corporate social responsibility, the corporate governance policy. The Company also arranged various project site visits for the directors.

5.17 Succession Plan

The Company complies with a policy on succession plan, deeming as a part of the manpower placement strategy and a subtask of human resource planning strategy which determines appropriate and fair remuneration and fringe benefits for its personnel to retain them to grow in a long-term basis together with the Company. The Company has a proper and transparent plan to recruit personnel into important positions at all managerial levels to ensure that the Company has a professional management team. The Company also prepares personnel who possesses suitable qualifications, knowledge and adequate abilities to be eligible to replace the executives and high level executives in case of their resignation, retirement, completion of the term of office or inability to perform duties for whatever reason. This is to ensure smooth and effective transitional operations under those positions and to reduce the risk of lacking the successors. Accordingly, the Company has assigned the Nomination and compensation committee to prepare position succession plan of the President, Managing Director and executives of

the Company in order to propose to the Board of Directors for consideration. For the recruitment and selection of persons to serve management positions of the Company, the Nomination and compensation committee has monitored the succession plan covering the following positions.

1. Chief Executive Officer / Managing Director Level

In the event that the positions of the Chief Executive Officer of the Executive Committee and the Managing Director are vacant or the individual in such positions cannot perform their duties, the Company has an arrangement whereby executives in a closely comparable level or their deputy shall act on their behalf until the selection process for the qualified replacements is completed. The criteria for such selection shall be based upon suitable qualifications as prescribed by the Company, as well as other qualities such as business vision, knowledge, proficiency, and experience, that well suit the Company's corporate culture. The Company's Nomination and Compensation Committee shall be responsible for the selection process and submit their final choice to the Company's Board of Directors for approval and further appointment.

2. Executive Level

In the event that the management positions at the level of department manager and above are vacant or the individual in such positions cannot perform their duties, the Company shall have the selected successor of the position proposed to the Board of Directors of the Company. The succession planning of the executive position level is as follows.

- 1) Analyse business condition of the Company in term of its strateg, policy, investment and expansion plans.
- 2) Evaluate the readiness of manpower to be consistent with the Company's strategy in both short term and long term.
- 3) Create plan making the availability of manpower by developing or recruiting employees to replace those resigning from the Company.
- 4) Create Recruitment Plan and arrange for Employee Training and Development in advance by providing training courses for development to prepare the employees, junior and middle level executives to advance further to junior, middle and high executive positions respectively prior to retirement or early retirement of the employees.
- 5) Define competencies, which refers to the knowledge, skills, personality and desirable attitude of the employees in certain positions and establish the Individual Development Plan.
- 6) Select, evaluate and assess the performance to determine the potential of employees' suitability.
- 7) Use tool to test and evaluate the employees to analyze their potential.
- 8) Select successors based on the assessment and analysis of the employees' potential and performance. The employees shall be notified in advance in order to prepare

for the handover and learning of the new responsibilities, while a successor shall also be determined.

- 9) Develop and evaluate employees who are expected to be successors whether they can be developed and have performance as expected. If it is contrary to the expectation, the change of successors can be done.

All of this the company's policy is on the website of the company (www.supalai.com) both Thai and English.

5.18 Related Party transaction

The Company complies with a policy on related party transaction, regulations, process for consideration and approval of transactions as well as disclosure of information in accordance with the regulations and Notifications of the Committee of the Stock Exchange of Thailand Re Disclosure of Information and Operations of Listed Companies Concerning Related party transaction B.E. 2546 (2003) All of this the company's policy is on the website of the company (www.supalai.com) both Thai and English.

5.19 Risk Management

The Company complies with a policy on risk management has set up the process for risk management covering the risk in terms of strategy, credit, liquidity, law, anti — corruption, business operations, policy, financial policy, the external events in order to manage risk in a systematic manner. This will reduce the risk factors that affect the success of the Company to be at an acceptable level an in consistent with the strategic plan of the Company, which cover:

- causes of risks affecting the Company in financial and non-financial aspects, and provide a review of the risks every time there is a change of various factors affecting the capital fund of the Company;
- categories of risks and determine the risk appetite to be used as a basis for responding to the risks of the Company;
- assessment of risks by adding measures for risk assessment to achieve greater accuracy in terms of both quantitative and / or qualitative aspects;
- management of risks and monitoring each category of risk according to the priority by arranging for monitoring of risks on a quarterly basis;

All of this the company's policy is on the website of the company (www.supalai.com) both Thai and English.

5.20 Performance Assessment of the Committee

The Board of Directors has appraised annual performance of the Committees once a year, whereby the appraisal form is in accordance with the principles of good corporate governance of the Company and the scope of authorities and duties of the Committees. Accordingly, the emphasis is

placed on the use of results of the assessment to review the work product, problems or obstacles during the previous year as well as the improvement of performance of the Committees. The objective is to increase efficiency of the Committees' performance and to be used as reference in preparing CG Rating. In 2014, the appraisal was done in 2 characteristics, they are, 1) the assessment of the whole Committee; 2) the assessment made on an individual basis (self- assessment). The assessment forms were divided into 5 categories consisting of 1) assessment form for the whole Board of Directors; 2) assessment form for the Board's individual member (self-assessment); 3) assessment form for performance of the whole Audit Committee; 4) assessment form for performance of individual member of the Audit Committee (self- assessment) and 5) assessment form for performance of the whole Sub-Committee. There is an assessment process and criteria for calculation of results in percentage as follows:

Assessment Process for the Whole Committee and Each Individual Member

Every year, the Company Secretary shall send such 5 assessment forms to all members of the Committees in order for them to assessment the annual performance on concerned matters. After having completed the assessment form, each Committee member shall submit such form to the Company Secretary in order to compile the score of each member and summarize the analysis results of the assessment of the Committees' annual performance. The report shall then be made to the Board of Directors in the following meeting of the Board of Directors, and in 2014, the report was made to the Board of Directors' meeting on 13 January 2015. The assessment results in percentage are as follows:

Level of Score	Rate
More than 85 %	Excellence
More than 75 %	Very Good
More than 65 %	Good
More than 50 %	Fair
Less than 50 %	To be improved

The assessment can be summarized as follows;

1. **Assessment Form for Performance of the Whole Board of Directors** consists of 5 items as follows: performance of the Board of Directors, structure of the Board of Directors, practical guidelines of the Board of Directors, preparation and conducting of the Board of Directors' meetings and qualifications of directors.

In summary, the average score of the assessment of the whole Board of Directors according to all 5 items resulted in an excellent score of 95%

2. **Assessment Form for Individual Member of the Board of Directors (Self- Assessment)** consists of 6 items as follows: 1) Responsibility for their own acts and decision-making with accountability; 2) Responsibility for performing duties with sufficient capability and effectiveness; 3) treating stakeholders equally and fairly with accountability; 4) having accountable operational transparency and disclosure of information; 5) having vision in creating value added business in the long run and 6) having ethics and business ethical conduct.

In summary, the assessment of members of the Board of Directors on an individual basis according to 6 items resulted in an excellent score of 94%.

3. **Assessment Form for Performance of the Audit Committee (the Whole Committee)** consists of 13 items as follows: 1) Performing of duties of the whole Audit Committee; 2) Auditing financial statements; 3) Working with the auditors; 4) Auditing the disclosure of information in other reports; 5) Auditing the internal control and risk management; 6) Internal control units; 7) General matters; 8) Implementation of Section 89/25 of the Securities and Exchange Act; 9) Selection, nomination and offering of remuneration the auditor; 10) Meetings with the auditors; 11) Consideration of related party transaction or other transactions which might have conflict of interest; 12) Report of the Audit Committee and 13) Charter of the Audit Committee.

In summary, the assessment of performance of the whole Board of Directors according to all 13 items resulted in an excellent score of 93%.

4. **Assessment Form for Performance of the Audit Committee's Members on an Individual Basis (Self- Assessment)** consists of 12 items as follows: 1) Knowledge, ability relating to the Company's business; 2) Specific expertise; 3) Powers and duties, independence and fairness; 4) Devotion of time in working and attending the meetings; 5) Performance of other tasks assigned by the Board of Directors with the approval of the Audit Committee; 6) Review of financial reports of the Company to ensure sufficient and correct disclosure; 7) Review to ensure that the Company has suitable internal control and internal audit systems; 8) Review to ensure that the Company comply with the Securities and Exchange Act, requirements or laws relating to the business of the Company; 9) Review to ensure that anti-corruption measures are complied with; and carrying out risk assessment and reporting to the Board of Directors for acknowledgement; 10) Considering, selecting and nominating an independent person to be the auditor of the Company; 11) Considering related party transaction or transactions that may have conflict of interest to ensure compliance with the laws and regulations of the Stock Exchange of Thailand and 12) Disclosure of operational results and providing comments in the Audit Committee's report in a complete manner.

In summary, the assessment of members of the Audit Committee on an individual basis according to all 12 items resulted in an excellent score of 94%.

5. **Assessment Form for Performance of the Sub-Committees (of the Whole Committee)** consists 5 items as follows: 1) Performance of the Committee; 2) Structure of the Committee; 3) Practical guidelines of the Committee; 4) Preparing and conducting the meetings of the Committee and 5) Qualifications of Committee members.

In summary, the assessment of 3 Sub-Committees according to all 5 items resulted in the following average scores:

- The Nomination and Compensation Committee got an very good score of 85%.
- The Board of Governance got an excellent score of 87%.
- The Risk Management Committee got a very good score of 81%.

5.21 Performance Assessment of the Chief Executive Officer

The Board of Directors shall consider the operational results of the Company according to the KPI approved by the Board of Directors' meeting. Afterwards, the Nomination and Compensation Committee (all are independent directors) shall consider the performance of the President of the Company taking into consideration the Company's operational results and scores on the performance of the President. The Nomination and the Compensation committee shall then consider endorsing the remuneration for the President to be compatible with the operational results and the actual performance of the President to be proposed to the Board of Directors for approval. The performance assessment of the President must be held once a year using the assessment criteria as follows:

1. The management in accordance with the mission, visions, strategies, business goals and annual business plan of the Company. The assessment will be made in 3 aspects, namely,
 - finance, such as selling and administrative expenses.
 - business portfolio including presales, sales, gross profit margin, operating profit margin and the rate of return for equities.
 - internal management such as awards for corporate governance, inventory management, satisfaction of customers and the transfer of ownership to customers.
2. Development of human resources and establishment of the corporate culture for sustainable business growth.
3. Development, promotion and strengthening the corporate culture.
4. Supervision and management of business to be in accordance with the principles of good corporate governance.
5. Operation and management according to policies relevant to shareholders, Board of Directors, applicable laws and regulations of the Stock Exchange of Thailand.
6. Internal management to reduce the risk of dishonest act and corruption.

5.22 Development and Knowledge Accumulation for Directors and Executives

The Board of Directors seriously supports and promotes the knowledge development for every director for their efficiency in duty performing. It's the Company's policy to encourage its directors, executives and those supporting the secretarial works to attend seminars and training courses of Thai Institute of Directors (IOD), The Stock Exchange of Thailand, or other independent institutions, ranging from the development in part of the duties and responsibilities of directors, or new management concept, so that every director will continue to develop and improve their works, as well as to apply the knowledge properly for further benefit to the Company. (See to Board of Director)

In 2014, there were 3 directors attending the training course relating to performing of duties of the directors (please see details in Section on: Board of Directors' Meetings, Attendance of Training Courses, Seminars of the Directors).

5.23 Monitoring of Insider Trading

The Company complies with a policy on inside information in order to prevent inside information abuse by the directors, executives or employees for personal gains or for the gains of their associates as prescribed in the Ethics and Code of Conduct, the Director's Handbook and the Handbook on Corporate Governance Policy. The policy on the use of inside information has been publicized on the Company's website (www.supalai.com) to ensure that the policy has been acknowledged and complied with. The details are as follows:

- The directors, executives and employees shall not use inside information of the Company or business trading partners of the Company, that they know from performing duties, to purchase or sell or offer to purchase or sell, or persuade others to purchase or sell or offer to purchase or sell securities of the Company or those of the Company's trading partners for personal gains or for the gains of others or to operate business in competition with the Company or to do related businesses although the Company may not lose any benefits. They shall also strictly comply with related laws.
- Directors, executives and employees of the Company shall keep confidentiality of inside information under one's responsibility and shall not disclose such information to the public or other personnel of the Company who has no involvement.
- The Company protects inside information that is not yet disclosed to the public by giving limited access to related and necessary parties only. Security system is also provided to protect computerized systems and information. Personnel in charge shall insist that all parties involved must strictly comply with the rules.
- A disclosure of information shall be made by authorized persons only. General personnel are not obliged to disclose the information. When asked to reveal information that they do not have authority to disclose, refer a question to the person in charge in order to provide accurate information and in the same direction.
- Other than publicly available information, the Company considers all other information as inside information for directors, executives and employees to use under the duties and responsibilities as assigned.
- Directors, executives and employees are due to take responsibility on data protection and shall not exploit the inside information for personal gains even after resigning from the Company.
- The Company's directors and executives including their spouses and children who are minors as well as related persons are required to submit the list of their securities holding and report on changes of the list to the Office of the Securities and Exchange Commission within 3 days from the date of purchase, selling, transferring or receiving the transfer of the securities. This is to comply with Section 59 of the Securities and Exchange Act. The

directors and executives are also prohibited from buying and selling of the Company's securities during the period of one month prior to disclosure of financial statements to the public.

- The Company requires that the directors and executives report on the change of securities holding to the Office of the Securities and Exchange Commission and submit the copy of the report to the Company Secretary on the same day they submit the report to the Office of the Securities and Exchange Commission.
- The Company requires that the directors and executives who know essential inside information that has influence on securities price must not buy or sell the Company's securities for one month prior to the disclosure of financial statement to the public and they shall not disclose such essential information to other people.
- The Company supports a campaign to use inside information via the Company's communication channel, especially during major events such as an issuance of shares or debentures for capital increase.
- Anyone who discloses information without consent of the Company and causes damage to the Company shall be subject to penalty according to the law.

However, during 30 days before the disclosure of the financial statements, the Company Secretary shall notify in writing the directors, executives and related departments who know about inside information requesting them not to disclose inside information to outsiders or unrelated persons. In 2014, the Board of Directors and the executives strictly complied with the rules. Thus, there was no case of violation or failure to comply with the rules regarding securities trading by using the inside information.

5.24 The Internal Audit

The Board of Directors has established the Internal Audit Department within the Company. Also, to facilitate the Internal Audit Department to be independent from the management, the Board of Directors has ordered that the Internal Audit Department report to the Audit Committee in order for the Board of Directors to be able to follow up the Company's operations efficiently. The Internal Audit Department has set objectives, main engagement, scope of operations, powers and duties, and responsibilities in writing in the Internal Audit Charter approved by the Chairman of the Internal Audit Committee.

In the previously year , the Internal Audit Department was able to carry out the duties and responsibilities in accordance with the Internal Audit Charter completely, independently and in compliance with the Code of Conduct and commitment of the Internal Audit Department as summarized as follows:

1. Development to Add Value to Audit Work

- Focus has been placed on assurance and consulting services with independence and equity to add value and improve the operations of the Company, ensure the governing of the operations. Arrangements have also been provided for risk management and good internal control so as to achieve the operational objectives of the Company.

- Prepare an annual risk-based audit plan according to the strategic direction of the Company and important risks that impact the operation of the Company; carry out the operations in accordance with the Standard for the Professional Practice of Internal Auditing which includes the laws, regulations and regulations relating to the Company (Compliance Audit).
- Focus on the Proactive and Preventive Audit.
- Arrange for monitoring of implementation of the recommendations generated from the auditing.

2. Development of Internal Auditors

Arrange a test according to Standard for the Professional Practice of Internal Auditing and encourage internal auditors to develop themselves by pursuing a certificate for professional auditors or other professions relevant to internal auditing; also promote further education in other professions related to the business of the Company.

3. Internal Audit Charter

The Internal Audit Charter has been established as guidelines for operating personnel of the Company at all levels to understand lines of command, objectives, scope of work and responsibilities of the Internal Audit Department, and liabilities of audited units by taking into consideration the importance of the good corporate governance as an important tool in supervising and managing the operations, and to ensure that there be correct standards and trustworthiness by maintaining pure and fair standards according to prescribed practical professional dignity of internal auditing.

3.1 Objectives

The Internal Audit Department has been established with the aim to build confidence to the executives in controlling, supervising and giving advice and to provide useful information for their decision making regarding the improvement of the Company's operations.

3.2 Line of command

The Internal Audit Department is an independent unit reporting directly to the Audit Committee.

- 1) The Manager of the Internal Audit Department is the top senior personnel of the Department and report directly to the Audit Committee.
- 2) The Manager of the Internal Audit Department shall propose the Risk — Based Audit Plan to the Audit Committee.
- 3) The Manager of the Internal Audit Department directly reports the result of the audit to the Audit Committee, and the Audit Committee must report every audit result to the Board of Directors accordingly.

3.3 Main Engagement

- 1) Provide advice and information relating to the audit, assess risk management and internal control including standards of operations, generally accepted accounting principles, policies, laws, rules, regulations for enhancing efficiency and effectiveness in governing process to add value and ensure the creditability of the financial information system and the operations of internal departments.
- 2) Be committed to practice to enhance their own knowledge and also the organization's on the internal audit and various technical matters relating to the provision of advice and suggestions to build confidence in operating work.

3.4 Scope of Operations

- 1) The Scope of Operations of the Internal Audit Department includes providing advice and information regarding the audit, operations, assessment and improvement of risk management, internal control, generally accepted accounting principles, policies, rules, regulations and laws as well as supervising process and all relating procedures to the departments in the organization to add value and improve the operations of the audited units as well as relevant units to achieve the set goals and objectives.
- 2) The performing of any other non-audit tasks must always be approved by the Audit Committee.

3.5 Powers and duties

- 1) The Internal Audit Department is independent in auditing the operations of all departments within the organization.
- 2) Internal Audit Department can have access to personnel, information, documents and assets of the employees in connection with the audit except for information on salary of the personnel in the Company.
- 3) Internal Audit Department has no powers and duties to set out any policies, operation methods and the internal control system or make amendment of the internal control system. Such duties shall be the responsibilities of other concerned executives. The duty of the Internal Auditor is to provide advice only.
- 4) The Internal Audit Department shall carry out the audit in accordance with the International Standard for the Professional Practice of Internal Auditing.
- 5) Internal Audit Department has the right to attend training courses or participating in activities to increase their relevant knowledge by using the resources of the Company.

3.6 Duties and responsibilities

- 1) Verify the accuracy and reliability of data and figures by using techniques and generally accepted auditing methods. The quantities for auditing will be determined as deemed necessary and as appropriate taking into account the efficiency of the internal control system and the importance of the matter to be audited including analysis / evaluation of the management and operations of the audited unit by considering the priority for auditing. Also, with regard to time spent in the operation, significant risks shall be taken into consideration.
- 2) Audit the operational activities to ensure the compliance with policies, laws, regulations, orders including the segregation of tasks, maintenance of properties and the use of all resources taking into account the efficiency and effectiveness of the operations.
- 3) Evaluate performances / report on results of the audit and provide recommendations for improvement of the performances of the audited unit to be more efficient, effective and cost-savings in accordance with the internal control framework of COSO (COSO Framework: The Committee of Sponsoring Organizations of the Treadway Commission), an international organization that systematically disseminates methods and concepts of the internal control system; and report the adequacy and effectiveness of anti-corruption measures to the Audit Committee.
- 4) Monitor and evaluate the implementation of the jointly discussed conclusions to ensure the audited units have improved the operations as discussed.
- 5) Coordinate with persons involved to facilitate the audit to achieve the goals and to be efficient.
- 6) Assess risks in all processes of the Company relating to measures against corruption and provide appropriate risk management procedures.
- 7) Audit the compliance with measures, practical principles and the internal control relating to anti-corruption measures for all tasks assigned including financial and accounting internal controls and record-keeping to ensure that control relating to prevention on corruption is in place.
- 8) Perform other auditing work as assigned by the Audit Committee.

4. Details on the Chief of the Internal Audit Department

The meeting of the Board of Directors No. 8/2008 held on 8 September 2008 resolved to appoint Ms. Thoupthong Hirunyanulak as the Chief of Internal Audit while holding the position of Senior Manager of Internal Audit Department since 18 August 2008. Ms. Thoupthong Hirunyanulak has possessed qualifications and experience in the internal audit and had attended training courses relevant to the internal audit such as international standards in internal audit, development of auditing, fraud audit,

assessment of internal control and risk assessment according to the COSO ERM. Thus, Ms. Thoupthong Hirunyanulak has been considered suitable for the position to perform duties as assigned appropriately and sufficiently. The roles and responsibilities of Ms Thoupthong Hirunyanulak are as follows:

- 1) Perform duties as "Internal Auditor" responsible for assignments in accordance with the Audit Committee Charter approved by the Audit Committee
- 2) Act as the "Secretary of the Audit Committee" by organizing meetings, preparing meeting document and taking note of the minutes of the Audit Committee meetings.

5.25 Company's operation supervision

The Company recognizes the importance of compliance with regulations, one of the important mechanisms contributing to correct and prudent working procedures of the Company, which support the Company to be able to implement its strategic plans, achieve the goal. The Company also comply with the rules and regulations, articles of association and regulations of concerned agencies The following departments have been assigned to be responsible for such tasks;

- The Company Secretary is responsible to ensure that the operations of the Company are in compliance with rules and regulations for listed companies including regulations of the Company and articles of association as well as being center for compiling and keeping abreast of information on external rules and regulations concerned. The Company Secretary shall also act as communication center to provide knowledge and advice on external rules and regulations for listed companies.
- Legal Affair Department is responsible for supervising legal affairs relating to the Company's business and providing knowledge for the internal departments on various issues in order for the business operations to be handled correctly in accordance with laws of external agencies.
- The Internal Audit Department is responsible for assessment of the efficiency and adequacy of the internal control system. It must also audit and ensure the compliance with rules and regulations of the Company.

The Quality System Department has the duty to establish operational guidelines in the procedure, work instruction and other concerned documents for all employees to use as a manual for operations including a process of problem analysis to contribute to the solution and improvement of the operational system to ensure the management system of planning, designing, construction, sales and community management are appropriate with extensive coverage, and also ensure that the implementation of the quality system is in accordance with the requirements of international standard ISO 9001: 2008.

5.26 Auditing Fee

The Company and its subsidiaries paid auditing fee to EY Office Limited as the auditor for the year 2014 as well as related individuals or businesses concerning the auditors and the audit firm in the last fiscal year in a total amount of Baht 3,200,000 Baht.

Neither the auditor firm nor the auditor has relationship nor any interest with the Company / executives / major shareholders or persons related to such persons. The auditor is independent and qualified to be auditor of the Company and has also been approved by the Office of the Securities and Exchange Commission.

- Auditing Fee for the Year 2014

- 1) The auditing fee for consolidated financial statement and separate financial statement totaling 1,970,000 Baht
- 2) An annual and quarterly auditing fee for four subsidiaries of the Company and the consolidated financial statements is Baht 1,230,000 Baht.

Total audit fees of Supalai Public Company Limited and its subsidiaries 3,200,000 Baht

- Non-audit fee

- None -

5.27 Compliance with Good Corporate Governance Principles in Other Matters

The Board of Directors of Supalai Public Company Limited is well aware of the importance of corporate governance and social responsibility as it is confident that good governance will contribute to the following;

1. Strengthening a good management system with transparency and accountability, which can enhance the Company's potential to compete in the short and long terms for sustainable business growth and eliminating conflicts of interest that may arise.
2. Creating confidence among investors, both in the country and abroad as well as financial institutions, business partners, all stakeholders through clear and transparent communication on an equal basis and adding value to shareholders in the long run by significantly taking into consideration all kinds of stakeholders.
3. Being a tool to measure the operations of the Company and examine all operations to improve their efficiency.

Therefore, the Company's Handbook on Corporate Governance Policy and Ethics and Code of Conduct has been complied with by directors, executives and the employees, whereby the directors and executives have acted as good role models and oversee and encourage all employees to comply with the Code of Conduct and create working atmosphere favorable to the compliance with

the guidelines specified in the Handbook. At the same time, the Company is committed to prevent violation of the Code of Conduct; and in case of negligence and violation of such Code of Conduct, disciplinary penalties set forth by the Human Resources Department of the Company will be imposed. There has been communications and public relations to promote understanding of the practices of the Code of Conduct among the management and employees, while the monitoring of the compliance with guidelines of the Code of Conduct has been carried out. Detailed information for stakeholders can be found on the Company's website. (www.supalai.com).

- **Motto for Good Corporate Governance**

The Company has adopted a motto for good corporate governance under the concept of "Supalai GREAT" to promote an approach of working together in the same direction, and to strengthen the good organizational culture, which comprised of:

Good Corporate Governance Motto

G : (Good)	To think good , speak good and do good is the foundation of positive thinking, which can be applied to work and to solve problems. This also helps reduce conflicts while enhancing smooth and successful interpersonal communication.
R : (Responsibility)	Act consciously. Operate business with determination and dedication with all our ability. Always learn to enhance capabilities.
E : (Equitable Treatment& Ethics)	Treat all relevant parties equally. Adhere to moral standards and conduct business with fairness. Give priority to all stakeholders. Treat stakeholders equally regardless of gender, age, race, nationality, religion, belief, and political opinion.
A : (Accountability)	Fulfill duties with utmost attention. Be consciously aware of and carry out our tasks cautiously. Bravely accept the consequences of our actions. Adhere to and abide by applicable laws, rules and regulations.
T : (Transparency)	Operate business with transparency, disclosure of information and accountability. Be determined to conduct business with honest intention. All pieces of evidence and references can be traceable and accountable.

- Supervision of the subsidiaries' operations

The Company has set out a policy in supervising the operations of its subsidiaries, by selecting the directors of the Company who have relevant knowledge, skills, qualifications and experience in line with the type of the businesses of the subsidiaries to be the competent directors who have controlling powers over the subsidiaries as approved by the Board of Directors. In the event that the subsidiaries have important issues such as increase or decrease of capital, dissolution of the subsidiaries or associated companies, they shall always seek prior approval from the Board of Directors. Moreover, the supervision shall ensure that the operations of the subsidiaries and associated companies are transparent. Therefore, their auditors must be from the same auditing company that provides services to the Company in order for the auditors to audit business transactions and seek appropriate and sufficient evidence to express opinions on consolidated financial statements. In the past, the Board of Directors resolved to approve the appointment of directors with scope of powers, duties and responsibilities as follows;

1. Supervise to ensure that the directors, executives and the employees comply with the Code of Conduct, any of the policies in accordance with the principles of good corporate governance and other policies relating to anti-corruption, which are the same rules as applied by the Company.
2. Control to ensure that there are complete and correct operations on data storage, accounting recording as well as regulations established in regard to the related party transaction, the acquisition or disposition of assets, or major transactions of the subsidiaries and also ensure that the preparation of financial statements is based on the same accounting policies used by the Company in order that the financial statements of the subsidiaries can be included in the consolidated financial statements properly and in a timely manner.
3. The Board of Directors assigns the Internal Audit Department to review the performance of subsidiaries by using the Risk Based Approach depending on each case to ensure that the subsidiaries have appropriate and sufficient internal controls systems. The Internal Audit Depart shall then report to the Audit Committee to further propose their opinions to the Board of Directors.
4. Arrange for the reports on the operations and the financial Statement of the Subsidiaries Company to be proposed to the Board of Directors for acknowledgment on a monthly basis.

Risk and Crisis Management

The Board of Directors has formulated the Policy on Risk Management, which has been supervised by the Risk Management Committee to ensure that the policy has covered the entire organization. The process for risk management consists of major steps, namely, risk identification, risk assessment, risk monitoring and control and report on risk as well as regular review of sufficiency and effectiveness of the risk management system. The risk management process covers Credit Risk, Operation Risk, Strategic Risk, Liquidity Risk and other risks such as legal risk, corruption risk and regulatory risk. The Risk Management Committee also offers comments or additional suggestions in this regard. The Policy on Risk Management has incorporated the following guidelines.

1. Determine that risk management processes are under a single standard throughout the organization.
2. Implement the risk management throughout the Company in an integrated manner. This is achieved through the systematic and ongoing management that is in line with the indicators and the Company's strategic plan.
3. Encourage and develop executives and employees at all levels to have knowledge and understanding of risk management while participating in the Company's risk management processes with a training in this regard being provided annually.
4. Focus on both preventive and corrective actions in the risk management, which are conducted regularly and rapidly in a transparent, accurate and thorough manner.
5. All sectors are responsible to specify their objectives as well as creating a risk assessment matrix while identifying risk indicators and preparing risk reports in line with the risk management processes adopted by the Company.
6. The identification and control of risks effecting the Company's plans, directions or strategies are to be managed systematically to ensure an acceptable level of these risks.
7. Acceptable risk level must be approved by the Risk Management Committee before implementation.
8. Any employees witnessing or acknowledging risks, which may affect the Company, must report such risks to the Company's Management and the Risk Management Committee immediately. This must be conducted according to the procedures specified in the risk management policy manual for further handling of the risks.

9. There shall be monitoring, assessing and conducting risk management reports which will be submitted to the Board of Directors. The risk management must also be reviewed and updated on a regular basis.

The Company has communicated the policy on risk management to the executives and the employees via emails, intranet and website of the Company. The new employees shall learn about such policy as soon as they begin to work and attend the orientation.

In 2014, the Company had carried out tasks in regard to the risk management, which can be summarized as follows:

- Performing risk assessment at unit level. There has also been risk assessment anti-corruption of each unit of the Company as well as of subsidiaries and set out methods for possible future risk management to be efficient.
- Organizing a training course titled "A Guide to the Risk Management of Modern Organizations" for employees at supervisory and operational levels in order to equip all staff members with knowledge and understanding of risk management.
- Reviewing the risk management manual.
- Conducting a review and revision of the Policy on Risk Management to ensure its compliance with the Company's business strategy and vision.



Operation Of Business With Fairness

Supalai Public Company Limited has been committed to operate business in accordance with good corporate governance; it therefore attaches importance to operating business with integrity, transparency and fairness to all parties concerned.

Accordingly, the Company's Board of Directors has set out practical principles of "Code of Conduct" which indicates its business responsibility and ethical conduct of the management and employees, whereby the Company wishes that its personnel follow appropriate practices as well as treating all groups of stakeholders with integrity, honesty, transparency and fairness, while strictly complying with business code of conduct.

In addition, policy has been adopted that the executives adhere to code of conduct by being good samples and creating working atmosphere favorable to the compliance of and preventing violation of such code of conduct.

The Company has therefore set out code of conduct to be practical guidelines for the executives and employees in order to establish the organizational culture with good corporate governance by disclosing the details of ethical business practices on the Company's website, www.supalai.com, and encouraged the practices of the code of conduct among all employees at all levels. The ethics handbook of business operation is in the booklets distributed to all employees, more details can be found on the Company Intranet system. <http://intranet.supalai.com> In addition, the Company also focuses on creating awareness of such ethical conduct for employees from the beginning of their career with Supalai. The Code of Business Conduct topics contained in the new employee orientation program which consists of details of different areas as follows:

- Management of conflict of interests
- Confidentiality
- Responsibility for the Company's property and reputation
- Responsibility to stakeholders

Management and Development of the Supply Chain

Supalai Public Company Limited has adopted management process of the supply chain as its important business strategy so as to build up business sustainability and to increase efficiency in every process of work. This will also increase the efficiency of the supply chain, while maximum benefits of all groups of stakeholders has been taken into consideration.

The Company's management guidelines on such matter are as follows:

- Managing risk in the supply chain in order to prevent business interruption and impact on confidence of the stakeholders.
- Placing emphasis on creating relationship with all groups of stakeholders so as to jointly develop business potential on a long-term basis by increasing efficiency of the supply chain.

Application of ISO 9001:2008 in every process of supply chain management



Anti-Corruption

Message from the Chief Executive Officer about Anti-corruption

It is well aware that corruption are regarded as crimes, which are both illegal and immoral, and can have significant impact on the status of the Company as well as the economic, social and political condition of the country including the international confidence. Therefore, the Company decided to join the Nation Associate Anti-Corruption Network to reassure all stakeholders that the Company has conducted business in compliance with the good governance principles. Policies are adopted with an emphasis on instilling awareness on harm from corruption in the minds of employees and executives at all levels, while creating the right value in order to develop transparency within the organization and adopting clear set of anti-corruption-related policies.

Additionally, the company has appointed specific personnel to be responsible for preparing in writing the criteria, methods, follow-up measures and reports. The Board of Directors then assigned the Audit Committee to ensure compliance with all relevant principle of anti-corruption measures. In so doing, the Audit Committee will review the measures as well as related internal control principles and report on the measure sufficiency and efficiency. The Audit Committee shall also review risk assessment and provide recommendations to the Board of Directors regarding required practices to reduce such risks which will be further implemented by the executives.

Anti-corruption-related policies are to be strictly followed by directors, executives and employees of the Company, its subsidiaries and associated companies including those under the supervision of the Company. These policies comprise

1. Policy on Anti-Corruption
2. Policy on Political Contributions
3. Policy on Gift and Hospitality
4. Policy on Whistleblowing and Complaints
5. Policy on Provision of Financial Support
6. Policy on Charity Donation

The adoption of policies and principles as well as the internal control system to prevent corruptions will bring about concrete and auditable transparency and good corporate governance. The Company fully hopes that all stakeholders will gain long-term benefits from such practice as follows:

1. Shareholders Gain confidence on a worthwhile return on investment.
2. Employees Receive fair treatment in performing their duties and are provided with channels to report on clues regarding corruption to Independent Directors.
3. Business partners Receive fair selection, contract agreement and evaluation.
4. Customers Having received good quality products and services.
5. Contractors Facilitated in a number of ways without being charged in activities such as loan procurement, receive payment on time, there shall be inspection to accept the work and the preparation of transportation routes of materials and equipment into and out of the construction area.
6. Social and the Country The state receives the right and full amount of tax which will further be used for the development of the country, while at the same time, the society will gain indirect benefits from the culture of honesty fostered among employees in the organization, which will further expand widely into the society.

Commitment and Policy

On 9 November 2010, the Company announced to join Thailand's private sector Collective Action Coalition against Corruption, which was initiated by the Thai Institute of Directors (IOD), the Thai Chamber of Commerce, the International Chamber of Commerce, the Thai Listed Companies Association, the Thai Bankers' Association, the Federation of Thai Capital Market Organization and the Federation of Thai Industries. The Company has implemented several actions to prevent corruption involvement by establishing criteria and guidelines, as well as follow-up and reporting procedures in writing. The Board of Directors then assigned the Audit Committee to ensure compliance with all relevant principle of anti-corruption measures. In so doing, the Audit Committee will review the measures as well as related internal control principles and report on the measure sufficiency and efficiency. The Audit Committee shall also review risk assessment. Recommendations regarding required practices to reduce such risks will be provided to the Board for consideration, to reassure all stakeholders that the Company has conducted business in compliance with the good governance principles.

Supalai Public Company Limited has laid written practical guidelines for corruption prevention in its Code of Business Ethics and Conduct for directors, executives and all employees to follow, which had been approved by the Board of Directors, at its meeting No. 2/2014 held on 25 February, 2014. The Board of Directors also passed the resolution approving six anti-corruption policies as follows: 1) Policy on Anti-Corruption 2) Policy on Political Contributions 3) Policy on Gift and Hospitality 4) Policy on Whistleblowing and Complaints 5) Policy on Provision of Financial Support and 6) Policy on Charity Donation. These policies have been disseminated to the Company's directors, executives and employees. The Company requires that, all operation procedures under these policies must comply with applicable laws and regulations. Clues or complaints about corrupt actions can be reported to the Company via several channels, with proper measures available to protect informants or complainants. Details of the policies and actions related to the prevention of corruption involved are on the Company's website. (www.supalai.com/anticorruption) under Anti-Corruption Measures.

Under its anti-corruption policies, the Company will not allow any form of corrupt action to occur by reviewing its risk assessment and having established practical guidelines for all directors, executives and employees to follow to ensure compliance with applicable laws and regulations and the Company's Code of Conduct. Such policies shall be binding upon performance of duties, relationship with its customers and trading partners, which have been approved by the Board of Director and have been made public. The Company's Board of Directors have stipulated the written anti-corruption policies that apply to all of the Company's subsidiaries, associated companies and other companies under its control, which include business partners, such as construction contractors, shops, customers, banks, competitors, etc., as displayed under the anti-corruption related policies as follow:

- **Policy on Anti-Corruption**

The Company has complied with the Policy on Anti-Corruption by having implemented fair business competition strategies with an emphasis on the quality of products. Thus, the company will not tolerate any form of corruptions, either by offering, promising, asking, demanding, giving and receiving bribes, persuading any person to commit illegal acts, or discrediting, for every business and transaction of the Company in every country and concerned agency. This also refers to when one operator or more, be it an employee, executive or third party, involved in the business joins in committing undesirable or illegal acts for their own benefits. 'The benefit' herewith does not only refer to money but includes any other types of benefits which are not related to money.

In addition, a thorough anti-corruption procedure is set up to ensure that all relevant practices are implemented in accordance with the regulatory policy. Such practices will be reviewed on a regular basis to keep up to date with constant change in business laws as well as to maintain the Company's reputation.

- **Policy on Political Contributions**

The Company has a policy to support political democracy by encouraging all directors, executives and employees including, employees of its subsidiaries and other companies under its control to exercise their political right according to the law as good citizens who can express, participate and support the exercise of right outside official working hours by using their own resources only. The Company has no policy to encourage the supervisors and employees at all levels to instruct or persuade the employees and their subordinates by any means to participate in political activities of all types, which may cause conflict within the organization.

- **Policy on Gift and Hospitality**

Supalai Public Company Limited is law-abiding and has operated its business with integrity to maintain its reputation. Hence, the Company sets up the policy on the offer and acceptance of gifts, assets and any other benefits which can be carried out according to traditions and morality, for example, to express gratitude and maintain business relationships. Nevertheless, any inappropriate offer or acceptance of gifts, assets and other benefits may affect the employees' decision making and consequently their performance which may cause the Company to lose benefits. Therefore, such offer and acceptance shall not be tolerated by the Company.

- **Policy on Whistleblowing and Complaints**

The Company has complied with the policy on reporting on clues or complains by opening a channel for accepting reports on clues and complaints on violation of laws or ethical conducts or illegal conducts and any misbehavior which implies dishonest act or improper act of any person in the Company, be it employees or any segments of stakeholders. In addition, the Company has implemented protective mechanisms for informants while placing high value on reported information and complaints to ensure the confidentiality of informants and complainants by establishing a process of implementation, investigation of the fact, summary of results as well as clear measures to protect the whistleblower or the complainant. The clues or complaints can be informed directly via email of independent directors.

- **Policy on Provision of Financial Support**

The Company has complied with the Policy on Provision of Financial Support. The Company is committed to conducting business while caring for the society continuously. To conduct business with transparency, the Company has set up procedures for supervising items of provision of financial support by reviewing the approvals of the authorized persons of the Company. It has also required that there be reporting and monitoring of provision of financial support to ensure that the provision of financial supported has been used according to the objective of the request for financial supporting.

● Policy on Charity Donation

The Company has complied with the Policy on Charity Donation. The Company is committed to conducting business while caring for the society continuously. To conduct business with transparency, the Company has set up procedures for supervising items of charity donation by reviewing the approvals of the authorized persons of the Company. It has also required that there be reporting and monitoring of charity donations to ensure that the money donated has been used according to the objective of the request for donations.

The Company has strong determination to operate business without any involvement with corruption. Apart from communicating a message with every group of stakeholders such as customers, trading partners and contractors to counter corruption. The President of the Company has also been appointed as member of the Anti-Corruption Cooperation Subcommittee, the Subcommittee is in charge of considering appropriate ways to comply with the Finance Ministry’s Order requiring cooperation in corruption prevention, and to generate more transparency of procurement processes. To ensure all executives’ and employees’ acknowledgement and compliance, the President announced at New Year’s celebration party that the Company had joined Thailand’s private sector Collective Action Coalition against Corruption and had also launched related-measures accordingly.



Since 2013, the Company has required all of its working units and subsidiaries to conduct risk assessment on corruption at least once a year. The year 2014 is the second year of implementation under this requirement. All the working units have to identify and rank the risks on corruption in their units by likelihood and effect and also figure out a risk reduction, prevention and countermeasures for possible corrupt actions, whereby the assessors shall assess risks with regard to type of business activity, operation procedures, industry conditions, business logic, related anti-corruption policies, as well as the available policy manual that specifically gives directions for each act of corruption,

such as accepting–giving gift and hospitality, provision of financial support or political contribution that all executives and employees of the Company and those of its subsidiaries are required to strictly follow as informed and trained.

The Company’s risk assessment comprises the following procedures.

1. Risk identification, chief of each working unit of the Company and those of its subsidiaries shall identify possible risks.
2. Risk assessment, after the risks are identified, their impact on goal achievement as well as the likelihood and possible degree of impact will be assessed.
3. Risk management, strategies or activities shall be designed to keep risks at the Company’s acceptable level. The Company shall have to consider whether existing risk management plans are adequate for risk reduction and impact mitigation.
4. Controlling activities, that is, the Company’s policies or operation procedures namely approval, review, account reconciliation and division of work shall be applied to ensure appropriate and timely risk management.
5. Risk Monitoring and reporting, this is to monitor and improve the activities for assessment of all kinds of risks on a continual basis. Information on risk regarding dishonesty and corruption will be compiled and reported to the Risk Management Committee. The Committee assesses and analyzes risk, prioritizes risks, prescribes guidelines and strategy for managing risk regarding dishonesty and corruption in order for the risk to be at acceptable level with appropriate cost, then reports results of the risk assessment to the Audit Committee and the Board of Directors for consideration and granting approval.
6. Communication by arranging for communication on risk management according to the approval of the Audit Committee and the Board of Directors to concerned parties in order to prepare manuals and practical principles to be communicated to every member of the unit for acknowledgement and compliance.
7. Following up results according to opinions of the Audit Committee and the Board of Directors including the compliance with the practical manuals at least once a year.
8. Reporting by the Audit Committee on compliance with practical manuals to the Board of Directors annually.

Implementation

The Company's President is a role model leader of organization who implements anti-corruption policies seriously, whether leading the Company to join Thailand's private sector Collective Action Coalition against Corruption, or being appointed as member of the Anti-Corruption Cooperation Subcommittee of the Finance Ministry. He has built up high confidence among all employees, which resulted in their united effort to fight corruption. All employees have adopted strict policies against corruption and the Company has prepared operation guidelines to prevent and monitor the risks on corruption accordingly. Such guidelines are published on the Company's Intranet network while knowledge about the anti-corruption policies and practice is communicated to all employees of the Company and those of the subsidiaries under "Noo Dee's Story" Project through e-mails and PR boards, both at the head office and offices of every project of the Company and subsidiaries. New employees will be informed of the anti-corruption policies and practices immediately as they started work; training is also provided to every new employee during their orientation program.

Moreover, the Company has provided a channel for accepting reports on clues and complaints on corrupt acts. Clues or complaints can be sent directly to e-mails of the Company's Independent Directors. This submission channel has been widely promoted for all parties' acknowledgement whether the Company's employees or the third parties. PR posters have been displayed at all offices of the Company's projects; leaflets have been sent to all trading partners i.e. contractors, banks or supplier. Recording and gathering of statistical data is required to follow designated procedures, such as the number and types of clues received, investigated, and those subject to action. Result of implementation to each clue or complaint must be reported in writing for the Audit Committee and the Board of Directors to monitor the progress and to improve some of the Company's working procedures that might cause any form of corruption.

From the corruption risk assessment processes, the results were contributed to an anti-corruption policy and established operation guidelines to prevent corruption regardless of bribes, gifts, rewards, conflict of interest, etc. To ensure the policy compliance, responsible persons have been assigned to monitor risk-prone operation under the supervision of the management. The management has intention to encourage the Company's and subsidiaries' employees and contractors not to involve in corruption. Such intention was stressed to all business and trading partners at the annual thank-you party organized for the contractors. If contractors have any comment to express, or if any unfair treatment was found, they can directly make report or comment to the Company's senior executives.

In 2014, the policies, operation guidelines, punishment, monitoring and review measures relating to countering dishonesty and corruption were included in the Company's Code of Conduct to be strictly complied with by directors, executives and employees of the Company. All employees are also required to sign to acknowledge the Company's policy every year.

Operation Procedures According to Counter-Corruption Measures

The Board of Directors and the Audit Committee are responsible to ensure that there be internal control system and to provide opinions on the sufficiency of such system by having carried out the assessment of topics according to the “Form for Assessment of Sufficiency of Internal Control System” of the Stock Exchange of Thailand implemented in 2014. Therefore, the assessment has been done within the scope of internal control of COSO (The Committee of Sponsoring Organization) of the Treadway Commission). The COSO internal control scope comprises 5 chapters, namely, 1)Control Environment 2)Risk Assessment 3)Operation Control 4)Information System and Communication of Information and 5)Monitoring System. From the review of the internal control system, no weak point or defect has been found in important matter, whereby there has been approval and sufficient review in each step of the process, for instance, for the receiving-paying process, the power has been authorized to grant approval in hierarchical manner, which has been approved by the management. Accordingly, it can be confident that the internal control system is effective. Also, there has been division of duties and responsibilities in order to have a check and balance for all items incurred, etc.

The Company has assigned the Internal Audit Department to monitor and assess the implementation of measures against dishonest acts, and has improved the operation process to be in line with relevant policies. Such monitoring and assessing guidelines of the implementation of anti-corruption measures are as follows:

1. Policy, the Company has adopted written policy on counter-corruption and required strict compliance by directors, executives and all employees of the Company, its subsidiaries, associated companies or other companies under its control.
2. Monitoring and Assessment, the Internal Audit Department has monitored and assessed the compliance with anti-corruption measures by reviewing each step of working process which might contain the loopholes where dishonest act could be incurred in order to find ways and means for prevention which would also be set out as guidelines for practices.
3. Improvement of Operation Process, the process review results shall be used for improvement of operation guidelines, while the opinions of the Audit Committee and the Board of Directors obtained from the review of completeness and sufficiency of operation processes, the consideration results of investigation of complaints, results of risk assessment regarding dishonesty as well as opinions of employees expressed through emails as set out would also be used for improvement of the process, the guidelines for practices and relevant policies in order to reduce risk from dishonest acts.

4. Monitoring of Operation Process Improvement, there shall be monitoring of operation process improvement to ensure the implementation of proposed recommendations for improvement of the process, operation guidelines and policies in a truly and timely manner.
5. Report on Results, the Internal Audit Department would report on results of the monitoring and assessment of the implementation of counter-corruption measures as well as the items to be improved and results of improvement to the Audit Committee on an annual basis in order to be reviewed of completeness, suitability and sufficiency of the process, operation guidelines and policies relating to counter-corruption measures. The Audit Committee shall then report such review results to the Board of Directors. Should there be any recommendations from the Audit Committee and the Board of Directors, the Company would apply them to improve the process, the operation guidelines and relevant policies in order to increase internal control efficiency.

Results of Countering Dishonesty and Corruption Operation

The Company has taken actions to prevent participation in dishonest acts and corruption as follows:

1. The Company has set out policies relating to countering dishonesty and corruption to be complied with by the directors, executives and all employees of the Company as well as employees in the subsidiaries, associated companies or other companies under its control. Such policies are also included in the ethics to be strictly complied with by directors, executives and employees of the Company.
2. The Audit Committee has the duty to oversee and review the implementation of counter-corruption measures under the control, prevention and monitoring of risk from dishonest acts of the management which has set out clear policies and operation guidelines. The Audit Committee shall then report the results to the Board of Directors.
3. The Company has arranged for efficient internal control system that covers financial and accounting matters, as well as the assessment of sufficiency of internal control system to be presented to the Audit Committee on a yearly basis including the storage procedures of documents and various records according to the prescribed accounting principles.
4. The management has provided support with knowledge in complying with the count-dishonesty measures as well as having expressed its determination and commitment to prevent dishonest acts to all employees of both the Company and those of its subsidiaries, associated companies and other companies under its control and all groups of stakeholders.
5. The Company has arranged for channels to report on clues through emails of the Independent Directors when seeing any dishonest acts, and provided protection measures for persons who report or persons who provide the information.

6. The Company has arranged for a channel in which the employees can provide suggestions, report on complaints and make inquiry regarding the compliance with measures against dishonest acts via email at anti-corruption@supalai.com, while activities have been organized for the employees to jointly express their opinions.
7. The Company has assessed the risks regarding dishonesty and corruption in every unit of the Company and its subsidiaries.
8. The Company has appointed the working group to develop the counter-corruption system by involving the employees to jointly press forward, promote and develop the implementation of the counter dishonest acts inside the organization.
9. The Company has organized campaigns to counter dishonesty and corruption, such as publicizing the policies relating to counter dishonesty and corruption among all groups of stakeholders via the Company's website (www.supalai.com), and disseminated among all employees through emails and intranet. The new employees shall also be informed immediately when joining the Company. The public relations is organized to provide knowledge relating to measures against dishonesty and corruption as well as providing public relations posters, leaflets and brochures in every project of the Company; and organized activities such as reward winning contests, answering questions, test of knowledge on counter dishonest acts and orientation to new employees to provide knowledge on the policy and practical guidelines on prevention of dishonesty and corruption.

Channels for Clue Reporting on Corruption

The Board of Directors has provided channels for the employees and all groups of stakeholders to report on clues or complaints on illegal or dishonest acts or acts against ethics or circumstances indicating dishonesty or improper acts of persons in the organizations or any right violations. The Independent Directors are assigned to accept the complaints and the stakeholders can reports on the clues or complaints directly via emails of the Independent Directors as follows:

No.	Name of Director	Position	E-mail
1.	Mr.Prakit Pradipasen	Independent Director and Chairman of Audit Committee	p_pradipasen@hotmail.com
2.	Mr.Anant Gatepithaya	Independent Director and Member of Audit Committee	gatepithaya@gmail.com
3.	Assist. Prof. Aswin Bijayayodhin	Independent Director and Member of Audit Committee	b.aswin@hotmail.com
4.	Mr.Prasob Snongjati	Independent Director	prasobs@infonetthailand.com
5.	Dr.Virach Aphimeteetamrong	Independent Director	virach5183@yahoo.com

The Company has launched public relations on counter-dishonest act measure as well as providing many channels for clue reporting, such as the Company's website, emails, intranet and posters at the selling and construction offices of every project. Besides, public relations leaflets and letters requesting cooperation on compliance with counter-dishonest act measures have been prepared and sent out extensively to stakeholders, such as customers, contractors, employees and shops. This is to emphasize the Company's policies on treating of customers and trading partners by not demanding dishonest returns or benefits from them; and channels of reporting on clues of such acts to the Company have been provided so as to communicate with the stakeholders on the Company's policies and guidelines for preventing dishonest acts and to include stakeholders to take part in such scheme in order to be committed and achieve the goal as has been set out.

Procedures for Dealing with Complaints on Dishonest Acts

The Company has established procedures for dealing with complaints on dishonest acts as follows:

1. Receiving complaints, when the clue or dishonest act is reported to the Independent Directors, the Independent Directors shall notify the coordinator to register the matter.
2. Investigation, the investigation committee shall be appointed to carry out the investigation and further submit the results to the Audit Committee.
3. Report on result, the Secretary of the Company shall summarize details of the complaints, the investigation and the consideration results to be submitted to the Audit Committee. The Audit Committee shall then make conclusion of the consideration and provide recommendations to be further submitted to the Board of Directors of the Company.
4. Notification to the clue reporting persons or the complainants, the result of the consideration shall be notified to the clue reporting persons or the complainants, or they shall be notified after the investigation results have already been reported to the Board of Directors of the Company.
5. Monitoring and reporting of results, in case the Audit Committee or the Board of Directors has provided recommendations or opinions on the improvement of the operation practices to prevent dishonest act, the Internal Auditing Department has the duty to monitor and report the results of improvement to the Audit Committee and the Board of Directors.

Protection Measures for Clue Reporting Persons or Complainants

The Company has adopted the policy to protect clue reporting persons or the complainants regarding dishonest acts as follows:

1. The Company shall keep confidential the information and the persons reporting on clues, or complainants as well as the persons subject to the complaints.
2. The Company shall disclose the information as may be deemed appropriate by taking into consideration the safety and damage of the persons who report the information or relating persons.
3. The injured parties shall be remedied according to suitable and fair process.
4. In case the complainants or persons cooperating in the fact-finding investigation may be unsafe or suffer damage, such persons can request the Company to provide suitable protection measures, or the Company may provide such measures without being requested by such complainants or cooperating persons in the fact-finding investigation if finding that they may face with trouble, damage or unsafe situation.
5. The Company shall not do any unfair act towards the persons reporting clues or the complainants, either by changing the position, nature of work, place of work, or suspension of work, threatening, causing disruption of work, termination of employment, or doing any act that is unfair to the persons reporting clues, or complainants or persons cooperating in the fact-finding investigation.

Provision of Knowledge on Measures to Counter Dishonest Acts to Directors, Executives and Employees

The Company has organized orientation course to every new employee to be well-equipped with knowledge on measures to counter dishonest acts. Also, public relations news has been posted on the PR sign boards or pop-up message on computer screens and emails to all employees of the Company and those of the subsidiaries on a monthly basis. In addition, the activities to create counter-corruption culture in the organization have been organized, such as the yearly test on knowledge regarding measures to counter dishonest acts, the question-answer contest for rewards in the New Year celebration events, which are welcome by the employees.

In providing such knowledge to directors and top executives, the information on policies against dishonest acts, guidelines, results of implementation of policies, manual for the implementation of policies and benefits from such policies have been proposed through the Management Committee, the Executive Committee and the Board of Directors.

Public Relations News

เรื่องเล่าของหนูดี ฉบับที่ 15

หนูดีดีดี ... ช่วงนี้จากยุคเปลี่ยนแปลงบ่อย หนวดๆ อย่างนี้ ชาวสุภาลัยศึกษา สถานการณ์ความสนใจ

ถ้าเปรียบเทียบกับ หนูดีมีเรื่องแจ้งทุกท่านคือ ฝั่งจรรยาสุภาลัยทุกท่าน สามารถ สึกภาพข่าวและเห็นผลเกี่ยวกับมาตรการต่อต้านทุจริตคอร์รัปชั่นของบริษัทฯ ได้ค่ะ

- Intranet โดยเจ้าที่เจ้านี่ของหนูดี Lega ฝั่งข้างสูงชีวิตคอร์รัปชั่น สามารถเข้าถึงได้ทั้งในและ ภายนอกองค์กรด้วยได้
- Website (www.supalai.com) โดยเจ้าที่เจ้า นี่ฝั่งจรรยาสุภาลัย ฝั่งจรรยาสุภาลัยสามารถเข้าถึง ข่าวชีวิตคอร์รัปชั่น งบบริหารของฝั่งจรรยาสุภาลัย

ทั้งนี้ ฝั่งจรรยาสุภาลัยสามารถปฏิบัติหน้าที่ตามนโยบายที่บริษัทฯ ได้วางไว้ ของที่เน้นการบริหารงานที่ดี จากหนูดีได้ดังนี้ ค่ะ

Annual Test of Knowledge

ระบบจัดการแบบทดสอบ ONLINE

ประเภทข้อสอบ	จำนวน ข้อ	ระยะเวลา (โดยปกติ 30 นาที)	เกณฑ์ ผ่าน	จำนวน ผู้เข้าสอบ	จำนวน ผู้ผ่านเกณฑ์
แบบทดสอบความรู้เกี่ยวกับ สุภาลัย	25	60	60%	10	6

บริษัท สุภาลัย จำกัด (มหาชน)
1031 ถนนพหลโยธิน แขวงสามยุค อ. บางเขน 3 กรุงเทพมหานคร 10310
โทร. 02-278-8888 โทรสาร 02-283-3888
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Knowledge Dissemination Activities



Question-Answer Contests

เรื่องเล่าของหนูดี ฉบับที่ 16

หนูดีดีดี ... จากกรณีที่หนูดีได้แจ้งข่าวเกี่ยวกับ การต่อต้านทุจริตคอร์รัปชั่น ฝั่งจรรยาสุภาลัยได้จับตามองถึงแนวทางการดำเนินการของบริษัทฯ มา โดยตลอดค่ะ

หนูดี ... รอเชิญเพื่อนๆ ชาวสุภาลัยทุกท่านแสดงความคิดเห็นด้วยจ๊ะ

"บริษัทฯ ควรดำเนินการ หรือปรับปรุง หรือพัฒนาเรื่องใดบ้าง อย่างไร เมื่อส่งเสริมให้การทำงานสุจริต รวดเร็วกว่าเดิมเรื่องอะไรบ้าง"

เริ่มส่งความคิดเห็นได้แล้ว ... ตั้งแต่วันที่ ๑๖ ถึงวันที่ ๑๙ มี.ค. ๕7
ฝ่ายข่าว e-mail : anti-corruption@supalai.com
ความคิดเห็น ... ได้โพส ... ได้โพส ... ปรึกษาเรื่องจากคุณเปรมที่พี่ รอจะทวีปโอบ

ชาวสุภาลัยมาร่วมกันแสดงจุดเปลี่ยน ... รวมมือต่อต้านทุจริตฯ...รอจบคุณดี

Communication with Stakeholders on Measures against Dishonest Acts

The Company has publicized anti-corruption measures to all employees through public relations sign boards, emails and intranet of the Company as well as publicizing to all groups of stakeholders, namely, shareholders, trading partners, competitors and customers through the posters and public relations leaflets provided at the selling and construction offices of the Company's projects including the Company's website (www.supalai.com).

Only the employees of the Company are aware of practical guidelines against dishonest acts, however, the Company has arranged for communications with those who are interested in working with the Company in both the job application forms and the interview of the applicants regarding attitude on counter corruption.

Public Relations at the Project Site Office



Public Relations Posters



Public Relations Brochure



Dissemination via Company's Website



Dissemination via Company's Intranet



Monitoring

The Board of Directors has the duty to annually review the suitability of the anti-corruption policy by taking into consideration the effectiveness of the policy, the implementation of good corporate governance as well as the recommendations of the Board of Directors in the development and improvement of existing policies. Each year, the Internal Audit Department has to report on the compliance with anti-corruption measures to the Audit Committee, the Audit Committee shall then provide opinions and recommendations regarding the improvement of the process to be further submitted to the Board of Directors.

The Company has monitored and assessed the implementation of the anti-corruption measures by establishing clear procedures, operation methods, process, roles, powers and duties of responsible persons, monitoring and assessing guidelines, methods for reporting of results and correction steps. The Board of Directors has assigned the Audit Committee to monitor and ensure that the Company's operations are carried out according to the anti-corruption policy prescribed in the regulations of the Audit Committee. In addition, the Company has also compiled suggestions from the employees regarding dishonest acts via emails and suggestion box for further improvement of policies and guidelines to prevent risk from dishonest acts.

The Company has applied the method for disclosing information on anti-corruption according to the self-appraisal form regarding anti-corruption measures prepared by the Thai Institute of Directors with reference to the original version of Transparency International, which has been adapted for Thai companies and the assessment of counter-corruption of the Company reviewed by Independent Directors of the Audit Committee according to the anti-corruption policy. The Audit Committee has provided opinions on the operations, sufficiency of operations and effectiveness of operations according to anti-corruption measures. In 2014, the Company has completed 70 clauses of the criteria for self-appraisal regarding anti-corruption measures of the Thai Institute of Directors or 99% of the 71-clause criteria.

In 2014, the Company and its subsidiaries did not have any legal dispute or violation of the law regarding dishonest act, neither pending investigation nor legal proceeding, nor adjudicating by the court.

H Human Rights

The Company has complied with the policy on human rights principles by requiring that the directors, executives and all employees as well as employees of the subsidiaries and associated companies strictly comply with such principles. The Company regards human rights principle as common practice by taking into consideration human dignity, freedom and equality of individuals, and shall not do any act and nor encourage the violation of human rights. The Company has provided a better understanding of human rights to employees in performing their duties, and has not supported any activity that violates human rights and all employees shall not do any act in the manner of sexual harassment, flirting, possessing pornographic pictures, using sexual language or touching the employees of the Company or outsiders who contact the Company.

For more than 25 years, Supalai Public Company Limited has been dedicated to the property development business, together with continuous conducting the corporate social responsibility activities. The Company recognizes and values the activities in support of surrounding communities and society, as well as paying attention continuously to care for the environment. Furthermore, the Company intends to work with all parties involved by focusing on building a relationship of mutual trust and acceptance as well as taking into account the impact which may occur to its stakeholders, namely, shareholders, employees, community members, customers, partners, or government agencies, including the society and the nation. In addition, an attitude and culture of the organizational have been established in order to encourage employees towards having social responsibility.

The Company recognizes the importance of human rights and freedoms with non-discrimination by promoting equality of disadvantaged and disabled people, as well as the impartiality of opportunity between women and men. There is neither gender and racist discrimination, and there is no child labors in the Company. The wages are managed to be comparable to those of other companies in the same business. Organizational structures are improved and updated in accordance with the laws of Thailand and all related occupational health and safety regulations to provide the safe working environment for all its employees.

All level of employees - from maids to executives - will be cared and treated fairly and equally without discrimination both in terms of remuneration and welfare according to the labor laws. In times of emergency and need, the Company treats its employees and their families with mercy and compassion. The opportunities will be given to employees to progress in their career path along with the growth of the Company by focusing on human resources development and being learning organization in order to enhance employees' knowledge and skills to increase capability to meet operational business of the Company either in the form of scholarships or familiarization trips, both at home and abroad. There are Intranet and library for employees to research for self-development. Moreover, there exists the suggestion box being an upward communication channel for all level of employees to executives who will answer every question via email. Human rights activities which the Company has carried out are as follows:

1. Design buildings by taking into account the convenience of the disabled such as ramps and toilets for disable people.
2. Encourage people with disabilities to live independently with human dignity and equality to other people, and to participate fully and effectively in social activities under an environment where people with disabilities can access and make use of it. Disable people are given opportunity to work with the Company. In 2014, the Company employs 4 handicapped employees from the total of 791 employees.
3. Respect human rights and freedom of individuals. All parties, whether women or men, were treated equally by the Company with equal opportunities for women and men to be executives. At present, the Company's Management Committee comprises 9 members with 3 female executives included.
4. The Company pays attention to safety in the workplace by having security officers who will supervise the steps and procedures to be performed correctly, resulting in minimal number of employees' accidents from work. However, to accommodate possible risk of accidents, the Company has bought accident insurance for all employees.

Treating of Labor Fairly

Employees are considered the highest valued resources, the Board of Directors has, therefore, laid down clear and tangible policy of employee treatment, in respect of remuneration and welfare. That is, the Company has committed to comply with the policy on Treatment of Employees, Policy on Remuneration and Welfare and Policy on Employee Development. The Company is fully aware that employees at all levels are valuable resource of the Company, which is a factor for success and achievement of the goals of the Company. Accordingly, it shall provide care and fair treatment in terms of opportunity, returns, appointment, transfer and trainings for the employees as well as encouraging them to show their potential in order to be part of a sustainable development of the organization. The Company is well aware of the importance of all employees regardless of which section or department they are working in without any discrimination, and focuses on creating a good working environment, safety, with appropriate remuneration for their work. Such remuneration has been considered to be paid at similar rates of the same group of industry and according to the operational results of the Company, that is, for the short term, it depends on the ability to make profits each year, while for the long term, the employees are provided with Employee Stock Options. This also depends on the considerations of the Nomination and Compensation Committee and the Board of Directors. There is also good welfare to employees as well as the provision of innovation and new technologies to support their work as rewards to all employees operated for maximum benefits of the Company. Regarding development of personnel, the Company is fully aware that employees are valuable assets. Therefore, it always emphasizes development of knowledge and ability for all employees in order for them to grow sustainably along with the organization. Various policies of the Company have been publicized on the Company's website (www.supalai.com), for every employee to acknowledge and such policies are also included in every orientation of new employees.

The Company is well aware of the importance of its employees. It pays attention to and treats every employee of every level with fairness, both in terms of remunerations and welfares as prescribed by the labor laws. It also looks after employees and their family in emergency time based on loving kindness principles. Moreover, employees are given opportunities to be promoted along with the Company's growth. The Company attaches importance to the potential reinforcing of its employees because it foresees that "personnel" is essential resource considered as Human Capital. They can push business operation forward to meet the targets, which will result in a sustainable growth of the Company. In this regard, the Company has conducted annual Opinion Survey under the slogan "Every valuable opinion means every growth and progress together with the Company". In addition, due to continuous business expansion, the numbers of the Company's employees, in 2014, are as follows.

Unit: Person

Employee Level	Male	Female
Executives	6	3
Supervisors	84	50
Operating	335	313
Staff	47	100
Total	472	466

Moreover, for happiness to every employee, the Company has taken care of its employees' welfare by adopting 8 categories of happiness in its workplace, they comprise;

1. Happy Body : Being healthy, both physically and mentally, knowing how to spend life, how to eat, how to sleep, with the following provided;

- Sports Day, internal sporting event, and friendship games between the Company and the Press, and the Company and real estate business groups.
- Fitness room, for employees to exercise before work, at lunch time, and after work.
- Pre-employment physical examinations and annual health check-up.
- Welfare for health care, dental treatment fees and accident insurance.
- Medical care unit for employees who fall ill during work.

2. Happy Heart : To have a generous mind, with the following provided;

- Service Award to the employees who provide constant heartfelt service, to instill in them service mind and to help build culture that leads to excellent service.

3. Happy Relax : To have a relaxing attitude towards life and work, with the following provided;

- Supalai Club, to arrange various activities for employees, e.g. Sports Day, New Year Party.
- Welfare such as staying at the Company's affiliated hotels.
- Budget for external trainings and seminars with other organizations.

4. Happy Brain : Happiness from an ongoing study and development, leading to professionalism and advancement in the career, with the following provided;

- The 1 Business Unit 1 IDEA Project, year 3, to promote creativity for development of the Company on a teamwork basis.
- A learning organization by having set up a library for employees to acquire further knowledge, as well as allocating budget for annual training that is in accordance with the policies and goals of the Company. In addition, employees are continually developed under the plan to enhance their capabilities in working.
- Scholarships for Bachelors and Masters Degree.
- Study tour, both in Thailand and abroad.

5. Happy Soul : Happiness from one's wit and wisdom of the "Peaceful and Virtuous Path", that is to have faith in one's religion and to lead a moral life with a sense of shame and fear for wrongdoings, with the following provided;

- Preaching by monks in respect of working with happiness.
- Permission granted to employees to take leave for religious observances, e.g. ordination, undertaking the Hajj Pilgrimage to Mecca, Saudi Arabia, etc.
- Arrange the Kathin Robe Offering ceremony.
- Merit making on occasion of its 25th anniversary.

6. Happy Money : Knowing how to save, how to spend, how to live in a proper lifestyle, with the following provided:

- Provident fund at the rate of 3-10% according to number of years of service, of which the Company will make contribution equaling the rate of the employee's savings as a tangible action taken by the Company to look after its employees in the long run, and also to build financial stability for its employees in the event of resignation, retirement, disability, or loss of life. This is to create a good relationship in the organization and to increase work motivation, as well as to ensure its employees a life of quality.
- Allowance for employees, namely, funeral benefits, wedding allowance, allowance for employees and families upon difficulties in various matters.
- Provide knowledge to employees on how to plan their savings and make financial investment.
- Distribution of employee uniforms to help reduce cost of living.
- Shuttle bus for employees between the Company and BTS stations.

7. Happy Family : Having a warm and secure family, with the following provided:

- School scholarships for employees' children with outstanding academic performance. In 1996, 3 top executives of the Company, i.e. Mr. Prateep Tangmatitham, Mrs. Ajchara Tangmatitham, and Mr. Atip Bijanonda, had added up their personal money amounting to Baht 3,000,000 to set up a fund for employees. Scholarships have been given to children of the employees of the Company and subsidiaries, who are in school age (primary to higher education levels), with average school-record of not lower than 3.00, without any limitation on the number of child applying for the scholarship. In 2014, scholarships had been awarded to employees' children in primary level amounting to Baht 2,500 each, secondary level of Baht 3,500 each, and higher education level of Baht 5,000 each. From 1996 up to the present, 864 scholarships have been awarded to employees' children with good school-record, totaling Baht 2,032,000.



- Employees are provided with special privilege in buying residential places under the Company's and its subsidiaries' projects with special discount. This is to provide a chance to employees to have their own houses or to expand or change residence proper to the family size.

8. Happy Society : Creating a good society with happiness, love, harmony and kindness, with the following provided:

- Coaches to train new employees.
- Activity during Songkran Festival by organizing pouring water ceremony for the elderly.
- The Company has the policy to strengthen the love and bonds between its employees and the organization according to the "Promote from Within" & "Recognize" policy, for long year-of-service employees. There has been recognition event and awards given to employees with 5, 10, 15, 20 and 25 years of service. Furthermore, it has emphasized to the employees to behave in a good and virtuous way so as to be quality persons of the society. They are encouraged to participate in religious observances, e.g. meditation, study tour to the Land of Buddha, the four holy places of Buddhism in India, etc. Employees with good potential are also promoted under the "Outstanding Employee of the Year" Program and "Service Award" Program, to instill in them service mind and to help build culture that leads to excellent service, and the "Excellent Creative Award" in order to build an innovation organization.
- For training courses, the Team Learning & Development has been organized by giving a course on "Supalai Way to Excellence", under the program for efficiency development and boost up of neo - working power under Core Competency, for behavior change and reinforcement of new working culture. Every employee is encouraged to have good attitude and conscience towards oneself, colleagues and the organization by way of self potential development, both physically and psychologically. There is a combination of team building and supporting to develop a team with attitude, knowledge and skill in the same direction.

In addition, employees are encouraged to fulfill their potentials for greater efficiency to increase competitiveness. There is Employee Development Plan (EDP) carried out in the direction that is in accordance and connected with business strategy. It is considered by the Company as a key policy and implemented continuously. Employees are encouraged to learn new things, as well as to practice necessary skills in order to increase their capability. Support is provided to employees of all levels so that they can obtain knowledge to enhance their efficiency. The Company has implemented the Competency system for personnel development of knowledge and ability, as well as to accumulate knowledge, skill, personality and desirable attitudes proper for the positions. The Company has communicated to every employee of every level to have a right way of thinking and right attitude with understanding in the principles and philosophy on Core Competency. The activity for Team Learning & Development has been arranged under the program for development and increase of efficiency and neo workforce based on its Core Competency to bring about change in behavior for the building of new work culture. In 2014, the average training course for employees are 1 course / per person / per year. The information on employee training is as follows.

	Average numbers of hours/person/year
Information on employee training	
Average numbers of training hours (hrs/person/year)	23.5
Average numbers of training hours classified by sex	
Female	22.0
Male	25.0
Average numbers of training hours classified according to employee level	
Executive level	30.5
Employee level	23.5

The Company provides several channels for upward communication from employees of every level to the top management as follows:

- Suggestion box, the top management will answer every question via email to every employee.
- Site Visit by the top management and Human Resource Department to look after the employees, both in terms of work and daily life.
- Meeting program between employees representatives and the management to exchange opinions and suggestions in respect of the operating process of the Company.

The Company had also promoted employees with excellent performance by selecting the outstanding employee of the year. Employees with employment period of 5, 10, 15, 20 and 25 years, considered as valuable resource of the Company, were granted awards, to encourage their love for and committed to the Company. Moreover, the HRMS system has been implemented in the Company to raise the capabilities and efficiency of personnel management and human resource development.

- **Management** : guidelines for the organization's risk management in the new era, human resource management for supervisors, performance management system, quality management system (ISO 9001:2008), etc.
- **Change of behavior** : to create a shared value for employees of every level and every project to have a servicing culture to move forwards to achieve Supalai - Service Excellence, Supalai Way Activity, to build up unity among employees. The Key Performance Indicator (KPI) had been used to assess individual performance, causing employees to have work targets with a fair assessment in place, etc.

- Increase of efficiency : to make all the works performed with consistency until achieving the goals, the Company has laid down the Supalai-7 R policy to increase efficiency of its teams. The Supalai-7R strategy is an idea to build up efficiency of every department concerned, both internal and external, sharing the same objectives and targets, comprising:
 1. CSR (Corporate Social Responsibility) : Supalai and the society, by aiming at corporate social responsibility and returning of profit to the society, building relations between the society and Supalai, making the Company to be talked about with better image.
 2. PR (Public Relation) : Supalai and the media, e.g. public and media relations, by focusing on building good relations with the public and mass media, making familiarity between the management and the media with the wish to make the media a part of the organization in a constructive manner to strengthen cooperation.
 3. CRM (Customer Relations Management) : Supalai and customers, by aiming at better relations between the Company and its customers by organizing various useful activities for customers' satisfaction.
 4. ER (Employee Relation) : Supalai and employees, by emphasizing good relations with employees to make every employee live and work in unity like family members and enjoy their work
 5. IR (Investor and Shareholder Relation) : Supalai and shareholders, by creating better understanding among shareholders and investors so as to be better informed about the Company in order to have a positive feeling about the Company and become long-term shareholders. The Company also aims for operational results satisfactory to investors and shareholders
 6. SCR (Supplier Contractor Relation) : Supalai and suppliers and contractors, by attaching importance to suppliers by treating suppliers and contractors with fairness and sincerity to obtain good returns and trust.
 7. GR (Government Relation) : Supalai and relevant government agencies, by emphasizing relations between government agencies and the Company for coordination and flexibility; the Company complies with laws and regulation, and provides cooperation, both directly and indirectly.

In this regard, the Company has focused on reinforcement of good culture and working environment and treated every employee equally. There has been Code of Conduct for directors, executives and employees, while Supalai magazines are issued monthly. To make its employees respond to the Company's vision and mission, the Company has therefore adopted the annual motto of 2015 as follows: "Charms of Supalai People • Clean and tidy • Friendly • Courteous • Sincere • Service minded"

Development of Potential of Officers and Employees in the Workplace and In Conducting Everyday Life

Supalai Public Company Limited recognizes that human resources are extremely valuable in contributing a great success to the Company. Therefore, the Company continues to invest in human resources through the improvement of policies and strategies. It emphasizes the development of human resources both physically and mentally. The Company also enhances the management system and the human resources development system to be much more updated and in line with modern technologies and international standards. The Company also aims at strengthening the employees' capacity to become both good and skillful people in order to maintain further sustainable achievements of the Company by establishing the following policies;

1. Recruitment and Selection of Personnel

The effective human resources management of the Company includes the recruitment of employees who are considered skillful and good persons and have possessed knowledge, ability, skills and behavior attributable to the positions. The policy in recruitment and selection of personnel will specify core competencies of all positions. The process of recruitment and selection always consists of competency based interviews.

Furthermore, the Company has focused proactively on the recruitment of personnel through various projects, such as "Supalai Open House" project which is jointly carried out with leading educational institutions by organizing seminars to provide more information to 3rd and 4th year students of an undergraduate level. The Company provides the students with opportunities to visit the project to learn more and have practical experiences to motivate them to become part of the Company's team after their graduation.

With regard to the Company's principles in recruitment and selection of personnel, the Company has adhered to the practices of non-discrimination, providing equal opportunities to all people regardless of gender, race, religion, place of birth, age, socio-economic status and educational degrees.

Moreover, the candidates who have been chosen to work with the Company shall be provided by the Human Resources Department with a basic orientation course necessary for working including on the job training to ensure that the employees are ready to perform work correctly and appropriately. In addition, the personnel joining the Company must be the employees with good attitudes and understand the corporate culture of the Company in order to help each other to work smoothly.

For career advancement promotion, especially for supervisory positions, the Company has a policy to promote capable personnel within the Company first. The purpose is to provide opportunities for internal employees to use their knowledge and ability to develop themselves into higher positions or opportunities for cross functional transfer, etc.

2. Wages and Welfare Management

One of the systems that the Company considers important is to determine appropriate compensation in accordance with performance achievements of the employees as it can create motivation and retain good and skillful people to continue working with the Company. The Company, therefore, has joined with human resources consulting firms and other corporates in the same group of business in conducting a compensation and benefits survey in order to formulate policies on appropriate and competitive salaries and compensation.

Furthermore, the Company has attached importance to the implementation of the Employee Recognition System in the form of financial and non-financial compensation. This system helps boost the morale of capable employees who have performed well with positive attitudes. Rewards will be continuously given to those qualified employees who will later become role models for others such as rewards for excellence in customer service, long years of service, and plaques of honor to excellent employees of the year.

3. Promotion of Good Relations in the Organization

The Company continues to establish communication channels to strengthen human relations in the organization through various activities including major festivals such as activities of Songkran Day, annual celebration of the Company, internal sports events, annual retreat trips and activities regarding feedback through various channels of the Company such as the 'Site Visit' Project which allows employees to have opportunities to directly communicate with executive management, enabling the employees to be informed of guidelines on the Company's operations, challenges and possible impact. In this regard, the employees will have chances to express their opinions and take part in the development and improvement of the operations of the Company. In addition, the Company also promotes moral and ethical activities of employees through Supalai Relations Club, such as blood donation, charitable donations of unused articles, participation in mindfulness meditation to promote and develop the spirit of the employees.

4. Promotion and Development of Knowledge and Career Advancement

The Company recognizes that human resources development is a long-term investment that will contribute to the achievements of the organization and add values to the organization. The human resources development is, therefore, a major commitment, and accordingly, the Company will continue to emphasize the strategies that focus on enhancing the employees' knowledge and capacity corresponding to their responsibilities in order for them to exercise their maximum potential. The Company aims at improving curricula, development formats and methods to be updated and much more effective to support the growth of the Company and to assist the Company to continue operating business on a sustainable basis.

The development of knowledge and ability for career advancement of employees can be divided into 2 types as follows:

1. Development of Employees' Competency which is divided into 3 aspects:

- 1.1 Core Competency - is a basic competency of employees required by the organization to be consistent with the organization's vision, goals and corporate culture, which means that the employees should have the same DNA, and the training courses to initiate them to be Supalai members include orientation course for new employees, the courses to reinforce teamwork (Supalai Way), the ISO courses and the course on safety in working, etc.
- 1.2 Functional Competency - is the knowledge and ability required for the position, and the level of expected ability for each position has already been defined. For employees with capacity exceeding the required level, they will be considered for suitable positions in order to be able to exercise their potential appropriately for their career development. The Company shall provide both in-house trainings and external trainings for the employees on a continual basis.
- 1.3 Managerial Competency - is the managerial knowledge and ability for the positions at the supervisory level and above, whereby the Company has provided trainings to potential employees whose positions have been adjusted in order to have knowledge, understanding and skills as good supervisors, such as smart leader training courses for supervisors at departmental level and above, supervisory skill training courses for supervisors at unit level, etc. Both the in-house or external training courses shall be organized each year as deemed appropriate.

The preparation process of annual plan for trainings and development of the Company's employees has been compiled from the employees' competency gap assessment, which has been prepared as Individual Development Plan (IDP) in order to select talent stars and provide development for such group of employees to support the succession plan, especially critical positions to the business of the organization.

2. Continuing Education and Development of Employees

are studies arising out of interest and willingness of the employees themselves. Accordingly, there has been continual development and the Company has provided support in the form of scholarships at both undergraduate and graduate levels, encouraged employees with outstanding performance to go on site visit in the country and abroad in order to broaden their worldview and applying the knowledge in working for the organization. The Company has also developed the website of the Human Resources Department to be a source of self-learning, especially the compilation of information by employees sent out for trainings by the Company, etc.

As regards employee development in other forms informally, such as provision of mentors for new employees to be well prepared, provision of advisors during the probationary period, and provision of coaching by supervisors with employees in new positions at the level of section head and above, has been done concurrently with the formal development to raise awareness among employees of the importance of lifelong learning.

Furthermore, the Company has also established networks with leading educational institutions through Co-operative Education Program to provide work-based learning opportunities for students and to support its employees to share and transfer knowledge and experience to participating students.

Due to the continued commitments of the Company in human resources development, the Company has received several awards. Nevertheless, all of those awards and standards are not as important as that the Company has had highly qualified human resources who have possessed knowledge, ability and integrity in the forefront of Thai business. All these important factors have become driving forces for the Company to create innovations that can respond to the demand of the Company's clients in the dynamic world of competitions for the sustainable growth of the Company and for adding values to the Company's shareholders and eventually have further contributed to the betterment of the Thai society as a whole.

R esponsibility Toward Consumers

In addition to the commitment and determination to create quality housing and quality society for Thailand, the Company also recognizes the importance of responsibility toward the consumers because the key factor in business sustainability is the confidence of consumers. Their satisfaction is a supporting element for business sustainability. Supalai, therefore, places emphasis on the responsibility toward consumers from the manufacturing process to after-sale services in various forms as follow:

Products and Production

- For the development of the concept of Supalai: “Save Our World Save Your Money”, the Company has designed the environmental conservation and energy-saving houses by focusing on the design of houses and buildings to be cooled by natural means or “Passive Cooling” while also preparing the mechanical cooling or “Active Cooling” that depends on technology as mixing components. This is an energy-saving alternative to the cooling load of the air conditioner, while reducing the use of lights and other appliances, whereby the construction cost is still at a level similar to those of the houses in the general market. As a result, it is cost-effective price with proper use, and can also save the cost of electricity. The concept of design to promote energy saving has made each project of Supalai an Eco Land that helps the world reduce global warming.
- There has been a prevention of pollution during construction by building fences of the project, using canvas to cover the building to reduce noise and dust. The working place is arranged to be a closed area to reduce the noise, while a machine is installed to check the volume of noise and dust of each day. There is also arrangement to wash the wheels of the vehicles to get rid of any attached soil before leaving the project, etc.
- The manufacturing is carried out with technology, while the manufacturing process meets the environmental standards. Therefore, importance has been attached to the waste elimination process in order not to pollute the environment, such as waste water treatment system of every house. Also, the waste water released into the public water sources must meet quality standards, which would be randomly checked by the Department of Pollution Control.

Community Service and After-Sales Service.

- Providing knowledge to customers and the general public regarding the advantage of energy-saving homes for environmental conservation including the selection of safe and environmental friendly materials. The dissemination of such knowledge has been done by providing information to the employee by organizing trainings, seminars as well as publicizing in every issue of Supalai@home magazine.

- Organizing activities relating to the safety of life and health of employees and customers, such as organizing 5s activities, trainings on safety and fire evacuation drills for employees and customers annually, as well as for lessees of the building etc.

- Providing the service unit for customers in the development projects in terms of safety, cleanliness and beauty, and establishing juristic person of the housing projects in a complete manner in order to create satisfaction for residents as well as promoting good image. The Company recognizes that living in a society that has good environment would inevitably enhance the quality of life of the residents in such community. It is, therefore, important to create Supalai society to be a quality society that is livable, warm and safe by focusing on building strong relationships within the family first in order to cultivate the awareness of everyone in the family, which would be a good foundation for the society in general. Therefore, events have been organized continually to instill recognition of gratitude toward parents or events that help strengthen relationships within the family, such as the activities of mindfulness - meditation, new year activities that promote the interaction among family members, etc. In addition, attention has to be given to residents of the adjacent areas from the start of the project by arranging for inspection of the area to be in an orderly manner and safe in order to prevent any possible impact on the surrounding residential areas due to construction of the project.

- A variety of channels to listen to feedback from customers, this is another sample showing that Supalai recognizes the importance of family, therefore, a variety of communication channels have been set up in order to develop and improve the products and services specifically for maximum benefits and satisfaction of the customers. Such communication channels are for the feedback or complaints, which can be submitted through

- The community managing officer of the projects.
- The community managing office at the Head Office at 02 725 8888 553, 557.
- Supalai's Smart Center at 02 725 8899, 1720.
- Opinion box at the project site and the "bell glass" project.

- Seasonal activities for strengthening relationships with the intention to care for members or residents in all Supalai projects as well as residents of surrounding communities as can be seen from events organized by Supalai.

- Jointly strengthening family relationships and cultivating gratitude mindset toward parents who are just like gods in the house for a comfortable and warm family, resulting in good attitude toward family, which is a good foundation of the society in general; also, activities such as mindfulness meditation has been organized for members annually.

- “San Saiyai (woven bond)” Journal is another communication channel to report information and news that are useful with the aim to initiate cooperation in various kinds of activities in order for the community to co-exist happily; the Company also provides knowledge which will bring about warm feeling among residents.

- Establishing juristic person of the housing project because juristic person of housing project begins to play greater role in the Thai society after the developer has cared for such project for a period as required by law; this is to help members to be aware of the benefits of the juristic person; the Company has been providing support in order to help Supalai projects to manage the community as wished by the majority of members.

Responsibility toward Consumers by Providing Accurate and Clear Advertisement Information and Public Relations

Supalai Public Company Limited recognizes the importance of advertising and public relations media and, therefore, provides correct and accurate information of the products with accountability in order to be fair to the consumers as follows:

1. Statements about products used in advertising and public relations, the Company use the advertising statement that the consumers can clearly understand the details of the products in a complete manner, be it the name, format of the products (detached houses / townhouses / duplexes / condominium), locations, prices, telephone, website with pictures of the products included in the advertisement. In particular, the Company emphasizes accuracy and completeness of the statements in the Legal Line according to the Consumer Protection Act B.E. 2522 (1979).

2. Illustration in advertisement and public relations, the Company has the policy to focus on the use of images of detached houses / townhouses / townhomes / new home series and condominiums taken from the actual location of all forms in order for the consumers to see the products clearly. However, in case where the products have not yet been completed, the illustration used would be designed in such a scenario similar to the actual products and add the statement: "Scenario of the Projects" in every case for correct understanding by the consumers.

3. An advertisement (ad) on TV would normally controlled by the Committee for Scrutiny of Radio and Television Advertisement. Therefore, for every ad clip or VTR to be broadcast on TV both free TV, cable TV and digital TV channels, the Company submits samples and a letter of confirmation to be considered by the Committee for Scrutiny of Radio and Television Advertisement in order to censor if such ad comprises clear information, not exaggerated. If it is approved, the Company shall then send such ad to be broadcast by the TV stations.

4. Statements relating to promotions / special conditions to support the sales, in case the Company has provided exclusive rights to customers in the form of promotion, the statement in the ad shall contain details about the discount and free gifts as well as the beginning and ending dates of such promotion period for clear understanding between the Company and the customers.

Cooperation with Society and Community

SUPALAI...WE CARE FOR THAI SOCIETY

Supalai Public Company Limited has been committed to the business of real estate development with the concept of “SUPALAI... WE CARE FOR THAI SOCIETY” for such a long period of 25 years, with an emphasis on creating better quality of life of the people in the society according to a strong sense of corporate social responsibility (CSR), which has been transferred into a variety of activities. Therefore, on the occasion of the 25th anniversary of its business operations, the company has organized special social creative events in various forms, such as

- **The Sculpture Contest** jointly with the Department of Sculpture, the Faculty of Painting, Sculpture and Graphic, Silpakorn University by inviting artists and those interested in creating works under three topics: the “happiness, love or prosperity.”
- **The Photography Contest** under topic: “Happiness in SUPALAI” by inviting SUPALAI families and SUPALAI employees to share happiness through photographs.
- **The Essay Contest** on “Happiness in SUPALAI” by inviting SUPALAI families to convey the feelings and opinions on residing in Supalai residential projects.



Over 25 years of operations, the Company has organized on going activities to return profits to the society, which comprise activities to provide knowledge and education on the environment, arts, culture, family, health, community and religions that is truly beneficial to the society.

- **Free Trainings and Seminars to Provide Knowledge to the Public**

The Company has organized seminars on various types of knowledge free of charge to Supalai customers, Supalai fan club, the general public, Supalai employees and the mass media.



For the year 2014 , the Company jointly with leading organizations had conducted seminars to provide knowledge and understanding to the people on various topics of interest that can be truly applied in daily life, such as “Tips To Take Beautiful Pictures Like a Pro” by Mr. Anan Jiramahasuwan, seminars on tips on various types of investment, such as “Non-Secret Tips to Look for Best Stocks to Be a Millionaire in the Second Half of the Year” by TISCO Company Limited, “Leading the Way to Get Rich Through the Crisis” by Dr. Suvam Valaisathien, seminars on health and alternative medicine like “Total Lifestyle Modification” by MD Sant Jaiyodsilp, a specialist on family medicine, “Heal the Brain Protects the Heart” by MD Sirtorn Chantasirikarn, a brain specialist.

The Company also organized seminar for women and new generations who care about quality of life by partnering with leading publishing company, namely, Nanmee Books Company Limited to organize seminar and workshop titled “Tips for Beautiful Shape and Good Healthy with Towel Yoga”.

• Educational activities

The Company has development projects for many schools, universities, educational institutions on various aspects from donation of land to build Suankularb Wittayalai School of Rangsit, building school buildings, lecture rooms, donation of vehicles and cooperated with the Faculty of Architecture of Thammasat University on academic and research projects, the Company has also provided donations to needy schools in rural areas.



In 2014, the management and employees of the Company in collaboration with the University of Illinois Alumni Association organized donation of education and sports supplies with the objective to share happiness with the children in rural provincial schools that have scarce resources, such as Ban Huay Poon School in Surin Province, Ban Hinkong School in Sra Kaeo Province, Ban Kokklang Nonglai Pittaysan School in Khon Khaen Province, Samakki Tham Ratbumrung School in Nakhon Sawan Province and Ban Romklao 3 School in Tak Province.

Also, donation had been made in monetary and object forms to improve the cafeteria and library as well as water tank, water pump and sports equipment to Ban Pang Pei of Nan Province according to the policy of “Saeng Prateep” Project.

The Company has made donation in terms of money and medical instruments for the restoration of Wat Kukum Temple in Chiang Mai Province, and contributed financial support to build toilets, wash basins and paving the path with ceramic tiles throughout the walkway to the toilets for kindergarten students at Kukum Municipal School in Chiang Mai Province.



In addition, the company donated 15 rai of land in the area of Rangsit Canal 4, Pathumthani Province to the Education Department of the Ministry of Education to build Suankularb Wittayalai School of Rang sit and donated Baht 2,000,000 to the Faculty of Architecture and Planning, Thammasat University, to support the building of the Center of Innovative Urban, Community and Real Estate Development.

Mr.Prateep Tangmatitham, President, together with Ms. Ajchara Tangmatitham, Executive Vice President, generously made their personal contributions on behalf of Supalai Public Company Limited at the “30 Years of Giving” charity concert, to the TISCO Foundation where these contributions were consequently allocated as scholarships given to students in need nationwide and the Company donated

copies of the book titled “Sustainable Wealth and Happiness” written by Mr.Prateep Tangmatitham, to rural schools in Chiang Mai, Khon Kaen, Songkhla, Saraburi, Phuket, Chon Buri, Surat Thani, Rayong, Udon Thani and Nakhon Ratchasima provinces, as a source of knowledge mutually used by both teachers and students.

- **Environmental Conservation Activities**

The Company attaches importance to the responsibility to jointly conserve the environment in response to the policy of creating energy efficient homes that are environmental friendly to match the statement “Supalai Save Our World Save Your Money”, which has been transferred to environmental conservation activities, such as the executives of Supalai and the media had jointly with school administrators participated in planting trees to restore green space at Surat Pittaya 2 School of Surat Thani Province, also with the media in the mangrove reforestation in order to bring about affluence to the ecological system at Toonkramom Mangrove Forest in the Sirindhorn International Environmental Park of Petchaburi Province, the release of sea turtles at the Sea Turtle Conservation Center of the Navy in Chonburi Province, and the reforestation of Thai literature plants at Banpang Sammakki School, Kaengko District of Saraburi Province. Recently, the Company also participated in the project of “Joint Effort to Maintain Clean Water in Every Canal” organized by the Ministry of Finance in order to keep canal water clean in a sustainable manner.

- **Art and Culture Activities**

In October 2014, the Company held a charity art show titled. “The Power of Happiness from Nature and Goodness” at Lifestyle Hall, 2nd Floor of Siam Paragon Shopping Center. That was a creation of Chinese brush paintings, and the proceeds from the sale of art works was totally Baht 4,000,000 baht, which was given to Thammasat University Hospital. The displayed paintings have been given to the donors.



In 2010, the Company had organized the art exhibition under the theme of “Creative Power” at Life Style Hall, 2nd floor of Paragon Department Store, and the proceeds from the sales of 56 pieces of art works in the exhibition in a total amount of Baht 2,400,000 had been offered to Princess Mahachakkri Sirindhorn for charity activities of the Thai Red Cross. Also some art works were presented to the Princess.

• **Activities for Producing Media for both Dhama and Worldly Knowledge**

The Company had produced knowledge books to be given away free to Supalai families and the general public by selecting information that is useful in all aspects, such as knowledge about health, Feng Shui, Dharma principles for leading the life, etc. in order to offer happiness during every new year occasion. The books published are Prosperous Life, Blessed Life, Auspicious Plants, Long Life, Good Health, Happy Life, Conquer the Disease, Conquer the Age, Victory in Life, Power of Breath, Creating Life Power, Light for Life, Learning about Feng Shui, Knowing the Path to Happiness, Smiling Heart. The books “Key to Heaven and Creation of Happy Life”, Household Knowledge, and “Motto” as the latest book which comprises a collection of valuable philosophies for living, the creation of media on the topics of our home, happy mind; and our latest book is “The Prateep Philosophy”, a collection of philosophies valuable to life.

Also media pockets books, a total of three pockets books were produced, namely, 1. (Non)-Secret Tips for Management + Development of Real Property; 2. (Non) Secret Tips, Supalai + Real Property. And 3. When... will we be rich sustainably written by Mr. Prateep Tangmatitham, Supalai President. All the proceeds from the sales of the books had been given as part of the “Prateep Tangmatitham Fund” while Baht 2,000,000 was donated to the Architecture Faculty of Chulalongkorn University. As for book No.3, the entire proceeds from the book sales will be donated without deductible expense to the Thai Red Cross Society.

In addition the Company had prepared verses for Dhama song called “Wide Perspective, Think Far and Aim High”, which is a social creative song for maintaining mental value suitable for listeners of all ages. The song contents comprise advice on leading life with sustainable happiness. The name of the song came from the verses of Prapromkunaporn who has granted approval to use such name, the song was written and produced by Mr. Prateep Tangmatitham.



• Social Activities

In 2014, the Company, jointly with the Supalai Relations Club had organized an event of “donation of aluminum” to be given to the Prostheses Foundation under the patronage of HRH the Princess Mother in order to provide prosthetics to those less fortunate. For such activity, Supalai had invited its employees, lessee companies of Supalai Grand Tower Building and the general public to jointly donate aluminum pulling rings of cans or materials made of aluminum by having donation box at the lobby of the building, and aluminum had been generously donated 2 consecutive years in a great amount.



The Company had helped with the disaster relief for the flood victims led by the executives and employees of Supalai in distributing life saving bags, instant food, drinking water and other necessary items to help the customers of all Supalai projects and the people suffering from the floods in various areas with the cooperation of the Army. The Company had also donated money to help the flood victims, which was accepted by the governor of Nonthaburi Province. Besides, the Company had donated Baht 2,000,000 to the Thai Listed Companies Association as contribution to the “Capital Market for Flood Victims Fund”. The Company jointly with Dao Coffee Beans Co., Ltd., F & B By Dao Co., Ltd and Champ Boom Bell Co., Ltd. had donated floated toilets, instant food and necessary items to the flood victims in the villages of Moo 2, 3, 4 of Thachange Sub-District, Nakhonluang District of Pranakhon Sri Ayutthaya Province.

In addition, the Company had carried out the design of “Rural House for Farmer” by cooperating with the Work Team for Infrastructure, Communications and Energy, the National Social and Economic Advisory Council in conducting a study on “Development of Housing Infrastructure Project” to be given to interested farmers free of charge.



- **Family Institution Promotion Activities**

The Company attaches importance to continually promoting good relations within the family in order to be strong support foundation for the Thai society, such as “Developing Conscience-Meditation” activities by focusing on the practice on how to use conscience-meditation in order to develop oneself and apply in daily life as well as to strengthen families.



- **Health activities**

The Company invited medical teams from leading hospitals to provide free medical check-up and knowledge on interesting health topics. The Company also organized seminar on alternative medical approach Supalai families and the general public. Besides, there were charitable activities, such as “Blood Donation” for Vachira Hospital on L Floor of Supalai Grand Tower Building for Supalai employees and the employees of companies renting space in Supalai Grand Tower Building.

Ms. Ajchara Tangmatitham, Executive Vice President, made a generous donation of Baht 1,500,000 to support work of the special care unit, Kittiwattana Building, Thammasat University Hospital. Such contribution was used for procuring medical equipment and enabled the unit to provide more thorough services and better quality treatment to the patients.

Additionally, the Company jointly provided support to the book titled “Yesterday at Present”, the proceeds from which, after administrative expense deduction, went to the Alzheimer’s Disease and Related Disorder Association (ARDA).

• Community Development Activities

The Company has focused on maintaining the environment of its projects to be in good condition at all time. If there is any problem regarding the environment, the customers can notify the Company so as to carry out the improvement and development. In the past, there had been many projects taken care of by the Company as follows:

- The Company completed the dredging of canals in the vicinity of Supalai Parkville Romklao-Suvarnabhumi project so as to increase efficiency of the canal water management in Bangkok. This activity was performed in accordance with a cabinet resolution that requests be made for co-operation from the private sector in canal dredging within areas of real estate development projects for mitigation of impact from flooding in the future.
- The Company improve the road, install the drainage pipe and the cesspool in the area of Papholyothin Soi 48, in front of Supalai Park Ville Project and install the pipe under LaSalle Road and improve this road in the area of Supalai Ville Srinakarin Project.
- The Company had delivered a garbage collection truck worth Baht 2.1 million to Muang Lumsamkaew Municipality of Pathumthani Province for maintaining cleanliness and orderliness of nearby communities and donated the garbage collection truck to the Tambol Administration Organization of Klong Luang District, Pathum Thani Province for maintaining cleanliness and public order of Supalai Buri Project and the nearby areas.
- The Company had improved the road along Klong 4 canal for the comfort and convenience of the people driving in that area.
- The Company donated the equipment for operation to Bang Pongpang Metropolitan Police Station for use to maintain public order of the people driving in the area.



“Pra Supanimit Mingmongkol”

• Religious Support Activities

The Company has the project to develop landscape in many religious premises including temples, mosques and help with the design and layout of buildings in the temples by giving advice and collaboration with the Fine Arts Department, the Stock Exchange of Thailand and the Federation of Thai Capital Market

Organizations (Fetco), whereby the Company has been a host for the caring and restoring of a temple in Nonthaburi Province. Also, in the past, the Company had arranged for adjusting the landscape of various religious places, such as Wat Pantainorasingh Temple in Samutsakhon Province, Wat Cholpratan Rangsarit Temple, Nonthaburi Province and Rao Dortulmuttagine Mosque in Por Bay of

Phuket Province. In addition, Mr. Prateep Tangmatitham, the President of the Company, has initiated the creation of Buddha’s images named “Pra Supanimit Mingmongkol” to be dedicated to the Lord Buddha. The images have been set up at Supalai projects as propitious symbol for prosperity in both work and life of families of worshippers.

E nvironmental Management

Competition and growth in real estate business are important and have both positive and negative effects on consumers, the economy, society and environment. Population growth results in greater demand for housing. Thus, real estate developers are active in finding new locations for project development. However, real estate development projects need to use a large amount of resources for construction, ranging from construction materials, water resources, land utilization, transportation, as well as for impacts on the environment and communities in the construction areas. The Company, therefore, attaches importance to environmental management by determining its policy regarding corporate social responsibility to be used as a guideline for its operations, starting from land acquisition process in project development, project construction both during and after construction, to assure confidence of affected parties of the Company's operations.

The Company is determined to develop good quality projects, that is, before starting the construction, the Company has prepared Environmental Impact Assessment (EIA) Report to analyze both positive and negative environmental impacts of the project on the environment in every respect, be it natural resources, the economy and society. The objective is to prepare preventive measures to mitigate potential negative impacts. Furthermore, the environmental impact assessment will help reduce rectification costs that may arise after project implementation. The components of Environmental Impact Assessment (EIA) Report cover 4 environmental areas as follows.

1. **Abiotic resources:** study the impacts on abiotic resources, i.e. topography, soil erosion, air quality, noise level and vibration, water quality.
2. **Biotic resources:** study changes in various areas of the ecosystem, i.e. forests, wild animals, aquatic animals.
3. **Human use value:** study the human use value from abiotic and biotic resources, i.e. land use in accordance with regulations and city plan in such area, transport and traffic, public utility, drainage system, solid waste management.
4. **Quality of life value:** study the impacts on human, communities, economic system, livelihood, public participation, cultures, beliefs, values, as well as sceneries, worthiness and beauty.

The Company has prepared, for every construction project, Environmental Impact Assessment (EIA) Report as required by the Office of Natural Resources and Environmental Policy and Planning and the Environmental Impact Evaluation Bureau, under the following scopes.

1. Prepare project details by studying mainly from project design, specifying project type, size, location, activities, various elements in the project, details of public utility such as water usage, drainage system, wastewater and sewage treatment, solid waste management, fire prevention and extinguishing systems, and project greenbelt management, etc.
2. Study the existing environmental condition in the nearby area of the project, covering 4 environmental areas, i.e. abiotic resources, biotic resources, human use value, and quality of life value. Relevant data from study and/or survey reports are compiled for studying of the present state of the environment.
3. Conduct environmental impact assessment by studying the potential impacts, during and after construction period, both positively and negatively from project data and activities, along with the present state of the environment at the project location and the vicinity.
4. Define preventive, corrective and mitigation measures against environmental impacts, as well as proper measures for environmental quality inspection and review.

The benefits of Environmental Impact Assessment (EIA) Report are as follows:

- For efficient environmental planning
- For consideration of environmental impacts and severity generated from project development
- For the Company to properly define preventive and corrective measures against the potential impacts, and correctly predict key environmental issues.
- For used as supporting data in making decision to invest for environmental management

The construction in each project may cause impacts to the environment and other resources, both during and after construction period as follows:

- During construction period: it is the period in which the communities surrounding the project site are concerned that the construction might cause environmental pollution such as air pollution, dust, noise, vibration, wastewater, garbage, as well as a lack of safety of life and property from the project construction.

- After construction period: dwelling in the place by project’s customers might cause transport and traffic impacts, blocking of scenery to the vicinity, water quality problem in public water source and solid waste problem. To prevent these potential impacts, the Company has defined preventive and corrective measures against environmental impacts which are strictly complied by the Company and its contractors.

In this regard, the Company has established preventive and corrective measures against environmental impacts, both during and after project construction period as follows:

Summary of the Environmental Impact, Prevention and Mitigation Measures of Supalai Public Company Limited

– Project Construction Period –

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1. Abiotic resources</p> <p>1.1 Topography</p> <p>In the construction, there shall be soil excavation to lay public utility system underground, and the ground level will be raised. Thus, there will be only little change of the topography.</p>	<ol style="list-style-type: none"> 1) Construct building in accordance with project design and relevant laws 2) Arrange the construction site and keep materials orderly in stack. 3) Install opaque fence of about 3 meters high and canvas fence of about 3 meters high or metal sheet fence around the construction site. The front area used as the entry to the project site will have canvas door or other proper ways. 	<ol style="list-style-type: none"> 1) Engineers supervise and monitor the construction to ensure compliance with the approved design. 2) There shall be staff members to inspect the construction and keep the construction area in order throughout the construction period.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.2 Soil Erosion</p> <p>In the construction, there shall be soil excavation to lay public utility system underground and to lay building foundation. All the excavated soils will be used for landfill, the remaining for landscaping of the area. However, the piles of excavated soils waiting to be reused might cause soil erosion or sinking, especially if the construction takes place in rainy season.</p>	<ol style="list-style-type: none"> 1) Avoid laying foundation and underground public utility systems during rainy season or on raining days to mitigate impact from on-site erosion from rainwater. 2) In excavating soil for laying foundation and underground public utility systems, sheet pile according to engineering standards must be set up to prevent soil erosion or sinking. 3) Soil excavated from piling work and foundation will be put in stack in the project site, to be used for ground leveling, the remaining for project landscaping. 4) Install rainwater drainage system around the project area by having sedimentation pond before discharging into public drainpipes, to prevent the washing away of eroded soil from construction site. 	<ul style="list-style-type: none"> • There shall be staff members to check on soil piling up to ensure that it won't affect the vicinity, and to prevent eroded soil from being washed away into drainpipes. The inspection must be made periodically throughout the construction period.
<p>1.3 Air quality</p> <p>Construction activity must not exceed the atmospheric dust standard set at 0.330 milligram/cubic meter. However, wind might cause dust diffusion from construction site, and transportation of materials to project area also causes dust diffusion from the materials and the driving of transport trucks. This will affect air quality, cause a nuisance and have impact on the health of those living in the vicinity.</p>	<p>Transportation</p> <ol style="list-style-type: none"> 1) Spray water over the construction site and its entries at least 2 times a day, morning and evening, or more often as proper. An area shall be provided for wheel cleaning before leaving the construction site. 2) Trucks transporting construction materials must be covered or tied up in the carrying part to prevent diffusion or falling of materials. 3) Construct temporary road instead of laying iron sheets to reduce noise and to prevent bumping by trucks. Transporting construction materials. 4) Arrange cleaning of the entrance of project area by staff members on daily basis. 5) Organize transport trucks not to park around public roads. 	<ol style="list-style-type: none"> 1) Project engineer and construction supervisor inspect the work performed by contractor to ensure strict compliance with mitigation measures against dust impact from construction, management of material waste and transport. 2) Listen to opinions and complaints from nearby residents for information and further correction. 3) Measure ambient air quality in parameter atmosphere, that is, the Total Suspended Particulate (TSP), small size particles (PM-10), wind speed and direction, all of which should be made periodically throughout the construction period.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.3 Air quality (Continued)</p>	<p>Construction activities</p> <ol style="list-style-type: none"> 1) Construction, demolition of a building part that is more than 10 meters above the ground must be controlled, with canvas cover or other similar materials, fastening to scaffolding outside with the height of not less than the height of the building under construction process, and kept in good condition throughout the construction period. 2) Provide temporary chute or other proper method for dropping things or construction materials to prevent dust from the construction. 3) Install temporary fence, opaque and strong, of about 3 meters high, and canvas fence of 3 meters high, along the boundary adjacent to the neighboring areas. 4) Water or chemical substances must be sprayed on the surface continuously for drilling, cutting or rubbing of material surface by using machinery or engine that producing dust unless dust screening tool or dust filter has already been installed. 5) Concrete mixing or any action that causes air pollution must be made in a roofed room with walls on 3 sides or in an area covered with fabric or done by other preper methods. 	

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.3 Air quality (Continued)</p>	<p>Materials and management of stacked materials and material waste</p> <ol style="list-style-type: none"> 1) Stacking of construction materials must be made within project construction area only, with a building arranged for stacking construction materials. For those kept outdoor, they must be covering or under control to prevent diffusion. 2) To transfer any materials that produce dust, they must be sprayed with water before transferring. <p>Handling of material wastee</p> <ol style="list-style-type: none"> 1) Material waste left from the construction must be kept within project construction area only, placing in order, not blocking the path, and completely covered with fabric or any other materials over the top and on 3 sides. 2) Material waste must be screened out for using in road leveling. 3) Transferring of material waste and solid waste out of construction area must be made at least once a week. If not readily for transferring yet, there must be bin or proper container with cover; while there is ongoing cleaning of the area where the bin is located. 	

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.4 Level of noise and vibration</p> <p>Construction activities generate loud noise and vibration, arising from operating of machines, engines used in the construction. It might have impact on people living nearby.</p>	<ol style="list-style-type: none"> 1) Install temporary opaque or metal sheet fence of not lower than 3 meters around the area (covering the top with canvas of about 3 meters high). 2) Using Franki Piles for foundation to mitigate noise and vibration impacts. 3) Concrete mixing or any action that generates loud noise must be made in a roofed room with walls on 3 sides or in an area covered with fabric or done by other proper methods. 4) Construction activities that generate loud noise and vibration shall be done on Mondays-Saturdays from 8.00-17.00 hrs. (stopped on Sundays and major public holidays). Where there is a need to work overtime, the neighboring community shall be informed in advance of the schedule. 5) Work performed on Sundays shall be non-laboring, or work that is needed to be done continuously and not causing loud noise, e.g. cleaning, and inspection work of contractor, etc. 6) Maintain all machines and equipment used in the construction under good condition to reduce loud noise from friction or bumping of equipment parts. 7) There is a partitioned room within the project to be used for construction activities that might generate severe noise impact such as cutting, grinding, grating, welding and milling, etc. 8) Provide channel for receiving complaints with steps for corrections and inform the complainants of the results. 9) There is measure to compensate to the damage incurred from project construction and to provide a team for emergency repair (free service) 	<ol style="list-style-type: none"> 1) Monitor and ensure that the contractors strictly comply with preventive and mitigation measures against noise level in construction area. 2) Provide unit for opinion listening and complaints, as well as to make inquiry about the impacts from those living nearby for information and correction. 3) Measure vibration in the vicinity. Measuring will be made 1 time on the beginning day of piling work, and every 1 month afterwards.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.5 Water quality</p> <p>Wastewater shall be collected into aqua septic biofilm system and put under treatment until meeting the standard for discharging into public drainage system. For wastewater from construction, in the initial stages, it will be left for absorption into soil. Upon the laying of main drainage system, the system will, then, be used, passing through sedimentation process before discharging into public drainage system. Therefore, the impact on water quality is low or none</p>	<ol style="list-style-type: none"> 1) Ensure that workers don't throw solid waste into drainpipes. 2) Keep piles of soil in specific area, surrounding with ridges or with covering. 3) Upon completion of the construction of main drainage system of the project, wastewater from construction activities shall be discharged into the main drainage system, with cesspools put in between and solids removed before discharging into public drainage system in order not to have any further impact to the water quality. 4) Provide adequate toilets for workers in construction area, with sewage treatment facility before discharging into public drainage system. 	<ul style="list-style-type: none"> • Inspect the water quality before discharging into public drainage system once a month throughout the construction period.
<p>2. Biotic resources</p>	<p>Undertake work according to measures in respect of water quality and solid waste, to the extent that the wastes from construction do not incur impact to environmental quality.</p>	<p style="text-align: center;">-</p>
<p>3. Human use value</p> <p>3.1 Use of land in accordance with regulations and city plan</p>	<ol style="list-style-type: none"> 1) Construction of buildings shall be in accordance with city plan requirements, including other relevant laws. 2) Construction activities shall be limited within the construction area, not encroaching on public land or other people's land. 	<ul style="list-style-type: none"> • Engineers and construction supervisors ensure that the construction is made in accordance with the designs and relevant requirements, within the construction area and not encroaching on public land or other people's land.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>3.2 Transportation and traffic</p> <p>Consider the value of V/C Ratio to see whether the impact is great or not</p>	<ol style="list-style-type: none"> 1) Avoid transporting of construction materials during rush hours (07.00-09.00 hrs.) 2) Ensure that the truck weight carrying construction materials does not exceed the limit or road capacity, and using speed prescribed by law when entering urban areas. 3) Organize the transport of construction materials so as not to park outside the project area. 4) Set out regulations for transport of materials, to be handled with care so that no scrap of materials is dropped on public path, and maintain the entry passage in good condition throughout the construction period. 5) Provide traffic control personnel at the entry area to construction site to reduce obstruction of traffic, especially during rush hours. 6) Organize training for drivers and traffic control personnel to enable efficient control of traffic. 7) Install traffic signs such as slow down sign, construction zone, etc., both in the construction area and when approaching the entry to construction area, with project name and clear directional arrows 8) Coordinate for understanding with those living nearby, giving telephone numbers for contacting. 9) Manage cement trucks during foundation laying by setting proper number of trucks so that there won't be too many trucks in waiting. The work must be performed on holidays and/or avoid rush hours (7.00-9.00 hrs.) 	<p>-</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>3.3 Public utility system</p> <p>Demand for electricity during construction, e.g. for welding and cutting of metal, is not high and in use during some construction periods only. Thus, there is no impact on electricity usage of the community. The power will be supplied through temporary electricity meter from Metropolitan Electricity Authority/Provincial Electricity Authority.</p> <p>For water usage by workers, temporary meter will be installed by Metropolitan Waterworks Authority or Provincial Waterworks Authority.</p>	<p>Electricity</p> <ol style="list-style-type: none"> 1) Electricity usage within construction area must be in line with the rules and permission of Metropolitan Electricity Authority/ Provincial Electricity Authority. 2) Installation of electrical devices within construction area must be under proper standards. There is electricity savings campaign, e.g. turn off lights or electrical appliances after use. 3) There is electrical technician to supervise work. <p>Water Supply</p> <ol style="list-style-type: none"> 1) Arrange for adequate water reservation by requesting permission for installing of temporary water meter from Metropolitan Waterworks Authority or Provincial Waterworks Authority to prevent conflicts in using water with neighboring communities or areas. 2) Provide enough drinking water for workers. 3) Organize campaign/oversee workers to ensure water savings, not to keep the water running or leaking without use. 	<ol style="list-style-type: none"> 1) Arrange for staff to check up on electrical devices in construction area to ensure that they are in good condition. 2) Ensure that there is no defect or leakage of equipment in the waterworks system, and promptly inform the officer of any defect for further correction.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>3.4 Drainage system</p> <p>In the initial stages, wastewater from construction and rainwater will be left for absorption into soil. Upon the construction of drainage system, they will be discharged into the main drainage system, passing through sedimentation pond and sewage screening unit before discharging into public drainage system. The construction will be made in the construction area only, so, it will not be a blockade to the existing drainage system of the community.</p>	<ol style="list-style-type: none"> 1) The soil excavated in the construction area and pending to be used, must be kept in specific area, away from neighboring areas and drainpipes, so as not to be washed away into drainpipes. 2) Ensure that the material wastes left from construction or transport trucks do not fall on roads, drainage system, or any public places that will be a blockade to the existing drainage system of the community. 3) Build major utility systems first, i.e. main drainage system with cesspool and sewage screening unit, to enable proper and efficient drainage from construction site. 	<ul style="list-style-type: none"> • Upon completion of the construction of drainage system, it shall be used for discharging of water, and with monitoring personnel to check up on the system. If there is any blockade, it must be dredged or cleaned.
<p>3.5 Solid waste management</p> <p>The contractor must provide litter bins in construction site for solid waste generated by workers, with separate bins for garbage and trash. Each day, responsible workers will collect them, readily to be picked up by garbage truck for further disposal. Scraps from construction such as scraps of wood, brick and iron, etc., might cause work accident or become a breeding ground of disease-carrying animals. If there is good management of these scraps, impacts from solid waste and scraps from project construction will be low.</p>	<ol style="list-style-type: none"> 1) Provide litter bins with covers, putting in various construction areas for convenience with enough quantity for the waste volume generated by workers. 2) There must be specific area to keep these material wastes in order within specific boundary or with covering. 3) Arrange for transfer of scraps and solid waste from construction site once a week. If not yet ready for transfer, they must be covered completely to prevent being a breeding ground of insects and disease-carrying animals. 4) Material wastes left from the construction shall be sold. For any parts that cannot be sold or unusable, it must be ensured that the contractors contact the office or municipality for collection on regular basis. 	<ul style="list-style-type: none"> • There is inspecting personnel to ensure that the construction area and material storing area are kept clean and in order, especially the garbage placement area, ensuring that there is no garbage left uncollected. There must be cleaning on a regular basis so that it won't become a breeding source of disease.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>4. Quality of life value Social and economic aspects</p> <p>During construction period, there shall be a large number of workers, which will be a motivation for vendors in the nearby area to sell goods or food near the construction site. This is a boost to spending and income distribution to the community, deeming as a positive impact.</p> <p>During construction period, according to a sample survey, most of them are concerned about traffic problem, change in way of life, trouble from loud noise, dust diffusion during construction period, rising of crimes and drug problems.</p>	<ol style="list-style-type: none"> 1) Strictly comply with mitigation measures against construction impacts throughout the construction period, e.g. measures on air quality, loud noise, vibration, drainage and traffic, etc. 2) Construction activities that generate loud noise and vibration shall be done on Mondays-Saturdays from 8.00-17.00 hrs. (stopped on Sundays and major public holidays). Where there is a need to work overtime, the neighboring community shall be informed in advance of the schedule. 3) There shall be room for construction activities that might generate severe noise impact such as cutting, grinding, grating, etc. to reduce noise level. 4) Work performed on Sundays shall be non-laboring, or work that is needed to be done continuously and not causing loud noise, e.g. cleaning, and inspection work of contractors, etc. 5) Lay down rules and regulations to be observed by workers with strict supervision. In case of violation, there must be punishment. 6) Prepare workers' personal record with photos, and require them to display ID cards at all times during working time. 7) No illegal migrant workers shall be hired. 	<ul style="list-style-type: none"> • Set up a service unit to listen to opinions and complaints from nearby residents for information and further correction.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
4. Quality of life value Social and economic aspect (Continued)	<p>8) Install temporary signs such as slow-down sign, construction zone, etc., both in the construction area and when approaching the entry to construction area, project name sign with clear directional arrows.</p> <p>9) Provide channel for gathering opinions or complaints in case of potential impact from construction, e.g. installing of suggestion boxes with telephone numbers for contact.</p> <p>10) The contractors must also have measures for community relations to create understanding and reduce concern of those living nearby, e.g. coordinate or inform them of construction schedule that might incur impact, visit neighboring residents to inquire about potential impact, as well as solving problems and informing of results following the complaints, etc.</p> <p>11) Provide emergency repair team where the construction causes damage to the property of those living nearby (free service).</p>	-

Summary of the Environmental Impact, Prevention and Mitigation Measures of Supalai Public Company Limited – Post Construction Period –

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1. Abiotic resources</p> <p>1.1 Topography</p> <p>The project has raised land level which slightly affected existing topographical characteristics. However, the project activities are in line with nearby areas.</p>	<p>Implement the project construction according to the approved designs, i.e. ensuring that the building height, utility space, FAR and OSR values are in accordance with applicable laws.</p>	-

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.2 Soil erosion</p> <p>The project area consists of residential buildings, roads and green areas, which cover soil surface more and lessen soil erosion accordingly.</p>	<p>Cover the open soil surface in the unused space of the project with trees and grass in order to reduce soil erosion.</p>	<p>-</p>
<p>1.3 Air quality</p> <p>Traffic in the project area may cause air pollution, i.e. dust particles and carbon monoxide (CO) emission from automobiles. The amount of CO emission must be estimated.</p>	<ol style="list-style-type: none"> 1) Maintain the project access road in good conditions to prevent dust diffusion caused by road traffic. 2) Grow plants and arrange green zone in the project area as a dust buffer zone. 3) Set speed limit for drivers not to drive over 30 km. /hr. within the project area. Also ask for cooperation from drivers to switch off their engine if they need to idle long enough in the project area. 4) Design a parking building to have a height of each level between 2.55-3.65 meters for efficient natural air ventilation. 	<p>-</p>
<p>1.4 Level of noise and vibration</p> <p>Normal residence and activities in the project area would not cause noise and vibration impact. Only personal cars are expected in the projects, no use of heavy truck.</p>	<ol style="list-style-type: none"> 1) Control car speed in the project area by showing speed limit sign or placing speed bumps to slow cars down. Also display signs asking for cooperation not to use horn or rev up an engine that makes disturbing noise. 2) Grow trees and plants, and arrange green zone in the project area and along fences as a noise barrier zone. 	<p>-</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.5 Water quality/wastewater</p> <p>Wastewater from consumption activities in the project area will be treated until it meets wastewater standard. Part of the treated wastewater will be used to water the plants in the project area while the remaining will be released through screening to a public drainage system.</p>	<ol style="list-style-type: none"> 1) All wastewater from residential activities in the project must be treated using activated sludge process until its quality meets standard before released to a public drainage system. 2) Wastewater from kitchens must be held in a grease trap before passed on to the project's wastewater treatment system. 3) Wastewater from waste collection room must be treated before discharged into a public drainage system. 4) Monitor sludge and scum level. Remove it once a week or more frequently according to its amount. Dry sludge/scum in sunlight to reduce its volume, then put it in a plastic bag and store in a waste collection room, waiting to be collected by municipal personnel. 5) Monitor sediment level and pump it out every 30 days or more frequently if the sediment volume increases. 6) Assign full-time officers or use some private company's service to look after wastewater treatment, water pumping, and drainage systems of the project to ensure their efficient operation. 	<ol style="list-style-type: none"> 1) Monitor and record the operation, inspection and maintenance of the wastewater treatment system, or set up a maintenance schedule throughout the operation duration. 2) Monitor the operation of water pumping and water transmission piping system, general conditions of water storage tanks, to prevent any damage and leakage. Abnormalities will be immediately reported to responsible officers for prompt action to be taken throughout the operation duration. 3) Record a monthly water consumption volume which will reflect effectiveness of water saving measures and also indicate abnormality in case there is leakage of water in underground pipe. 4) Check quality of water before and after treatment at least once a month throughout the operation duration.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>1.6 Air and heat ventilation</p> <p>In a construction plan, setback space and distance has been provided as part of the impact mitigation measures in the first place. Nevertheless, some impact may be caused by the residents' use of air conditioner. Also, road traffic in the project area can cause heat emission into the atmosphere.</p>	<ol style="list-style-type: none"> 1) Provide green zone in the project area as designed in a landscape architectural plan. Grow perennial plants and always maintain green zone in good conditions to reduce heat incurred. 2) Limit car speed in the project area and manage drivers switch off their engine if they need to idle long enough. 	<p style="text-align: center;">-</p>
<p>1.7 Obscuring of light and wind direction</p> <p>The design and floor plan of the project's buildings might cause obscuring of light and wind direction impact in some period of time or in some seasons such as during summer and winter.</p>	<ol style="list-style-type: none"> 1) The project has provided a setback space according to the approved construction designs, which is more than what is required by law. The setback space helps improve air ventilation and reduce the wind direction impact caused by the building. 2) Inform people living within 300 meters around the project site to report to the project's owner if they were affected from light obscuring or has wind direction impact. They can submit a claim form after construction completion until one year after the condominium juristic person committee is appointed. 3) In case the claim of light obscuring is proved to be true, the project will consider providing compensation to the affected as deemed appropriate. 	<p style="text-align: center;">-</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>2. Biotic resources</p> <p>Depends on each case, if the land was unoccupied or abandoned before, the project development will not cause any impact on biotic resources.</p>	-	-
<p>3. Human use values</p> <p>3.1 Land use</p> <p>Check the land use according to existing urban planning and other related laws and regulations.</p>	<p>Ensure the construction compliance with existing urban planning and other related laws and regulations.</p>	-
<p>3.2 Transportation and traffic</p> <p>After the project commencement, the number of vehicles will increase and may affect traffic volume on nearby road networks and consequently cause a rise in V/C Ratio.</p>	<ol style="list-style-type: none"> 1) Open an entrance-exit according to the Highway Department's standards. 2) Cut off a footpath corner in order to facilitate cars making a turn into the project area. 3) Display clear traffic signs in the project area. 4) Display warning signs urging road users to be mindful of accidents in the project area. 5) Assign security guards to facilitate road users and keep parking lots in good order throughout 24 hours. 6) Install a booth for visitor pass card exchange in the project area. Try to keep the booth away from the main road as much as possible in order to prevent queuing up cars from disturbing other vehicles on the main road. 	-

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>3.2 Transportation and traffic (Continued)</p>	<p>7) Provide a taxi light inviting a taxi driver to fetch passengers in the project area.</p> <p>8) Provide substantial parking lots, at least as required by law.</p> <p>9) Carry out PR activities to encourage the residents to drive with care, especially at the entrance and exit of the project. Also urge them to use public mass transit.</p>	
<p>3.3 Public utility systems</p> <p>The project demands public utilities, i.e. water and electricity supply in substantially high volume. These supplies must come from public service units; therefore, existing utility users around the project area might be impacted.</p>	<p>Electricity</p> <p>1) Set up energy saving measures since the first stage of the project, i.e. design to use energy saving light bulbs and lamps such as LED tube light or LED bulbs.</p> <p>2) Use supporting measures to save energy, such as turning of the lights where it is unnecessary or designing to utilize natural light in many sections.</p> <p>3) Promote understanding of benefits of energy saving and methods to achieve it. Use various incentive measures.</p> <p>4) Prepare backup power system to be ready to use in emergency cases.</p> <p>5) Design buildings and install materials and equipment in the buildings to promote energy saving.</p> <p>Consumption water supply</p> <p>1) The project has a backup water supply system (which includes water for fire extinguishing) to avoid impact in case the residents use water simultaneously in large volume.</p> <p>2) Check water piping system, water pump and storage tanks to ensure their good conditions. If any damage is reported, a prompt repair must be done.</p> <p>3) Implement a water saving campaign with the residents and the project itself. The project should bring treated water for reuse, as part of a water conservation attempt.</p>	<p>1) Assign officers to maintain all electrical appliances of the project in good conditions. If any damage is found, a prompt repair must be made.</p> <p>2) Assign officers to take care of equipment in waterworks system. Any damage or leakage must be reported to the project manager for prompt repair.</p> <p>3) Record a monthly water consumption volume to check effectiveness of water saving measures.</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>3.4 Energy conservation</p> <p>The project obviously has energy conservation measures for both the residents' area and the project's area.</p> <p>1. Public utility systems</p>	<p>Project</p> <ol style="list-style-type: none"> 1) All utility space receives natural sunlight or has natural sunlight channel provided for at least 15% of the total space. 2) More than 90% of the main utility space has air ventilation channels on both sides. 3) Use energy saving light bulbs and/or 100% fluorescent tubes. 4) Arrange for someone (like security guard) to look around the area and turn off the light in some unnecessary points. 5) Post stickers, inviting people to take the stairs instead of the elevator for travel between two floors. Check and repair all pipes and valves to ensure no leakage. Reuse water for some purposes, such as to water the plants. <p>Residents</p> <ol style="list-style-type: none"> 1) Use only standard electrical appliances that have No.5 energy saving label attached. 2) Switch off all electrical appliances every time before leaving the room. 3) Unplug electrical appliances every time after use. 4) A refrigerator should be installed at least 15 centimeters from the wall to allow good heat ventilation. 5) Always defrost a refrigerator if an accumulating ice of over 5 mm. thick is seen. 6) Turn off water valves after use. 7) Take stairs instead of the elevator for travel between two floors. 8) Always keep plants and green zone in good conditions. 	<p>-</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>2. Air conditioning system</p> <p>3. Transportation system</p>	<p>Project</p> <ol style="list-style-type: none"> 1) Use split type air conditioners to allow good airflow; choose air conditioners that have No.5 energy saving label attached and use none-CFC. 2) Grow plants around the project area. 3) Arrange for cleaners to clean the air conditioners of the project on a regular basis <p>Residents</p> <ol style="list-style-type: none"> 1) Switch off an air conditioner every time before leaving the room. 2) Set an air conditioner temperature at 25 degree Celsius. 3) Always keep one's own air conditioner clean. <p>Residents</p> <ol style="list-style-type: none"> 1) Use public transport as much as can be done. 2) Switch off the car engine every time when parking for a long time. 	<p>-</p>
<p>3.5 Drainage system</p> <p>When the project is developed, the area has then contained residential buildings, roads, parking lots and green space resulting in rain- runoff with an increased draining flow rate.</p>	<ol style="list-style-type: none"> 1) Arrange for inspection of the drainage system and the project's cesspool on a regular basis. 2) Monitor and inspect the operation of the drainage system and other equipment on a monthly basis and / or as indicated in the manual of each particular equipment to ensure readiness for efficient use. 	<ul style="list-style-type: none"> ● Monitor and inspect the maintenance of pipelines, cesspool and other equipments on a monthly basis to ensure readiness for efficient use as well as inspecting the sewers to ensure good condition and not clogged especially during the rainy season.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>3.6 Solid waste management</p> <p>Solid waste from residents of the project comprises dry, wet and hazardous waste which needs to be collected and stored appropriately in order to prevent bad odors and the breeding place for disease-carrying animals.</p>	<ol style="list-style-type: none"> 1) Arrange for a solid waste collection room, divided for storage of solid waste and dry waste. Ensure the room's capacity for storage of the quantity for not less than 3 days. 2) Provide garbage bins / containers with covers and separate them to be used for wet and dry / hazardous waste. 3) Before transferring the solid waste to the solid waste room, make sure that the top of the garbage bags are tightly tied and there is no spillings or leakage while being lifted and put into carts for transferring to the project's solid waste room which will be done once a day. 4) Assign the employees to inspect and clean the solid waste room whenever the transfer of the solid waste is made. 5) Provide protective equipment and require the employees who transport the waste to wear the protective equipment provided by the project. 6) The solid waste collection room must include sewer ditch connected to the wastewater treatment system of the project for the wastewater to be treated up to the standards of sewage water before being discharged into the public sewage system. 7) Set up regulations, terms and campaigns as well as motivation for the residents to separate garbage and tightly tie the bags before throwing into the bins made available according to the type of the garbage. 8) Monitor the solid waste collection carried out by the municipality to ensure regular collection. 	<p style="text-align: center;">-</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>4. Quality of life value</p> <p>4.1 Social-economic situation</p> <p>When the project is fully operated resulting in a big community in the area, there will be the expansion of the economy, trading and service business in the community to accommodate the increasing demand. This is considered a positive impact that would support and promote the trading and the service business of the people in the neighborhood. However, the existing community members might be worried about the following problems, particularly the problems of traffic congestion, air pollution, / dust, the insecurity of lives and properties including the light obscuring and the wind direction.</p>	<ol style="list-style-type: none"> 1) Strictly comply with the measures to reduce the impact on air quality, noise, and traffic. Set out rules and regulations for residents to ensure tidiness and order in the project. 2) Launch public relations among residents of the areas nearby to inform them about various activities of the project or provide communication channels for lodging complaints such as lodging complaint directly to the juristic persons. 3) Arrange for inspection and close attention to the entry and the exit of the project to ensure no outsider sneaking into the project without permission. 4) Provide 24- hour security guards throughout the project area. 5) Install traffic signs, warning signs such as signs of no-parking, cooperation to turn off car engines when stopping for a long time with no unnecessary use of horn. 6) Arrange for personnel to care for and to carry out various operations at the common facilities of the project. 7) Organize the traffic system in the project in order to ease the traffic. 8) Coordinate with the local police station to request the police to inspect the project area and the surrounding communities. 	<ul style="list-style-type: none"> ● Follow up the complaints, suggestions and comments from the residents and those from nearby communities by analyzing the complaints from both inside and outside the project every month to evaluate the effectiveness of the compliance with mitigation measures.

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>4.2 Participation of the public.</p> <p>During the project operation, stakeholders might be worried about the problems of traffic congestion, air pollution / dust, noise and vibration, the insecurity of lives and properties including the light obscuring and the wind direction.</p>	<ol style="list-style-type: none"> 1) Provide channels for communication or for receiving comments from residents of the project and outsiders who may be affected by the project. 2) Install billboards to display the name of the project along with the telephone numbers in the front of the project and assign the Public Relations Unit to listen to comments on the project and receive possible complaints. 3) Arrange for detailed records of complaints, such as the complainant's name, telephone number, details of the complaint and the responses or corrective actions according to the complaint and notify the complainant on the actions taken. 	<p style="text-align: center;">-</p>
<p>4.3 Health</p> <p>4.3.1 Use of vehicles</p> <p>During the implementation of, the project, the volume of traffic on the road will increase and may cause impact on the traffic in front of the project and also the potential increase of accidents. Besides, the use of cars and the road would cause emissions from the engines, such as carbon monoxide, dust and smog that may affect people's health if there is high quantity and if such a pollutant stays in the environment for a long time.</p>	<ol style="list-style-type: none"> 1) Provide green space and trees which would help absorb carbon dioxide. 2) Launch a campaign on turning off the car engine when parking for a long time. 3) Comply with the measure on air quality to prevent dust such as maintaining the road to be in good condition, undamaged and clean, plant trees and create green areas in accordance with the requirements. 4) Comply with the measure on noise pollution by controlling speed and preventing the speed acceleration of cars driven in the project. 	<p style="text-align: center;">-</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>4.3.2 Wastewater from the project</p> <p>If the project does not carry out wastewater treatment to be in compliance with the standards for wastewater, the place receiving such wastewater would be affected.</p>	<ol style="list-style-type: none"> 1) Provide wastewater treatment using the Activated Sludge system. 2) Comply with the measure of water quality by monitoring the water quality before and after the treatment on a monthly basis. 	<p>-</p>
<p>4.3.3 Solid waste from the project</p> <p>If the solid waste from the project is not managed properly in accordance with the sanitary standards, it will cause dirtiness, bad odors and sources of food and breeding for disease-carrying animals.</p> <p>However, there are two groups of people whose health could be directly affected. They are the project's employees who serve as garbage collectors and the garbage collectors from the local authorities. They could be exposed to effects such as bad odors, germs and injuries from sharp items.</p>	<ol style="list-style-type: none"> 1) Apply the method of segregation of waste, such as dry, wet and hazardous waste. Then compile the waste in the solid waste collection room for each type and use suitable containers. 2) Comply with the measure on solid waste management by providing adequate garbage containers with functional lids and cleaning the solid waste room regularly. The waste water from washing the room must be sent to the wastewater treatment system. 3) Provide appropriate protective equipment for the cleaners and the garbage collectors to protect their health and safety such as gloves, face masks and aprons. 	<p>-</p>
<p>4.3.4 Air Conditioning system</p> <p>When the air conditioning system is not clean, there shall be accumulation of bacteria that can spread germs causing the respiratory disease among the residents, especially children and patients with allergies who are sensitive to the effects.</p>	<p>Clean the air conditioners by launching a campaign for the residents to clean their own air conditioners and air conditioners in the common areas.</p>	<p>-</p>

Environmental Element and Significant Potential Impact	Environmental Impact Prevention and Mitigation Measures	Environmental Impact Monitoring Measures
<p>4.4 Fire prevention and extinguishing system</p> <p>For residential buildings with a great number of residents, there are activities such as the use of electrical appliances to cook without care or with negligence may cause electrical problems or fire.</p>	<ol style="list-style-type: none"> 1) Provide the fire alarm system, the fire prevention and extinguishing systems not less than what specified in the provisions of the Ministerial Regulations of the Ministry of Interior, No. 47 (1997), and the Ministerial Regulations of the Ministry of Interior, No. 33 (1992). 2) Examine the effectiveness of tools and fire extinguishers regularly after every period of 3 months. 3) Attach instruction label on how to use fire prevention equipment for the residents and demonstrate how to use the equipment for their understanding to be able to use it instantly and safely when necessary. 	<ol style="list-style-type: none"> 1) Inspect all equipment of the fire prevention system and the fire alarm system installed in the project according to the manual of each type on a regular basis to ensure their good condition and readiness for use. 2) Check the power supply back up system every period of 3 months to ensure its readiness for use.
<p>4.5 Scenery and aesthetics</p> <p>When the project is completed, the scenery of the area would change as well as the aesthetics of the place.</p>	<ol style="list-style-type: none"> 1) The design of the building and the proportion of its use have been done according to the terms determined in the city planning regulations. 2) Arrange for the creation of beautiful architectural landscape by developing green space and growing shady trees. 3) Carry out maintenance of the green areas in the project to retain shady and beautiful scenery throughout the operation. 4) Plant trees along the fence of the project. 	<ul style="list-style-type: none"> • Assign personnel to take care and maintain the green areas to be shady, pleasant and beautiful throughout the operation.



GRI Content Index

Profile Disclosures

Indicator	Description	Page	Disclosure	Note
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1.1	Statement from the most senior decision-maker of the organization.		Full	Refer to Annual Report on Page 8-11
1.1	Description of key impacts, risk, and opportunities.	150-151	Full	
2. Organizational Profile				
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2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.		Full	Refer to Annual Report on Page 38, 51
2.4	Location of organization's headquarters		Full	Refer to Annual Report on Page 7, 31
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		Full	Refer to Annual Report on Page 38-41
2.6	Nature of ownership and legal form.		Full	Refer to Annual Report on Page 7
2.7	Markets served (including geographic breakdown, inside cover sectors served, and types of customers/beneficiaries).		Full	Refer to Annual Report on Page 38-41
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4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	100-149	Full	
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Indicator	Description	Page	Disclosure	Note
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4.14	List of stakeholder groups engaged by the organization.	100-149	Full	
4.15	Basis for identification and selection of stakeholders with whom to engage.	100-149	Full	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	100-149	Full	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	100-149	Full	

Performance Indicators

Indicator	Description	Page	Disclosure	Note
Economic				
EC 1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.		Full	Refer to Annual Report on Page 98-103
EC 2	Financial implications and other risks and opportunities for the organization's activities due to climate change.		Full	Refer to Annual Report on Page 77-83
EC 3	Coverage of the organization's defined benefit plan obligations.		Full	Refer to Annual Report on Page 98-103
EC 4	Significant financial assistance received from government.		Full	Refer to Annual Report on Page 24-30
Environmental				
Energy				
EN 6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	26-44	Full	
EN 7	Initiatives to reduce indirect energy consumption and reductions achieved.	26-44	Full	
Biodiversity				
EN 11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	183-186, 196-220	Full	
EN 12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	183-186, 196-220	Full	
EN 13	Habitats protected or restored.	196-220	Full	
Effluents and Waste				
EN 27	Extent of impact mitigation of environmental impacts of products and services.	196-220	Full	

Indicator	Description	Page	Disclosure	Note
Compliance				
EN 29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	196-198	Full	
Social : Labor Practices and Decent Work				
Employment				
LA 1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	173	Full	
LA 2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	174	Full	
LA 3	Return to work and retention rates after parental leave, by gender.	172-178	Full	
Labor/Management Relations				
LA 4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	172, 178	Full	
Occupational Health and Safety				
LA 5	Percentage of total workforce represented in formal joint management—worker health and safety committees that help monitor and advise on occupational health and safety programs.	89-90	Full	
LA 6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	89-90	Full	
LA 7	Workers with high incidence or high risk of diseases related to their occupation.	89-90	Full	
LA 8	Health and safety topics covered in formal agreements with trade unions.	89-90	Full	

Indicator	Description	Page	Disclosure	Note
Training and Education				
LA 9	Average hours of training per year per employee by gender, and by employee category.	179-182	Full	
LA 10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	179-182	Full	
LA 11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	179-182	Full	
Diversity and Equal Opportunity				
LA 12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	75, 173	Full	
Equal Remuneration for Women and Men				
LA 13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	180	Full	
Supplier Assessment for Labor Practices				
LA 15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	172-178	Full	
Human Rights				
Investment				
HR 1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	170-171	Full	
HR 2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	170-171	Full	

Indicator	Description	Page	Disclosure	Note
Non-discrimination				
HR 3	Total number of incidents of discrimination and corrective actions taken.	170-171	Full	
Freedom of Association and Collective Bargaining				
HR 4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	153-154	Full	
Child Labor				
HR 5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	170-171	Full	
Forced or Compulsory Labor				
HR 6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	153-154, 170-171	Full	
Security Practices				
HR 7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	170-171	Full	
Indigenous Right				
HR 8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	89-90	Full	
Society				
Local Communities				
SO 1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	196-220	Full	
SO 2	Operations with significant actual or potential negative impacts on local communities.	196-220	Full	

Indicator	Description	Page	Disclosure	Note
Anti-corruption				
SO 3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	155-169	Full	
SO 4	Communication and training on anti-corruption policies and procedures.	155-169	Full	
SO 5	Confirmed incidents of corruption and actions taken.	155-169	Full	
Public Policy				
SO 6	Total value of political contributions by country and recipient/beneficiary.	155-169	Full	
Anti-competitive Behavior				
SO 7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	155-169	Full	
Compliance				
SO 8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	196-198	Full	
Product Responsibility				
Customer Health and Safety				
PR 1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	26-44	Full	
PR 2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	26-44	Full	
Product and Service Labeling				
PR 3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant products and service categories subject to such information requirements.	26-44	Full	
Marketing Communications				
PR 6	Sale of banned or disputed products.	183-186	Full	

Supalai Quality Projects



Supalai Wellington Supalai Wellington II Supalai Elite @ Phaya Thai Supalai Veranda Ratchavipha-Prachachuen Supalai Veranda Rattanaethbeth Supalai Loft Chaeng Watthana Supalai Cute Ratchayothin - Phaholyothin 34



Supalai Vista @ Tiwanon Intersection Supalai Vista @ Pakkred Intersection Supalai Park Srinakarini Supalai City Resort Phra Nang Klao Station-Chao Phraya City Home @ Srinakarini Supalai Grand Tower Supalai Montara Pinklao - Phutthamonthon Sai 1



Supalai Suanluang Supalai Orchid Park Outer Ring Road - Rama II Supalai Park Ville Romklao - Suvarnabhumi Supalai Park Ville Ramindra 23 Supalai Park Ville Outer Ring - Ratchaphruek Supalai Garden Ville Suvarnabhumi Supalai Garden Ville Outer Ring Road Pinklao - Rama V



Supalai Garden Ville Changwattana - Laksi Supalai Garden Ville Outer Ring - Lamlukka Klong 3 Supalai Garden Ville Outer Ring - Lamlukka Klong 5 Supalai Garden Ville Tiwanon - Pathumthani Supalai Garden Ville Srinakarini-Bangna Supalai Garden Ville New Krungthepkritha-Motorway Supalai Ville Outer Ring Road Pinklao-Nakhonin



Supalai Ville Ratchaphruek - Bang Bua Thong Supalai Ville Srinakarini - Kingkeaw Supalai Ville Phaholyothin 52 Supalai Ville Outer Ring - Bangyai Supalai Ville Bangkok-Pathumthani Supalai Ville Rangsit Klong 2 Supalai Ville Outer Ring - Lamlukka Klong 3



Supalai Ville Outer Ring - Lamlukka Klong 5 Supalai Ville Sri Samam - Pathumthani Supalai Ville Onnuj-Suan Luang Supalai Ville Outer Ring Road - Rama II Supalai Bella Outer Ring Road - Rama II Supalai Bella Outer Ring Road Pinklao - Rama V Supalai Bella Rangsit Klong 2



Novo Ville Outer Ring - Bangyai Novo Ville Lamlukka Klong 2 Novo Ville Outer Ring - Lamlukka Klong 5 Novo Ville Bangkok - Pathumthani Supalai Mare @ Pattaya Supalai Vista @ Sri Racha-Laemchabang Port Intersection Supalai Park Ville Sriracha



Supalai Garden Ville Bangsaen Supalai Ville Theprasit 8 Supalai City Resort @ Rayong Supalai Park Ville Rayong Supalai Vista Phuket Supalai Park @ Downtown Phuket Supalai Park @ Phuket City



Supalai Lagoon Phuket Supalai Garden Ville Phuket Supalai Ville Phuket Supalai Essence Phuket Supalai Monte @ Viang Chiangmai Supalai Monte II Chiangmai Supalai Park Ville Chaugpuak Chiangmai



Supalai Garden Ville Outer Ring Road - San Kam Phaeng Chiangmai Supalai Moda Chiangmai Supalai Garden Ville Suratthani Supalai Park Ville Nittayo Udomthani Supalai Garden Ville Udomthani Supalai Ville Mitraparp - Banchan Udomthani Supalai Ville Ubonratchathani



Supalai Moda Ubonratchathani Supalai Royal River Supalai Park Ville Srirachon Khonkaen Supalai Moda Airport Khonkaen Novo Ville Airport Khonkaen Asean City Resort City Resort Pasawang Phaetkaseam



Palm Spring Grand Ville Palm Springs 7 Palm Springs 9 Supalai Pasak Resort Hotel & Spa, Saraburi Supalai Resort & Spa Phuket





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