



7.5.3 Personnel Training Policy of the Company

With years of experiences that it has won throughout its own history, the Company is well aware that human resources is the most precious asset, a key factor that drives the organization to success. Thus, its policy on human resources development emphasizes quality in every stage. Starting from recruitment and selection, the Company chooses only qualified applicants who are strongly interested in being a part of the organization, as its employees. Next is to continuously develop its personnel of all levels, enriching them with skills, knowledge and abilities, so that they can be ready to efficiently support the Company's businesses and are always quick to manage changes that occur as a result of today's stiff competition.

Regarding training, the Company's training plan places emphasis on arranging practical courses that are beneficial to and required by the jobs of its personnel. In-house training, public training and seminars are appropriately arranged. Lecturers are either expert invited from outside or experienced personnel within the organization. In addition to training and seminars, the Company supports its personnel for more strength in knowledge and skills by way of coaching by supervisors, on the job training and field trips, both within the country and abroad. The efficiency and the effectiveness of all these and can be evaluated by the personnel's ability to apply the knowledge they acquire to their jobs and the ability to further pass it on to their colleagues or relevant parties.

In 2017, employees at the executive and supervisory levels were developed for such skills as administration, management, leadership, technology, strategic planning and etc.; the average training period was at least 120 hours/person/year; whereas, employees at the practitioner level are developed in such fields as selling skills, marketing, servicing, technician skills, computer and etc.; the average training period was at least 75 hours/person/year.

One of the Company's core values is to develop learning society within the organization. In addition, the Company places importance on its personnel's good quality of life; thus, providing them with good environment, welfare, chances of progress in their career paths, and reasonable compensation. All these, as a consequence, bring about the personnel's work efficiency, love, organizational commitment and loyalty.

8. Corporate Governance


The Company's Board of Directors is entitled to set up Corporate Governance Policy which encompasses 5 major principles to be in line with the guideline of the SET. Details of which are as follows:-

8.1 Corporate Governance Policy

1. *The Rights of Shareholders*

The Company is well aware that all the fundamental rights of the shareholders both as investors and company owners must be significantly recognized. Such rights include the right to trade or transfer the securities they hold, the right to receive the Company's sharing profits, the right to adequately access the Company's information, the right to attend the shareholders' meeting wherein they can exercise the rights to express their opinions and vote for resolutions on the Company's significant matters ;for instances, dividend payment, appointment or removal of a director, appointment of external auditors, approval of any crucial transaction which might affect the directions of the Company's operation, amendment to Memorandum of Association or Articles of Association and so on.

In addition to the above mentioned fundamental rights, the Company manages to support and facilitate the shareholders' right exercise as follows:-

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1. The Company arranges the Annual General Meeting of Shareholders within the first 4 months of the Company's fiscal year. Other shareholders' meetings shall be referred to as "Extraordinary Shareholders' Meetings"; each will be called for by the Board of Directors only when deemed appropriate. Invitation letters together with meeting agenda and related documents with adequate fact(s), reason(s) and opinion(s) of the Board of Directors will be distributed for the shareholders to consider 7 or 14 days prior to the meeting date, depending on the subjects. The Company also advertises the meeting notice in the press 3 days consecutively before the date of meeting.
 2. Provided that a shareholder is unable to attend the meeting in person, the Company allows him/her to assign an independent director or any person to attend the meeting on his/her behalf by filling in one of the proxy forms attached with the meeting invitation letter or downloaded from the Company's website.
 3. During the meeting, the Company provides equal opportunities for the shareholders to make enquiries or to express their views. Therein, the Company's directors and relevant management are present to answer the questions that are raised. Significant question-and-answer issue as well as the significant opinions are recorded in the minutes of meeting to facilitate the shareholders' scrutiny.
 4. The complete minutes of meeting shall be accomplished after the meeting date wherein complete and accurate information are presented for the shareholders' scrutiny.

2. The Equitable Treatment of Shareholders

The Company has a policy to treat all the shareholders equally be they major shareholders, minor shareholders, institutional investors or foreign investors. Independent directors are assigned by the Company to be responsible for looking after the minor shareholders.

The Company has the policy to announce the schedule of its shareholders' meeting together with the agendas in Thai and English via the Company's website in no less than 30 days prior to the meeting date to facilitate both the Thai and foreign investors.

The shareholders' meeting is properly conducted according to the scheduled agenda in respect of the Company's Articles of Association. In each agenda, related information is clearly and completely presented for the meeting's consideration. If unnecessary, no un-informed agenda is introduced to the meeting neither is any important agenda which the shareholders need some time to make a prudent study before making a decision. In case that a shareholder is unable to attend the meeting in person, the Company allows him/her to assign an independent director or any person to attend the meeting on his/her behalf by filling in one of the proxy forms attached with the meeting invitation letter or downloaded from the Company's website.

Voting process is transparent with regard to the order of agenda items. During the meeting, the shareholders are entitled to cast the vote to express their agreement or disagreement or even to abstain from voting on any issue, including such significant ones as connected transactions, acquisition or disposal of the Company's assets and so on. The agenda on director election provides the shareholders with the chance to elect the directors as individual persons to replace the ones who retire by rotation.

The Company has the policy to disclose information on related party transactions, connected transactions and others as required by the regulations stipulated by the regulators of the listed companies.

The Company has established the Code of Ethics for employees, stipulating the importance of keeping the information of both the Company and its subsidiaries in confidence. It has also set up penalty for any staff who makes use of the inside information for his/her own benefits or implement the same in the manner that may damage the Company's reputation. Additionally, the trading or transferring of the Company's securities by using confidential information and/or inside information is prohibited in the like manner as the conduct of juristic act, using the Company's confidential information and/or inside information since such doing may cause damage to the Company either directly or indirectly.



The Company has set up a measure to prevent “Insider Trading”, that is considered improper conduct, by relevant persons who are directors, executives, and staff working in the departments related to the inside information (including their spouses and minors). According to the measure, such relevant persons are not allowed to trade the Company’s securities a month before the disclosure of the quarterly and annual financial statements. The Company has informed its directors and executives not only of their duty to report their holding of the Company’s securities but also the penalty according to the Securities and Exchange Act of B.E.2535 and the regulations of the SET. In case that the directors or the executives trade the Company’s securities which they hold, they are obliged to report changes in the possession of their own securities, spouses and minors to the SEC to comply with Section 59 of the Securities and Exchange Act of B.E.2535 within 3 weekdays so that it is further disclosed to the public.

Pertaining to this matter, the Company has set up the disciplinary penalty to apply to any relevant person who discloses or makes use of the Company’s inside information for seeking his /her own personal interests. The degree of penalty varies, according to the case, from verbal warning, written warning to putting on probation, firing or dismissal.

3. The Role of Stakeholders

The Company equally respects the rights of all the stakeholders whether they are the inside stakeholders such as the Company’s employees and the executives or the outside-party stakeholders such as creditors and customers, etc. The Company realizes that the support and suggestions from every group of stakeholders are valuable and beneficial to both the operation and business development. Therefore, the Company will perform the duty to comply with the law and other related regulations to ensure that all the rights of the stakeholders are well protected. Furthermore, the Company gives importance to equal treatment under human rights principles and shall not have a hand in any conspiracy that is against human rights. The Company supports and respects human rights protection and has guidelines to guard the rights of every stakeholder group as required by law.

Regarding intellectual property or copyright, the Company has a policy to strictly obey the laws enacted to protect intellectual property to prevent relevant stakeholders from any impact.

Also, the Company has an anti-corruption-and-bribery-for-business-benefit policy that is included in Code of Employees’ Ethics for employees’ acknowledgement and further conformity. The Company does not have any policy on offering money, incentives, gifts, or special privileges in any form, directly or indirectly, to any person in order to gain business benefits or competitive advantages. In addition, the Company strongly supports cooperation between the Company itself and each group of stakeholders for the Company’s stability. To this respect, the Company follows the directions below to appropriately treat each stakeholder group.

- Shareholders : With an aim to bring about the highest satisfaction to its shareholders, the Company tries its best to be their ever efficient and trustworthy business representative, taking into account the long term growth of its value and the emphasis on transparent and honest information disclosure.
- Employees : The Company regards employees as its very precious resources. So, it focuses on supporting human resources development which consequently leads to its maximum benefit. Besides, it encourages the employees to play a part in creating a good organization culture, strong teamwork and safe and pleasant working atmosphere. In addition, it provides the employees with welfares and good environment; meanwhile, implanting in them the awareness of working with loyalty, taking into the minds all the possible impacts on both the organization and outside people in general.

- Competitors : The Company commercially contends with other trade competitors on the fair and ethical competition basis.
- Customers : The Company is committed to providing quality services for the highest satisfaction and confidence of the customers.
- Trade Counterparts and Creditors : The Company has a policy to treat both the counterparts and the creditors fairly in compliance with trading conditions and/or terms in mutual contracts to enhance good business relationship, beneficial to all parties.
- Community and Public : On a regular basis, the Company joins and sponsors socially constructive projects and activities as exemplified by social responsibility activities, especially, the contribution of high-speed Internet and WiFi to schools in rural areas free of charge, financial and material donations to several foundations and organizations.
- Environment : The Company recognizes the importance of environment and simultaneously is concerned about the impact of pollutions on communities. The Company's nature of business does not jeopardize the environment.

The Company will conduct its business to be in line with the law and other related regulations to assure the shareholders of the best protection of their rights.

4. Disclosure and Transparency

The Company's Board of Directors takes as its obligation the disclosure of the Company's financial and other Company-related information to be complete, accurate, and transparent in compliance with the regulations of the SEC and the SET. Additionally, it discloses other significant information which may affect the price of the Company's securities which in turn impacts on the decision of the Company's investors and stakeholders. Such information is accessible to the Company's shareholders, investors and the public via the channels and media of the SET as well as the Company's website.

For Investor Relations, the Finance Department is assigned to represent the Company in communicating with institutional investors, shareholders, analysts and relevant state organizations; whereas, the Regulatory & Compliance Department is accountable for corporate reports.

The Company's Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries as well as any financial-related information disclosed in the Company's Annual Report. Such financial statements are prudently prepared pursuant to the accounting principles generally accepted country-wide based on the appropriate accounting policy with which the Company regularly complies. Besides, the information therein is adequately disclosed. The Audit Committee is obliged to verify the quality of the Company's financial reports and internal control system, including the adequacy of the disclosure of important information in notes to the financial statements prior to acknowledging their opinions to the Board of Directors' meeting and the shareholders' meeting, respectively.

5. Responsibilities of the Board of Directors

1. Structure of the Board of Directors

The Board of Directors of the Company is made up of individuals recognized for their knowledge and capabilities. The Board plays a vital role in setting up corporate policy and organization overview besides independently overseeing, auditing, and assessing the Company's performance to be in accordance with the Business Plan.

Structurally, the Board of Directors totally comprises 11 directors, 4 of whom are independent directors. The appointment of the independent directors in such adequate and proper proportion enables the balance of power in the Board of Directors. The Company's administration is finally verified by the Audit Committee which consists of 3 accredited independent members.



Term of Office of the Board of Directors

According to the Company's Articles of Association, at every Annual General Meeting of Shareholders, one-third of the directors who have the longest terms in office shall retire. Nevertheless, provided that the number of the directors is not a multiple of three, then the number nearest to one-third shall retire from office. The retirement of the directors in the first and the second year after the listing of the Company on the SET is based on the method of lot-drawing. As for in the later years, the directors who serve the longest terms shall retire. The Company's Articles of Association also prescribes that the retired directors are eligible for re-election. Furthermore, whether a director can continuously remain in office without break for the longest period will be determined by the Company by taking into account his/her individual qualifications and appropriateness.

The Board of Directors has approved to embrace the disclosure of the number of the companies in which each director has his/her position as a significant criterion for the Board of Directors election; The Company; thus, discloses the information of all the directors who are also directors of other companies in details. At present, 3 directors of the Company's Board of Directors are holding the positions of director in more than 1 listed company. However, since those directors have sufficiently devoted their time carrying out the Company's tasks with all their efforts, the holding of their positions in other companies does not affect their performance at all ; moreover, they regularly participate in the Company's Board of Directors' meetings and always provide practical opinions for the Company therein.

Board Member Orientation

A newly appointed director will be briefed on businesses of the Company. The Company also sends him/her a set of document on regulations for the Board of Directors and the Board of Directors' responsibilities to notify them of good practice as a director of the Company.

2. Subcommittee

For efficient corporate governance, the Company established 3 subcommittees, namely Audit Committee, Risk Management Committee and Remuneration and Nomination Committee and also set up distinct scopes of authority, duty and responsibility for each.

3. Role, Duty, and Responsibility of the Board of Directors

The Company's Board of Directors is made up of individuals who are knowledgeable, proficient, expert and well equipped with beneficial experiences in various fields apart from distinguished leadership. They collectively set visions, missions, strategies and business directions in addition to providing efficacious oversight of the Company's operation to be in compliance with all the relevant laws and to correspond to the objectives and regulations of the Company as well as the resolutions of the shareholders' meeting. They also set up subcommittees to monitor and supervise the Company's operation. The Company supports every director for his/her interest in taking any training course that provides essential knowledge that helps enhance him/her more professionalism as a director and that can be applied for the endless development of the quality of directors' performances.

In regard to top management succession planning, the Board of Directors has assigned the Remuneration and Nomination Committee to set up criteria and procedures for the selection of qualified candidates for top management positions. It is required that such plan be annually reviewed and the results thereof be reported to the Board of Directors.

Corporate Governance Policy

The Company is entitled to set up the policy of good corporate governance in writing. Such policy, approved by the Board of Directors' meeting, is regularly reviewed, at least once a year, in terms of content and compliance.

Business Ethics

The Company has set up and put in writing the Code of Business Ethics as an essential guideline for the Board of Directors, the management and employees of all levels to adhere so as to conduct the Company's business and serve all the groups of stakeholders, society and the public fairly and honestly. Besides, it has announced such Code of Business Ethics and acknowledged them to its employees for strict compliance. For effectiveness, a set of disciplinary penalty is set up as well as a system for following up the practice of the Code of Business Ethics that is regularly applied.

Conflict of Interest

The Company's Board of Directors has set up the policy on conflicts of interest based on the principle that any decision on business conduct must be made with respect to the highest interests of the Company only. Any action which might lead to conflicts of interest must be avoided. It is specified that any person relevant to or connected with the subject to be considered is obliged to acknowledge the Company of his/her relationship to or connection with the matter. He/She is not permitted to join the party which judges the case and does not have the power to authorize that particular transaction. No irregular conditions or regulations are specially set for such case. It is also stipulated that the Office of Internal Audit and the Audit Committee are responsible for taking care of and solving the conflicts of interest. However, to date, the Company has not experienced the problem related to conflicts of interest.

The Audit Committee will report the carefully considered connected transaction matter and any matter containing a conflict of interest to the Board of Directors in compliance with the regulations of the SET. Such information is disclosed in the Company's Annual Report and the Updated Registration Statement (56-1 Form).

Whenever changes in securities holding of the Board of Directors and the management of the Company, including their spouses and minors occur, they must be informed to the Company and reported to the SEC respectively according to Section 59 of the Securities and Exchange Act of B.E.2535 within 3 weekdays commencing from the date of trade or transfer. Besides, to prevent improper usage of the Company's inside information, directors, executives and departments having an access to the Company's inside information are forbidden from disclosing such information to the outside parties and anyone who does not involve in the Company's securities trading a month prior to the disclosure of the Company's financial statements.

Internal Control System

Realizing the importance of efficient internal control system in both management and operation levels, the Company has set up the scopes of duty and authority for its executives and employees clearly in writing. The Company also conducts the control of assets usage for its own benefit. In addition, the duties of staff and officers in charge of monitoring and assessment officers are segregated. The Audit Committee has been set up by the Company to verify the internal control system and oversee the internal audit properly and efficiently.

Risk Management

The Company evaluates the adequacy of its existing internal control system on a yearly basis. Its Risk Management Committee also assesses internal and external risk factors, analyzes them and follows up the outcome besides finding measures to mitigate risks within the organization and properly improve the operation for more effectiveness.

Report of the Board of Directors

Quarterly, the Accounting Department organizes a meeting between the relevant staff and the Company's auditors. The Company's Audit Committee is accountable for the review of the financial reports that are to be presented to the Board of Directors by the Accounting Department. The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries as well as the financial information (the report on the Board of Directors' responsibilities for financial matters) presented in the Annual Report. Such financial statements are prepared in accordance with the accounting principles, certified and audited with prudence by the Company's auditors. The disclosure of significant financial-related and non-financial related information is completely and regularly done on the factual basis.

4. Board of Directors' Meeting

The Company's Board of Directors' meeting is scheduled to be convened in every 3 months. However, a special meeting can be called if it is deemed necessary. The agenda items for each meeting are clear and specific. Documents concerned are sent to the directors prior to the meeting date in order to provide them with sufficient time of study, except for an emergency case. The meeting is recorded in writing. The minutes as well as other certified documents are kept for references and all must be examinable in the following meeting. Issues to be included in the meeting agenda are a result of prudent co-consideration of the Company's Chairman of the Board of the Directors and the Chief Executive Officer or the Director and President. To this regard, each director can also propose issues for the preparation of a meeting agenda.

During the meeting, the Company's Chairman of the Board of Directors or the person who is elected to act as Chairman of the Board of Directors' meeting will provide opportunities for the directors to independently express their opinions. Sometimes, the Company's top management join the meeting for the provision of additional useful information in some particular agendas as related persons. On this occasion also that they can be directly acknowledged of the policy and put it into practice accordingly and efficiently. Resolutions are based on majority vote of the Board members attending the meeting; one director is eligible for one vote. However, a director who has interests in the matter under consideration shall not join the meeting and/or abstain from voting. In case of tie, the Chairman has the casting vote.

The Board of Directors' minutes of meeting, taken by the Secretary to the Board of Directors who takes part in every meeting, is presented to the chairman of the meeting to consider and sign for certification prior to proposing as the first agenda item in the following meeting for the Board of Directors to certify. After certification, the Secretary to the Board of Directors will store all the information and documents related to the meetings to facilitate data references and searches.

The Board of Directors has the policy to encourage the non-executive members to schedule meetings among themselves without the management team at least once a year. Corporate Secretary, as the meeting coordinator, is assigned the task of meeting organization.

5. Board of Directors' Self Assessment

The Company's Board of Directors has the policy to evaluate their own performances, taking into account the Company's business operation result, the degree of conformity to the established policies and the overall economic and social situations as significant criteria. The self assessment results are useful for self improvement in working of each individual director.

The Chief Executive Officer's performance is considered by the Board of Directors, based on the evaluation results of the CEO Performance Evaluation Form and the Company's operation results.

Anti-corruption Policy

Jasmine International Public Company Limited ("the Company") places importance on conducting business in a transparent manner with integrity in accordance with good corporate governance principles, adhering to its responsibility to the society and the nation as a whole. Realizing that corruption is a serious problem that hinders the development of the country; the Company has established an anti-corruption policy for itself and the subsidiaries (Both the Company and its subsidiaries shall be referred to herein as "the company.") to apply as a guideline for business operation, with confidence that it would enable effective development to a sustainability organization, which, in a way, is a support to national development.

Definition of "Corruption"

"Corruption" refers to any form of bribery whether it be an offer, a proposal to provide, a pledge or a promise to give, a request for or an acceptance of benefits such as money, assets and other undue advantage to/from a government officer, the government sector, the private sector, or any responsible person either in direct or indirect manner in order to acquire or retain a business as well as to recommend specific business to the entity and to protect any inappropriate interest for the company's business; except for the case enabled by law, regulation, announcement, rule, local tradition, or trade usage.

Anti-corruption Policy and Guideline

1. The directors, the executives and the employees of the company are prohibited from engaging in or accepting corruption of all types. The Anti-corruption Policy shall be applied to several company activities; for instances, personnel recruitment/nomination; promotion; procurement; sale; business-relation creation with both the government and the private sectors, and so on.
2. Every employee is obliged to notify his/her supervisor or the responsible person of any act of corruption or any intention that is within the scope of corruption. Furthermore, he/she must be cooperative in investigation procedure.
3. The company shall provide fairness and protection for every employee who denies corruption or informs the company of any corruption case.
4. A person who commits corruption shall receive disciplinary punishment as stipulated by the Article of Association of the Company. Conviction on law may be applied in case such act violates the law.
5. The anti-corruption policy and guideline shall be regularly revised to suit the changing business, rules, regulations, and all the applicable laws.

Whistle Blowing and Notice of Complaint

A person who finds corrupt practices or corruption-related cases, directly or indirectly, can notice the whistle blowing or make the complaint to the company through the following communication channels:-

1. E-mail : churnkamol.t@jasmine.com
2. The Company's website : [www.jasmine.com/contact/whistle blowing](http://www.jasmine.com/contact/whistle%20blowing)
3. Telephone Number : 02 100 3085

Preventive and Confidential Measure

Any person assigned by the Company to be responsible for the task of complaints and whistle blowing has a duty to keep all personal information of every complainant and informant such as his/her name, address, subject of complaint and all the relevant documents, in confidentiality. Such information shall not be disclosed to anyone who is not a concerned person unless the disclosure is required by law.

Promotion of Anti-corruption Policy

To ensure that the Anti-corruption Policy is completely and thoroughly communicated to all personnel of the organization, the company shall

1. Announce the Policy to acknowledge its personnel for the right compliance
2. Promote the Policy through the Company's communication channels such as emails, website, Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)
3. Compile and disseminate the laws against bribery and corruption support
4. Regularly review the Anti-corruption Policy

Gift Policy

The directors, the executives and/or the employees of the Company and its subsidiaries are prohibited from receiving any benefit from government officers, government sector, private agencies, business partners, or people with whom the Company and its subsidiaries do business, be it in the form of money, assets or others for their own; except for the case of the International New Year or other generally accepted local customary or traditional practices. The gifts that the directors, the executives and/or the employees of the Company and its subsidiaries may receive on those occasions should not be exceeding 3,000 Baht in value. In addition, the directors, the executives and/or the employees of the Company and its subsidiaries are not permitted, in any case, to accept immoderate or inappropriate hospitality and reception.

Report on Compliance with Corporate Governance Policy

In 2017, the Company completely conformed to the Good Corporate Governance Policy stipulated by the Board of Directors. However, there are still some significant additional matters to be reported as detailed below:-

1) and 2) Regarding the Rights of Shareholders and the Equitable Treatment of Shareholders

1. The Company completely and accurately reported its operation results to the shareholders and also arranged the shareholders' meeting to report and request for the approval of issues which are significant or require resolutions from the meeting according to the law.
2. Last year, the Company organized the Annual General Meeting of Shareholders (the 2017 AGM) on 27 April 2017; all the Company's directors attended the meeting.
3. The shareholders' meeting was held at the Company which was located on the area, reachable by enough public transportation; thus, the shareholders could travel to attend the meetings conveniently.
4. The Company provided the shareholders with adequate time to study detailed information of the documents for the 2017 AGM beforehand by:
 - posting the invitation letter to the 2017 AGM on its website (www.jasmine.com) 31 days prior to the meeting date. It also posted the Minutes of the 2017 AGM on the website 14 days after the date of the meeting.
5. The Company has not yet provided the shareholders a chance to submit their opinions, recommendations, inquiries, additional agenda items or names of candidates for the position of director to the Company since, for the time being, the Company is considering an appropriate guideline and a policy related to the matters.

6. The records of proxy in which the shareholders specified their intention to assign the Company's directors to attend the meeting and vote on their behalves at the shareholders' meetings in 2017 are as follows:-
- At the 2017 AGM, 559 shareholders assigned the Company's Independent Directors, namely, Mr.Sudhitham Chirathivat, Dr.Vichit Yamboonruang Dr. Yodhin Anavil and Mrs.Chantra Purnariksha to vote on their behalves. In the like manner, 4 shareholders assigned Mr. Pete Bodharamik, Ms. Saijai Kitsin and Mr. Somboon Patcharasopak, the Company's director, to vote on their behalves.
7. In the shareholders' meeting, all the shareholders were equitably allowed to express their opinions and raise questions to any of the management who attended the meeting. Voting portion for any agenda resolution was compliant to the following regulations:
- 1) In a normal case, the resolution is subject to the majority vote of the eligible shareholders who attend the meeting. One share is entitled to one vote. However, the chairman of the meeting has the casting vote in case of tie.
 - 2) In the following cases, at least three-fourth of the total votes of the eligible shareholders attending the meeting are required subject to one share for one vote:
 - The total or partial sales or transfer of the Company's significant business operation to any third party.
 - The purchase or undertaking of the transfer of any companies or private sectors, and
 - The execution, amendment, or cancellation of the partial or total lease of the Company's business to any third party, or business merger with any third party aiming for mutual profit and loss sharing.
8. The Company complied with the policy on the prevention of the inside information usage. Details of this policy are in Subsection 8.5: Control of Inside Information Usage and Section 10 : Internal Control and Risk Management, Topic : Control Activities. In 2017, the Company's executives and other relevant persons strictly conformed to such policy. None ignored or violated it.


3) Regarding the Role of Stakeholders

Provided that there is a case in which a stakeholder's right is violated by the Company, the Company shall do everything in compliance with the law. Besides, a shareholder can submit a complaint or inform the Company of a trace of such matter at www.jasmine.com/contact/ whistle blowing. However, in the previous year, no case of violation of the shareholders' right occurred nor did the conflict between the Company and the stakeholders. The Company joined the Collective Action Coalition of the Private Sector Against Corruption on 1 December 2017.

4) Regarding the Disclosure and Transparency

The Company's disclosure of the financial and the non-financial information was correct, complete, timely, transparent, and fair to all parties in conformity with the regulations stipulated by the SEC and the SET. The information that was already disclosed to the SET was also posted on the Company's website (www.jasmine.com) of the "Investor Relation/news to SET" menu.

The remuneration of the Company's executives is disclosed in Subsection 8.4 of the Updated Registration Statement (56-1 Form) and herein in Subsection 7.4. Initially, the remuneration had passed prudent consideration of the Remuneration and Nomination Committee. Then, it was considered and approved by the Board of Directors' meeting. Both the Remuneration and Nomination Committee and the Board of Directors took into account remuneration information of other companies of the same line of industry, the Company's own business expansion and growth of profits as references. The remuneration of the Company's directors was finally approved by the shareholders' meeting.



As for salary, bonus and other benefits for the executives and the employees, each was considered mainly based on the Company's operating results. Besides cash remuneration, the Company provided its executives and employees with welfares other than those required by law such as provident fund, annual health checkup, and recreational activities.

The Company fairly treated every group of investors, be it individual or institution, local or foreign by providing for analysts or interested investors a chance to directly have a meeting with the Company's executives as much as possible. The Company also disclosed the information on operation analysis in Investor Bulletin, prepared quarterly and posted on the Company's website (www.jasmine.com) : Investor Relation/Investor Bulletin. Investor Relations Unit of the Company was responsible for giving information to the investors directly; thus, interested analysts and investors could contact the Company conveniently via telephone and e-mail address. The task of Investor Relations is trusted to the Finance Department.

- The contact person is Mrs. Chuenkamol Treesuttacheep, telephone: 0-2100-3085, email address: churnkamol.t@jasmine.com.

Meanwhile, the disclosure of significant data of the Company is assigned to the Regulatory & Compliance Department.

- The contact person is Mrs. Uraiporn Charoenchit, telephone: 0-2100-3118, email address: curaiporn@jasmine.com.

5) Regarding Responsibilities of the Board of Directors

1. Of the total 11 directors who constitute the Company's structure of the Board of Directors, 4 of whom are independent directors whose qualifications meet the Company's definition which is equivalent to the standard of the SEC.

The 4 independent directors are of not less than one-third of the total number of the directors in the Board. Three of the independent directors who are qualified according to the requirements of the SET are also positioned in the Company's Audit Committee, having independent power in the audit administration. Furthermore, 1 independent director has a position in the Remuneration and Nomination Committee.

The Company has clearly delineated the roles and responsibilities of the Board of Directors and the management. The organization structure is practical in which the management power is delegated to the employees of different levels, enabling them to participate in the Company's operations and dexterously perform their duties. The scopes of authorities and budgetary approval for each management level are clearly explicated in writing.

The Company has clearly segregated authorities and roles between Chairman of the Board of Directors and Chief Executive Officer so as to prevent unlimited authority. Chairman of the Board of Directors is a director who is elected and appointed by the Board of Directors; whereas, the Chief Executive Officer is appointed by the Board of Directors, taking into consideration the proposal of the Remuneration and Nomination Committee (as detailed in Subsection 8.2 : the Company's Board of Directors and Subcommittees)

2. The Company discloses its Corporate Governance Policy via the website (www.jasmine.com) at the Investor Relations/Corporate Governance menu for the acknowledgement of the directors, employees and investors in general.
3. The Company has set up and put in writing the business operation policy and procedures, which are prudent and malfeasance-preventive in terms of payment requisition, procurement, personnel

management and general administration. In addition, the Company has established the Code of Business Ethics as a vital guideline in business operation for the Board of Directors, the executives and the employees of all levels as detailed below:-

- 1) To adhere to fine virtues and morals
 - 2) To be self-disciplined, to be well aware of one's own duties, to respect one's own rights and others' and to realize that discipline upkeep is a kind of behavior improvement not punishment
 - 3) To perform any assigned duty in compliance with the policy that is in compliance with law, honestly, so as to keep the Company's image unblemished
 - 4) Not to directly or indirectly have a deliberate intention to harm, destroy or erode other persons' reputation, progress or business
 - 5) To implement the leadership skill in business operation by utilizing the employees' proficiency as a tool for organization's success, not for personal interests.
 - 6) Should there be any personal interest other than the one received from the Company, one is obliged to disclose the information thereof to the Company immediately; furthermore, one should not get involved in any other business activity that may lead to a conflict of interest or deteriorate work efficiency
 - 7) To create the work atmosphere that encourages opinion exchange, creativity, innovative ideas, suggestions as well as sensible, righteous and impartial decision making
 - 8) Not to disclose confidential information obtained by authority for own benefits, or to implement the same in the manner that may damage the Company's reputation
 - 9) To always realize that, in business operation, one does not commit only to his own duties or the business owner, but also to the purchasers, suppliers, shareholders, customers and employees; therefore, mutual benefits of these groups become the major guideline of the business operation as a whole
 - 10) To be responsible for the performances of oneself and subordinates
 - 11) To seek, improve and increase the personal capability and perform duties with knowledge, proficiency and appropriate standard as being set for the position with attentiveness and responsibility for one's and the Company's progress
 - 12) To plan, set up and analyze work objectives to achieve the Company's goal while heeding the moral and professional ethics as well as the culture of relevant parties in the organization
 - 13) To maintain and be attentive to the health, security, bio-hygiene and environment of the whole organization and to keep the work place in a tidy, exquisite and healthful condition
 - 14) To maximize the effective and efficient deployment of the Company's resources
4. Regarding the Board of Directors' Meeting, it is required by the Company's Article of Association that at a Board of Directors' meeting, not less than $\frac{1}{2}$ of the total number of the entire directors constitutes a quorum. In case that at any meeting, the Chairman of the Board of Directors is not present or cannot perform his duty, it is required that the Vice Chairman of the Board of Directors be the Chairman of the Meeting. However, if the Company does not have a Vice Chairman of the Board of Directors or if the Vice Chairman cannot perform his duty on the meeting date, the directors present may elect one of their members to be Chairman of the Meeting. In summoning a Board of Directors' Meeting, Chairman of the Meeting or a person assigned must dispatch notice of summoning to all the directors not less than 7 days prior to the meeting date, except for an urgent case that the meeting is allowed to be called quicker and by other means in order to preserve the rights or the benefits of the Company.

In 2017, the Company completely complied with the regulation on such matter. Throughout the year, 8 Board of Directors' meetings were held. The record of each Director's meeting attendance is shown in Subsection 7.1.

5. The Company has set up Audit Committee to consider and verify details of the related work prior to the submission to the Board of Directors. The Audit Committee is scheduled for a meeting once a quarter. (See details of roles and responsibilities of Audit Committee in Subsection 8.2.) The Company has also set up the Risk Management Committee and the Remuneration and Nomination Committee whose authority and duties are explained in details in Subsection 8.2. During the year 2017, the Company's subcommittees arranged their meetings as summarized below:-
 - The Audit Committee held 6 meetings. One of the meetings was not attended by Mrs.Chantra Purnariksha.
 - The Risk Management Committee held 4 meetings. All the committee members completed their attendance.
 - The Remuneration and Nomination Committee held 6 meetings. All the committee members completed their attendance.
6. The Company has established the Office the Internal Audit in accordance with the regulations of the SET to ensure that the Company's and its subsidiaries' operations comply with the Company's rules and regulations. It also encourages employees of all levels to perform their jobs efficiently and effectively with environmental and ethical consciousness. An internal auditor is responsible for the analysis, assessment, suggestions, consultation and information provision, which serve as working tools, as well as leverage the efficiency of the internal audit system with the cost-effective budget. The task of internal audit includes testing and assessment of adequacy and efficiency of the internal control system as well as the quality of the work within the organization , hence, the responsibilities of internal auditors are as follows:-
 - 1) To verify and report the reliability and completeness of financial information, work performance and method of judgment and evaluation
 - 2) To ensure that the work system, which has significant impacts on the operations and reports, conforms to the Company's policies, operation plans, regulations, as well as related laws
 - 3) To verify appropriateness of the Company's asset upkeep, exploitation, and existence inspection
 - 4) To assess the exploitation of the Company's resources, aiming for the most efficient, effective and worthwhile results
 - 5) To verify the business operation or business plan so as to ensure its compliance with the Company's objectives and goal and the success of the work plan at the Company's supreme target
 - 6) To provide the Audit Committee with suggestions that would enhance more appropriateness and prudence to internal control system
 - 7) To perform any other task assigned by the Audit Committee

With regard to Risk Management, please see more details in Section 10 : Internal Control and Risk Management.

7. In 2017, the Board of Directors and all the subcommittees of the Company evaluated their own performance both as a party and an individual; the Board of Directors also evaluated the performance of the Chief Executive Officer, using the assessment form prepared based on the guideline of the Corporate Governance Center of the SET. The Board of Directors also reviewed the business operation policy and improved the business plan on a regular basis to increase efficiency of the management system and the internal control system of Jasmine International Group.

Type of Committee	Evaluation Criteria	Percentage of Average of Good and Excellent Performance Evaluation Result
- As an Individual	<ol style="list-style-type: none"> 1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee 	100
Remuneration and Nomination Committee - As a party	<ol style="list-style-type: none"> 1. Structure and Qualifications of the Committee 2. Roles and Responsibilities of the Committee 3. The Committee Meetings 4. Fulfillment of Duties of the Committee 5. Relationship with the Management Support Team 6. Self-development of the Committee 	100
- As an Individual	<ol style="list-style-type: none"> 1. Structure and Qualifications of the Committee 2. The Committee Meetings 3. Roles and Responsibilities of the Committee 	100

8. The Company supports its Directors to attend courses that are beneficial to their roles and duties. In 2017, the Company's Directors attended the following forum, courses and seminars:-

- Courses, forum and academic congress organized by Thai Institute of Directors Association (IOD)
 - Director Certification Program (DCP)
 - Board that Make a Different (BMD)
 - Independent Director Forum 2017, topic : "Updated COSO Enterprise Risk Management Integrating with Strategy and Performance "
 - Academic Congress on corporate governance, topic : "National Research Alliance Dialogue on Corporate Governance 2017"
- Forums organized by the Stock Exchange of Thailand
 - Capital Market Research Forum: A Study on the Relationship among Directors' Compensation and levels of Good Corporate Governance and Operating Results of the Companies Listed on the SET and mai
 - Capital Market Research Forum: Analysis on Minimum Value of Saving Assets Appropriate for Fundamental Life Insurance for the Elderly (old age)

9. In January, 2017, the Board of Directors' meeting has amended the Company's Corporate Governance on the authority and duties of the Director and President, the Chief Executive Officer and the Remuneration and Nomination Committee.

8.2 The Company's Board of Directors and Subcommittees

The Company's director structure comprises 4 sets of committee, namely the Board of Directors, the Audit Committee, the Remuneration and Nomination Committee, and the Risk Management Committee. The names of Board of Directors and the members of each subcommittee, including the scope of authority and duties are presented as follows:-

1) Board of Directors

The Company's Board of Directors comprises 11 directors. The details of each Board of Director are presented in Subsection 7.1.

Authority and Duties of Chairman of the Board of Directors

Chairman of the Board of Directors is appointed by the Board of Directors as the chief of the Board; he is required to perform the following duties:-

1. To preside over the Board of Directors' Meeting and conduct the Meeting according to the agenda sequence, in compliance with the Company's Articles of Association and applicable laws; in addition to encouraging the Board members to independently discuss, express opinions and exchange ideas with concern for all the stakeholders and with due circumspection for the optimum benefit of the Company; also, the Chairman of the Board of Directors has the duty to clearly sum up the meeting resolutions for further actions.
2. To preside over a shareholders' meeting and act as chairman of the meeting, conducting the meeting according to the agenda sequence, in compliance with the Company's Articles of Association and applicable laws by appropriately allocating time for each agenda, providing the shareholders with opportunities to express their opinions equitably and ensuring that those questions are properly responded to.
3. To perform any duty specified by law as the duty to be performed by the Chairman of the Board of Directors

Authority and Duties of the Board of Directors

1. Each director shall perform his/her duties in compliance with the laws, objectives and Articles of Association of the Company as well as the resolutions passed by the Company's shareholders' meetings.
2. Every director is prohibited from engaging in any business, in any juristic person which is of similar business nature as and in competition with the Company's business -- either as partner or director -- unless he/she receives a prior consent from the shareholders' meeting.
3. Each director is obliged to inform the Company without delay of his/her interests in any contract which he/she has entered into with the Company, or when his/her shares or debentures in the Company or its subsidiaries increase or decrease.
4. A Board of Directors' meeting shall be held at least once every 3 months.
5. Authorized signatory directors are specified in the Company Certificate.
6. The Board of Directors is empowered to designate a director/directors to bind the Company by signature (s) and the Company seal

Authority and Duties of Chief Executive Officer

Chief Executive Officer controls, supervises, follows up the work of the Director and President and the Management team and determines their remuneration and other benefits; he is also responsible for approving the Company's business plan and adjusting it to suit with current business situation. The Chief Executive Officer is authorized to approve the normal business transaction of not exceeding Bt 30 mn value for the interests of the business management and operations of the Company so as to ensure that the objectives of the policies and business plan determined by the Board of Directors shall be accomplished.

Whereby, the approval for such business transaction does not include the transaction in which Chief Executive Officer or any person, who may have conflicts of interest as per definition set forth in the Notifications of the Office of Securities and Exchange Commission ("SEC") and/or the SET, has an interest in any other way with the Company or its subsidiaries.

Authority and Duties of the Director and President

The Director and President manages, administers, and implements the normal functions of the Company in such a way as to further the interests of the Company. The scope of authority and duties of the Director and President are determined by the Chief Executive Officer as follows:

1. The Director and President is to supervise, administer and implement the normal functions of the Company in such a way as to further the interests to be in accordance with the Company's objectives and Articles of Association as well as the rules, resolutions, policies, plans, and budgets authorized by the Chief Executive Officer under all relevant laws, and the scope of authority determined by the Board of Directors.
2. The Director and President has the authority to approve the transactions in which the Company is borrowing, lending, guaranteeing, purchasing, providing or hiring services, or performing other normal activities of the Company involving sums of not exceeding Bt 10 mn only. To this purpose, the Director and President may assign or delegate his/her authority to any individual as his/her attorney or substitute to act or perform any specific transaction in accordance with the designated authority.

The above-mentioned authority does not include the transaction in which the Director and President or any person who may have conflicts of interest, as per definition set forth in the Notifications of the SEC and/or the SET, have an interest or conflict of interest in any other way with the Company or its subsidiaries.

2) Audit Committee

The Company's Audit Committee comprises 3 directors as follows:-

- | | | | |
|----|-------------|--------------|--|
| 1. | Dr.Vichit | Yamboonruang | Chairman of Audit Committee
(Expert and experienced in auditing financial statements) |
| 2. | Dr.Yodhin | Anavil | Member of Audit Committee |
| 3. | Mrs.Chantra | Purnariksha | Member of Audit Committee |

Authority and Duties of Audit Committee

1. To verify the Company's financial statements for accuracy and adequacy
2. To oversee both the Company's internal control system and internal audit system to ensure their appropriateness and efficiency aside from considering independence of Office of Internal Audit, approving the appointment, the transfer, and the dismissal of the head of Office of Internal Audit as well as the heads of any other departments responsible for internal auditing
3. To oversee and ensure the Company's conformity with the law regarding securities and stock exchange in addition to the regulations of the Stock Exchange of Thailand ("SET") and the laws relevant to the Company's business
4. To consider, select and propose to appoint persons who are independent to be the Company's external auditors and propose their remuneration in addition to having a meeting with such auditors at least once a year without the presence of the management
5. To consider the connected transactions as well as the transactions which may have conflicts of interest to ensure that such transactions are reasonable and in compliance with the related law and the regulations of the SET for the maximum benefit of the Company
6. To prepare the Audit Committee report which is disclosed in the Annual Report of the Company; the report must be certified by the signature of the Chairman of the Audit Committee and must include at least the following information:
 - 6.1 The opinion on accuracy, completion, and creditability of the Company's financial reports

- 6.2 The opinion on adequacy of the Company's internal control system
- 6.3 The opinion on compliance with the law regarding securities and stock exchange as well as the regulations of the SET and the laws relevant to the Company's business
- 6.4 The opinion on appropriateness of the external auditors
- 6.5 The opinion on the transactions which may have conflicts of interest
- 6.6 The number of Audit Committee meetings and the attendance of each Audit Committee member
- 6.7 The opinion or overall remarks the Audit Committee obtained during performing duties in line with the charter
- 6.8 Other pieces of information deemed appropriate to acknowledge the shareholders and investors under the scope of duties and responsibilities authorized by the Board of Directors
- 7. To perform any other task assigned by the Board of Directors with the consent of the Audit Committee

The Audit Committee serves a 3-year term. In case of vacancy for any reason other than the expiry of the committee member's term, the Board of Directors shall elect and appoint a qualified person to fill in the vacancy so as to maintain the number of the committee members approved by the Board of Directors. The new Audit Committee member shall retain his/her office only for the remaining term of the office of the Audit Committee member whom he replaces.

3) Remuneration and Nomination Committee

The Company's Remuneration and Nomination Committee comprises 3 directors as follows:-

- | | | | |
|----|-------------|---------------|---|
| 1. | Dr.Yodhin | Anavil | Chairman of Remuneration and Nomination Committee |
| 2. | Mr.Pleumjai | Sinarkorn | Member of Remuneration and Nomination Committee |
| 3. | Mr.Somboon | Patcharasopak | Member and Secretary to the Remuneration and Nomination Committee |

Authority and Duties of the Remuneration and Nomination Committee

Remuneration

1. To set up remuneration policy for the Board of Directors, the subcommittees and the Chief Executive Officer of the Company, appointed by the Board of Directors
2. To determine remuneration and other benefits for the Board of Directors, the subcommittees and the Chief Executive Officer of the Company, appointed by the Board of Directors and propose the remuneration and other benefits to the Board of Directors for further consideration
3. To allocate securities offered by the Company in any securities offering project to the Company's directors and staff with respect to terms and conditions related to such securities offering (if any).

Nomination

1. To set up the selection criteria and qualifications of a person who shall assume the position of director, member of the subcommittees, Chief Executive Officer and Director and President of the Company
2. To select, consider, and nominate a person who possesses the qualifications suitable for assuming the position of director, member of the subcommittees, Chief Executive Officer and Director and President of the Company and propose to the Board of Directors for further consideration

The Remuneration and Nomination Committee shall directly report to the Board of Directors. The Chairman and each member of the Remuneration and Nomination Committee have a 3-year term in office. The Chairman and each member of the Remuneration and Nomination Committee who retire by rotation are eligible for re-election.

Whereby, the approval for the authority of the Remuneration and Nomination Committee does not include the power to approve any transaction in which the Remuneration and Nomination Committee or any person connected with them, have an interest or conflict of interest in any other way with the Company as per the regulations set forth by the SET. However, provided that such a case occurs, it must be proposed to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval, according to the Company Articles of Association.

4) Risk Management Committee

The Company's Risk Management Committee comprises 7 members as follows:-

- | | | | |
|----|----------------|-----------------|---|
| 1. | Mr.Somboon | Patcharasopak | Chairman of Risk Management Committee |
| 2. | Mr.Terasak | Jerauswapong | Member of Risk Management Committee |
| 3. | Mr.Yordchai | Asawathongchai | Member of Risk Management Committee |
| 4. | Mrs.Chuenkamol | Treesuttacheap | Member of Risk Management Committee |
| 5. | Mr.Sira | Kraisingdecha | Member of Risk Management Committee |
| 6. | Mr.Amnuay | Pongsajaru | Member of Risk Management Committee |
| 7. | Ms.Saengdao | Dechaduangsakul | Member and Secretary to the Risk Management Committee |

Authority and duties of the Risk Management Committee

1. To set up risk management framework and policy
2. To draw up risk management strategies, execute the risk management and promote it to success in the entire organization with emphasis on risk awareness increase
3. To verify, follow up and evaluate the risk management plan to mitigate risks to an appropriate level
4. To regularly report the Company's Board of Directors any matter that needs improvement to be in compliance with the set forth policy and strategies

8.3 Nomination and Appointment of Directors and Top Executives

8.3.1 Independent Directors

Criteria for Electing Independent Director

Definition of Independent Director : Independent director is a non-executive director who does not involve in the day-to-day management. Nor is he a major shareholder of the Company. Each Independent Director must possess the following qualifications:-

1. Holding no more than 1 % of all the shares having the right to vote in the company, holding company, subsidiary, associated company, a major shareholder or any person having controlling authority¹⁾ in the company, including the shares held by the persons who are related to him
2. Not assuming, both at present and in the past of at least 2 years prior to the appointment date, the position of executive director, employee, staff or advisor receiving regular salary or having controlling authority in the company, holding company, subsidiary, associated company, subsidiary of the same level or a major shareholder or any person having controlling authority in the company; this condition does not include an Independent Director who used to be a government officer or advisor to any official sector²⁾ who is a major shareholder or a person having the controlling authority in the company
3. Not having the relationship by blood line or legal registration as parent, spouse, brother, sister, child, including as spouse of child, executives, major shareholders, authorized persons or persons nominated as executives or authorized persons of the company or the subsidiary



4. Not having, both at present and in the past of at least 2 years prior to the appointment date, any business relationship with the company, holding company, subsidiary, associated company, a major shareholder or any person having controlling authority in the company in the manner that may hinder his own freedom of judgment in addition to not being both in the past and at present, a significant shareholder, or a person with controlling authority of any person having business relationship with the company, holding company, subsidiary, associated company, a major shareholder or any person having controlling authority in the company
The above mentioned business relationship includes normal business transaction, rental or lease of immovable property, the transaction relating to assets or services as well as the offer or the receipt of financial aids by way of borrowing or loan, guarantee, collateral loan and other transactions of similar manner which may cause debt burden between the company and the party to agreement from the amount of 3 per cent of net tangible assets of the company or Baht 20,000,000 up, whichever is lower. Mutatis mutandis, in calculating such debt, the method of calculating the value of related transactions stated in the announcement of Capital Market Supervisory Board regulations on the execution of related transaction should be applied. Any debt burden occurring during the period of one year prior to the date of the business relationship with the same person must be included when considering such debt burden.
5. Not being, both at present and in the past of at least 2 years prior to the appointment date, an auditor of the company, holding company, subsidiary, associated company, a major shareholder or a person having controlling authority in the company as well as not being a significant shareholder and a person having controlling authority, or a partner of the audit firm in which the auditors of the company, holding company, subsidiary, associated company, a major shareholder or a person having controlling authority are working for.
6. Not being, both at present and in the past of at least 2 years prior to the appointment date, a provider of any occupational services inclusive of legal and financial advising service offering, obtaining the service charge of over Baht 2,000,000 per annum from the company, holding company, subsidiary, associated company, a major shareholder or a person having controlling authority in the company in addition to not being a significant shareholder, a person with controlling authority or a partner of any occupational service provider.
7. Not being a director appointed to be the representative of the company's directors, major shareholders or shareholders who are related to the major shareholders
8. Not operating any business that is of the same nature as or that significantly competes with the business of the company or subsidiary as well as not being a significant partner in a limited company, an executive director, employee, staff, advisor receiving regular salary or a person holding over 1% of the total number of shares with voting rights of other companies which operate the same type of business and which significantly competes with the company's and the subsidiary's business operation
9. Possessing no other traits which impede the ability to independently give opinions on the company's operation

Remarks : ¹⁾ A person having controlling authority refers to a shareholder or any person who by action is significantly influential to management policy set-up or business operation of the company whether or not such influence is derived due to his/her status as a shareholder or as a representative by contract or by other transactions; such a person having controlling authority is, in particular, a person who falls into one of the following criteria : (A) Holding over 25% of shares, (B) Having the mandate to control the appointment/removal of directors, (C) Having the mandate to control a person in charge of policy set-up (D) Having power/responsibility for business operation as an executive

²⁾ Official sector refers to a central official unit, according to the Law on Administration of State Affairs



Procedure of Selecting an Independent Director

The selection of an independent director, whose qualifications have been set up by the Company as stated above, like the selection of a Company's director and a member of any other committee, begins with the Board of Directors assigning the Remuneration and Nomination Committee to consider experts whose qualifications meet the criteria of the Company and who possess knowledge, basics and expertise from various professions, in addition to having leadership, morals, ethics and an ability to freely express his/her opinions. Then, the best of such experts is selected and nominated to the Board of Directors which shall consider this matter with the Remuneration and Nomination Committee for further selecting that person for the position of independent director, director, or member of a committee of the Company.

In case that the Company wishes to appoint an independent director who has business relationship or provides any occupational service, the total value of which exceeds the amount allowed by an independent director qualification criteria stipulated in the notification of the Capital Market Advisory Board No. Tor. Jor. 28/2551 Clause 16 (2) (Ngor), that is from 3 percent of the net tangible assets of the company's group or over Bt 20 mn, depending on whichever amount is lower or a person who is appointed to independent directorship during the year and has or used to have business relationship or provides or used to provide any occupational service, the total value of which exceeds the amount stated in the said criteria, to be an independent director for another term, Clause 16 (2) (Choe Choe) of the above-mentioned notification makes an allowance for excepting the prohibition against the independent director qualification criteria, regarding business relationship, requiring that the company organize the board of directors' meeting to consider the matter and accordingly provide opinions for it with responsibility, prudence and honesty in line with Section 89/7 that can assure that the appointment shall not affect the performance and freedom of providing opinions of that person as an independent director. It is also required that the board of directors declares reasons and necessity that support the decision to appoint that particular person to the position of independent director for another term.

8.3.2 Recruitment of Directors and Chief Executives

The selection of a person to the position of the Company's director must initially pass the consideration of the Remuneration and Nomination Committee. Then, the Company's Board of Directors shall consider this matter prior to proposing it to the shareholders' meeting for approval. The constitution of the Board of Directors, including the appointment, removal or vacation from the office of the directors have been set forth in the Articles Association of the Company as summarized below:-

1. The Company shall have a Board of Directors comprising at least 5 individuals and not less than half of the total number of directors must have their residence in the Kingdom of Thailand.
2. The shareholders shall appoint the directors, at the shareholders' meeting, in accordance with the following rules and procedures:
 - 1) Each shareholder shall have one vote per share.
 - 2) Each shareholder may cast his vote as per calculated in 1) for one or any number of the candidates, one by one. However, the vote shall not be distributed or divided among the candidates.
 - 3) The candidates receiving the highest number of votes in the respective order of the votes shall be elected at such time. In the event that a number of candidates receiving an equal number of votes for the last directorship exceeds the number of directors the Company

required or to be elected at such time, the Chairman of the meeting shall have a second or casting vote.

3. A director who wishes to resign from office shall submit his resignation letter to the Company. The resignation shall be effective from the date the resignation letter reaches the Company.
4. If a directorship becomes vacant for any reason other than by rotation, the Board of Directors shall elect a person, who is qualified and has no prohibited characteristics according to Section 68 of the Public Limited Company Act B.E.2535, as director to fill the vacancy at the subsequent Board of Directors' meeting, unless the remaining term of the director is less than 2 months. The director who fills the vacancy shall retain his office only for the remaining term of the office of the director whom he replaces.

The resolution of the Board of Directors under the first paragraph shall consist of not less than three-fourth of the votes of the remaining directors.

5. At every annual general meeting, one-third of the directors who has the longest term in office shall retire. If the number of directors is not a multiple of three, then the number nearest to one-third shall retire from office. The retired director shall be eligible for re-election.
6. The shareholders' meeting may adopt a resolution to remove any director from office prior to the end of his term by a vote of not less than three-fourth of the number of the shareholders who attend the meeting and have the right to vote and by an aggregate of not less than half of the number of shares which are held by the shareholders who attend the meeting and have the right to vote.

The recruitment of a chief executive must be considered by the Remuneration and Nomination Committee and the Board of Directors, respectively, in the similar manner as the recruitment of a director. Pertaining to this matter, policy, criteria and selection procedures are set by the Remuneration and Nomination Committee.

8.4 Oversight of the Operation of the Subsidiaries and the Associates

The Company has a policy on overseeing the operation and the management of its subsidiaries and associated companies as detailed below:-

1. The Company's Board of Directors has governance mechanisms that enable them to control and monitor the management and the operation of the Company's subsidiaries and associate companies in order to protect the Company's interest in investment as described below.
 - The Board of Directors has set the policies on operation for both the Company and its subsidiaries so as to enable the operation of Jasmine International Group to be in good harmony, support and sub-serve one another to the most for the best management efficiency and optimum benefit for the Group's businesses. Such policies comprise business directions, operation plans, audit plans, and performance evaluation.
 - The Company requires that each subsidiary and associate company prepare its annual work plan and budget to be in accordance with the Company's principal policy. In addition, each is required to report its operation result quarterly so that the Company is kept well update with its information on all aspects. The report also enables the Company to immediately help solve the problems of its subsidiaries and associate companies in case of mistake in management.
 - The Company's Board of Directors has a policy to appoint the Company's representatives to the positions of director, executive, or authorized person in the subsidiaries and associate companies. The Board of Directors entrusts the Chief Executive Officer (CEO) with this task. The CEO considers and approves an appointment of the Company's representatives to the



- above-mentioned positions in the subsidiaries and associate companies by taking into account each nominee's knowledge, ability, experience, and appropriateness. The appointee can be any of the Company's Board of Directors or any other person whom the CEO deems appropriate.
- The Company's Board of Directors requires that each subsidiary completely and correctly disclose the information on its financial position and operation results, transactions between the subsidiary itself and the connected person(s), acquisition or disposal of assets, and other significant transactions. In this regard, both the information disclosure and the conduct of the above-mentioned transactions must be in compliance with the regulations of that particular subsidiary on information disclosure and transactions that are set in line with the Company's regulations on the same matters.
 - The Company has Office of Internal Audit that is responsible for auditing the operation, in all aspects, of the subsidiaries that operate the core businesses. The audit results are reported for the consideration of the Audit Committee on a quarterly basis.
 - The Company audits and evaluates the performance of its subsidiaries and associate companies by considering operation results and reports on financial position prepared in compliance with the SET regulations.
2. Shareholders' agreement
- The Company has no shareholders' agreement that significantly affects the operation of Jasmine International Group.

8.5 Control of Inside Information Usage

The Company informed its directors and executives, including their spouses and minor children to comply with all the rules and regulations of the SEC and the SET, especially on reporting changes in the Company's shareholding. For this case, the Company's directors and executives must report their own shareholding and that of their spouses and minor children to the Company and the SEC in compliance with Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days following the date of trade or transfer. The Company also requires that directors, executives, and relevant departments not disclose inside information they have been acknowledged to any outsider or person who is not relevant to the information by duty or who is responsible for trading the Company's securities for the period of 1 month prior to the disclosure of financial statements. The above-mentioned procedures are set in order to prevent the Company's directors and executives from using the inside information on their own interest and also to check their performance. The number of the Company's shares and securities held by the directors and the executives shall be examined and compared. Details of the shareholding of each director and executive, including the change in the number of shares shall be reported at every Board of Directors' meeting. Furthermore, at each Board of Directors' meeting, the information on interest of the directors and executives must also be reported. The Company has not stipulated any extra controlling procedures other than those specified by the SEC, for this purpose.

8.6 Audit Fee

8.6.1 Audit Fee : For the previous fiscal year, the Company and its subsidiaries paid the audit fee to EY Office Limited, totaling 11,283,000 Baht.

8.6.2 Non-audit-Fee

- None -

8.7 Other Compliance with Corporate Governance Policy

Please see Subsection 8.1 : Report on Compliance to Corporate Governance Policy

■■■ Corporate Social Responsibility

To ensure the utmost transparency and sustainable growth of the Company, Jasmine International PCL strictly adhered to the principles of good corporate governance. The core business of Jasmine International Group was to provide optical fiber cable networks to cover every area nationwide and this business was operated by Triple T Broadband PCL (3BB). The fiber optical networks enabled children, adults and all family members residing in any corners of the country to gain access to different sources of knowledge which eventually contributed to the rapid development of the country. Throughout the past years, Jasmine International PCL was committed to initiating and fostering a wide range of social projects.



Education

Through “Free Broadband Internet for Education” project, Jasmine International PCL and Triple T Broadband PCL (3BB) provided high speed broadband internet and WiFi to schools in rural areas nationwide. This “Free Broadband Internet for Education” has been an ongoing project since 2011. Internet access enabled teachers, students and the communities nearby to learn and to access to various forms of knowledge, making them accomplish a higher level of learning which eventually brought about achievement to themselves and their families. Additionally, it offered children in remote areas the same learning standard and development opportunities as children in the urban areas.



As of 31 December 2017, Jasmine International PCL installed 3BB free internet and WiFi to more than 2,059 schools throughout the country.

“JAS CSR for Children” was another campaign that Jasmine International Public Company Limited was committed to building academic achievement and to developing athletic skills of the children. In the past year, we provided various kinds of supports, including providing scholarships, sponsoring an essay competition titled “Internet in My Daily Life”, providing sports uniforms and equipment and initiating a school lunch project. Lastly, we arranged friendly soccer matches to promote a cordial relationship between schools, communities and Jasmine’s employees.



Sports

Women’s volleyball was among everyone’s fascinating sports. To promote this type of sport, the Company continuously provided all forms of supports to Nakornont Volleyball Club and together with the club, 3BB Nakornont Women’s Volleyball Team was formed. Through this initiative, players of the club developed their skills and qualified for competitions at national level and this greatly helped strengthening the capacity of Thailand Women’s National Volleyball Team to match with international standards and enable them to enter the world championship league.



Other social responsibility campaign activities

Cultivating consciousness in protecting and developing the environment was one of the main tasks that Jasmine International Group placed a high priority on so we encouraged our staff to actively participate in “**Jasmine Reforestation and Forest Rehabilitation**” project. In the past year, our reforestation activities took place in National Reserved Forest, Wang Yai Forest and Maenam Noi Forest in Kanjanaburi Province. Apart from that, Jasmine International Group also contributed to other good causes and helped communities affected by floods by providing financial assistance to different government projects ,including “**Thai National Assembly under His Majesty’s Graciousness**”, “**Jasmine for Flood Relief**” which was to provide assistance to flood victims in Pattani, Songkhla, Nakhon Si Thammarat, Surat Thani, Phetchaburi and Sakon Nakhon and “**3BB for Flood Rehabilitation**” in Pattani and Nakhon Si Thammarat.

It is the highest commitment of Jasmine International PCL and Triple T Broadband PCL (3BB) to give back to the society by offering development opportunities and strengthening the capacities of students, schools and the nation as a whole.



Internal Control and Risk Management

10. Internal Control and Risk Management

10.1 Opinion of the Board of Directors on the Company's Internal Control

The Board of Directors has assigned the Audit Committee to assist it in verifying the adequacy of the internal control system, the accuracy of financial reports and the connected transactions to prevent conflicts of interests in addition to overseeing the Company's compliance with rules, regulations and applicable laws. The Office of Internal Audit is entrusted with the task of auditing the work of all the departments of the Company to be in accordance with the annual audit work plan approved by the Audit Committee.

At the Board of Directors' Meeting No.1/2018, convened on 23 February 2018, the Audit Committee reported that it had evaluated the Company's internal control system based on the information obtained from the discussion made with the Office of Internal Audit and the results of internal control adequacy evaluation, the evaluation form of which was prepared in line with the Internal Control Adequacy Evaluation Form set up by the Office of the Securities and Exchange Commission (the "SEC"), comprising 5 parts as follows. The Company's internal control system adequacy evaluation results for the year 2017 are summarized below.

Control Environment

The Company supports good internal control system organization-wide by arranging its structure to accord with the business plans to enable efficient operation that can be followed up, audited and evaluated appropriately. It also has the segregation of duties that helps intensify the check and balance of work between departments. In addition, it has policies and manuals for all the work systems that can be adjusted to suit the ever-changing internal and external environment.

Risk Assessment


Appointed by the Board of Directors, the Risk Management Committee is responsible for overseeing the Company's risk management to be appropriate, efficient and strictly put into practice. In assessing risks, both the executives and the staff of each department take part in risk factor estimates and risk follow-up earnestly; they estimate chances of risks, risk impacts, and size of risk impacts that might occur and also accordingly set up measures to prevent and mitigate such risks in due time.

Control Activities

To control its activities, the Company has set standards for the work of all the departments to possess the procedures that can be examined and controlled by way of considering budget spending in achieving the goal they set up for each project. Furthermore, it has the operation report system that enhances the appropriateness of the follow-up, the review and the implementation of corporate policies. Also as a control activity, the Company has appointed directors and executives to supervise the operation of its subsidiaries to be in line with its policies and strategic directions.

Information & Communication

The Company's information and communication system emphasizes information accuracy, data update and user convenience. The IT safety policy of the Company provides security for both IT usage and information storage. Additionally, the Company has efficient communication channels not only for the contact within



the organization - both of top-down and bottom-up types, but also the contact among departments of the same level of organizational hierarchy or the so called horizontal communication and the contact between the Company and its external stakeholders. Apart from the above-mentioned, the Company also has communication channels for the whistle-blowing of corrupt practices.

Monitoring Activities

The Company follows up and evaluates the adequacy of its internal control system via the Office of Internal Audit whose duties are to audit, monitor and evaluate the work of all the departments according to the audit plan, approved by the Audit Committee to ensure that the findings, be it from its audit or review, are properly improved in time. The audit results are reported to both the executives and the Audit Committee.

The Audit Committee has evaluated the Company's internal control system and is of the opinion that the internal control system and the risk management of the Company are conducted continuously; both are adequately efficient and suitable for the Company's business. Besides, in view of the Audit Committee, the Company also has good corporate governance and compliance with the applicable laws, rules and regulations.

10.2 Opinion of the Audit Committee on the Company's Internal Control System

Please see "Audit Committee Report."

10.3 Head of Internal Audit

- 1) The Company's head of internal audit is Mrs. Nipaporn Rattanaramik.
- 2) Opinion of the Audit Committee on the person who assumes the position of head of internal audit :
The Audit Committee considered approving the appointment of the head of internal audit due to her qualifications, education background, knowledge and experience gained through training courses that are appropriate and adequate for the position.
- 3) The appointment, discharge, or transfer of the head of internal audit is approved by the Audit Committee in compliance with the Company's regulations on appointment and transfer of employees, approved by the Audit Committee. The Audit Committee has properly supervised the performance of the Office of Internal Audit to be appropriate and efficient.

■ ■ ■ Related Party Transaction

11. Related Party Transaction

The Company has the related party transactions as defined in the Notification of the SEC. The business transactions in the year 2017 were all in compliance with the terms and the conditions in the contracts entered into between the Company, its subsidiaries and associate companies for normal business practice (as referred to in Clause 6 of Notes to the Financial Statements for the year 2017). The Company already carried out each transaction according to its procedure for the reasonableness of that particular transaction itself and also for the optimum benefits of the Company. The Audit Committee had reviewed the prices or the ratios of those transactions with the Company's officers and the internal auditors and was of the opinion that those prices were reasonable and accurately disclosed in the financial statements. The Company has its own approval procedures for related party transactions which were of the similar processes of the general procurement of the Company. To this regard, the Company's executives and the shareholders had neither interest in nor approval authority on related transaction matter. Details are as follows:-

11.1 In 2017, the Company and its subsidiaries executed the following transactions of product sale, service offering, and others with the following related parties:-

Related Party	Relationship	Nature of Related Party Transaction	Amount (Million Baht) as at 31 December 2017
Mono Group, comprising 1. Mono Generation Co., Ltd. 2. Mono Technology Co., Ltd. 3. Mono Info Systems Co., Ltd. 4. Mono Production Co., Ltd. 5. Mono Broadcast Co., Ltd. 6. Mono Talent Studio Co., Ltd. 7. Mono Film Co., Ltd. 8. Mono Radio Co., Ltd. 9. Mono Sport Entertainment Co., Ltd.	1) Mr.Pete Bodharamik is a director and a major shareholder of Mono Group 2) Mr.Pete Bodharamik is a major shareholder of JAS, holding 57.90% (as at 8 January 2018)	- PA executed contracts for leasing office space at Jasmine International Tower, billboard, and other facility services. - TTTI executed a high-speed Internet service contract wherein stated that the service charge was subject to the circuit speed. - ARS signed a contract to supply the UPS power - JasTel executed contracts for circuit leasing.	55 3
JASIF	JAS holds 33.33% of the total units	- TTTBB entered into the Asset Sale and Transfer Agreement of the Optical Fiber Cable and other related agreements with JASIF.	227

11.2 In 2017, the Company and its subsidiaries bought the products and equipment and paid for the leases and the services from connected persons as detailed below:-

Related Party	Relationship	Nature of Related Party Transaction	Amount (Million Baht) as at 31 December 2017
Mono Group, comprising 1. Mono Generation Co. Ltd. 2. Mono Technology Co., Ltd. 3. Mono Broadcast Co., Ltd. 4. Mono Radio Co., Ltd. 5. Mono Film Co., Ltd.	1) Mr.Pete Bodharamik is a director and a major shareholder of Mono Group 2) Mr.Pete Bodharamik is a major shareholder of JAS, holding 57.90%. (as at 8 January 2018)	- TTTI bought its program license and utilized advertising service and media.	21
JASIF	JAS holds 33.33% of the total units	- TTTBB entered into the Lease Agreement of the Optical Fiber Cable with JASIF.	4,314