

Report of Good Corporate Governance



Companies with Very Good CG Scoring



The Company's Board of Directors has strong intention to administrate the Company in accordance with Practice and guidelines of the Stock Exchange of Thailand, and also aims to develop the good corporate governance policy of the Company in order to bring out the best practice for the organization.

Therefore, the Board of Directors has resolved, in the meeting held on February 18th, 2009, to implement "Corporate Governance Policy" as the good practice for directors, executive directors and employees as well as to make the corporate governance policy in a good quality standard to cover all of any practices and also meet expectations of shareholders, investors, and stakeholders. The Board of Directors of Thai Optical Group PLC., (the Company) is responsible to supervise the stringent use of policy and practice in order to achieve the Company's goals and lead to the strength and sustainability growth of the Company and shareholders.

The Principles of Corporate Governance of the "Organization for Economic Co-operation and Development" ("OECD").

The principles were presented in 5 categories namely:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board of Directors

In 2013, the Company had received Awards on assessment relating to good corporate governance activities as follows:

- CSRI Recognition Award from CSRI under the operation of the Stock Exchange of Thailand, the Company had received The Rising Star Award and General Award for outstanding among small to medium sized companies in regarding to Corporate Social Responsibility of the year 2012 and 2013 respectively.
- TOG had received "The Best Investor Relations" award in the year 2012 and 2013 which was one of project in the SET Awards that were organized by the Stock Exchange of Thailand and Money& Banking Magazine.
- The assessment resulted two consecutive years on "The Corporate Governance Report" (CGR), TOG was ranked in 4-stars including rank in "Top Quartile" from Thai Institute of Directors (IOD) :the year 2012 and 2013.
- The Company had been assessed by the Securities and Exchange Commission, in cooperation with Thai Investors Association and Thai Listed Companies Association, on the quality of The Annual General Meeting: AGM for the year 2013. The meeting was rated "Excellent", the same result as that for the year 2010 to 2012.

1. Rights of Shareholders

Every shareholder occupies the ownership right of controlling the Company through the appointment of the Board of Directors to act as their representatives. Shareholders have rights and are eligible to make decision on any of significant corporate changes. Therefore the Company should encourage shareholders to exercise their rights as follows:

- 1) Right to exercise their ownership to control the Company through the appointment the Board of Directors to act as their representatives.
- 2) Right to sell, buy, or transfer the Company's shares.
- 3) Right to obtain adequate information of the Company in a timely manner.
- 4) Right to attend and vote in the shareholders' meetings.
- 5) Right to have proxy holder to attend and vote on their behalf at the shareholders' meeting.
- 6) Right to be informed of the criteria and procedures governing the shareholders' meeting.
- 7) Right to express their opinions and ask questions at the shareholders' meeting.
- 8) Right to appoint or remove the members of the board of directors and considering the remunerations to members of the board of directors.
- 9) Right to vote for appointing the Company's auditors and considering service fee.
- 10) Right to be provided dividend payment.
- 11) Right to vote in approving or amending the Company's articles of associations or the Company's Memorandum of Association by law.
- 12) Right to vote for the increases or decreases of the capital of the Company.
- 13) Right to vote for an approval of any extraordinary transactions.

In addition, the Company has reported and disclosed any transactions of the Company correctly, completely, adequately, transparently and timely, to all shareholders, investors, and others through the Company's website at <http://www.thaiopticalgroup.com>., in both Thai and English languages.

Moreover, the Company has set the shareholders ordinary meeting within 4 months after the accounting period. For other meetings, the Board of Directors can hold the extraordinary meeting as when is necessary. The Company requires all of directors and executives to attend the shareholders' meetings in order to provide information to any shareholders who give opinions and enquire questions equitably. The minutes of the meeting must be noted correctly and completely to report and request for approval on the significant matters, or related to the principles of law that such a matter has to be approved in the shareholders' meetings. In order to let the shareholders get the information needed for the meeting in advance, the Company will send the relevant information to the shareholders, at least 7 days or 21 days prior to the meeting date, according to the agenda that is required by the principles of law. On the day of the shareholders' meeting (AGM), the Company assign its staffs to facilitate the meeting registration of the shareholders or the proxy holders.

2. Equitable treatment of Shareholders

The Board of Directors of the Company has set the policy to enable shareholders to take part of the business as well as express their opinions. Thus the Company sets equitable treatment of shareholders as follows:

1. The Company has the policy to facilitate shareholders to present candidates for director nomination and propose the Annual General Meeting of Shareholders' meeting (AGM) agenda according to the criteria publicized on the Company's website (<http://www.thaiopticalgroup.com>.) The proposal should be delivered in December every year through the following channels:

E- mail: ir@thaiopticalgroup.com Fax : (662) 862 0705

Post: The Office of Company Secretary

Thai Optical Group Public Company Limited

77/ 141-142 Sinn Sathorn Tower, 33rd floor, Krungthonburi Rd., KlongTonsai, KlongSarn, Bangkok (10600) Thailand

For shareholders and interested investors to get comprehensive information, the Company has set the Investor Relations Section which included Miss Wichit Thaveeprechachat - Director and The Company Secretary, to provide information to shareholders, investors and analysts through the following channels;

E-mail : ir@thaiopticalgroup.com Tel.: (662) 440 0506

2. After the Company has completely prepared the Minutes of Annual General Meeting of Shareholders (AGM) then it will be distributed through the Company's website at <http://www.thaiopticalgroup.com> within 14 days from the date of the meeting.
3. The Company provides opportunities to shareholders who are unable to participate the meeting to exercise their rights by proxy. The Company encourages the use of proxy forms on which shareholders are able to specify their votes and also provides an option to shareholders whereby they may appoint an independent director as their proxy and for the shareholders equitable treatment, the Company has disclosed information completely, transparency and sufficiently for shareholders in a manner that encourages and provides opportunities for the shareholders equally to express opinions and ask questions by paying attention to the recommendation of shareholders and clearly fixing the rights to votes of shareholders in the Annual General Meeting of Shareholders (AGM).
4. In the year 2013, the company participated in "Opportunity Day" event for one time(June 12,2013) which were hosted by the Stock Exchange of Thailand, to provide an opportunity for shareholders, investors and analysts to ask directly about the Company's operating results with executives including with presenting the Company's operating results in quarterly and also has been live broadcast via the website of the Stock Exchange of Thailand which allow shareholders and other interested persons who were unable to attend the seminar, had an opportunity to inquire directly with the Company's executives as well.
5. In the year 2013, the Company had welcomed the groups of analyst, investors and parties hereto;
 - March 19,2013 : "The Company Visit" that included investors and staffs from the SET and Thai Investors Association.
 - April 10,2013 : "Top Executives" from Bangkok Bank PLC.
 - Representatives from Funding Institutes both domestic and abroad.

6. The Company sets procedures to prevent the use of inside information for abusive self-dealing by directors and management team. The Company informs the policy and practice to all of them and also has the regularly follow-up check. For all directors and executives, they are prohibited to sell- buy their shares during 20 days after the closing date of each quarter of financial statements and during 2 days after the disclosure of financial statements to the public. Moreover, it is the duty of all directors and management to regularly submit to the Board of Directors a report on their ownership of the Company's shares.

3. Right of Stakeholders

Beside the duties to perform achievement of business goals and objectives, the Company also treats all stakeholders who have gain and loss from its operations with equality according to the principles of morality and ethical practices under the following categories;

The Company's stakeholders are customers, employees, business partners, shareholders or investors, creditors, competitors, the communities where the company is located, society or government sectors.

Employees:

The Company and its Subsidiary provide them with good and complete welfare including with set provident fund, organizing safety working environment for both physically and mentally, and also has the policy to provide them better quality living and safety in work. Regarding to, accident statistics for the year 2013, there was 1.85 % (or 27 employees of 1,463 employees)

Society and Communities:

The Company and its Subsidiary have waste treatment and industrial savage treatment without causing any pollution to the communities around the factories. Moreover, the Company and its Subsidiary also participate and support beneficial social activities to the communities around the factory.

Business partners and Creditors:

The Company and its Subsidiary will strictly and equally follow commercial terms and conditions bonded with other parties. In case of any deficiency, the Company will hold a negotiation meeting with them to find the best solution.

Competitors:

The Company and its Subsidiary will run business fair and square, under the laws and orders, business common practices, and will not take any advantage to demolish its competitors.

Customers:

The Company and its Subsidiary have strong willingness to serve, help and treat customers equitably. In case of having any problems, the Company will listen to the customers, give advice, and help them find solution. The Company will not disclose any information of the customers unless having their written permission or being under the condition by law.

The channels for any suggestions or complaints: Customers, shareholders, and stakeholders can send their suggestions or any complaints to the Company Secretary through these following channels:

Telephone: (662) 440 0506 to 7

Fax: (662) 862 0705

Website: <http://www.thaiopticalgroup.com> E-mail: ir@thaiopticalgroup.com

For employees of the Company and its Subsidiary, they can submit any suggestions or complaints to the Boards and Management directly.

1. The company's Board of Directors and Management must disclose information of stakeholders and related persons to the Board. It is the duty of the Board to consider any transactions that may cause conflict of interest. Anyhow, directors and executives who are stakeholders must not taking part in making decision on such transactions. Besides, the consideration must follow the steps and policy of the Company's approval of transactions.
2. The Company has set clearly written policy and steps of approval for the related matter that the Board of Directors must approve the item, which may cause any conflict of interest. Any practice that may cause conflict of interest, the Board will hold directors meeting to consider such matter. In case that it needs an approval from the Shareholders, an extraordinary general meeting will be held before starting the project. However, the consideration of the Board must be made carefully, faithfully and reasonably for the best benefit of the Company and shareholders as a whole.
3. Regarding to the Board of Directors Meeting No.54 (1/2013) which held on February 20, 2013, the meeting had agreed with the Securities and Exchange Commission (SEC) that encouraged listed companies to involve in anti-corruption policy. Moreover, the Boards assigned the responsible person to summary the rules and set as the policy then propose to the Boards for consideration further. In order that, the Boards had assigned the Company Secretary to take training course "Anti-Corruption: The Practical Guide", held on 21 and 22 November, 2013, organized by the Thai Institute of Directors as in the Board of Directors meeting No.59 (1/2557) on February 19, 2014 had passed a resolution declaring its intention to join the Collective Action Coalition Project organized by Thailand private sector in anti-corruption issue. (For more information, please visit : www.thaiopticalgroup.com)
4. The Company had set training for employees in accordance with Skill Development Promotion Act BE. 2555, the implementation of the policy about human resource development. In 2013, the Company had in-house training within the organization for employees and management 52 courses, and outside training 14 courses.

4. Disclosure and Transparency

The Board of Directors of the Company discloses the financial information and other related information about the Company's performance correctly, adequately, regularly, and timely. Therefore the Company has set the strictly control of using regulations as follows:

- (1) The Company discloses all specified information in relevant regulations through the channel of the SET, in the annual statement (form 56-1), and the annual report (form 56-2) including on the website (<http://www.thaiopticalgroup.com>) in both Thai and English languages.
- (2) The Board of Directors reports the Company's performance in accordance with the corporate governance in the annual statement (form 56-1), and the annual report (form 56- 2).
- (3) The Board of Directors explains its responsibilities in providing the Company's financial statement parallel with the reports of financial auditor and presents the report on the corporate governance of the internal audit committee in the annual report (form 56- 2).
- (4) The Board of Directors discloses the name list and roles of the board and subcommittees, the frequency of meeting held, and the number of meeting attendance of the Board in each year.

- (5) The Board of Directors discloses service fee that each director has received in every categories including remuneration from being the director of its Subsidiary or any other position, such as a consultant. The first four directors according to the name list of the Board (starting from the managing director) will disclose their service fee in the annual report (form 56- 2) and the annual statement (form 56-1).
- (6) The Company has set the Investors Relations section in order to communicate equitably with the outsiders such as, shareholders, institutional investors and investors, analysts including with related government sectors. The detailed communication will be disclosed in the annual report and on the Company's website.
- (7) The Board of Directors and Executives have reported on the holding and having transaction of the Company's assets in accordance with the regulations of The Securities and Exchange Commission (SEC.).
- (8) The Company discloses the structure of the Company's shares in the annual report (form 56- 2) and the annual statement (form 56-1).
- (9) The Company sets the risk management which covers all of the risks related to the missions, business strategic plans, financial, productions, securities, and information as well as considers the tentative and degree of effectiveness that can be occurred including with setting the rules and regulations to prevent any incidents. The clearly responsibilities will be stated to the concerned people. Moreover, the Company sets the policy to report and assess performance by appointing manager to be in charge of its responsibilities and also presents the plan and performance to the Management.
- (10) The Board of Directors sets the internal control system for financial management, the operation and procedures in accordance with the rules and regulations stipulated by law. The Company arranges the efficiency audit system to prevent, protect, and manage the shareholders' investment and the Company's assets regularly. The rules and regulations are clearly written as manual and it is the duty of an independent internal audit unit to check up the performance of every connected department and send reports to the Audit Committee directly.

5. Responsibilities of the Directors

The Board of Directors has crucial role in the corporate governance so that the Company and its Subsidiary can gain the highest profit. The Board of Directors is responsible to perform their duties for shareholders and is independently from the management.

5.1 Structures of the Board of Directors

(1) Independence and Neutrality of the Directors

The Board of Directors works and makes any decisions independently from the administrative team and major shareholders. Every director can perform duty and be independent to ask questions, express opinions, or opposes to any conflict matter relating to the benefit of shareholders or stakeholders.

(2) Qualifications of the Board of Directors

The Board of Directors consists of members who have skills, knowledge and performance, and specialization, that are useful for the Company. Directors should be the person who adheres to the virtue and morality and can fully devote much and enough time to work in such position.

(3) Qualifications of Independent Director

In addition to the qualification specified in item No. (2), then the Board of Directors has set the qualification of "Independent Director" in accordance with the requirements of the Stock Exchange of Thailand as follows;

1. Cannot hold more than 0.5 % of the Company and its Subsidiary paid- up shares. The shares held by relatives or related persons are included into this account.
2. At least 2 years prior to be appointed as the Independent directors, they must have no responsibility in the management of the Company and its Subsidiary, partnerships or related companies and have no authority to sign their name in any business matters or work as a consultant who receives salary from the Company and its Subsidiary, partnerships, related companies, major shareholders or is under control of any stakeholders.
3. Not be stakeholders dealing with the financial and administrative work directly or indirectly.
4. Not be the Audit Committee for the Company and its Subsidiary, partnerships or any juristic persons that may cause the conflicts.
5. Not gain more than 2 million Bath per year in giving any professional services to the Company and its Subsidiary, Affiliated company or any juristic person that may cause the conflicts.
6. Not have relationships with the executives, shareholders or major shareholders of the Company.
7. Must not be appointed as representatives to protect assets of the Company's directors or shareholders.
8. Be capable of performing their duties, express opinions or report independently to the Boards.

(4) Structure of the Board of Directors

The Company determines 14 members as the Board of Directors which is appropriate to the business size of the Company. The Board consists of the Chairman and Directors. There are independent directors accounting not less than one- third of the Board members. They must be independent from the administrative team and have no business relationship or any other relationship that can influence on their consideration. Independent directors have a term of 3 years. At present, the Company had six Independent Directors.

- (5) The Board of Directors can have an agreement to appoint the new director to continue working instead of the resigned director, until his/her expiry of term. The number of companies that any director can be in directorships should be considered according to the principle of the good corporate governance.
- (6) Managing Director and top management can served as directors in the other companies but it have to approve by the Board of Directors.
- (7) The Board of Directors fixed that the Chairman and Managing Director have to be different persons in order to monitor and balancing power in the management. Their duties and responsibilities are separately clarified as follows;

Responsibility of Chairman of the Board of Directors:

1. To perform as the Chairman in the Company's Board of Directors meeting;
2. To have a casting vote if there is a tie vote case;
3. To call for the meetings of the Board of Directors; and
4. To perform as the Chairman in the Annual General Meeting of Shareholders.

Responsibilities of Managing Director:

1. To set policies, strategic guidelines and plans, business' goals and the yearly budget of the Company and its Subsidiary to propose for an approval from the Board of Directors;
2. To perform duties in accordance with the policies, strategic guidelines and plans, business' goals and the yearly budget approved by the Board of Directors;
3. To report to the Board of Directors about the performance and the revenue of the Company and its Subsidiary in quarterly basis by comparing to the business plan along with suggestions;
4. To perform other duties assigning by the Board of Directors.

The Company Secretary:

The Board of Directors determines the appropriate qualification of the Company Secretary as follows:

1. To be competent and understands well in the Company's business and other related work which concern the duties of the secretary, the board of the directors, and the management;
2. To have good knowledge about the relevant rules, regulations and laws;
3. To work carefully with high responsibility and honesty;
4. To have good relationship with other people that is needed for dealing with many sectors.

Duties and Responsibilities of the Company Secretary:

1. To produce and keep filing the following documents:
 - (a) Registration records of the members of the Board of Directors.
 - (b) Meeting invitation letters to the Board of Directors, the minutes of the Board of Directors' meeting and the annual report of the Company.
 - (c) Meeting invitation letters to the Shareholders and the minutes of the Shareholders' meetings.
2. To keep filing reports on any important matters dealing with gain and loss that are reported by directors or executive directors, and delivers the copy of the said reports to the Chairman of the Board and the Chairman of the Audit Committee within 7 days after the first date in receiving those reports.
3. To perform duties on other matters in accordance with the regulations of the Stock Exchange of Thailand.
4. To communicate to shareholders, take care of them appropriately and give sufficient information to investors as doing such is a part of reports on the Company's progress.
5. To coordinate with other related sectors.

5.2. The Sub Committees of the Company.

The Board of Directors of the Company appointed these following 3 groups of the sub committees;

- (1) The Audit Committee
- (2) The Business Strategic Committee
- (3) The Nomination and Remuneration Committee

Terms for each group of the sub-committees are three years and can be reappointed. The Sub-committees must work according to the Board of Directors' assignments. They also have authorization to inform the management to attend the meetings notify matters or do reports in order to give suggestions or recommendation as necessary.

(1) The Audit Committee:

The Audit Committee consists of at least 3 independent directors who are responsible to verify the accuracy and adequacy of the financial statement and the effectiveness of internal control system and the internal audit including the practices regarding the related laws. They also elect and appoint the auditor and consider the related transactions or any transactions which may cause the conflict of interest to be in accordance with the criteria. Moreover, they create and are in charge of doing reports, determine and set policies and the guideline practices for the corporate governance and the ethical business as well as control the use of the practices with morality.

(2) The Business Strategic Committee

The Strategic Committee consists of 4 executive directors, 2 independent directors and 2 experts in running businesses, who are representatives from the major shareholders. This committee has duty to study the important matter that needed for close supervision, proposes strategy for producing new products and trends of new innovations, expand distribution channels as well as scrutinizing the matters related to investment in order to run the business effectively. Moreover, they also give advice and launch other related business strategies.

(3) The Nomination and Remuneration Committee:

The committee consists of 2 out of 3 independent directors. They perform duty to search and elect qualified persons to be the Company's directors. They set the succession plan and evaluate the performance of the Board of Directors, propose policies of remunerations and other payments to the Board of Directors, The Sub-committees, Managing Director and Deputy Managing Director. Besides, they consider and review the remuneration system to be suitable for directors and executives' responsibility and be in accordance with the Company's performance.

5.3 Responsibilities of the Board of Directors

The Board of Directors is responsible to the Shareholders in term of management and controlling the administration following the business plans and goals in order to create the highest profit for the Shareholders on the basis of morality and consideration on the benefit of every stakeholder.

(1) The Board of Directors has the duty to determine and is authorized to approve these following issues:

1. Policies and business strategic guidelines, goals, plans, and the yearly budget of the Company and its Subsidiary.
2. The Company performance and the quarterly Company operating performance comparing to the budgets and plans including tentative performance in the next phase.
3. The investment in any project that is not included in the budget year plan.
4. The use of budget which is over the expense proposed in the investment plan and over the other investment which is not investment budget.

5. Buying and selling asset, corporation, and being a partnership in the business which is not against the regulations of the Stock Exchange of Thailand and its cost is exceeded the scope of authority of Managing Director.
 6. Transactions or any acts that can affect the financial status, liability, the business strategies and reputation of the Company.
 7. Any contract which is not related to the ordinary business operation and contract which is related to the important ordinary business operation.
 8. The related transactions between the Company and its Subsidiary and connected person that are not followed regulations of the Stock Exchange of Thailand.
 9. The interim dividend payments.
 10. Change of policies and practices which are significantly related to the account, the risk management and the internal control of the Company.
 11. Hire of the Managing Director and Top Executives.
 12. Determination and change of the approving authorization of Managing Director and Top Executives.
 13. Approval of the budget, the reformulation of payments, bonus or remunerations for the management and employees.
 14. Proposal of appointment and the expiry of the status of the Company's directors.
 15. Allowing and change authority to any one of the Chairman, Managing Director, or directors that is not against the regulation of the Stock Exchange of Thailand.
 16. Appointment and determination of the scope of authority of The Sub-committees.
 17. Providing and controlling the management in accordance with the good corporate governance.
 18. Appointment directors in the Subsidiary company.
 19. Other acts that target to follow the laws, objectives, rules and regulations and the approval from the Shareholders' meetings.
- (2) The Board of Directors sets policy for the corporate governance of the Company and makes them as a written manual. The evaluation on the performance and revision of such policy will be set at least once a year.
 - (3) The Board of Directors creates a manual for running the ethical business in order to be the practice guidelines for directors and employees including the rules of punishment and review such policies at least once a year.
 - (4) The Board of Directors will carefully consider any matter that may cause conflict of interest and keeps control of the regulations of operation procedures and discloses the accurate and adequate information.
 - (5) The Board of Directors provides the internal audit department to perform duty independently. The internal audit department reports directly to the Audit Committee and is responsible for auditing the control system in management of the financial report as well as operation following the policy. The Board has revision and evaluation of an adequacy of the control system at least once a year.
 - (6) The Board of Directors assigns the administrative team to have the risk management covering the whole organization. The management must report to the Board regularly as well as review and evaluate the effectiveness of the risk management at least once a year.

5.4 The Board of Directors' Meetings

The Board of Directors performs their duties through the meetings as follows:

- (1) The Company conducts the meetings at least four times a year and schedules the whole year meetings of the Board of Directors in advance and also inform each director accordingly.
- (2) The Board of Directors had arranged the meetings of the year 2013 total 5 times.
- (3) The Chairman of the Board of Directors and/ or Managing Director considers the matters to put on the agenda of meetings and each director can propose the matters independently.
- (4) There must be clearly agenda, complete and adequate related documents for each meeting. The documents must be delivered to the Board of Director at least 7 days before the date of meeting.
- (5) The Chairman provides enough time for the administrative team to propose the matters and every director can discuss the important issue carefully. The detail of meeting must be noted as manual and be available for the directors and related persons.
- (6) All directors can get more necessary information from the Managing Director, the Secretary, the Board of Director and other Administrative Sections.
- (7) The Company set the policy for Non-Executive Director (NED) to have a chance to conduct an inside meeting once a year without attending of the management team in order to discuss any problem that is in their interest. The meeting minutes must be reported to Managing Director. For the year 2013, the said meeting had arranged on December 19, 2013.
- (8) The Board of Directors assigns the Company Secretary to provide the meeting agendas, write the Invitation letters, manage and facilitate the meetings, keep filings of related documents and produce the meeting minutes to ask for an agreement of the Chairman before proposing to the Board for an approval.
- (9) The Board of Directors encourages the Executive Directors of the Company to attend the meeting of the Board. For the year 2013, the said meeting had arranged on September 2, 2013.

5.5 Performance Evaluation of the Board of Directors and the Managing Director

The Board of Directors determines to have an evaluation on the performance of the Board of Directors and Managing Director every year in order to considerate the operation performance and or improve its adequately.

According to, the Board of Directors Meeting No.58 (5/2556), held on November 13, 2013, there was the Board self-assessment (The whole Board) for the year 2013, in accordance with the sample of Board Self- Assessment Form of the Stock Exchange of Thailand which was divided into six categories. The whole Boards evaluated and mainly agreed or performed well following those categories

5.6 Remunerations of the Directors

- (1) Consideration on remunerations of the Directors will be made by comparing with the standard of the same industries, the same business size, the Company's operating performance, and the scope of responsibilities of the Directors. This consideration is an authorized approval from the Shareholders' meeting.
- (2) Remuneration of the Executives bases on the criteria and policy stated by the Board of Directors, relating to the Company' operating performance as well as each person's performance.
- (3) The Directors who are also appointed to be the subcommittee shall receive their remuneration according to their responsibility.
- (4) The Nomination and Remuneration Committee consider the remuneration for Managing Director every year in accordance with the earlier agreement on criteria. Managing Director will be informed about the result by the Chairman of the Boards.

5.7 Developments of Directors and Executives

- (1) The Board of Directors has duty to promote and facilitate Directors and Executives with trainings in order to improve their performance continuously.
- (2) The Board of Directors assigns the administrative team to have an orientation for the new director, invite them to the meeting and participate in the operation plan's presentation of the Company and its Subsidiary.
- (3) The Board of Directors determines the plan to improve the competency of Managing Director and Deputy Managing Director by assigning the administrative team to make the continuing plan and report to the Board of Directors.

5.8 Performance Evaluation of the Managing Director

The Nomination and Remuneration Committee consider and give opinions to the Board on criteria for a yearly performance evaluation of Managing Director. The criteria must be relevant to the Company's goals for both short- term and long- term.

5.9 Communication with the administrative team

The Board of Directors encourages Managing Director and Deputy Managing Director to attend the Board's meeting in order to propose their agenda so that the Board can be informed and get any suggestions from the responsible person directly meanwhile the management can learn and have understanding in the Board of Directors' points of view.

Aside from the general meeting of the Board of Directors, the Board encourages provision of opportunities to meet and exchanges opinions among the Directors, Managing Director, and Deputy Managing Director. This can create the good relationships for them and help the Directors can communicate to each administrative person directly without the sense of work interference. However, this should be prior informed to Managing Director.

Ethics for Business Operation and Ethical Practices for Employees.

- 1) Adhere to the virtue and morality.
- 2) Behave in accordance with rules and regulations, acquaint and respect own rights and duties and of others by realizing that the rules and regulations are not set for punishment but as guidelines of good behaviors.
- 3) Perform duties delegated by the Company, upon lawful rules and regulations, with honesty, in good faith and discretion to prevent any disgrace to the Company's image.
- 4) Not to intend to do any harm, damage or distort the reputation, progress or business of others, both directly and indirectly.
- 5) Use leadership, abilities and knowledge in performing success to the Company rather than personal benefits.
- 6) Reveal to the Company immediately if there is any personal interest, aside from the Company's. Moreover, avoid involving in other business, which may create conflict of interest or affect the efficiency of work.
- 7) Create an open working environment for opinion exchange, creative ideas, new initiative proposal and reasonable decision with justice and without discrimination.
- 8) Neither reveals inside concealed information getting from duties nor uses it for personal benefit, which may cause damages to the Company.
- 9) Keep in conscious that performing in business is not only duties or obligation to business owner but also is responsible to buyers, sellers, shareholders, and other employees. Then the benefit for all stakeholders is the first priority to be concerned.
- 10) Be responsible to own achievement and subordinates.
- 11) Aspire, improve and increase own knowledge and working ability, and perform standard of work as assigned by the Company with attention and responsibility for self- progress and for prosperity of the Company.
- 12) Planning, determine and analyze goals of missions to achieve Company's objectives with consideration on virtue, professional ethics and culture of involved persons within the Company.
- 13) Take good care for health and safety, maintain good environment for everyone in the Company and maintain all the Company's assets such as buildings and offices to be orderly, fine, and hygienic.
- 14) Use the Company's assets efficiently and effectively.

Control of the use of Internal Information

Thai Optical Group Public Company Limited (the Company) has required Directors and Management to send the securities trading report of the Company on the same date as sending the report of securities holding to the Securities and Exchange Commission (SEC) and compliance with SEC's regulation about reports on the holding of securities. Also, the Company shall comply with the Stock Exchange of Thailand (SET) practice guideline for securities trading of listed companies on the use of internal information. Directors and Management of the Company shall not do any securities trading during the period before having disclosures of financial statements or any important information that may influence securities prices.

Please go through the part of 'Report of Good Corporate Governance' for more details.



ฝ่ายบริหาร TOG GROUP แสดงจุดยืน
ต่อต้านการคอร์รัปชันทุกรูปแบบ



**TOG's executives are firmly opposed to corruption in all forms
and are committed to doing business in accordance with
the highest ethical standards.**