





To Be the Best in
Textile and Garment
Industry



Mission

- : To increase income and profit growth rate consistently
- : To improve employees' knowledge, competence and quality of life
- : To develop quality of and add value to products
- : To strengthen business base and expand to all business line
- : To provide returns to shareholders regularly and in the long run
- : To support activities beneficial to the society and environment

Corporate Values

- Creative communications that are comprehensive and relevant.
- Harmonious approach towards a common goal.
- Security and sustainability, with a good conscience and good practices manifested in good

Organization Culture

- | | |
|--------------|---|
| Employees | : Strict adherence to good faith, honesty, and fairness |
| Products | : Focus on quality and fair price |
| Stakeholders | : Focus on sound and reasonable returns |

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Financial Overview

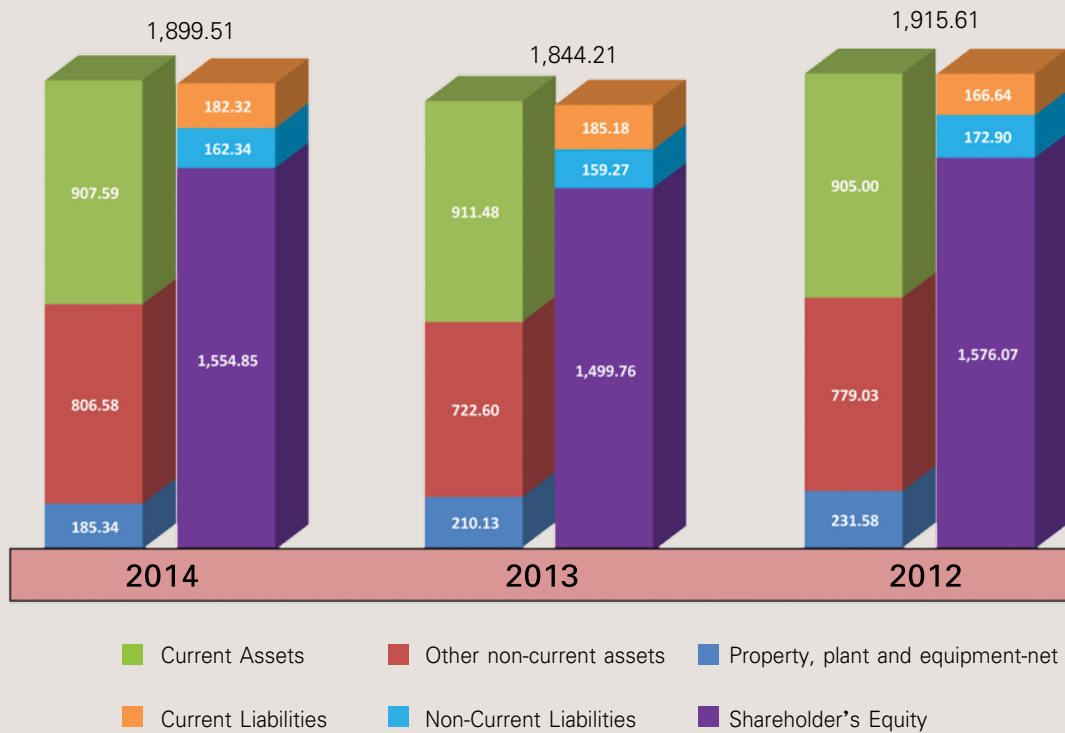
DATA	2014	2013	2012
Financial Position and Operating Result (Millions Baht)			
Total Assets	1,899.51	1,844.21	1,915.61
Total Liabilities	344.66	344.46	339.55
Shareholders' Equity	1,554.85	1,499.76	1,576.07
Net Sales	1,185.20	1,057.62	1,197.54
Profit before income tax	60.06	87.34	135.09
Net profit	59.16	84.03	119.66
Per Share Data (Baht)			
Par Value	1.00	1.00	1.00
Book Value	16.20	15.62	16.42
Earning	0.62	0.88	1.25
Dividend	*0.37	0.45	0.60
Market Price	11.10	11.20	12.70
Liquidity Ratio (Times)			
Current Ratio	4.98	4.92	5.43
Quick Ratio	2.97	2.82	3.52
Profitability Ratio (%)			
Return on Sales	4.99	7.95	9.99
Return on Equity	3.81	5.60	7.59
Efficiency Ratio (%)			
Return on Total Assets	3.21	4.65	7.48
Return on Fixed Assets	47.62	55.32	73.63
Finanancial Policy Ratio (Times)			
Debts to Equity Ratio	0.22	0.23	0.22
Cash Basis	0.52	0.14	0.40
Dividend Payout (%)	**60.04	51.41	48.14
Growth Rate (%)			
Total Assets	3.00	(3.73)	12.97
Total Equity	3.67	12.33	12.33
Net Sales	12.06	(11.68)	(5.42)
Profit before income tax	(31.24)	(35.35)	(2.90)
Net Profit	(29.59)	(29.78)	0.63

* The Board of Directors' Meeting has proposed the resolution of dividend payment at the rate 0.37 baht per share. This resolution will be proposed in the general shareholder's meeting held on 28 April, 2015

** The Company has a policy to pay dividends at a rate which is not over than 50 percent of net profit and depends on the company's operation and trends in economic.

Statements of Financial Position

Unit : Millions Baht



Financial Data



Board of Directors' Report



The industry has faced diminished domestic demands due to internal political conflicts which lasted for a period of approximately 7 months from the last quarter of 2013. In the latter half of 2014, the Thai economy gained traction as a result of attempts to revive confidence, economic measures to stimulate consumption and employment, including disbursements of the 2015 budget in the first quarter of the fiscal year in transport infrastructure investment projects. Consumption revival, however, remains slow while household debts are on the rise and exports are sluggish in line with the weak revival of the global economy.

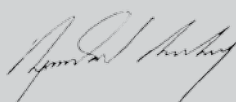
As regards the textile and garment industry, export growth decelerated in upstream and midstream products, such as threads and fabric, to ASEAN countries. Garments produced from woven fabric exported to Japan, however, increased. In addition, the festival period towards the end of the year has also led to increases in purchase orders. Nevertheless, domestic political conflicts and policies of international trademark owners have affected the Company's business operations due to delays in consumer spending and reductions in inventories of the Company's main customers in line with the situation.

The Company's performance in 2014 generated sales revenue of 1,185.20 million baht and net profits of 59.16 million baht, or 0.62 baht per share. After examining the performance results, financial standing and overall economic condition, the Board of Directors passed a resolution to propose to the 36th General Meeting of Shareholders on 28th April 2015 the approval of a dividend payout for 2014 at the rate of 0.37 baht per share, or 60.04 percent of net earnings. Payments will be made from BOI due on 20th May 2015.

In any case, the Board of Directors and Executive Officers remains determined and has attached significance to maintaining sustainable business growth and adaptability to changing economic and social conditions. The Company has signed up with the Collective Action Coalition established by the Thai private sector to combat corruption. This policy runs parallel to raising the standards of transparency of the organisation. The Company has prescribed an Anti-Corruption Policy as well as a guideline for Directors, Executive Officers and employees to conduct themselves responsibly to society and the nation under the Saha Group concept of "good people, good products, good society". This development corresponds to the needs of all stakeholders and prepares for the implementation of anti-corruption measures.

In 2014, the Company received the Investors' Choice Award from the Thai Investors Association after 6 consecutive years of 100% attendance at the Annual General Meeting. The Company also received a corporate governance rating (CGR) for listed companies of "very good" from the Thai Institute of Directors and received the SET Awards 2014 under the category "Best Corporate Social Responsibility Award" jointly with Money and Banking Magazine from the Stock Exchange of Thailand.

On behalf of the Board of Directors, I would like to thank all shareholders, customers, trading partners, communities surrounding the Company operations, stakeholders, various public and private agencies, as well as employees and Executive Officers for their long lasting participation and support of the Company's business. We will continue with our commitment to drive the business and operations forward to the best of our competencies pursuant to good governance principles in order to achieve a sustained strength and growth for both the organisation and society.



Mr. Boonkiet Chokwatana
President to Board of Directors



Mr. Charoen Charoenwatanasuksom
Chairman of Executive Directors

Company Profile

Dr.Thiem Chokwatana, founder of the Saha Group business empire, pursues the working philosophy “**grow then burst, burst then grow**” in order to build business diversity within the group. People’s Garment Public Company Limited is one of Saha Group commencing textile and garment business established on 30 January 1980.

Throughout the entire 35 years, we have continually developed production process and quality of product with regard to production and safety standard according to ISO 9001 and ISO 14001.

As a result , the products are safety and environmental friendly that comply with Vision, Mission, and Shared Values in order to balance among economy, social, and environment which further consistent and sustainable growth.

- 1980 : Established with a registered capital of Baht 3 million
 - 1983 : Increased registered capital to 6 million Baht.
 - 1984 : Increased registered capital to 12 million Baht.
 - 1987 : Increased registered capital to 24 million Baht..
 - 1989 : Increased registered capital to 48 million Baht and changed Par value from 100 Baht to 10 Baht.
 - 1996 : Increased registered capital to 72 million Baht.
 - 2003 : Changed Par value from 10 Baht to 1 Baht on May 2nd 2003
 - 2006 : Increased registered capital to 96 million Baht
-

Company’s Status

- 1988 : Approved by Ministry of Finance to be a listed company in the Stock Exchange of Thailand on September 29, 1988.
 - 1994 : Became People’s Garment Public Company Limited on May 12, 1994.
-

Joint – Venture

- 1989 : Joint - venture company with Mizuno Corporation of Japan named Thai Sports Garment Co., Ltd. to manufacture sportswear to export to Japan.
-

Expansion of production base

- 1989 : Expanded by construction a factory in Lumphun.
 - 1994 : Started construction a factory in Amphor Kabinburi Prachinburi province.
 - 1995 : Started the construction a factory at Wellgrow Industrial Estate on Bangna-Trad Km.36 Road.
 - 2006 : Expanded knitting factory and production of ready to wear cloth at Kabinburi Branch
-

Saha Group Activities

- 1995 : The company had participated BOI Fair 1995 organized by Office of the Board of Investment and Private Company at the Laemchabang port, Chonburi in the name of SAHA GROUP
- 1997 : Participated in “Thais help Thais to Strengthen the Baht” organized by Bangkok and Saha Group to sale products under symbol of “Saha Group Thailand Best” at Sanam Luang.
- 1998 : Participated in “Thais help Thais to Strengthen the Baht 2 nd at Sanam Luang in the name of Saha Group.
- 2002 : Participated with Saha Group in project “Majesty in the artist’s mind” for 75 Anniversary of his Majesty the King.
- 2003 : Participated in project “Don’t hurt the elephant” of ARROW and project “The Cardiac Children Foundation of Thailand” of LACOSTE

- 2005 : Sponsored swimsuit for Miss Universe 2005 under the trademark “BSC” held in Thailand
- 2006 : Participated with Saha Group in publishing calendars under the title “60 years Yen Sira Phror Phra Bosibaan” by donation to the Royal Charity through Rajapracha Nukroh Foundation under the Royal Patronage of the King for extolling His Majesty the King Bhumibol Adulyadej on the occasion of celebrating the 60th anniversary accession to the throne.
- 2007-2009
- : ARROW’s special collection has participated in “Elephant Back to The Wild Project” in accordance with the Royal Initiative of Her Majesty the Queen. In 2007 - 2008, 5 elephants were released to nature, and 3 elephants were released to nature in 2009 respectively.
- 1997-2014
- : Participated in **Saha Group Export & Trade Exhibition 18th at Sirikit National Convention Center under concept of “An Honest World”.**

Company’s Development

- 1980 : The first year of operation, the company was granted the right to manufacture men’s slack under the “Arrow” trademark. In the following year, the company started manufacturing of clothing by using stretch fabric such as polo-shirts, warm up suit and sport wear under “Arrow” trademark.
- 1985 : Granted the right to manufacture ‘Arena’ swimwear.
- 1987 : Granted the rights to manufacture an entire range of products under the trademark “Lacoste” from France.
- 1998 : Granted the right to manufacture an entire range of swim ware products under the trademark “ELLE”.
- 1999 : Granted the rights to manufacture swimwear under the trademark “Streamline”.
- : Granted the rights to manufacture men’s casual clothes and swimwear under the trademark “BSC” (Best Select Collection).
- 2014 : People’s Garment PLC is authorized to produce garment for Men , ladies and children under licensed brand “Felix Bhuler” of Switzerland.

International Organization for Standardization.



- 1998 : Started the project of ISO 9001
- 1999 : Received ISO 9001 certification. The company is the first designer and manufacturer of ready to wear cloth in Thailand which was certificated from BUREAU VERITAS QUALITY (BVQI) on February 3rd , 1999.
- 2003 : Improved ISO 9001 : 1994 to ISO 9001: 2000 which was approved by United Registrar of System (Thailand) on February 24, 2003..
- 2009 : Improved ISO 9001 : 2000 to ISO 9001: 2008 which was approved by United Registrar of System (Thailand) on May 1, 2009.



- 2013 : Received the certificate of ISO 14001:2004 in recognition as the organization has its scope of design and manufacturing of men’s wear, ladies’ wear, swimwear, children’s wear and knitting, which complies with the Environmental Management System, by the United Registrar of Systems (URS) on October 30, 2013.



2013 : Participated with the Thailand Textile Institute in the “Clean Technology for the Middle and Small Textile Industry in the Central and Provincial Part” project in order to develop environmental friendly products, on March 27, 2013.



2012 : Declared the policy and engaged business according to the Worldwide Responsible Apparel Production Standard or “WRAP” which was approved, in the Gold Certificate of Compliance, by the Worldwide Responsible Accredited Production on October 19, 2012.

2013 : Declared the policy and engaged business according to the Worldwide Responsible Apparel Production Standard or “WRAP” which was approved, in the Gold Certificate of Compliance, by the Worldwide Responsible Accredited Production at Kabinburi branch on January 22, 2013.



2009 : The company is certified to “Cool Mode” for fabric and Polo shirt. It is accredited By Thailand Greenhouse Gas Management Organization Public Organization (TGO) and Thailand Textile Institute (THTI)



2010 : The white polo shirt of “Arrow” made by 100% Cotton size M,L,XL, XXL, are certified to “Carbon footprint label” it is accredited by TGO through coordination of THTI

การพัฒนาการบริหารจัดการ



2001 : Applied SAP R/3 (System Application Products) in working for the efficiency management.

2005 : Upgraded software SAP R/3 from version 4.0 to version 4.7 for supporting new technology in the future and getting more efficiency management.



Saha Group Fair

Trade Export Exhibition

18th



Board of Director



Mr.Boonkiet Chokwatana
Chairman



Mr.Charoen Charoenwatanasuksom
Managing Director



Mrs.Sunan Niyomnaitham
Deputy Managing Director



Mrs.Somporn Tiayaviboonsiri
Director



Mr.Chailert Manoonpol
Director



Ms.Pisamai Chunmanu
Director

Mrs.Teerada Ambhanwong
Director



Independent Director



Mr.Amorn Asvanunt
Independent Director
Chairman of Audit Committee



GEN Konecharnart Chunnabhata
Independent Director
Chairman of Risk Management
Committee



Mr.Santi Bangor
Chairman of Corporate Governance
Committee/Audit Committee



Mrs.Nuchanart Thammanomai
Independent Director
Audit Committee



Mrs.Chortip Pramroj Na Ayudhya
Independent Director
Nomination Committee
Remuneration Committee



LIFE IS A BEAUTIFUL SPORT **LACOSTE** 



GETAWAY

cool
metropolis



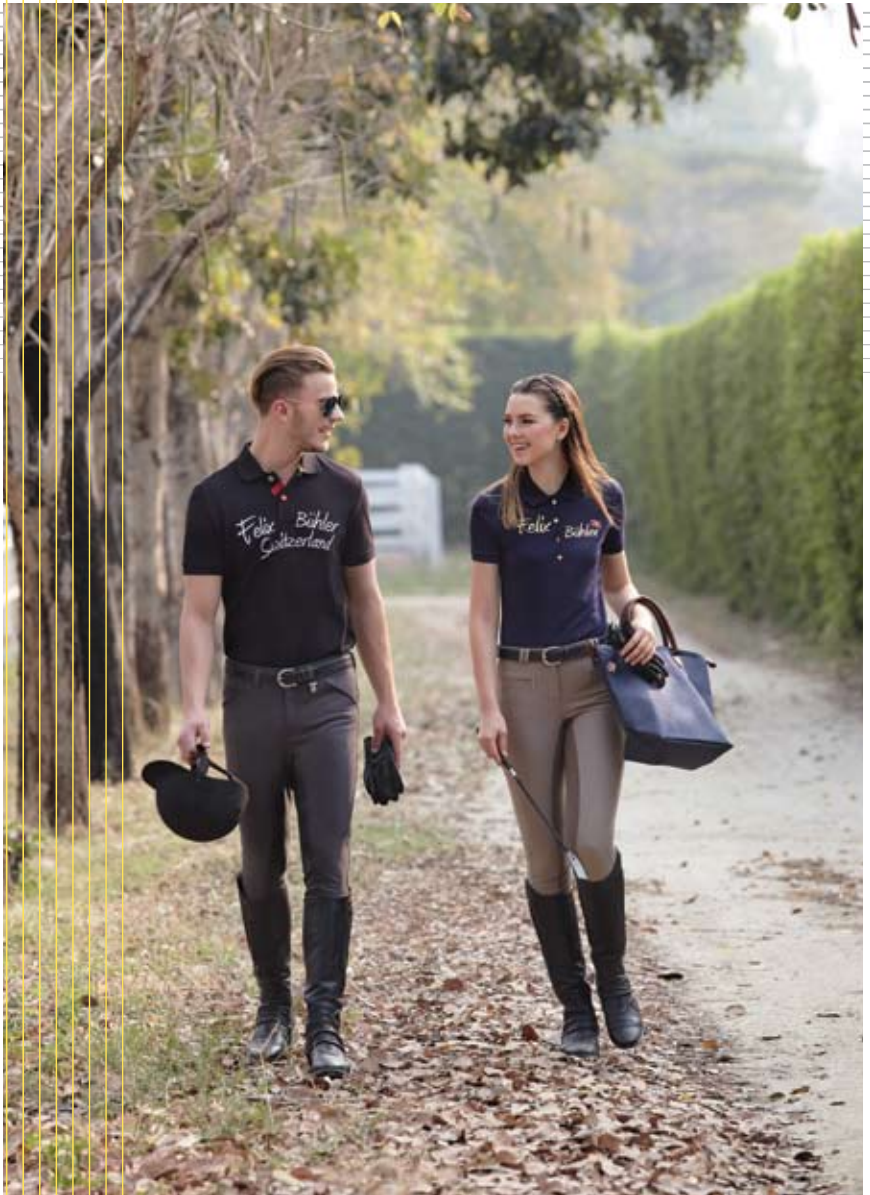


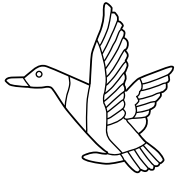
ARROW



USA • 1851







PRIMO LINEA



LH BANK



NDK

ATC AOYAMA THAI CO., LTD.

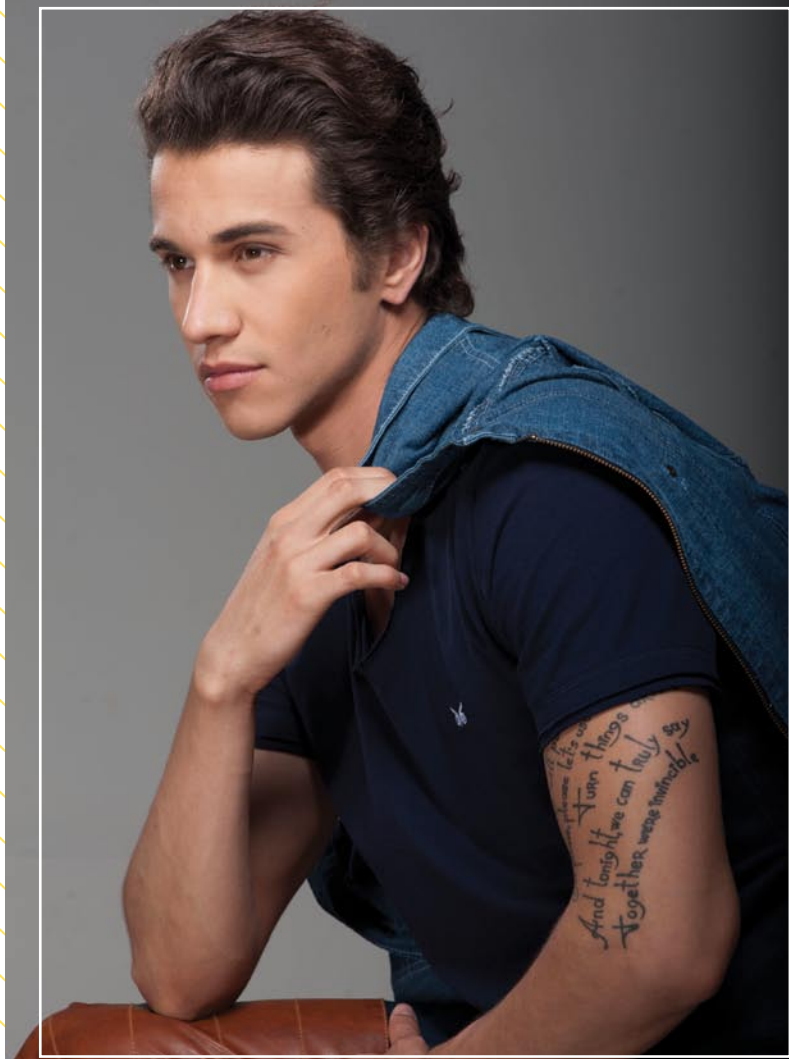
LION

UNIFORM



AVAILABLE AT:

The Mall Thapra 2nd Floor Plaza Zone
 Palio Khaoyai Nakhonratchasima
 The Circle Ratchapruk
 Porto Chino





PROUD



AVAILABLE AT
The Mall Thapra
Paradise Park
Porto Chino
Venezia

www.proud.co.th
www.facebook.com/proudplussize



The Thai textile and garment industry in 2014 achieved overall manufacturing growth only in the finished garment sector. Manufacturers of sportswear may have benefited from purchase orders of various sporting leagues, leading to an increase in the value of exports thereof, in line with the primary export market. Manufacture of textile threads and fabric may have contracted, but there was still a demand, especially in the ASEAN market. As a consequence, exports continued to grow. Moreover, the United States of America and Japanese markets continued to expand in line with the improving global economy. The Company has also benefitted from the gains in the Japanese market share despite the decline in purchase orders from China, being a measure undertaken to minimize risks from economic problems.

Textile Sector Production of textile goods in 2014, in particular the production of textile fibres, declined from the preceding year due to lower manufacturing demands for related products in both the domestic and foreign markets. This was partly due to manufacturing developments in the upstream industry in Vietnam undertaken by Chinese and Taiwanese investors, which caused a decline in demand of products from the Thai upstream and related industries. Nevertheless, increases in purchase orders from Japan were able to substitute Chinese imports from Thailand. A comparison of exports from the preceding year shows a decline in value of exports to primary markets, i.e. Indonesia and Vietnam. The fabric sector also experienced a decline of exports to primary markets, namely Vietnam, Cambodia and

Bangladesh. Thus, there was a negative overall outlook for manufacturing and exports of products.

Garment Sector Manufacturing of finished garments from knitted fabric in 2014 rose from the preceding year. The majority of goods comprise exports with a certain portion of domestic consumption. Manufacturing of finished garments from woven fabric also rose from the preceding year due to a revival of purchase orders from the United States of America, Japan and ASEAN. However, there was also an increase in imports of finished garments from China, Vietnam, Turkey and Italy, most of which were mid-scale to low-end fashion products.

Outlook

The overall outlook for 2015 is positive for both manufacturing and exports of textiles and garments. Manufacturing of textiles was mainly focused on the ASEAN market. As for finished garments, the state sector has given support to small and medium enterprises in the expansion of production bases to CLMV countries in order to utilize lower labour costs and tax privileges (GSP) from major target exporting countries such as the European Union and the United States of America. In addition, there are factors which favour the expansion of the industrial sector, namely economic expansion in ASEAN has driven consumer demand amongst the ASEAN population. The ASEAN market is expected to sustain further growth and become a key market for expansion of the textile and garment industry. As for the domestic market and imports of textiles and finished garments, the overall outlook is positive.

Source: Data obtained from the Office of Industrial Economy

2. Nature of Business

People's Garment Public Company Limited started business as a garment manufacturer in 1980, before subsequently expanding into the manufacturing of knitted fabrics. The company operates its business with the alliances in order to be integrated business from upstream to downstream. It focuses on adding value to products and creating the innovation on textiles and garments together with quality and environmental friendly concerned. Company's core products can be divided into 2 groups as following:

- International Brand which the company has a licenses to produce are Arrow, Lacoste, Elle, Arena and Felix Buhler
- Local Brand composes of Streamline and BSC
- House Brand is company's trademark composed of Primo Linea , Proud, 360 (Three -Six -O) and Swoop
- Uniform

2.1 Company's products

1. Ready to wear garments

The company's core business is manufacturing ready-to-wear garments; menswear, lady wear, children's clothing and swimwear

2. Textiles

In order to be a leader in garment business, company invests in knitted factory in Kabinburi which has a modern machine and technology for increasing efficiency on production process.

Location of branch offices and plants

	Location	
Headquarters	Bangkok	T-shirt and swimwear production management center
Lamphun plant	Lamphun	Ready-to-wear garments made from woven fabrics
Kabin Buri plant	Prachin Buri	Knitted fabrics and ready-to-wear garments made from knitted fabrics
Well Grow plant	Chachoengsao	Variety of ready-to-wear garments

Income structure

(Unit : Million Baht)

Sale revenue	2014	%	2013	%	2012	%
Domestic :	883.36	74.53	970.42	91.75	1,138.71	95.09
Garments	796.53	67.21	888.69	84.03	1,046.22	87.37
Knitted fabrics	86.83	7.32	81.73	7.72	92.49	7.72
Overseas :	301.84	25.47	87.20	8.25	58.83	4.91
Garments	300.63	25.37	83.39	7.89	55.40	4.63
Knitted fabrics	1.21	0.10	3.81	0.36	3.43	0.28
Total	1,185.20	100.00	1,057.62	100.00	1,197.54	100.00

Operating results

In 2014, the company had total sales of 1,185.20 million baht, increasing of 12.06 percent from the previous year which are classified by domestic sale amounted 883.36 million baht, decreasing 8.97 percent and overseas revenue amounted 301.84 million baht, increasing of 246.14 percent from the previous year.

Development during 2014

“Cool Mode” the symbol of environmental friendly garments”

People’s Garment Public Company Limited has developed fabric and garment focusing on design of fiber along with weaving and knitting construction, and pattern to be suitable for garment of global warming reduction for being certified to Cool Mode symbol that has qualification of Cool-Comfort feeling, perspiration absorbency, and safety transferring body heat to outside; moreover, it also save electrical energy for environmental safe. In addition, People’s Garment Public Company Limited is the first company in Thailand that is certified to quality and test standard of Thailand Greenhouse Gas Management Organization (TGO) and Thailand Textile Institute (THTI).

During 2014, company has been developing core materials (knitted fabric) to have more varieties. At first, company has 2 composition of knitted fabric which are 100% cotton and cotton polyester, now the company has 2 more composition which are cotton spandex and 100% polyester for the alternation of customers which can be used for uniforms, slacks, shirts, polo, and sport wears under brand name Swoop.

I-Flex Fabric

The company has innovation on fabric under trading name “I-Flex”. Its qualification is can be stretched 360 degree (more flexibility) which keeps comfortable and flexible body movement to wearer. Its fabric is easy care, easy ironing, and not crease easily. The company participates in reducing global warming by producing various environmental friendly products such as Suit, Dress, Skirt, and Slacks under brand “Arrow”, “Lacoste”, “Swoop” and “Proud”.

I-Gen

The company has innovation on fabric under trading name “I-Gen”. I-Gen is fabric innovation, the fabric is knitted by special yarn which has composition of collagen extract. The outstanding qualifications of fabric are to maintain skin hydration, UV protection, suspend bacteria that cause odors. The fabric has qualification of Cool-Comfort feeling, and perspiration absorbency. I-Gen fabrics are for producing lady wear under brand name “Proud”.

“Size Thailand”

The company jointed project “Size Thailand” with National Science and Technology Development Agency, National Electronics and Computer Technology Center (NSTD/NECTEC). The project is regarding the survey of body size of Thai peoples to make standard patterns of cloths for the purpose of applying in fashion industry. The body size will be measured by 3D body scanner for designing and planning the garment production to fit Thai shape and body, also helping decrease of inventory cost. The company gains benefit from this project in term of designing, and setting garment’s size that more fit the body and shape of customers.

2.2 Market conditions and competition

Oversea market

During 2014, Exporting textiles and garments are down from the previous year especially Vietnam, USA, and EU but Japan market had good expansion.

In 2014, export sales of company are growth from selling product to Japan, Korea, EU and AEC. Those customers have confidence in quality of company’s products including modern and various designs. Although, there is a price competition between neighboring countries such as Vietnam, Indonesia, Cambodia, and Myanmar which have lower labor cost than Thailand.

The company has management system and provides good services which are accepted by customers. As a result, company got more purchasing order and achieved the target.

The company has also met overseas agents in countries including Korea, Vietnam, and Japan, to strengthen relationships and to offer innovations in design, production, pattern making and original design manufacture, all of which help to enhance competency.

Overseas distribution channels

The company distributes knitted fabric and ready-to-wear garments both through trading firms and also by selling directly to customers in the US, Europe, and Asia.

In 2015, People's Garment PCL remains committed to expanding into Japan, Korea, Europe and the US markets which concerned on code of conduct of customers and WRAP. The company expects that growth ratio of 2015 will be over than 2014. Sportswear, in particular, has good prospects for growth grow since people are increasingly concerned about their health and their responsibilities towards the environment.

Domestic Markets

Ready-to-wear garments from countries with lower production costs, such as China, Vietnam, Hong Kong and Turkey, flooded into Thailand. This setback was compounded by the fact that many new brand name products were also imported, leading to stronger competition for market share.

Political turmoil in Thailand during the fourth quarter of 2013 to second quarter of 2014, also affected business and industry, as well as the tourism sector. Tourist arrivals decreased in number, consumers were cautious about spending and major customers placed fewer orders, adjusting their inventory levels accordingly. This situation inevitably affected the ability of the company to meet its goals. As a result of this and to achieve the highest efficiency, cost management was imposed and budget constraints were introduced. More generally, all aspects of the business were closely examined to find room for improvement.

The company is aware of the importance of implementing vigorous marketing strategies in conjunction with ICC International Public Company Limited a key customer and distributor for the company. Both companies regularly carry out surveys of customers' needs and satisfaction to ensure they are best able to respond to the customers' requirements. The two companies also work hard to create activities to appeal to target markets and brand image and the creating of shared value is always taken into account in their marketing promotions.

As always, trademarks remain a key factor in business competition; customers are still fond of brand name

products, but the company is confident that its products are well-known and are recognized as meeting international standards.

In 2014, the company gained the trust from core customer (ICC) who had licenses to produce and distribute international brand "Felix Buhler" from Switzerland.

"Felix Buhler" was founded in 1966 at Zurich, Switzerland by Mr. Felix Buhler who fascinated with horse riding which was his inspiration to build "Felix Buhler" brand. The brand emphasized on the quality products and was designed elaborately. Felix Buhler shops are special shop of equestrian equipment and garments. The shop are famous in EUROPE.

The company has developed a unique fabric which main raw material for garment and sawn into garment with refinement concerned such Polo, shirt, T-shirt and Slacks. The company expects that sales revenue will be grow up in 2015.

Uniforms

The Company has efficiency in designing, raw materials selection, and producing good products, delivering on time, having after sales services, and reasonable prices. As a results, the company is a manufacturer of Uniforms for many well-known organizations also financial institutions, governance sectors, state enterprises, private sectors and educational institutions.

In 2014, the company's income from sales of uniforms was increased 40 percent from the previous year. The company gains the trust from both existing customers and new customers as it has a professional operation.

Knitted Fabrics

The Company is determined to expand its markets for knitted fabrics, both domestically and internationally by developing new innovation and sourcing good quality of upstream raw materials which are safety to consumers and also environmental friendly.

During 2014, the company's income from sales of fabrics was increased 10 percent from the previous year since the company adds fashion on fabric function which make value added to fabric such as Cool mode or, Anti-Bacteria.

House Brand

In 2013, total sales of the four house brands showed 10 percent higher growth compared to the previous year. However, with a policy of steadily expanding its marketing base, the company's marketing plan concentrates now and in the future on increasing the number of retail outlets, E-Marketing and focuses on AEC countries.. The company believes in the competitive advantages of being a manufacturer for leading brands, which builds customer trust and satisfaction.

PRIMO LINEA

PRIMO LINEA is a Thai brand name offering modern and stylish clothing. These classic T-shirts, polo shirts and trousers go well with all lifestyles and are suitable for all occasions; with colorful designs, it is easy for everyone to create a look for themselves.

In 2014, the company's income from Primo Linea was decreased 10 percent from the previous year. Due to the brand is in re-branding state, which expected to grow in 2015.

PROUD

"PROUD" is a range of stylish clothing for big size women. The company has developed innovative fabrics, both knitted and woven, which are quite distinct from that of its competitors and the products are of good quality and comfortable to wear. As such, they are popular with the target market.

In 2014, the company's income from Proud was increased 11 percent from the previous year, due to the brand is for niche market and adding Petite Proud product line.

360 (THREE SIX O)

360 (THREE SIX O) is a fashion brand for modern women. The product line is outstanding and comprises hand-made ornaments and fashionable designs and colors. In this line, customers can freely pick any item, maybe in different sizes and colors, to mix and match as they want, thus creating their own unique brand. 360 is popular among tourists in Thailand and in overseas markets.

During 2014, the company's income from 360 was increased 25 percent from the previous year since the company provided products variety and modern design continuously.

SWOOP

The Swoop brand specializes in casual clothing, matching environmentally friendly raw materials with chic design for men and women.

During 2014, the company's income from Swoop was increased 20 percent from the previous year since the company provided products variety which concerned on environmental friendly and also increased distribution channels.

Distribution channels

1. The company has assigned ICC International PLC, a significant company in the Saha Group and a key customer of the company, to be a distributor. ICC has expertise in domestic marketing; its main distribution channel comprises department stores, discount stores, and shops in leading shopping centers nationwide.

2. The company's shops are under its own management. These include corners and counters in leading department stores in Bangkok and its suburbs which sell house brand products and this ensures efficient coverage of the target market in all areas. Sales channels for the products have now been expanded to include community malls and factory outlets of the Saha Group and other trade partners. In previous years, the company has arranged sales promotion activities and has exhibited products at many trade fairs, thus increasing brand exposure.

3. The company also distributes corporate uniforms and plant work wear directly to leading government and private organizations.

4. The company has increased E-Marketing channel to sale house brand.

2.3 Raw materials procurement

The company principally uses locally-sourced raw materials as it believes in the quality of local products. Moreover, the company and its partners have continuously developed their products in order to promote local trade. For knitted fabrics, the company uses raw materials from its own plant and by integrating T-shirt manufacturer, from designing, knitting, to producing ready-to-wear garments, the company gains significant competitive advantages. Moreover, the company has also received promotional privileges from the Board of Investment as its production plant is located in Investment Promotional Zone 3 and as a result, the company now has lower production costs. The company uses highly developed production processes to produce environmental friendly products. In the production process, the chemicals used meet international requirements for customer safety and the products are well-accepted by both local and international customers and the company cooperates closely with its partners to keep chemicals within WRAP standards and also to meet international environmental standard ISO14001. For locally-made knitted yarn, the company chooses upstream raw materials which come largely from Australia and the US, an internationally accepted source of raw materials.

Main raw materials for knitted fabric and apparels are natural yarns which are from supplier who certified EKO TEX 100. The company carefully selects chemical for dying yarn. There is no use of chorine and avoid of using formaldehyde for consumer safety. Packing materials are mostly recycling material.

Ratio of raw materials purchasing

In 2014, the company bought 65 percent of its materials from local sources and 35 percent from overseas. The company currently has 205 suppliers, who have been evaluated as being at ISO9001 standard.

The company also acquires substitute raw materials of compatible quality from local and overseas sources in order to protect the environment and to remain consistent with the company's policies on sustainable development.

Risks Factors

Risks from reliance on key customers or distributors

Domestic

The Company produces textiles and garments according to customers' specifications. The company started operations in 1980, but since then its only major customer has been ICC International Public Company Limited (ICC). ICC orders accounted for 68.35 percent of total sales in Thailand, and for 50.94 percent of total sales.

The company is confident this customer will continue to place orders in the future. Both partners have had and continue to have an excellent relationship and to collaborate effectively, developing business and launching new products to meet demand and provide greater satisfaction to their customers.

Overseas

Exporting to overseas customers, People's Garment Public Company Limited has been exporting garments to VL Co., Ltd which is in Korea. In 2014, its order accounted for 75.68 percent of exporting sales and for 19.27 percent of total sales. Then, the company acknowledges the risk from order cancellation. During year we had excellent relationship and the company provides effective production, quality of products and on time delivery that satisfy overseas customers.

Risks from brand loyalty

Local customers are still fond of brand name products and customer behavior changes rapidly according to fashion trends. This contributes to more aggressive competition in the ready-to-wear garment industry. More liberalized trade is another factor that has increased competition from popular international brand products.

The Company is, however, confident in the quality of its products, both of the international brands and of the house brand. The products have been developed to ensure customer satisfaction, particularly with regard to quality and

value and as such they create a good impression on customers, which in turn contributes to increased brand loyalty. The company, in cooperation with ICC International PCL. continues to generate proactive strategies to retain the existing customer base and also to attract new customers.

Risks of trade liberalization to the ASEAN Economic Community (AEC)

Ready to wear garments are highly competitive by using a pricing strategy, design and promotion to compete and expand the market. As a result of joining the upcoming ASEAN Economic Community (AEC), the liberalization of trade in goods, services, investment, capital, skilled labor and all products in ASEAN can come into Thailand freely. They all use pricing strategy to compete by providing the advantage of lower production costs. This makes intensify of price competition both domestic and foreign market.

However, the company as a garment manufacturer has been being alert to such situation. For example, the company continuously innovates and develops materials and products, also enhance quality of services to customers. The company has joint venture to build a comprehensive network of industry. Moreover, people in organization are trained and strengthen their skill and knowledge. The company acknowledges the advantage of import raw materials from ASEAN countries at a lower cost.

Risks from exchange rate fluctuations

The Company exports its products and imports raw materials in foreign currency, so it is open to being affected by fluctuations in exchange rates. In order to minimize risk, the company has set up a committee to monitor closely movements in exchange rates.

Moreover, the company has both expenses and revenues in foreign currency. The company can minimize the risks of changing in exchange rate by balancing revenues and expenses denominated in foreign currencies (Natural Hedge). The company uses financial instruments for preventing risks including making forward contracts.

Risks from investments

The Company investment activity is under the supervision of a working committee on investment, which is itself under the executive board, who decide the investment and portfolio management guidelines. The company produces a quarterly review of the investment and portfolio management policy and uses diversification strategies by investing in a variety of financial institutions.

Additionally, ceilings are placed on each investment to limit the scope of possible damage. As regards debt instruments, the company invests in bonds, saving deposits, mutual funds, and private debt securities assigned a rating of at least A-or equivalent.

The company continuously tracks the level of risk to investments to ensure that the value at risk is within the determined level and the investment ceiling and portfolio investments are constantly reviewed in light of the current situation and possible risks

Risks from credit loans

Risks from credit loans may occur when debtors fail to abide by the terms of their agreement with the company and this may affect the level of working capital and company liquidity.

The company has managements and policies to prevent such risks by considering and analyzing the liquidity of customers and debtors carefully, closely monitoring the debtors and regularly reviewing quality analysis information. The company follows the repayment periodically in order to identify the quality of the debtors and can track the repayment effectively. In addition the process of unpaid debt, the company contact directly to debtors for the outstanding debt. The management and legal department audit and monitor the process closely.

Operational Assets

As of December 31, 2014, the operating assets employed by PG value (after accumulated depreciation and allowance for impairment) of Baht 185.34 million, with Baht 9.70 million in net intangible assets. For details, please see the notes to the financial statements of PG ended December 31, 2014: item 12 (property, plant, and equipment-net) and item 13 (intangible assets-net).

Shareholding structure

Company Security

People's Garment Public Company Limited is listed company in the Stock Exchange of Thailand; the abbreviation is "PG". The registered capital is 96 million baht which paid up all amount and divided into ordinary shares 96 million shares at valued 1 baht per share.

The company has never issued other securities except ordinary share.

Shareholders

1. Majors shareholders at closing date on March 21, 2014

Shareholders	Number of shares	%
1. Thanulux Public Company Limited	13,484,000	14.046
2. Sahapathana Inter-holding Public Company Limited	13,228,666	13.780
3. Mr.Sampeng Manoonpol	9,124,966	9.505
4. Sahapathanapibul Public Company Limited	8,450,000	8.802
5. I.D.F. Co.,Ltd.	7,290,000	7.594
6. Mr.Boonsithi Chokwatana	5,256,666	5.476
7. ICC International Public Company Limited	5,040,000	5.250
8. Naraporn Co.,Ltd.	3,930,533	4.094
9. Mr.Boonkiet Chokwatana	2,562,933	2.670
10. Mrs.Sirina Pawalolan-Wittaya	1,468,133	1.529

Note : Shareholders can update their number of shares at www.pg.co.th before commencement of 36th annual general meeting of shareholders.

2. Minor ordinary shareholders as of march 21, 2014

The numbers of minor shareholders (Free Float) are 610 listed accounted for 26.15 percent of issued and paid up stock which is over than 25 percent.

3. Restriction of foreign shareholders

Foreigners can be shareholders but the total should not over than 49 percent of issued and paid up stock. As of March 21, 2014, the company stock was hold by foreigner accounted for 0.75 percent.

Divided by Shareholder's Nationality As at the close of share register on March 21, 2014

				Juristic Persons			Private Individuals		
	Persons	Shares	%	Persons	Shares	%	Persons	Shares	%
Thai	736	95,280,000	99.25	28	55,163,243	57.46	708	40,116,757	41.79
Foreign	1	720,000	0.75	1	720,000	0.75	0	0	0
Total	737	96,000,000	100.00	29	55,883,243	58.21	708	40,116,757	41.79

Divided by Shareholding Ratio As of share registration book closing date on March 21, 2014

Shareholders				Juristic Persons			Private Individuals		
	Persons	Shares	%	Persons	Shares	%	Persons	Shares	%
- Holding share over 0.5%	23	79,225,782	82.53	9	54,213,965	56.47	14	25,011,817	26.06
- Holding share not over 0.5% but not less than 1 selling unit	629	16,773,232	17.47	18	1,669,258	1.74	611	15,103,974	15.73
- Holding share less than 1 selling unit	85	986	0.00	2	20	0.00	83	966	0.00
รวม	737	96,000,000	100.00	29	55,883,243	58.21	708	40,116,757	41.79

4. The proportion of shares held by institutional investors.

As at December 31, 2014, the proportion of shares held by institutional investors was accounted as 0.003 of total issued and paid up stock. This number is less than the criterion regulated in the Corporate Governance of Thailand Listed Companies. It determines that the proportion of institutional investors should be over 5 percent.

Other securities issued

- None -

DIVIDEND PAYMENT POLICY

The Company has a policy to pay dividends at a rate which is not over than 50 percent of net profit, and it depends on the company's operation and economic trend. After the board of directors approved the policy, it has to be proposed to ordinary shareholder's meeting for getting approval excepting the interim dividend payment. The board of directors has the right to approve interim dividend payment and the board of directors must report the payment to shareholders in the next meeting.

Dividend Payment details for the past periods are as follows;

	2014	2013	2012	2011	2010
Earnings per share	0.62	0.88	1.25	1.15	1.27
Rate of Divined per share (Baht)	** 0.37	0.45	0.60	0.60	0.60
Rate of Divined from Net Profit (%)	60.04	51.41	49.93	52.25	47.36

Remark : ** The Board of Directors' meeting no.2/2015 held on February 26, 2015 had consideration the dividend payment in rate of 0.37 Baht per share and will be present to the General Meeting of Shareholders on April 28, 2015 for getting an approval.

CROSS-SHAREHOLDING

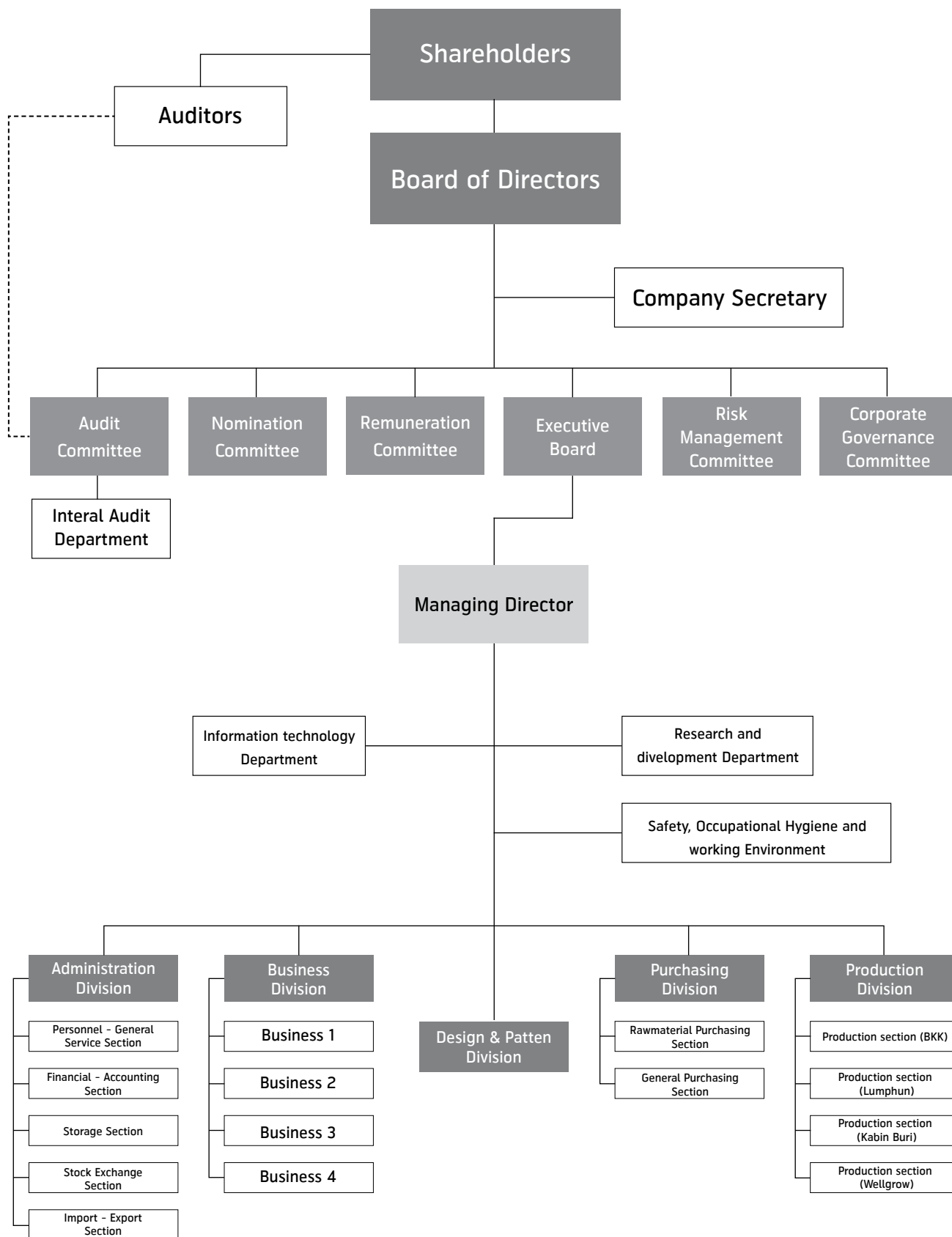
While the company allows the structure for cross-shareholding, nevertheless, such cross-shareholding is not of the nature conflicting with nor contradicting to the announcement by The Capital Market Supervisory Board no. Thor Chor 28/2008 regarding "the permission request and the permission to offer newly-issued shares" no. 14

Cross-shareholding details as of December 31, 2014

Company name	Shareholding Percentage	
	Shareholding by the company	Shareholding in the company
1. In the case of over 50% shareholding		
(A) Other companies holding over 50% shares in the company Cross-shareholding by the company in other companies is not allowed.	-	-
(B) The company holding over 50% shares in other companies Cross-shareholding by other companies in the company is not allowed.	-	-
(C) The company holding over 50% shares in 2 other companies and over Cross-shareholding between other such companies is not allowed	-	-
2. In the case of over 25% shareholding, but not exceeding 50% shareholding		
(A) Other companies holding over 25% but not exceeding 50% shares in the company Over 10% cross-shareholding by the company in other companies is not allowed.	-	-
(B) The company holding over 25% but not exceeding 50% shares in other companies Over 10% cross-shareholding by other companies in the company is not allowed.	-	-
3. In the case of not exceeding 25% shareholding*		
(A) Other companies holding not exceeding 25% shares in the company Over 25% shareholding by the company in other companies is not allowed.	-	-
(B) The company holding not exceeding 25% shares in other companies Over 25% shareholding by other companies in the company is not allowed.	-	-
1. Saha Pathana Inter-holding Public Company Limited (SPI)	0.49	13.78
2. Saha Pathanapibol Public Company Limited (SPC)	0.07	8.80
3. I.C.C. International Public Company Limited (ICC)	0.60	5.25

Remark : * Only items showing cross-shareholding by the companies are displayed.

Management structure



Management structure consisted of 7 committees details as following;

1. Board of Directors
2. Audit Committee
3. Remuneration Committee
4. Nomination Committee
5. Risk Management Committee
6. Corporate Governance Committee
7. Board of Executive Directors

Company's Director

There are 12 members of the board of directors who named in the certificate letter of Ministry of Commerce as follows;

- Non-Executive Directors Total 5 members
- Independent Directors Total 5 members
- Executive Directors Total 2 members

Names		Board of Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Governance Committee	Boards of Executive Directors
1. Mr.Boonkiet	Chokwatana	President	-	President	President	-	-	-
2. Mr.Charoen	Charoenwatanasukom	Director	-	-	-	Director	Director	President/ Managing Director
3. Mrs. Sunan	Niyomnaitham	Director	-	-	Director	-	Director	Deputy Managing Director
4. Mrs. Somporn	Tiyaviboonsiri	Director	-	Director	-	-	-	-
5. Mr. Chailert	Manoonpol	Director	-	-	-	-	-	-
6. Ms. Pisamai	Chunmanu	Director	-	-	-	-	-	-
7. Mrs.Teerada	Ambhanwong	Director	-	-	-	-	-	-
8. Mrs.Nuchanart	Thammanomai	Independent Director	Director	-	-	-	-	-
9. Mr.Amorn	Asvanunt	Independent Director	President	-	-	-	-	-
10. Mrs.Chortip	Pramoj Na Ayudhya	Independent Director	-	Director	Director	-	-	-
11. Gen.Konecharnart	Chunnabhata	Independent Director	-	-	-	President	-	-
12. Mr.Santi	Bangor	Independent Director	Director	-	-	-	President	-

All members of Board of directors have no forbidden qualifications as following;

1. No record of committing criminal offenses against property, which was done in bad faith.
2. No record of a potential conflict of interest with the Company during the past year.

Authorized Directors

An authorized act having a binding effect on the Company is requires the signatures of 2 directors out of the following 7 directors as well as the Company seal, namely.

1. Mr.Boonkiet Chokwatana
2. Mr.Charoen Charoenwatanasuksom
3. Mrs.Sunan Niyomnaitham
4. Mrs.Somporn Tiyaiboonsiri
5. Mr.Chailert Manoonpol
6. Ms.Pisamai Chunmanu
7. Mrs.Teerada Ambhanwong

Authority of the Board of Directors

The details are disclosed in corporate governance article no.5 “the responsibility of company directors”

Summarization of number of meeting in 2014

Name		Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee	Risk management Committee	Corporate Governance Committee	Board of Executive Directors	Ordinary Shareholder Meeting No.35 22/4/2014
1. Mr. Boonkiet	Chokwatana	5/5	-	1/1	2/2	-	-		1
2. Mr. Charoen	Charoenwatanasuksom	5/5	-	-	-	4/4	2/2	12/12	1
3. Mrs. Sunan	Niyomnaitham	5/5	-	1/1	-	-	2/2	12/12	1
4. Mrs. Somporn	Tiyaiboonsiri	5/5	-	-	2/2	-	-		1
5. Mr.Chailert	Manoonpol	5/5	-	-	-	-	-		1
6. Ms. Pisamai	Chunmanu	* 4/5	-	-	-	-	-		1
7. Mrs. Teerada	Ambhanwong	5/5	-	-	-	-	-		1
8. Mrs. Chortip	Pramoj na Ayudhya	* 4/5	-	1/1	2/2	-	-		1
9. Mr. Amorn	Asvanunt	* 4/5	4/4	-	-	-	-		1
10. Mrs.Nuchanart	Thammanomai	5/5	4/4	-	-	-	-		1
11. Gen.Konecharnart	Chunnabhata	5/5	-	-	-	4/4	-		1
12. Mr.Santi	Bangor	5/5	4/4	-	-	-	2/2		1
13. Ms.Orawan	Thammarakkhit	-	-	-	-	-	-	12/12	1
14. Ms.Nopparat	Asawasiripong	-	-	-	-	4/4	-	12/12	1
15. Mrs.Sasivimol	Kluyasritrakul	-	-	-	-	-	-	12/12	1
16. Mrs.Nutchapunporn	Sunthornwiset	-	-	-	-	-	-	12/12	1
17. Mr.Suwat	Panichlers	-	-	-	-	-	-	12/12	1
18. Mrs.Kalayanee	Chantarapikul	-	-	-	-	-	-	12/12	1
19. Mrs.Photchamarn	Engkanisarn	-	-	-	-	-	-	**11/12	1
20. Mrs.Suvimol	Charoensrichai	-	-	-	-	4/4	2/2	12/12	1
21. Ms.Pragairat	Sae-na	-	-	-	-	-	-	5/12	1
22. Mr. Thamrong	Phoonyawatana	-	-	-	-	-	-	7/12	-

Remarks : * Absence the board of directors meeting because of overseas duty.

** Absence the board of executive directors meeting because of overseas duty.

Number 21. Ms. Pragairat Sae-na ended her term as an executive director on May 12, 2014

Number 22. Mr. Thamrong Phoonyawatana has been starting his term as an executive director on May 12, 2014

Board of Executive Directors

The Board of Executive Directors functions as a management team which is set up for management business of company as assigned by the board of directors. The board of directors meeting no. 2/2014 held on May 12, 2014, has appointed the board of executive directors total 11 persons.

During 2014, the board of executive directors has the meeting 12 times. The meeting schedule is set yearly in advance.

Name	Position
1. Mr.Charoen Charoenwatanasukom	Chief Executive Director/Managing Director
2. Mrs. Sunan Niyomnaitham	Deputy Managing Director/Chief Financial Officer
3. Ms. Orawan Thammarakkhit	Manager, Business 1 Department
4. Ms.Nopparat Asawasiripong	Assistant Manager, Personnel Department
5. Mrs.Sasivimol Kluyasitrakul	Assistant Manager, Account and Finance Department
6. Mrs.Nutchapunporn Sunthornwiset	Manager, Business 1 Division
7. Mr.Suwat Panichlers	Manager, Production Division
8. Mrs.Kalayanee Chantarapikul	Manager, Purchasing Division
9. Mrs.Photchamarn Engkanisarn	Manager, Business 2 Division
10. Mrs.Suvimol Charoensrichai	Manager, Registration Division/Secretary to the Executive Board
11. Mr.Thamrong Phoonyawatana	Manager, Production Division
Ms.Pragairat Sae-na	Manager, Information Technology Division

Remark: the board of executive directors has 1 year term counting from May 12, 2014.

No. 11 Mr. Thamrong Phoonyawatana is appointed on May 12, 2014

And Ms. Pragairat Sae-Na ended her term on May 12, 2014.

All 11 members have no forbidden qualifications;

1. No record of committing criminal offenses against property, which was done in bad faith.
2. No record of a potential conflict of interest with the Company during the past year.

Functions and Responsibility of Executive Committee

The details are disclosed in corporate governance article no.5 “the responsibility of company directors”

Details of Executives and Authorized Persons

Name	PG	Related Companies											Itokin	PAF
		SPI	ICC	Far east DDB	BRC	SCG	TSG	CA	Treasure Hill	Pan Land	SSDC	Thai Bunka	S&J	OCC
1. Mr.Boonkiet Chokwatana	X	/	//			X	X	X	X	/			X	X
2. Mr.Charoen Charoenwatanasuksom	//										/			
3. Mrs.Sunan Niyommaitham	//						//							
4. Mrs.Somporn Tiyaiboonsiri	//						//	/				/		
5. Mr.Chailert Manoonpol	//						//	//						/
6. Ms.Pisamai Chunmanu	/													
7. Mrs.Teerada Ambhanwong	/												/	//
8. Mrs.Chortip Pramaj Na Ayudhya	/													
9. Mr.Amorn Asvanunt	**		**	**		**								
10. Mrs.Nuchanart Thammanomai	**				/									
11. Gen.Konechamart Chumabhata	/													
12. Mr.Santi Bangor	**													
13. Ms.Orawan Thammarakkhit	//													
14. Ms.Nopparat Asawasiripong	//													
15. Mrs.Sasivimol Kluyasritrakul	//													
16. Mrs.Nutchapunporn Sunthornwiset	//													
17. Mr.Sumat Panichlers	//													
18. Ms.Pragairat Sae-na	-													
19. Mrs.Kalayanee Chantarapikul	//													
20. Mrs.Photochamarn Engkanisarn	//													
21. Mrs.Suvimol Charoensrichai	//													
22. Mr.Thumrong Punyavattana	//													

Remark : No. 18 : Ms.Pragairat Sae-na ended her term as an executive director in May 12,2014
 No. 22 : Mr.Thumrong Punyavattana start his term as an executive director in May 12,2014

X = President / = Director // = Executive Director ** = Audit Committee
 1. PG : People's Garment Plc.
 2. SPI : บริษัทพัฒนาอินเตอร์เทรดดิ้ง จำกัด
 3. ICC : ICC International Plc.
 4. Far East DDB : Far East DDB Plc.
 5. BRC : Bangkok Rubber Plc.
 6. SCG : Sahacogen (Chonburi) Plc.
 7. TSG : Thai Sports Garment Co., Ltd.
 8. CA : Champ Ace Co., Ltd.
 9. Treasure Hill : Treasure Hill Co., Ltd.
 10. Pan Land : Pan Land Co., Ltd.
 11. SSDC : SSDC (Tigertext) Co., Ltd.
 12. Thai Bunka : Thai Bunka Fashion Co., Ltd.
 13. S&J : S&J International Enterprise Plc.
 14. OCC : OCC Plc.
 15. Itokin : Thai Itokin Co., Ltd.
 16. PAF : Pan Asia Footwear Co., Ltd.

Details of Board of Directors and Executives

Name	Age	Education/Training	Shares holding	Family relationship between directors	Experiences		
					Period	Position	Company
1. Mr. Boonkiet Chokwatana Position : • President • Chairman of Remuneration Committee • Chairman of Nomination Committee • Authorized Director Term of Office : 25 Years 8 Months	67	• Bachelor Degree in Engineering Worcester Polytechnic Institute, Massachusetts, USA. • Honorary Doctorate Degree in Business Administration (Management) from Sripatum University • Honorary Doctorate Degree in Business Administration College of Commerce from Burapa University • Honorary Doctorate Degree in Business Administration from Naresuan University Training of Thai Institute of Directors • Director Accreditation Program (DAP) 3/2003 • Director Certification Program (DCP) 41/2004	2,562,933 or 2.67%	Uncle Mrs. Teerada Ambhanwong	Listed company :		6 Companies
					1980 - Present	President/Chairman of Executives	I.C.C. INTERNATIONAL PLC.
					1986 - Present	Director	Saha Pathana Inter-Holding PLC.
					1993 - Present	President	S&J International Enterprises PLC.
					1989 - 1993	Director	People's Garment PLC.
					1994 - Present	President	People's Garment PLC.
					2008 - Present	President	Sahacogen PLC.
					2011 - Present	President	Pan Asia Footware PLC.
					Non listed company :		47 Companies
					Holding a position of Director in related company :		
						President	I.C.C. INTERNATIONAL PLC.
						Director	Saha Pathana Inter-Holding PLC.
						President	Champace Co.,Ltd.
						President	Thai Sports Garment Co.,Ltd.
						President	Thai Itokin Co.,Ltd.
					Listed Company :		1 Company
2. Mr. Charoen Charoenwatanasuksom Position : • Company Director • Managing Director • Member of Risk Management Committee • Member of Corporate Governance Committee • Authorized Director Term of Office : 22 Years 8 Months	54	• BS. Economics in Finance Ramkhamhaeng University Training of Thai Institute of Directors • Director Certification Program (DCP) 32/2003	39,000 or 0.04%	- None -	1992 - Present	Director	People's Garment PLC.
					Non listed company :		
					Holding a position of Director in related company :		
3. Mrs. Sunan Niyornnaitam Position : • Company Director • Deputy Managing Director • Chief Financial Officer • Member of Remuneration Committee • Member of Corporate Governance Committee • Authorized Director Term of Office : 28 Years 5 Months	56	• Bachelor Degree in Public Finance Chulalongkorn University • Master of Public and Private Management, NIDA Training of Thai Institute of Directors • Director Certification Program (DCP) 27/2003 • Roles of Compensation Committee 1/2006 Training of Internal Audit and Control • Chief Finance Officer (CFO) 3/2005	150,000 or 0.16%	-None-	Listed Company :		1 Companies
					1986 - Present	Director	People's Garment PLC.
					Non listed company :		
					Holding a position of Director in related company :		
					:		
						Director	Thai Sports Garment Co.,Ltd.

Name	Age	Education/Training	Shares holding	Family relationship between directors	Experiences		
					Period	Position	Company
4. Mrs. Somporn Tiyaiviboonsiri Position : • Company Director • Member of Nomination Committee • Authorized Director Term of Office : 32 Years 5 Months	66	• Master Degree in Education Emporia State University Kansas U.S.A Training of Thai Institute of Directors • Director Accreditation Program (DAP) 3/2003 • Director Certification Program (DCP) 68/2005 • Roles of Compensation Committee 3/2007	795,000 or 0.83%	-None-	Listed Company :		1 Company
					1982 - Present	Director	People's Garment PLC.
					2001 - 2012	Managing Director	People's Garment PLC.
					Non listed company :		
					Holding a position of Director in related company :		
5. Mr. Chailert Manoonpol Position : • Company Director • Authorized Director Term of Office : 29 Years 5 Months	55	• Master Degree in Management Abilene Christian University Texas, U.S.A. Training of Internal Audit and Control • Director Accreditation Program (DAP) 3/2003	280,000 or 0.29%	-None-		Director Director Director	Thai Sports Garment Co., Ltd. Champace Co., Ltd. Thai Itokin Co., Ltd.
					Listed Company :		3 Companies
					2001 - 2011	Deputy Managing	People's Garment PLC.
					2011 - Present	Director	People's Garment PLC.
					1987 - Present	Director	OCC PLC.
6. Ms. Pisamai Chunmanu Position : • Company Director • Authorized Director Term of Office : 25 Years 8 Months	64	• BS. Communication Art in Mass. Com. Chulalongkorn University Training of Thai Institute of Directors • Director Accreditation Program (DAP) 3/2003	232,000 or 0.24%	- None -	2000 - 2010	Vice President, Division I	I.C.C. INTERNATIONAL PLC.
					2011 - Present	President, Division S	I.C.C. INTERNATIONAL PLC.
					Non listed company :		
					Holding a position of Director in related company :		
						Managing Director Managing Director	Champace Co., Ltd. Thai Sports Garment Co., Ltd.
7. Ms. Pisamai Chunmanu Position : • Company Director • Authorized Director Term of Office : 25 Years 8 Months	64	• BS. Communication Art in Mass. Com. Chulalongkorn University Training of Thai Institute of Directors • Director Accreditation Program (DAP) 3/2003	232,000 or 0.24%	- None -	Listed Company :		2 Companies
					1988 - Present	Director	People's Garment PLC.
					2000 - Present	President, Division I	I.C.C. INTERNATIONAL PLC.
					Non listed company :		
					Holding a position of Director in related company :		
8. Ms. Pisamai Chunmanu Position : • Company Director • Authorized Director Term of Office : 25 Years 8 Months	64	• BS. Communication Art in Mass. Com. Chulalongkorn University Training of Thai Institute of Directors • Director Accreditation Program (DAP) 3/2003	232,000 or 0.24%	- None -		President, Division I	I.C.C. INTERNATIONAL PLC.
					Holding a position of Director in related company :		
					Holding a position of Director in related company :		
					Holding a position of Director in related company :		
					Holding a position of Director in related company :		

Name	Age	Education/Training	Shares holding	Family relationship between directors	Experiences		
					Period	Position	Company
7. Mrs. Teerada Ambhanwong Position : • Company Director • Authorized Director Term of Office : 15 Years 8 Months	44	<ul style="list-style-type: none"> Master Degree in Business Administration (Marketing) SASIN Training of Thai Institute of Directors Director Accreditation Program (DAP) 3/2003 Director Certification Program (DCP) 51/2004 	224,550 or 0.23%	niece Mr. Boonkiet Chokwatana	Listed Company :		4 Companies
					1999 - 2006	Audit Committee	People's Garment PLC.
					2006 - Present	Director	People's Garment PLC.
					2008 - Present	Managing Director	OCC PLC.
					1999 - Present	Director	S&J International Enterprises PLC
8. Mr. Amorn Asvanunt Position : • Independent Director • Chairman of Audit Committee Term of Office : 12 Years 8 Months	65	<ul style="list-style-type: none"> Master of Business Administration Bowling Green State University, Ohio USA. Bachelor of Accountancy, Chulalongkorn University Syandford-NUS Executive Program, Stanford University with National University of Singapore Changing Organization Behavior Program, Wharton School, University of Pennsylvania USA Training of Thai Institute of Directors Director Accreditation Program 4/2003 	- None -	- None -	Non listed company :		17 Companies
					Holding a position of Director in related company :		1 Company
						Asst. to President, Division I	I.C.C. INTERNATIONAL PLC.
					Listed Company :		6 Companies
					1980 - 1998	Director	I.C.C. INTERNATIONAL PLC.
9. Mrs. Nuchanart Thammanomai Position : • Independent Director • Audit Committee Term of Office : 15 Years 8 Months	63	<ul style="list-style-type: none"> Bachelor of Laws, Thammasat University Training of Thai Institute of Directors Director Accreditation Program (DAP) 3/2003 	- None -	- None -	Non listed company :		2 Companies
					Holding a position of Director in related company :		1 Company
						Audit Committee	I.C.C. INTERNATIONAL PLC.
					Listed Company :		2 Companies
					2002 - Present	Audit Committee	People's Garment PLC.
					2001 - Present	Director	Bangkok Rubber PLC.
					Non listed company :		1 Company
					Holding a position of Director in related company :		- None -
					Non listed company :		1 Company
					Holding a position of Director in related company :		- None -

Name	Age	Education/Training	Shares holding	Family relationship between directors	Experiences		
					Period	Position	Company
10. Mrs.Chortip Pramoj Na Ayudhya Position : • Independent Director • Member of Remuneration Committee • Member of Nomination Committee Term of Office : 12 Years 8 Months	63	<ul style="list-style-type: none"> Bachelor of Liberal Arts, Kirk University Training of Thai Institute of Directors <ul style="list-style-type: none"> Director Accreditation Program (DAP) 11/2004 Audit Committee Program 19/2007 	10,000 or 0.01%	- None -	Listed Company :		1 Company
					2002 - 2006	Director	People's Garment PLC.
					2006 - 2008	Audit Committee	People's Garment PLC.
					2009 - Present	Director	People's Garment PLC.
11. Gen. Konecharnart Chumnabhata Position : • Independent Director • Chairman of Risk Management Committee Term of Office : 5 Years 8 Months	67	<ul style="list-style-type: none"> Thailand National Defence College (NDC) Joint Staff College, National Defence Studies Institute, Royal Thai Army Forces Headquarters Royal Thai Army Education, Royal Thai Armed Forces Academy. 	- None -	- None -	Non listed company :		1 Company
					Holding a position of Director in related company :		-None-
					Listed Company :		1 Company
					2009 - 2010	Audit Committee	People's Garment PLC.
12. Mr.Santi Bangor Position : • Independent Director • Chairman of Corporate Governance Committee • Audit Committee Term of Office : 5 Years 8 Months	68	<ul style="list-style-type: none"> Bachelor of Political Science (Fiscal Studies), Chulalongkorn University Master of Agricultural Economics Texas Tech University, USA Development Certificate Cambridge University UK Diploma National Defence College (NDC 38) Training of Thai Institute of Directors <ul style="list-style-type: none"> Director Certification Program (DCP) 12/2001 Advanced Audit Committee Program (ACP) 10/2013 Role of the Compensation Committee Program (RCC) 16/2013 Monitoring Fraud Risk Management (MFM) 9/2013 Monitoring the System of Internal Control and Risk Management (MIR) 14/2013 Monitoring the Quality of Financial Reporting (MFR) 17/2013 	- None -	- None -	Non listed company :		2 Companies
					Holding a position of Director in related company :		-None-
					Listed Company :		2 Companies
					2009 - Present	Director	People's Garment PLC.
					2010 - Present	Audit Committee	People's Garment PLC.
					2012 - Present	Independent Director/ Chairman of CG and Audit Committee/Chairman of Nomination and Remuneration	Thoresen Thai Agencies PLC.
					2013 - Present	Independent Director/ Chairman of CG Committee and Audit Committee	People's Garment PLC.
					Non listed company :		1 Company
			Holding a position of Director in related company :		-None-		

Name	Age	Education/Training	Shares holding	Family relationship between directors	Experiences		
					Period	Position	Company
13. Ms.Orawan Thammarakkhit Position : • Executive Director • Manager, Business 1 Department	61	<ul style="list-style-type: none"> • MINI MBA, Chulalongkorn University Training of Thai Institute of Directors <ul style="list-style-type: none"> • Director Certification Program (DCPI) 37/2003 	45,000 or 0.05%	- None -	Listed Company :	1 Company	
					1992 - Present	Director	People's Garment PLC.
					Non listed company :		-None-
					Holding a position of Director in related company :		-None-
14. Ms. Nopparat Asawasiripong Position : • Executive Director • Member of Risk Management Committee • Assistant Manager, Personnel Department	53	<ul style="list-style-type: none"> • Master of Art in Counselling Psychology, Chulalongkorn University Training of Thai Institute of Directors <ul style="list-style-type: none"> • Finance for Non - Finance Director (FND) 36/2007 	36,000 or 0.04%	-None-	Listed Company :	1 Company	
					1993 - 1994	Assistant Division Manager	People's Garment PLC.
					1995 - 2012	Division Manager	People's Garment PLC.
					2012 - Present	Assistant Department Manager	People's Garment PLC.
15. Mrs.Sasivimol Kluyasritrakul Position : • Executive Director • Assistant Manager, Account/Finance Department	54	<ul style="list-style-type: none"> • Bachelor of Accountancy, Ramkhamhaeng University • Tax Controller Major in General Business from School of Tax Training of Internal Audit and Control <ul style="list-style-type: none"> • Chief Finance Officer (CFO) 12/2009 	33,000 or 0.03%	-None-	Non listed company :	-None-	
					Holding a position of Director in related company :		-None-
					Listed Company :	1 Company	
					1993 - 1994	Assistant Division Manager	People's Garment PLC.
16. Mrs.Nutchapumporn Sunthornwiset Position : • Executive Director • Manager, Business 1 Division	49	<ul style="list-style-type: none"> • Bachelor of Business Administration (Marketing), Bangkok University 	5,000 or 0.005%	-None-	1995 - 2012	Division Manager	People's Garment PLC.
					2012 - Present	Assistant Department Manager	People's Garment PLC.
					Non listed company :		-None-
					Holding a position of Director in related company :		-None-
					Listed Company :	1 Company	
					2000 - 2003	Department Manager	People's Garment PLC.
					2003 - 2006	Assistant Division Manager	People's Garment PLC.
					2006 - Present	Division Manager	People's Garment PLC.
					Non listed company :		-None-
					Holding a position of Director in related company :		-None-

Name	Age	Education/Training	Shares holding	Family relationship between directors	Experiences		
					Period	Position	Company
17. Mr.Suwat Panichlers Position : • Executive Director • Manager, Production Division	50	• Bachelor of Industrial Engineering, Rajamangala University of Technology Thanyaburi	-None-	-None-	Listed Company :	1 Company	
					1995 - 2003	Department Manager	People's Garment PLC.
					2003 - 2011	Assistant Division Manager	People's Garment PLC.
					2011 - Present	Division Manager	People's Garment PLC.
18. Mrs.Kalayanee Chantarapikul Position : • Executive Director • Manager, Purchasing Division	50	• Master of Business Administration (Marketing), Chulalongkorn University	11,000 0.01%	-None-	Non listed company :	-None-	
					Holding a position of Director in related company :	-None-	
					Listed Company :	1 Company	
					2003 - 2006	Department Manager	People's Garment PLC.
					2006 - 2011	Assistant. Division Manager	People's Garment PLC.
					2011 - Present	Division Manager	People's Garment PLC.
19. Mrs.Photchamarn Engkanisarn Position : • Executive Director • Manager, Business 2 Division	48	Master of Business Administration (Marketing), Chulalongkorn University	11,000 0.01%	-None-	Non listed company :	-None-	
					Holding a position of Director in related company :	-None-	
					Listed Company :	1 Company	
					2003 - 2006	Department Manager	People's Garment PLC.
					2006 - 2011	Assistant Division Manager	People's Garment PLC.
					2011 - Present	Division Manager	People's Garment PLC.
					Non listed company :	-None-	
					Holding a position of Director in related company :	-None-	

Name	Age	Education/Training	Shares holding	Family relationship between directors	Experiences		
					Period	Position	Company
20. Mrs.Suvimol Charoensrichai Position : • Company Secretary • Executive Director • Member of Risk Management Committee • Member of Corporate Governance Committee • Manager, Registration Division	50	• Bachelor of General Management, Bansomdejchaopraya Rajabhat University Training of Thai Institute of Directors • Company Secretary Program (CSP) 7/2004	589,533 0.61%	-None-	Listed Company :	1 Company	
					2008 - Present	Company Secretary	People's Garment PLC.
					2004 - 2011	Department Manager	People's Garment PLC.
					2011 - Present	Division Manager	People's Garment PLC.
21. Mr.Thamrong punyavattana Position : • Executive Director • Manager, Production Division	54	• Bachelor of Industrial Engineer King Mongkut's University of Technology North Bangkok	589,533 0.61%	-None-	Non listed company :	-None-	
					Holding a position of Director in related company :	-None-	
					Listed Company :	1 Company	
					2009 - Present	Manager, Production Division	People's Garment PLC.
					Non listed company :	-None-	
					Holding a position of Director in related company :	-None-	

Note: No controversy of all 21 persons

Forbidden Qualifications

1. No record of lawbreaking about wealth which is dishonest.
2. No record of being in conflict provided an interest of the company in the year 2014.

Offenses Record of the Directors, Managements and Controlling Parties

There is no offenses record of the directors, managements and controlling parties during the past 5 years regarding the violation of the Securities Exchange Act B.E. 2535 (1992) or The Derivatives

Act B.E. 2546 (2003); only in the following offenses:

1. To act in bad faith or gross negligence;
2. To disclose or publish information of false statements which may mislead any person or concealing material facts which may affect the investment-making decisions of the shareholders, investors or other related persons.
3. Unfair practices or exploitation in connection with securities trading or derivatives transactions, or have ever been involved in or supported such actions.

Report on the change in shareholding of the Directors and Executives as of 31 December 2014

Name		2013		Increase/ Decrease During	2014 Total	%	2014	
		Director	Spouse				Director	Spouse
1. Mr. Boonkiet	Chokwatana	2,562,933	90,000	-	2,652,933	2.76	2,562,933	90,000
2. Mr. Charoen	Charoenwatanasuksom	39,000	-	-	39,000	0.04	39,000	-
3. Mrs. Sunan	Niyomnaitham	150,000	40,000	-	190,000	0.20	150,000	40,000
4. Mrs. Somporn	Tiyaviboonsiri	795,000	240,000	-	1,035,000	1.08	795,000	240,000
5. Mr. Chailert	Manoonpol	280,000	170,000	-	450,000	0.47	280,000	170,000
6. Ms. Pisamai	Chunmanu	232,000	-	-	232,000	0.24	232,000	-
7. Mrs. Teerada	Ambhanwong	224,550	-	-	224,550	0.23	224,550	-
8. Mrs. Chortip	Pramoj na Ayudhya	10,000	-	-	10,000	0.01	10,000	-
9. Mr. Amorn	Asvanunt	-	-	-	-	-	-	-
10. Mrs. Nuchanart	Thammanomai	-	10,000	-	10,000	0.01	-	10,000
11. Gen. Konecharnart	Chunnabhata	-	-	-	-	-	-	-
12. Mr. Santi	Bangor	-	-	-	-	-	-	-
13. Ms. Orawan	Thammarakhit	45,000	-	-	45,000	0.05	45,000	-
14. Ms. Nopparat	Asawasiripong	36,000	-	-	36,000	0.04	36,000	-
15. Mrs. Sasivimol	Kluyasritrakul	33,000	-	-	33,000	0.03	33,000	-

Note: Included spouse but not included children due to becoming maturity and not a shareholder.

Company Secretary

Company Secretary must perform duties in compliance with the determine in section 89/15 and 89/16 nder the Securities and Exchange Act (No.4) B.E. 2551 (2008), by carefully and honesty including perform its function in compliance with Laws, Objectives, Company regulation, Board resolution and shareholder meeting resolution.

The Board of Directors has been appointing Mrs. Suvimol Charoensrichai to be a company secretary since 2008. She has knowledge and ability. She also passed the Company Secretary Program (CSP)7/2004 which was trained company secretary to perform her duties in compliance with the Securities and Exchange Act.

The company enhances company secretary to be trained and developed the knowledge about laws and its function. The qualification and experience of company secretary are disclosed in “Details of Directors and Executives”

The Company prescribed the following scope of functions and responsibilities.

1. To give advice on laws, regulations and rules that must be known and complied by the Board of Directors.
2. To prepare and archive important documents:
 - Directors Register
 - Board of Directors meeting notices/minutes
 - Shareholders’ meeting notices/minutes
 - Informational reports in accordance with the relevant laws and regulations.
 - Annual Report and Form 56-1

3. Keep a report that a director or an executive files with the company on his interest or a related person's interest in relation to management of the company according to Article 89/14; also make copy of such report and submit the copy to the Chairman and Chairman of the Audit Committee within 7 days after receiving such report.
4. To coordinate between the Directors and the executives and to support the implementation of good governance principles as well as compliance with the Regulations and Notifications of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission and Capital Markets Supervisory Board.
5. To ensure the proper and prudent discharge of functions by the Directors and executive officers, taking into account the rights of shareholders and fair treatment of shareholders.
6. To contact the relevant supervisory authorities.
7. Perform other tasks as stipulated by the Capital Market Supervisory Board.

In addition, the corporate secretary also has other duties as assigned by the Board of Directors as follows.

- Organize the Board of Directors' meeting and shareholders' meeting
- Coordinate with internal agencies to comply with the resolutions of the Board of Directors and the shareholders.
- Ensure that the Board of Directors and executives work properly and cautiously.
- Taking into account the rights of shareholders and fair treatment to shareholders.
- Arrange orientation for newly-appointed members of the Board of Directors Other duties as assigned by the company

Moreover, the Department of Secretary consists of: law officers, and accountants who passed the training regarding function of company secretary from the Thailand Association of Listed Companies.

The Remuneration of Directors and Executives.

Policies and guidelines for the directors' remuneration

The board of directors has appointed the remuneration committee to determine the remuneration of Company Directors, taking into consideration other companies in the same industry, the growth and performance of the Company and the remuneration limit approved by the meeting of shareholders and remunerations paid in the preceding year, in order to make a proposal to the Board of Directors for consideration and submission to the meeting of shareholders for approval.

Policies and guidelines for the executive directors' remuneration

The remuneration committee considered the remuneration of managing director and deputy managing director. The compensation is determined appropriately in accordance with company's remuneration structure, by considering other companies in same business, company operation, and performance.

Managing director considers the appropriateness of compensation and annual wage of executives who have level under deputy managing director by considering the performance and company operation together with the ability to achieve goal.

The amount of remuneration are agreed from the board of directors meeting no. 5/2013 held on December 21, 2013 and approved from the 35th ordinary shareholders meeting held on April 22, 2014 in the amount of not exceeding 10 million baht

1. Monetary remuneration

- Annual Remuneration (All company Directors)
- Meeting Allowance (Attendance only)
- The remuneration of sub-committee which organized by the board of directors is under board of directors' discretion by considering appropriateness of functions, duties, and responsibilities.

The details of meeting allowance payment as following;

	2014 (Bath/Time)	2013 (Bath/Time)
The board of directors		
- President	12,000	12,000
- Directors	9,000	9,000
Audit committee		
- President	12,000	12,000
- Directors	9,000	9,000
Remuneration Committee		
Nomination Committee		
Risk Management Committee		
Corporate Governance Committee		
- President	10,000	10,000
- Directors	5,000	5,000

The remuneration paid to directors is meeting allowance and annual compensation as following details;

รายนาม	Remuneration : 2014			Remuneration : 2013		
	Meeting Allowance	Remuneration	Total	Meeting Allowance	Remuneration	Total
1. Mr. Boonkiet Chokwatana	90,000	200,000	290,000	84,000	400,000	484,000
2. Mr. Charoen Charoenwatanasuksom	75,000	300,000	375,000	75,000	400,000	475,000
3. Mrs. Sunan Niyomnaitham	60,000	250,000	310,000	65,000	380,000	445,000
4. Mrs. Somporn Tiyaiboonsiri	55,000	150,000	205,000	55,000	200,000	255,000
5. Mr. Chailert Manoonpol	45,000	150,000	195,000	45,000	200,000	245,000
6. Ms. Pisamai Chunmanu	36,000	150,000	186,000	36,000	200,000	236,000
7. Mrs. Teerada Ambhanwong	45,000	150,000	195,000	45,000	200,000	245,000
8. Mrs. Chortip Pramoj na Ayudhya	51,000	150,000	201,000	65,000	200,000	265,000
9. Mr. Amorn Asvanunt	84,000	250,000	334,000	89,000	350,000	439,000
10. Mrs. Nuchanart Thammanomai	81,000	150,000	231,000	81,000	250,000	331,000
11. Gen. Konecharnart Chunnabhata	85,000	200,000	285,000	77,000	300,000	377,000
12. Mr. Santi Bangor	101,000	200,000	301,000	101,000	300,000	401,000
	808,000	2,300,000	3,108,000	818,000	3,380,000	4,198,000

The details of remuneration paid to company directors and sub-committee are as following;

	2014		2013	
	Meeting allowance	Remuneration	Meeting allowance	Remuneration
The Board of Directors	528,000	2,300,000	542,000	3,380,000
Audit Committee	120,000	-	116,000	-
Remuneration committee	20,000	-	36,000	-
Nomination committee	40,000	-	32,000	-
Risk Management committee*	100,000	-	92,000	-
Corporate Governance Committee**	50,000	-	50,000	-
Total	858,000	2,300,000	868,000	3,380,000

Remarks: * 2 members of risk management committee are executive director so meeting allowance is included 40,000 baht.

** one member of corporate governance are executive director so meeting allowance is included 10,000 baht.

1.2 Remuneration paid to executive directors

The remuneration of executive director means the remuneration for the executive directors and the forth 4 directors of the executive board ranking from manager and the equal ranks to the 4th executive, totaling 5 persons.

The remuneration is paid in salary, bonus, daily allowance, and meeting allowance. The executive directors are paid as an employee.

The Remuneration	2014		2013	
	Number of Executive Directors	Amount (Baht)	Number of Executive Directors	Amount (Baht)
Salary and Bonus	5	11,566,700	5	13,800,500
Meeting allowance	5	300,000	5	295,000
Total		11,866,700		14,095,500

2. Others Remuneration

The company has no policy to pay others remuneration except the remuneration of directors or employee. There are no shares, debentures or other securities are given to executive directors.

(1) Others remuneration of company directors

- None -

(2) Others remuneration of executive directors

The forth 4 directors of the executive board ranking from manager and the equal ranks to the 4th executive, total 5 persons will receive other remuneration in term of provident fund.

People's Garment Public Company Limited has established a provident fund. Executives who have joined the provident fund receive a monthly contribution to the fund in the amount of 3 - 5 percent of wages. Members of the fund must also contribute to the fund at the same rate. If in any month a member fails to remit his/her contribution to the fund, the employer is not obliged to remit its contribution for such member in the same month. Upon the expiration of membership, the member would receive the contributions as well as a share of net benefits pursuant to the conditions of the fund.

The details of others remuneration of executive directors

Remuneration	2014		2013	
	Number of Executive Directors	Amount (Baht)	Number of Executive Directors	Amount (Baht)
Provident fund	5	413,550	5	388,500
Total		413,550		388,500

Employees

As at December 31, 2014, the Company had 1,246 employees;

	admimis- tration		Factory		Totao		Monthly Employees		Daily Employees		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Head office: Bangkok	87	192	21	186	108	378	100	220	8	158	108	378
Lumphun Branch	22	15	74	334	96	349	35	38	61	311	96	349
Kabinburi Branch	23	11	46	140	69	151	55	41	14	110	69	151
Well Grow Branch	3	4	8	80	11	84	10	20	1	64	11	84
Total	135	222	149	740	284	962	200	319	84	643	284	962

Significant labor disputes during the last 3 years.

- NONE -

Remuneration of Employees

The company has 1,246 employees. Year 2014, company paid remuneration to all employees in the amount of 270.49 million baht, consisted of salary, bonus, daily allowance, overtime pay, wages, goal achieve pay, and skilled labor pay as following;.

Remuneration	2014	2013
Salary and wages	210,731,613.05	221,449,621.90
Bonus and others	59,761,419.61	82,698,329.57
Total	270,493,032.66	304,147,951.47

Salary and wages

The remuneration paid to employee was considered by employees' performance, duties, and responsibility.

Bonus

Special remuneration paid to employees is considered by company's operation result. Such remuneration is not a specific rate and must be approved by the board of director annually.

Provident fund

People's Garment Public Company Limited has established a provident fund for employee welfare and promoting saving including motivating employees to work with company for long term. Employees who have joined the provident fund receive a monthly contribution to the fund in the amount of 3 - 5 percent of wages. Members of the fund must also contribute to the fund at the same rate. Upon the expiration of membership, the member would receive the contributions as well as a share of net benefits pursuant to the conditions of the fund.

Employee Development

- Develop the system of human resources in order to support business expansion and to increase the competitiveness. The company aims to implant ethic in business operation together with develop quality of working life and strengthen good relationship among organization and employees continuously.

- Reinforce employees to be developed and learned in order to promote their career path in consistent with the growth of business.

Moreover, the company emphasizes its directors and staffs in all positions to be participated in setting operation plans in accordance with company's direction and goal. This will make overall operations to be in the same goal.

Internal Control

The Audit Committee has reported the assessment of People's Garment Public Company Limited's internal control system and has made a finding of sufficiency and suitability under the COSO international standard. The Board of Directors, in meeting number 2/2015 on 26th February 2015, reviewed the sufficiency of the Company's internal control system and reached the collective opinion that the Company possessed good risk management and governance practices, transparent financial reporting and administration, as well as compliance with rules and regulations of the Stock Exchange of Thailand and related laws.

The Company has consistently been managed in accordance with good governance principles. In 2014, the Company has a policy of participating in the private sector's collective action coalition against corruption which was approved and authorized by the Board of Directors in meeting number 1/2014 on 19th February 2014. The Company has expressed its intent to participate in campaigns with the Thai private sector network to combat corruption in order to build confidence that the Company has properly dealt with corruption risks within its organisation. This is to ensure that the business continues to operate reliably with the confidence of stakeholders thereby promoting and developing the Company's activities to be more in line with international standards.

The Audit Committee has assessed the internal control system of the Company with respect to all 5 components, namely control environment, risk assessment, control activities, information and communication and monitoring activities. It was found that internal administration contained clear procedures and processes, proper communication and continual monitoring of results. There is an internal audit unit which conducts independent monitors and assessments and reports directly to the Audit Committee. The Company's internal auditor has suitable manpower which is consistent with the audit plan. The head of the internal audit unit oversees the audit operations to ensure

the realization of objectives set by the Audit Committee's Internal Audit Charter, and carries out a comprehensive assessment of the sufficiency of internal audit of activities in various units in the organisation, including the submission of independent opinions and proposals on essential items to the Management. There has been support for revision of the operational handbook and systematic improvements in working processes. Monitors have led to rectifications in significant items which have enabled the Company to make suitable modifications. The Audit Committee has considered the sufficiency of the internal audit system as stated in the summary of internal audit results in 2014 and finds that the Company has a systematic working system and operation as well as sufficient internal controls.

The Board of Directors has collectively assessed the Company's internal control system and the following findings were made with respect to each component:

- **Control Environment.** The Company's governance of the organisation adheres to the value of integrity and ethics. The Board of Directors performs oversight functions to ensure that the Company's operations and business administration achieves the set targets and prescribes clear policies. The organisational structure provides a delineation of functions with clear checks and balances and separation of responsibilities. The Executive Committee is responsible for administration in accordance with objectives stated in the policies. Lastly, the Company ensures that all employees receive continual development under a proper internal control framework.

- **Risk Assessment.** Risk management in the organisation involves an analysis of both internal and external risk factors to prescribe risk management measures in a timely basis and to assess the potential impact on the Company's business operations to incorporate the objectives of the administration of various areas. The risk management process must have a clear plan, especially with regard to the acceptance, reduction, avoidance and sharing of risks, and

the proper management thereof. The Risk Management Committee has reviewed the Financial Statement which states significant changes, and has reviewed the causes and risk factors in order to enable the Company to continually and swiftly revise the administration measures, as well as to communicate to the employees of the entire organisation.

■ **Control Activities.** Supervisors have performed their duties of overseeing operations to ensure compliance with the Company's framework policies and operating regulations. Procedures in the organisation, especially procurements, finance and essential administration, are subject to revisions of authorization levels. The organisational structure has been modified to separate functions to allow mutual and transparent checks and balances which are circumspect and builds confidence in the Company's actions in dealing with corruption in the organisation.

■ **Information & Communication.** The internal and external communications processes of the organisation have been modernized to support clear and swift communications. The Company's information and communications department constantly performs technological updates to meet the demands of users for a more efficient system. The information and communications department also reports significant data to the Management via the internet system, which is secure, truthful, accurate, swift and beneficial to decision-making by the Management.

■ **Monitoring Activities.** Supervisors are under a duty to supervise operations in their assigned sections. All employees are under a duty to oversee and monitor operations to ensure compliance with Company regulations, as well as the duty to ensure constant internal controls. The Management will revise the operational handbook, modify or change internal control systems as appropriate. Assessments of the internal control system are undertaken by an independent internal auditor to retain the confidence in the effectiveness of internal control and improvements in working systems. The Board of Directors will take notice of these developments and participate in the decision-making process in various areas as appropriate and encompassing.

The Audit Committee has reviewed the internal control system for 2014 in accordance with the internal control standard prescribed by the Stock Exchange of Thailand, having regard to each assessment heading for internal control systems under 17 principles, and collectively finds that the Company Management, as well as the Auditor, have followed suitable practices and has therefore made a submission to the Board of Directors accordingly.

The Board of Directors finds that the Company's internal control systems in 2014 were sufficient and there is no other observation which has a significant impact on the Company. The Board of Directors has not found any transaction to indicate non-compliance with applicable rules, regulations and laws, or any corrupt practices. In any event, the Company has prescribed an anti-corruption policy, including practice guidelines for Directors, Executive Officers and employees, which must be strictly adhered, in order to secure the material confidence of third parties and to the society, and also to ensure that its businesses operate transparently, in particular the absence of any conflicts of interests of major shareholders, Directors, Executive Officers and persons related thereto. Lastly, the financial reports are found reliable and disclosure of information is accurate and complete.

Connected Transaction (Related Transaction)

At the meeting No. 5/2013 on December 20, 2013, the board of directors has approved the entered material assets or services into a related person for the year 2014 which the related directors do not attend and vote. The details of connected transaction are following (4 transactions);

Connectd Company	No. of Shares	Relationship/Connected Person		Description of Transaction	Value of the Approved	Reality Valued
		Co-Directors	Co-The majority shareholder			
1. Thai Sports Garment Co., Ltd. (TSG)	19.00%	Mr.Boonkiet Mrs.Somporn Mr.Chailert Mrs.Sunan	Saha Phatana Inter-Holding PLC (hold PG Shares 12.75%) (hold TSG Shares 15.00%)	Material Assets and Services Transaction - Rental Income - Advisory Income	4.5 Million 1.5 Million (Baht)	3,898,080.00 Baht <u>1,200,000.00 Baht</u> 5,098,080.00 Baht
2. ICC International PLC. (ICC) ICC hold PG's shares 5.25%	0.60%	Mr.Boonkiet Mr.Amorn	Chokwatana Asvanunt	Business Transaction - Royalty Expenses	3.5 Million (Baht)	590,392.39 Baht
3. Saha Phatana Inter-Holding PLC. (SPI) SPI hold PG's Shares 12.75%	0.44%	Mr.Boonkiet	Chokwatana	Material Assets and Services Transaction - Consultancy fee expense	400,000 Baht	360,000.00 Baht
4. Sahapatthanapibul PLC. (SPC) SPC hold PG shares 8.80%	0.07%	-	Saha Phatana Inter-Holding PLC (hold PG Shares 12.75%) (hold SPC Shares 20.63%)	Material Assets and Services Transaction - Rental Expenses	8.0 Million (Baht)	6,480,000.00 Baht

Board of directors resolves to approve transaction of connected person or asset. The director who is connected person which was voteless and the person did not attend the meeting is as follows:-

5. Issara United Co., Ltd.	-	Mr.Boonkiet	Chokwatana	Saha Pathanapibul Plc. (SPC) (Hold Issara United Shares 25%) (Hold PG Shares 8.80%) (SPI Major Share Holder (Hold SPC Share 20.32%/ICC 22.10%/PG 13.78%))	Condominium "Bann Thew Talay"	7,352,370 Baht
6. Torfun Property Co., Ltd.	-	Mr.Boonkiet	Chokwatana	International Laboratories Corp., Ltd (ILC) (Hold Torfun Property Share 21.67%) (SPI Hold ILC Share 25% / PG 13.78%)	Housing Project "Kensington Place"	10,200,000 Baht

Related party transaction

Regarding related party transaction, the company operated the transaction with ethical practice and fairness that comply with trading rules and conditions likewise determination to other person or business which is unrelated to each other.

Remuneration Policy

<i>Rental Income</i>	- The price is set by market price which depends on the location and the use of assets.
<i>Consultancy Fee Income</i>	- The compensation is set by difficulty and scope of service
<i>Royalty Expenses</i>	- The rate is percentage of the net ex-factory price.
<i>Consultancy Fee Expense</i>	- The compensation is set by difficulty and scope of service
<i>Rental Expenses</i>	- The price is set by market price which depends on the location and the use of assets.

The Volume of the Transaction

These transactions are the transactions between the Company and Related Company, which considered to be transactions prescribed in the notification of the Stock Exchange of Thailand.

Category 2 : Supporting normal business transaction.

Category 4 : Assets or services transaction.

The notification of the Stock Exchange of Thailand on Disclosure of the Information and Operation of the Listed Company B.E. 2546 (2003) as of the Category 2 and 4 states that the transactions is more than Baht 1 million but less than Baht 20 million or the transactions is more than 0.03% but less than 3% of Net Tangible Assets (NTA), whichever is higher. The Company's NTA as of December 31, 2013 was 1,485.31 million baht.

Opinion of the Board of Director and Audit Committee

Category 1 - 6 were approved because of the reasonable prices and other conditions. Transactions are about assets or services. Its size is more Baht 1 million but less than Baht 20 million or more than 0.03% but less than 3% of Net Tangible Asset (NTA) whichever is higher. That transaction must be approved from the Board of Director and disclosed the information to Stock Exchange of Thailand without approval from Shareholder.

Category 5 - 6 are not within the scope of practice to operate transaction that imply an assets acquisition or distribution of registered company.

Approval Procedures of related transaction

1. In the event of a connected transaction being a regular transaction, the management requested for Board of Directors Meeting no.2/2014 on May 12, 2014, approved the authorization to management for those transactions under normal trading terms that would be reasonably made between parties generally in the same circumstances and under trade bargaining powers free from influence in the capacity of being a Director, executive officer or connected person. In this regard, the management would make regular reports of all transactions under such conditions for the acknowledgement of the Board of Directors Meeting every quarter.

2. In the event of a connected transaction not being a regular transaction, if the value of the transaction does not require the approval of the meeting of shareholders under the Regulations of the Stock Exchange of Thailand, it will first be considered by the Executive Committee of the company. If the value of the transaction is within the authority of the Executive Committee, approval of the connected transaction would be complete at this stage where in the interested person would not participate in the meeting and cast vote. However, if the value of the connected transaction exceeds the authority of the Executive Committee, the Executive Committee would summarize its resolution and make a submission to the Board of

Directors, also attended by the Audit Committee, for approval. Also in such a meeting, the interested person would not participate in the proceedings and cast votes.

The Board of Directors considers transaction that might have conflict of interest or related transaction appropriately. Such related transactions are reviewed by Audit Committee. Moreover, the company discloses details of transaction that might have conflict of interest to public accurately and completely according to the notification of the Capital Market Supervisory Board No. Tor Jor. 21/2008 subject Rules for Connected Transaction.

Related Transaction in Future

Transactions with related parties will prevail but the volume depends on the economic situation as those with possible conflict of interests are the company's supply chain. The flexibility and adaptability of the supply chain will eventually facilitate the business competition and thus benefit the shareholders.

In future, related transaction will be transactions of normal business operating and without transferring interest between company and related person. The company holds regulations of Capital Market Supervisory Board, or other regulations strictly and concerns on reasonable in price and significant conditions in order to sustain benefits to shareholders and stakeholders equally and fairly.

Risk Management Committee Report for 2014

In the annual period of 2014, a number of occurrences have affected the general economic climate of the industry. The consequences of both external and internal factors have had an impact on the textile and garment business. For instance, the intense political conflict and the limited competency of the government to deal with the situation were widely acknowledged. Meanwhile, the international economy in general was persevering through a crisis with many countries caught in the snowball effect. Imports and exports missed estimates. Investment risks were as expected. Performance results were proportionally lowered and failed to materialize in gross earnings in accordance with the planned targets. The working group within the Risk Management Committee had to place emphasis on the prudent assessments and analyses of specific risks in each and every quarter in the previous year. Factors which were expected to become opportunities throughout a quarter were monitored. Investment plans were revised and market expansions accelerated in order to truly materialize business undertakings. The Board of Directors has taken into account the elimination of risks. However, the events occurring as a consequence of those risks could not be avoided. Governance measures had to be strengthened to integrate management in a move towards the set goals in the subsequent quarter.

The organisation's risk management scheme allows all sectors to participate in management under the policies and governance of the Board of Directors. There is an improving trend in line with the alleviating political situation. The international economy is gradually gaining traction. Factors directly affecting the economic system throughout the entire preceding period have been dealt with by the state's acceleration of policies and stimulus for materialization in all areas. Risk management by integration is one approach adopted by the organisation as a primary tool for management to identify business efficiencies for better results. In summary, the organisation still has secure assets, sufficient liquidity in the short and long terms, and under acceptable ratios, despite the continuing fluctuations in the current economy.

The Risk Management Committee expresses its confidence to the shareholders, who may be regarded as the business owners, and that it will strive to integrate conceptual strategies and manage risks within the assigned scope of responsibilities in order to achieve true results for the organisation.

General 

(Konecharnart Chunnabhata)
Chairman of the Risk Management Committee

Explanation and Analyses of Performance and Financial Standing

Synopsis

In 2014, the economic slowed down due to the reduction of product and service export resulting from slight recovery of global economic and decrease of tourist's confidence as a result of uncertain political situations. Furthermore, consumption of governmental sectors was quite low because of delay of procurement process at the period of political unrest. However, Thai economic seemed to be recuperable at the end of the year, especially consumption and investment of private sectors, thank to the increase of consumers and investors' trust.

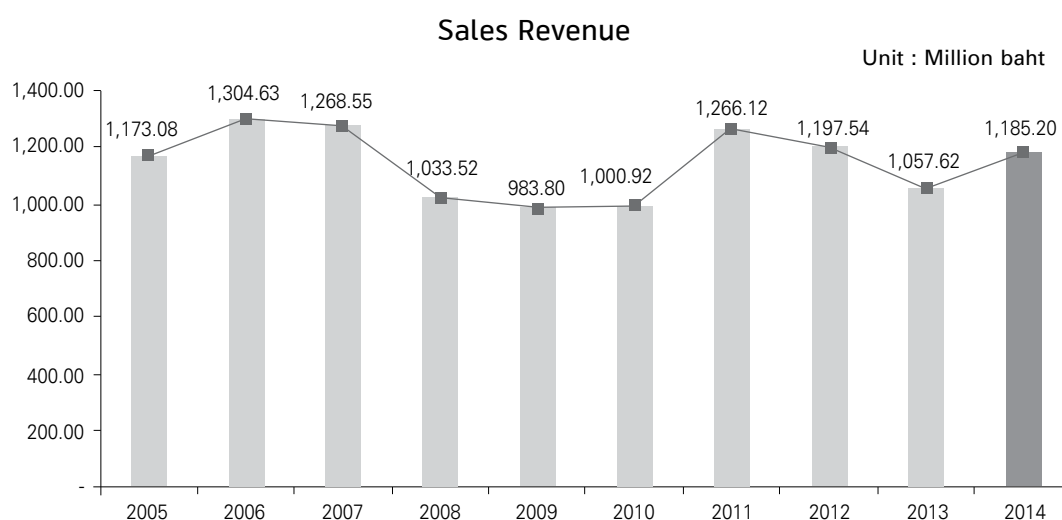
Synopsis of Performance

In 2014, the Company reached total sales of 1,185.20 million baht, increased by 12.06 percent, with net profits amounted 59.16 million baht, decreased by 29.59 percent. Total assets of the Company amounted 1,899.51 million baht, increased by 3.00 percent. Shareholder return totaled 3.81 percent and Return on Assets (ROA) valued 3.21 percent. The detail of which is explained as follows.

1. Analysis of Performances

Sales Revenue

In 2014, the Company had sales revenue amounted 1,185.20 million baht, increased by 127.58 million baht or 12.06 percent from 1,057.62 million baht in 2013, of which 214.64 million baht or 246.15 percent were increase from overseas sale due to raising of a key customer's purchase orders and expansion of new group of customers having potential purchasing power. Domestic sale decreased by 87.06 million baht or 8.97 percent as a result of the slowdown of customers' order and domestic political situation affecting touristic industry and volume of consumption.



Other Revenues

The Company had other revenues of 56.88 million baht in 2014, a 7.54 million baht or 15.29 percent increase from 49.34 million baht in 2013, due to the management on investments, properties and exchange rates resulting to the profits from exchange rate of Forward Contract and natural hedge. Other Revenues mostly comprised of interests amounted 16.02 million baht, dividend amounted 14.22 million baht, rental fee amounted 7.14 million baht, gain on exchange rates amounted 5.35 million baht and gain on investments amounted 3.54 million baht.

Sales Costs

The Company's sales costs in 2014 amounted 75.25 percent of sales revenue which increased by 5.40 percent compared to 69.85 percent in the previous year as a result of the increase of cost in gross sales required to manage cost of materials and production efficiency.

Sale Expenses

In 2014, the Company had sale expenses amounted 58.99 million baht, 6.45 million baht or 12.29 percent higher from 52.54 million baht in 2013 due to the increase of foreign sales' expenses.

Administrative Expenses

In 2014, the Company had administrative expenses amounted 231.12 million baht, increased by 2.78 million baht or 1.22 percent from 228.34 million baht in the previous year. This was due to destroying of obsolete and deteriorated goods.

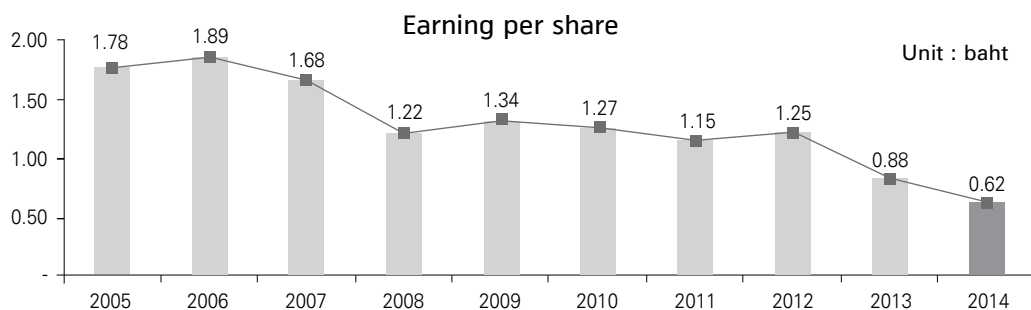
Corporate Income Tax

In 2014, the Company had corporate income tax amounted 0.90 million baht, decreased by 2.41 million baht from 3.31 million baht in the previous year.

Net Profits

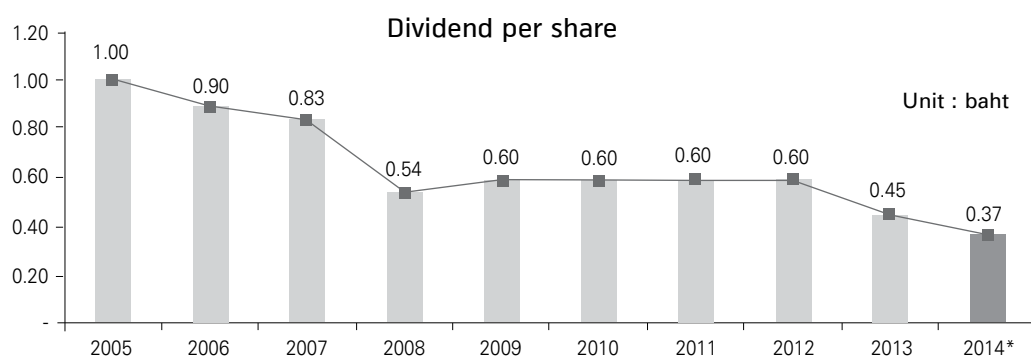
In 2014, the Company had net profits totaled 59.16 million baht, decreased by 24.87 million baht or 29.59 percent from 84.03 million baht in the previous year. The Company gained earning per share amounted 0.62 baht, net profits per gross income amounted 4.76 percent, shareholder return amounted 3.81 percent and return on assets (ROA) amounted 3.21 percent. The decrease of net profits resulted from the reduction of domestic sales and higher costs of foreign sales.

The number of net profits was proper due to amount of cash flow totaled 104.55 million baht as a result of punctual settlement on debt and management of inventory.



Shareholder Returns

The Company has a policy to pay dividends at a rate, which is not over 50 percent of net profit, and it depends on the Company's operation and economic trend. The Company thoroughly returns benefit to its shareholders by means of dividend. In 2014, the Company gained net profits amount 59.16 million baht and earnings per share amounted 0.62 baht. The Board of Directors' meeting No. 2/2015 held on 26 February 2015 proposed a dividend payment for the year 2014 at the rate of 0.37 baht per share, which will total to 35.52 million baht or 60.04 of net profits. The increase of dividend payment was due to the adjustment of employees' benefits resulting torising of net profits. The dividend was proposed to pay on 20 May 2015.



Remark* The Board of Directors' meeting proposed a dividend payment at the rate of 0.37 baht per share and the approval will be further sought from the shareholders' meeting which will be held on 28 April 2015.

2. Financial Standing

As of 31 December 2014, the Company's total assets were 1,899.51 million baht, increased by 55.30 million baht or 3.00 percent from the total amount in 31 December 2014. The Company's current assets decreased amounted 3.89 million baht and non-current assets increased amounted 59.19 million baht. Total assets of the Company comprised of cash and cash equivalents 6.46 percent, short-term investment 10.21 percent, trade and other receivables 10.60 percent, inventories 19.25 percent, available-for-sale 26.62 percent, long-term investment 13.20 percent, net of land, property and equipment amounted to 9.76 percent and other 3.90 percent.

Current Assets

As of 31 December 2014, current assets of the Company were 907.59 million baht, decreased from the year 2013 by 3.89 million baht resulting from the reduction of inventories due to suitable management of them.

Non-current Assets

As of 31 December 2014, non-current assets of the Company were 991.92 million baht, increased from the year 2013 by 59.19 million baht resulting from the investment in long-term bond in order to increase more benefits.

Cash and Cash Equivalents

As of 31 December 2014, cash and cash equivalents of the Company amounted 122.73 million baht, increased by 3.61 million baht from 119.21 million baht in 2013 due to the investment in bank deposit, with not over 3 months period, for short-term expenditure.

Short-term Investment

As of 31 December 2014, short-term investment of the Company amounted 193.97 million baht, increased by 67.17 million baht from 126.80 million baht in 2013 due to the investment in bank deposit, with more than 3 months but not over 1 year period, and liquidated open-end fund.

Trade and Other Receivables

As of 31 December 2014, the Company had trade and other receivables amounted 201.30 million baht, increased by 3.63 million baht from 197.67 million baht in 2013 as a result of higher volume of sales. Trade receivables were 194.55 million baht and other receivables were 6.75 million baht. Trade receivables comprised of receivable, which its debt was not reach due date of payment, amounted 151.40 million baht or 77.82 percent, receivable with due date of payment within 2 months amounted 42.69 million baht or 21.94 percent resulting from debtors' payment policy which is different from the Company's due of payment and overdue receivable amounted 0.46 million baht or 0.24 percent. Mostly of the Company's trade receivables settled the debt on time.

Inventories

As of 31 December 2014, inventories of the Company were 365.60 million baht, decreased by 24.21 million baht from 389.81 million baht in 2013 due to the management of inventories being suitable for manufacture and sale.

Property, Plant and Equipment

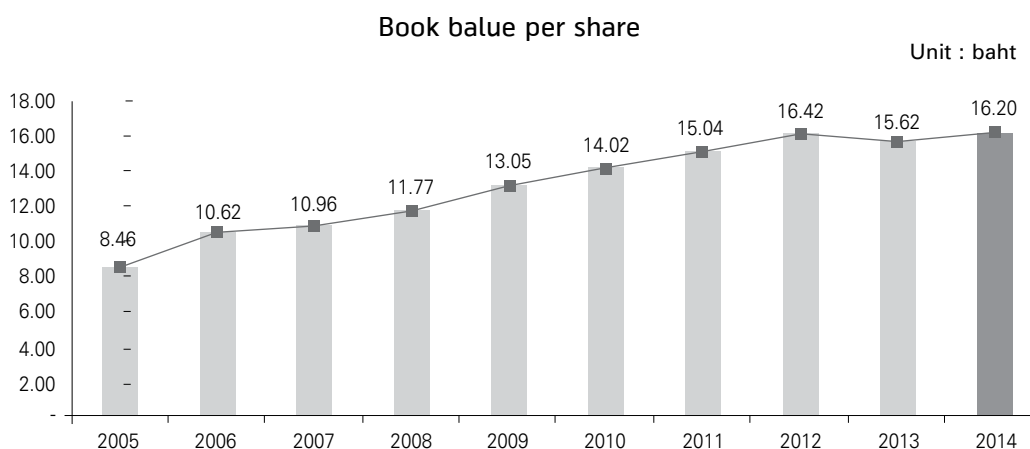
As of 31 December 2014, the Company had property, plant and equipment amounted 185.34 million baht, decreased by 24.79 million baht from 210.13 million baht as a result of the debit of depreciation amounted 35.30 million baht, maintenance of facilities as well as buying more machinery, equipment and other amounted 11.05 million baht.

Total Liabilities

As of 31 December 2014, the Company had total liabilities amounted 344.60 million baht, increased by 0.20 million baht or 0.06 percent from the previous year. This resulted from the decrease of loans from financial institutions amounted 17.02 million baht comprising of the Company's Letter of Credit, without interest burden, which the account payable provided to the confirming bank in foreign countries. Trade and other payables increased by 16.42 million baht, an increase of 22.18 million baht in trade accounts payable. While the other payables decreased by 5.76 million baht due to the increase of purchasing of raw materials in order to keep up with the production of products. The deferred tax liabilities increased in the amount of 7.75 million baht due to the revision of the accounting standard and the unrealized gains from changes in the value of securities available for sale. Moreover, the employees benefit obligation decreased in the amount of 4.68 million baht due to changing on number of employees resulting to re-calculation of the employees benefit obligation by the actuary.

Shareholders' Equity

As ended 2014, shareholders' equity of the Company amounted 1,554.85 million baht. The number increased by 55.09 million baht or 3.67 percent from 1,499.76 million in the previous year. Since the Company's net profit in 2014 amounted 59.16 million baht, the adjustment of employees' benefit resulted in the increase of accumulated profit in the amount of 12.80 million baht. The Company paid dividend for the operation of 2013 amounted 43.20 million baht. The other components of shareholders' equity increased in the amount of 26.34 million baht. As ended 2014, book value per share of the Company valued 16.20 baht, increasing from 15.62 baht as ended 2013 by 0.58 baht per share.



3. Asset Quality

Available for Sale

The Company had available for sale amounted 505.71 million baht, increased by 37.11 million baht from 468.60 million baht in the previous year. The available for sale comprised of the investment in ordinary shares increased to 18.74 million baht, the sale of ordinary shares amounted 14.56 million baht and unrealized gain as a result of changing in the value of securities available for sale raised to 32.92 million baht.

The Company complied with the Accounting Standard volume 105 regarding the accounting for the investment in debenture and equity. This was resulting to the Company's unrealized gain from changing of value of net investment in income tax, which is being a part of shareholders' equity amounted 208.81 million baht. Furthermore, there was the proper rate of dividend, which was higher than the interest of bank deposit.

Other Long-term Investment

The Company had other long-term investment amounted 250.68 million baht, increased by 46.74 million baht. Most of the long-term investment was investment in ordinary shares amounted 54.53 million baht, long-term bank deposit amounted 20.02 million baht, debt securities (debenture) amounted 176.12 million baht and impairment of investment amounted 5.54 million baht. Moreover, the Company transferred the debenture that would be expired within 1 year into short-term investment in the amount of 20 million baht and dissolution of a company amounted 2.50 million baht.

The Company complied with the Accounting Standard volume 36 regarding the impairment of the assets for investment in a business, which is non-listed in the Stock Exchange of Thailand. The review of impairment is to be made ever year. In 2014, the reversal of the impairment of the investment was made in the amount of 3.09 million baht. Moreover, considering the book value of the investment, long-term investment had totally higher than the cost that the Company invested. Also, there was dividend, which was higher than the interest of bank deposit.

Property, Plant and Equipment

At present, property, plant and equipment had values in market price more than values shown in the financial statement. The number was shown in the form of the cost deducted by accumulated depreciation. The Company has managed the assets and caused revenues, property and factories. The Company has always bought new machineries using instead of the old one. Some of them are for rent. For the machinery, most of them were modern and had potential for the production.

4. Liquidity

Cash Flow

In 2014, the Company had cash and cash equivalent amounted 122.73 million baht, increasing by 3.61 million baht from 119.12 million in the previous year due to the deposit in the financial institution for the period of not over 3 months.

The Company had net cash for the operation amounted 104.55 million baht, increased by 68.30 million baht from 36.25 million baht due to the increase of income from higher volume of sales.

The Company also had cash flow for the investment amounted 40.71 million baht as a result of cash from the monetary management, investment in temporary investment, deposit with financial institution amounted 47.48 million baht, buying ordinary shares amounted 18.74 million baht, debenture amounted 86.15 million baht. The expenditure of buying equipment and intangible assets (computer program) amounted 13.60 million baht and gain on selling long-term investment amounted 17.32 million baht, dividend amounted 14.21 million baht, gain on interest amounted 16.04 million baht, sales of fixed assets amounted 0.67 million baht and debenture amounted 77.0 million baht.

The Company had cash flow for financing amounted 60.22 million baht comprised of the payment for short-term loan and the Company's Letter of Credit, without interest burden, which the account payable provided to the confirming bank in foreign countries.

Adequacy of Liquidity

The Company had proper liquidity. In 2014, the Company's liquidity ratio was 4.98 times and was 4.92 times in 2013. As ended of 2014, quick liquidity ratio equivalents to 2.97 times while the ratio of 2013 was 2.82. Cash and cash equivalent were adequate for dividend payment and future investment. Furthermore, the Company had very low debt to equity ratio. As ended of 2014 was 0.22 times and 0.23 times in 2013 resulting to the Company's wealth and adequacy of liquidity.

Sources of Capital

The Company's capital spending for operation and investment was from gain on operation and investment. For long-term investment, bank deposit, ordinary shares and debenture were considered as gain on interest and dividend. The Company had no interest-bearing liabilities. Most of the Company's liabilities shown in the financial statement were trade account payable and other payable.

Commitments

The detail of which are provided in the Notes to the Financial Statements clause 27, Commitments and Contingent Liabilities.

Factors Affecting the Company's Future Operation

According to the modification of operation's policy of Devanlay S.A., the owner of Lacoste trademark, the Company will be terminated the right to sale Lacoste in the year ended of 2015.

In order to increase sales volume of International Brand's products, the Company, with the cooperation of I.C.C. International Public Company Limited, searched for new licensed trademark for the Company's products. "Felix Buhler", the international brand of Switzerland, was our choice.

Financial Ratios

		2014	2013	2012
Liquidity Ratios				
Current Ratio	Times	4.98	4.92	5.43
Quick Ratio	Times	2.97	2.82	3.52
Activity Ratios				
Account Receivable Turnover	Times	6.19	5.43	5.75
Average Collection Period	Days	58.99	67.20	63.44
Fixed Asset Turnover	Times	5.96	4.81	5.14
Account Payable Turnover	Times	3.42	3.32	4.30
Average Payment Period	Days	106.80	109.88	84.88
Cash Cycle	Days	36.85	59.91	63.78
Inventory Turnover	Times	4.31	3.56	4.28
Average Sale (Inventory) Period	Days	84.67	102.59	85.22
Total Asset Turnover	Times	0.66	0.59	0.69
Leverage Ratios				
D/E Ratio	Times	0.22	0.23	0.22
Interest Coverage Ratio	Times	30,030.00	87,340.00	67,545.00
Profitability Ratios				
Gross Profit Margin	%	24.75	30.15	32.28
Net Profit Margin	%	4.99	7.95	9.99
Return on Asset	%	3.21	4.65	7.48
Return on Equity	%	3.81	5.60	7.59

The Board of Director's Responsibility Report towards Financial Statements

The Board of Directors duly recognized their obligations and responsibilities on behalf of the directors of listed company regarding to the compilation of financial statements of People's Garment Public Company Limited. Said financial statements were prepared in accordance with Thai Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimate. Significant information was disclosed adequately in the notes to financial statements. The explanation and analyses of company performance and financial standing were provided for advantage of shareholders and investors. Said financial statements were duly audited and unconditionally verified by independent certified auditors.

Furthermore, the board of directors enhances good governance and promotes to have effectiveness of risk management and internal control system. Accounting information was recorded with correct and complete manner, also sufficient for safeguarding the company's asset and against any significant fraud and abuse.

The Audit Committee consists of independent directors who officiate at reviewing the quality of the financial and internal control report. The audit committee's opinion was stated in audit committee report which shown in Annual Report and Form 56-1.

The board of directors gave its opinion that good corporate governance practice, risk management system and internal control system of company are adequate and appropriate. The financial statements as of December 31, 2014 was prepared correctly and presented significant main point.



Mr. Boonkiet Chokwatana
President to Board of Directors



Mr. Charoen Charoenwatanasuksom
Chairman of Executive Directors

Audit Committee Report

The Audit Committee of People's Garment Public Company Limited comprises 3 Independent Directors, namely Mr. Amorn Asvanunt, Chairman of the Audit Committee, Mrs. Nuchanart Thammanomai and Mr. Santi Bangor. Members of the Audit Committee possess all the prerequisite qualifications under the Regulation of the Stock Exchange of Thailand, being qualified persons with experience in accounting, finance, law, economics and administration.

The Audit Committee performs functions independently pursuant to duties and responsibilities prescribed by the Stock Exchange, Securities and Exchange Commission and Audit Committee Charter. In the year 2014, the Audit Committee held a total of 5 meetings. Functions performed included the supervision and review of financial statements for accuracy and completeness under important accounting standards, as well as the assessment and monitoring of internal control results to ensure that the Company's business operations are in line with the set objectives and targets. Significant functions performed by the Audit Committee may be summarised as follows:

Review of Financial Statements

The Audit Committee has reviewed and heard explanations given by the Company's Auditor in regard to each quarter and the annual report for 2014. Questions were directed to the Company's Management with respect to the essential substances of the Company's financial statements in order to obtain information on the items stated in the financial statements in accordance with accounting principles and standards, full disclosure, compliance with prescriptions of the Stock Exchange and related laws. It was found that disclosure in the Notes to the Financial Statements was free from any conflict with essential facts. The Audit Committee was of the opinion that the Financial Statements have been prepared in accordance with financial reporting standards before forwarding to the Board of Directors for approval of the Quarterly Financial Statements and Annual Financial Statement for 2014.

Review of Connected Transactions

The Audit Committee has reviewed connected transactions in 2014 and found that there was no transaction which conferred benefits to a connected person. Connected transactions were made in the ordinary course of business and authorization of annual transaction limit has been sought. Those connected transactions were transparent, reasonable, fair, free from any conflicts of interests, in compliance with prescriptions of the Securities and Exchange Commission and beneficial to the Company.

Review of Internal Control System

The Audit Committee has reviewed the internal control system, which includes the independence of the internal audit unit, functions and responsibilities of the internal auditor, internal audit under the operational plan, review of the scope of audit to ensure focus on the effectiveness of internal control points, modifications of audit plans, approval of operational plans, manpower, annual budget and amendments to the internal control unit charter. The Audit Committee finds that the Company's internal control system is appropriate and sufficient for the Company's business operations and no significant defects were found in the internal audit.

Review of Compliance with Laws, Regulations and Rules

The Audit Committee has reviewed Company's operations regulated by prescriptions of various state agencies, prescriptions of the Securities and Exchange Commission and laws relating to the Company and finds that the Company has sufficiently complied with those prescriptions. The Audit Committee also finds that the Company has taken responsibility to operate its businesses in accordance with laws, regulations and rules applicable to the Company's business operations.

Appointment and Remuneration of Auditor

The Audit Committee has considered the appointment of the Auditor for the year 2015. The Auditor must possess sufficient personnel to ensure that auditing meets accounting standards in accordance with the Company's operations. The Audit Committee further finds that EY Office Limited possesses all the prerequisite qualifications under the Rules of the Stock Exchange of Thailand and therefore nominates Mr.Chayapol Suppasertanon C.P.A. registration number 3972/or Mrs.Gingkarn Atsawarangsali C.P.A. registration number 4496/ or Ms.Rosaporn Decharkom C.P.A. registration number 5659/ or Ms.Sumana Punpongsanon C.P.A. registration number 5872/ as Auditor for the financial year ending on 31st December 2015, and proposes an audit fee in the amount of 1,000,000 baht for approval by the General Meeting of Shareholders for 2015.

Meetings and Assessment of Audit Committee Performance

In the annual period of 2014, the Audit Committee held a total of 5 meetings. All meetings were attended by Audit Committee Members as properly constituted quorums. Items for consideration in the agenda included the approval of significant financial statements, opinions on the accuracy, completeness and reliability of financial statements, sufficiency of internal control system and internal audit plan. In all cases, the Audit Committee has performed duties under its responsibility independently and with due care and prudence.

An assessment of the Audit Committee's collective performance has shown that performance criteria have been satisfied. The Audit Committee has aided the administration of the Company's business, secured the confidence amongst all stakeholders and constantly supported the Company's compliance with good governance principles.

On behalf of the Audit Committee



Mr. Amorn Asvanunt

Chairman of the Audit Committee

Auditor's Report

To the Shareholders and the Board of Directors of People's Garment Public Company Limited:

I have audited the accompanying financial statements of People's Garment Public Company Limited which comprise the statements of financial position as at December 31, 2014, and the related statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of People's Garment Public Company Limited as at December 31, 2014, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



(Vichai Ruchitanont)

Certified Public Accountant Registration Number 4054

ANS Audit Company Limited

Bangkok, February 26, 2015

Statements of Financial Position

People's Garment Public Company Limited

As at December 31, 2014

Assets

		Unit : Thousand Baht	
	Notes	2014	2013
Current Assets			
Cash and cash equivalents	5	122,734	119,119
Temporary investments - net	6	193,973	126,797
Current portion of long-term investments	10.1	20,000	77,000
Trade and other receivables - net	4, 7	201,298	197,674
Inventories - net	8	365,597	389,806
Other current assets		3,989	1,080
Total Current Assets		907,591	911,476
Non-Current Assets			
Long-term investments - available for sale securities	9	505,709	468,601
Long-term investments - others	10	250,676	203,944
Investments property	11	387	387
Property, plant and equipment - net	12	185,339	210,133
Intangible assets - net	13	9,701	11,039
Deferred tax assets	14	31,596	32,219
Other non-current assets	4	8,515	6,414
Total Non-Current Assets		991,923	932,737
Total Assets		1,899,514	1,844,213

The accompanying notes are an integral part of the financial statements.

Statements of Financial Position

People's Garment Public Company Limited

As at December 31, 2014

Liabilities and Shareholders' Equity

Unit : Thousand Baht

	Notes	2014	2013
Current Liabilities			
Short-term borrowings from financial institutions		1,344	18,366
Trade and other payables	4, 15	178,509	162,085
Accrued income tax		-	2,429
Other current liabilities		2,469	2,306
Total Current Liabilities		182,322	185,186
Non-Current Liabilities			
Deferred tax liabilities	14	55,853	48,100
Employee benefit obligations	16	106,485	111,170
Total Non-current Liabilities		162,338	159,270
Total Liabilities		344,660	344,456
Shareholders' Equity			
Share capital			
Authorized share capital			
96,000,000 common shares, at Baht 1 each		96,000	96,000
Issued and paid-up share capital			
96,000,000 common shares, at Baht 1 each		96,000	96,000
Premium on share capital		325,200	325,200
Retained earnings			
Appropriated			
Legal reserve	17	9,600	9,600
General reserve	18	2,500	2,500
Unappropriated		912,741	883,980
Other components of shareholders' equity		208,813	182,477
Total Shareholders' Equity		1,554,854	1,499,757
Total Liabilities and Shareholders' Equity		1,899,514	1,844,213

The accompanying notes are an integral part of the financial statements.

Statements of Comprehensive Income

People's Garment Public Company Limited

For the year ended December 31, 2014

		Unit : Thousand Baht	
	Notes 3, 4, 22	2014	2013
Revenues			
Revenues from sales		1,185,197	1,057,616
Other incomes	20	56,881	49,336
Total revenues		<u>1,242,078</u>	<u>1,106,952</u>
Expenses	21		
Costs of sales		891,905	738,733
Selling expenses		58,990	52,535
Administrative expenses		231,123	228,344
Total expenses		<u>1,182,018</u>	<u>1,019,612</u>
Profit before finance costs and income tax		60,060	87,340
Finance Costs		(2)	(1)
Profit before income tax		60,058	87,339
Tax income	14	(895)	(3,311)
Profit for the years		<u>59,163</u>	<u>84,028</u>
Other comprehensive income			
Gain (loss) on investment-available			
for sale revaluation - net from tax		26,336	(102,740)
Actuarial gain - net from tax	16	12,798	-
Total comprehensive income (loss) for the years		<u>98,297</u>	<u>(18,712)</u>
Basic earnings per share (Baht)	3	<u>0.62</u>	<u>0.88</u>
Issued and paid-up common shares (shares)		<u>96,000,000</u>	<u>96,000,000</u>

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Shareholder's Equity

People's Garment Public Company Limited

For the year ended December 31, 2014

		Unit : thousand Baht							
	Notes	Share capital Issued and paid-up	Premium on share capital	Retained earnings			other components of shareholder's equity	Total	
				Appropriated		Unappro- priated			
				Legal reserve	General reserve	Gain (loss) on investment - available for sale revaluation			
Balance as at January 1, 2013		96,000	325,200	9,600	2,500	857,552	285,217	1,576,069	
Dividend paid	19	-	-	-	-	(57,600)	-	(57,600)	
Total comprehensive income (loss) for the year		-	-	-	-	84,028	(102,740)	(18,712)	
Balance as at December 31, 2013		96,000	325,200	9,600	2,500	883,980	182,477	1,499,757	
Dividend paid	19	-	-	-	-	(43,200)	-	(43,200)	
Total comprehensive income for the year		-	-	-	-	(71,961)	26,336	98,297	
Balance as at December 31, 2014		96,000	325,200	9,600	2,500	912,741	208,813	1,554,854	

The accompanying notes are an integral part of the financial statements.

Statement of Cash Flows

People's Garment Public Company Limited

For the year ended December 31, 2014

	Unit : Thousand Baht	
	2014	2013
Cash flows from operating activities:		
Profit before income tax	60,058	87,339
Adjustments to reconcile profit before income tax to net cash flow from operating activities:		
Depreciations	35,404	37,110
Amortization of intangible assets	3,349	2,299
Amortization of leasehold right	470	470
Allowance for doubtful accounts	2,500	598
Provisions for goods returned	640	711
Allowance for obsolescence stock	4,242	3,545
Reversal of allowance for long-term investments devaluation	(590)	(225)
Unrealized (gain) loss on temporary investments	282	(141)
Gain on disposal of long-term investments	(2,764)	(9,665)
Loss from reclassified its investments in trading securities to investment in available-for-sale securities	-	12,974
Interest income	(16,021)	(17,433)
Dividend income	(14,218)	(13,565)
Gain on disposal of fixed assets	(237)	(488)
Loss from disposal of intangible assets	542	-
Unrealized loss on exchange rates	861	618
Interest expenses	2	1
Provisions for employee benefits obligations	14,231	15,968
Profit from operating activities before changes in operating assets and liabilities	88,751	120,116
Operating assets (increased) decreased		
Trade and other receivables	(6,687)	7,109
Inventories	19,967	(75,767)
Other current assets	(2,074)	(670)
Other non-current assets	(2,571)	(900)
Operating liabilities increased (decreased)		
Trade and other payables	15,486	10,465
Other current liabilities	163	(3,956)

The accompanying notes are an integral part of the financial statements.

Statement of Cash Flows

People's Garment Public Company Limited

For the year ended December 31, 2014

	Unit : Thousand Baht	
	2014	2013
Cash received from operating activities	113,035	56,397
Employee benefits obligations paid	(2,919)	(5,054)
Interest paid	(2)	(1)
Income tax paid	(5,566)	(15,095)
Net cash from operating activities	104,548	36,247
Cash flows from investing activities:		
Temporary investments increased	(2,460)	(47,595)
Deposit at financial institutions (increased) decreased	(45,018)	173,000
Cash paid for acquisition of long-term investments	(18,734)	(115,762)
Cash received from sales of long-term investments	17,319	14,666
Dividend income from investments	14,209	13,565
Cash paid for investments in debt securities held-to-maturity	(86,145)	(25,000)
Cash received from investments in debt securities held-to-maturity	77,000	40,000
Received from interest income	16,044	20,489
Cash paid for acquisition of fixed assets	(11,046)	(15,679)
Cash received from sales of fixed assets	673	510
Cash paid for acquisition of intangible assets	(2,553)	(6,890)
Net cash from (used in) investing activities	(40,711)	51,304
Cash flows from financing activities:		
Increased (decreased) in short-term borrowings from financial institutions	(17,022)	18,366
Dividend payment	(43,200)	(57,600)
Net cash used in financing activities	(60,222)	(39,234)
Net increased in cash and cash equivalents	3,615	48,317
Cash and cash equivalents at beginning of the years	119,119	70,802
Cash and cash equivalents at end of the years	122,734	119,119
Supplemental Disclosures of Cash Flows Information		
Non-Cash transaction:		
Gain (loss) from available for sale securities revaluation - net from tax	26,336	(102,740)

The accompanying notes are an integral part of the financial statements.

PEOPLE'S GARMENT PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1. GENERAL INFORMATION

People's Garment Public Company Limited ("the Company") is a juristic person established under Thai law and listed on the Stock Exchange of Thailand.

Head office and factory is located at 666 Rama 3 Road, KwaengBangpongpan, KhetYannawa, Bangkok 10120.

Factory-branch 1 is located at 77 Moo 6, Lampang-Chiangmai Road, TambolBaanklang, AmphurMuang, Lamphun 51000.

Factory-branch 2 is located at 114 Moo 5, Wellgrow Industrial Estate, Bangna-Trad Road, Tambol Bangsamak, AmphurBangpakong, Chachoengsao 24130.

Factory-branch 3 is located at 216 Moo 5, Suwannasorn Road, TambolNonthri, AmphurKabinburi, Prachinburi 25110.

The Company's activity is Manufacturing and distributing ready-made clothes.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Accounting Standards ("TAS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and with generally accepted accounting principles in Thailand and applicable rules and regulations of the Securities and Exchange Commission.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

They are prepared on the historical cost basis, except as disclosed in respective accounting policies.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

The preparation of financial statements in conformity with TAS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Therefore, actual result may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

New accounting standards

Below is a summary of accounting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Accounting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend These accounting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These accounting standards do not have any significant impact on the financial statements.

(b) Accounting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new accounting standards that become effective for fiscal years beginning on or after January 1, 2015. These accounting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these accounting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognize such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognize them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgments when reviewing whether the Company has control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company believes that the standards will not have any significant impact on the Company's financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other accounting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognized prospectively.

Based on the preliminary analysis, the management of the Company believes that this standard will not have any significant impact on the Company's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenses recognition

The Company recognized revenues and expenses on an accrual basis.

The Company recognized sales and cost of sales whenever goods are delivered, and the significant risks and rewards have been transferred to the buyer.

The Company recognized dividend income when the shareholder's right to receive is established.

The Company recognized rental income over the lease period.

Cash and cash equivalents

Cash and cash equivalents are cash on hand and deposits at financial institutions, and all highly liquid investments due not more than 3 months from the date of acquisition with no obligation.

Investments in Open-end Fund

Investments are investments in Open-ended Fund, which are classified in the statements of financial position as trading securities, are carried at their fair values. The fair value is calculated by net asset value of the fund as at the reporting date. Gain or loss on valuation is realized in the statements of comprehensive income.

The Company calculated cost of disposed securities during the year by the weighted average method.

Investments in securities

Investments in trading securities are marketable securities which stated at fair value, with the objective for trading. Gain or loss on valuation is realized in the statements of income.

Investments in available-for-sale securities are marketable securities which stated at fair value, with the objective for long-term investments. Gain or loss on valuation is realized on gain (loss) on investment-available as separate item in the other comprehensive income.

The Company recognized of reclassified its investments in marketable equity securities from investment in trading securities to investment in available-for-sale securities by using fair value at the date of transfer in the accounting and recognize the difference between the carrying value and fair value at that date in the income statement immediately.

The Company calculated cost of the disposed securities during the year by the weighted average method.

Investments in debt securities are classified as held-to-maturity.

Trade receivables

Trade receivables are stated at net realizable value.

Allowance for doubtful accounts

The Company provided allowance for doubtful accounts for the estimated losses that may be incurred from the uncollectible accounts receivable.

Allowance for good returned

The estimation for goods returned is set up by assessing from the past experience and other relative factors.

Inventories

Finished goods are stated at cost or net realizable value, whichever is the lower. Cost is based on the average method.

Goods in process are stated at average cost of raw materials including labor and manufacturing expenses.

The Company set up provision for diminution in value for the non-moving inventories over six months.

Investments in related companies

The related companies are those companies in which the Company has shareholding and/or the companies which directly or indirectly have some common management, major shareholders or such related persons. Investments in related companies are recorded at cost and deducted with provision for diminution in investment value.

Investments property

Investment property includes land and plant held to earn rental income.

Land stated at cost less impairment loss (if any) and plant stated at cost less accumulated depreciation and impairment loss (if any).

Depreciation of plant is calculated by the straight-line method based on the estimated useful life of 20 years.

Property, plant and equipment

Land is stated at cost less impairment loss (if any).

Building and equipment are stated at cost less accumulated depreciation and impairment loss (if any). Depreciation is calculated by the straight-line method based on the estimated useful life of the following assets:

	Useful life (years)
Building	20 and 50
Machinery	5, 10, 15 and 20
Other	3, 5, 10 and 15

Intangible assets

Intangible assets mean the computer software used in the Company's operations which are stated at cost less cumulative amortization and impairment loss (if any).

Amortization is calculated by the straight-line method based on the estimated useful life of 5 years.

Leasehold right

Leasehold right stated at cost less cumulative amortization.

Amortization is calculated by the straight-line method based on the lease period.

Employee benefits

Short-term benefits

The Company recognized salaries, wages, bonus and social security contribution as expenses on an accrual basis.

Post-employment benefits - defined contribution plan

The Company operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and the Company. Contributions to the provident fund are charged to the statement of comprehensive income in the period to which they relate.

Post-employment benefits – defined benefit plan

The employee benefits obligations for severance payment as the labor law is recognized as a charge to results of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

When the employee benefits are improved, the portion of the increased benefit relating to past service by employees is recognized in the statement of comprehensive income on a straight-line basis over the average period until the benefits become vested.

When the actuarial assumptions are changed, the Company recognized actuarial gains or losses in the statement of comprehensive income for the period in which they arise.

Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Income tax

Income tax expense comprises current tax and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognizes deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to the statement of comprehensive income over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the useful life of the asset.

Lease of assets where a significant portion of the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are recognized as expenses in the statement of comprehensive income over the period of the lease.

Foreign currency transactions

Foreign currency transactions are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities at the statements of financial position converted to Baht at the rate of exchange in effect on that date. Except the agreed transactions of forward exchange contracts with the banks, will be recorded at fair value.

Gains or losses on exchange rates are credited or charged to statement of comprehensive income.

Earnings per share

Basic earnings per share are calculated by dividing the annual net profit by the number of issued and paid-up common stocks at the end of the year.

4. TRANSACTIONS WITH RELATED PARTIES

The Company had business transactions with related parties. These parties are directly and indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the conditions specified in the mutual agreement and in normal business. The Company and the parties concerned.

Related parties	Relationship
1. Listed companies on the stock exchange	See Note 9
2. Related companies	See Note 10.2
3. Thanulux Plc.	Sharedholders
4. S&J International Enterprises Pls.	Co-directors

The significant transactions with related parties as at December 31, can be summarized as follows:

Unit : Thousand Baht		
Particulars	2014	2013
Statements of financial position		
Trade receivables		
- I.C.C. International Plc.	129,074	114,872
- Other companies	4,399	1,601
Total	133,473	116,473
Other receivables	258	238
Investment-fair value (Notes 9 and 10)	425,377	406,675
Deposit for purchase condominium	3,700	2,343
Trade payables	3,777	5,854
Other payables	51	1,302
Allowance for goods returned	6,351	5,711

Unit : Thousand Baht

Particulars	2014	2013
Statements of comprehensive income		
Revenue from sales		
- I.C.C. International Plc.	603,452	729,271
- S&J International Enterprise Plc.	41,702	6,348
- Other companies	4,663	4,676
Total	649,817	740,295
Dividend Income	11,465	12,188
Other incomes	9,973	9,350
Purchase of goods and raw materials	17,189	28,471
Royalty fees	15,844	18,148
Other expenses	10,402	9,788

Income from sales, purchase of goods and raw materials, other income and expenses as shown in the statements of comprehensive income are in accordance with general trading conditions under fixing price or at market price. For the transactions with no reference of market price, the agreed prices according to the agreement are applied.

Management compensation - for key management personnel

Management compensation - for key management personnel for the years ended December 31, were consist of the following:

Unit : Thousand Baht

Particulars	2014	2013
Short-term benefits	18,096	19,877
Post-employment benefits	727	703
Total management compensation-for key management personnel	18,823	20,580

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of:-

Unit : Thousand Baht

	2014	2013
Cash on hand	316	347
Cash at banks - current account	10,865	9,840
Cash at banks - saving account	9,547	13,929
Fixed deposits/Certificates of Deposits/Bills of Exchange	102,006	95,003
Total cash and cash equivalents	122,734	119,119

6. TEMPORARY INVESTMENT- NET

Temporary investment as at December 31, consisted of:-

Unit : Thousand Baht		
Particulars	2014	2013
Deposit at financial institutions	164,001	99,003
Open-end Fund-Debt securities	29,597	27,653
Temporary investment - at cost	193,598	126,656
<u>Add</u> unrealized gain on investment revaluation	375	141
Total temporary investment - net	193,973	126,797

7. TRADE AND OTHER RECEIVABLES - NET

Trade and other receivables as at December 31, consisted of:-

Unit : Thousand Baht		
Particulars	2014	2013
Trade receivables		
Trade receivables - related companies	133,473	116,473
Trade receivables - other companies	71,930	79,777
Total trade receivables	205,403	196,250
<u>Less</u> Allowance for doubtful accounts	(4,500)	(2,000)
<u>Less</u> Allowance for goods returned	(6,351)	(5,711)
Total trade receivables - net	194,552	188,539
Other receivables		
Other receivables - related companies	258	238
Other receivables - other companies	6,488	8,897
Total other receivables	6,746	9,135
Total trade and other receivables - net	201,298	197,674

As at December 31, 2014 and 2013, the Company had outstanding balances of trade receivables aged as follows:

Unit : Thousand Baht		
Particulars	2014	2013
Trade receivables - related companies		
Current	125,318	116,228
Overdue		
within 2 months	8,155	245
Total trade receivables - related companies	133,473	116,473
Trade receivables - Other companies		
Current	26,080	56,951
Overdue		
within 2 months	34,537	13,638
Over 2-6 months	5,722	3,677
Over 6-12 months	936	3,167
Over 12 months	4,655	2,344
Total trade receivables - other companies	71,930	79,777
Total trade receivables	205,403	196,250

8. INVENTORIES - NET

Inventories as at December 31, consisted of:-

Unit : Thousand Baht		
Particulars	2014	2013
Finished goods	210,555	220,694
Goods in process	62,109	42,493
Raw materials	112,534	117,455
Supplies	4,451	4,501
Raw material in transit	2,796	27,269
Total inventories	392,445	412,412
<u>Less</u> Allowance for devaluations of inventories	(26,848)	(22,606)
Total inventories - net	365,597	389,806

9. LONG-TERM INVESTMENT – AVAILABLE FOR SALE SECURITIES

Long-term investment-available for sale securities as at December 31, consisted of:-

Unit : Thousand Baht

Particulars	Holding (%)		Investments		Dividends	
	2014	2013	2014	2013	2014	2013
Maketable securities						
Investments in related companies						
Saha Pathana Inter-Holding Plc.	0.49	0.44	30,129	25,597	558	501
I.C.C. International Plc.	0.60	0.60	45,655	45,655	2,086	2,173
Boutique New City Plc.	0.02	0.02	124	124	-	1
Far East DDB Plc.	0.03	0.03	117	117	17	19
Thai President Foods Plc.	0.04	0.04	1,046	1,046	288	260
Bangkok Rubber Plc.	0.02	0.02	385	385	-	-
Saha Pathanapibul Plc.	0.07	0.07	1,220	1,220	233	233
Thai Wacoal Plc.	0.04	0.04	760	760	113	120
President Bakery Plc.	1.00	1.00	13,500	13,500	4,950	4,365
Sahacogen (Chonburi) Plc.	0.54	0.54	12,152	12,152	1,025	922
Total - at cost			105,088	100,556	9,270	8,594
Add Unrealized gain on investment revaluation in related companies			265,755	252,175		
Investment in related companies - fair value			370,843	352,731		

Unit : Thousand Baht

Particulars	Investments		Dividends	
	2014	2013	2014	2013
Investment in other company				
Central Pattana Plc.	13,144	13,144	142	105
Land and houses Plc.	4,986	4,986	168	-
Minor International Plc.	-	4,960	70	60
Krung Thai Bank Plc.	14,678	14,678	502	250
The Erawan Group Plc.	10,499	10,499	297	-
Tisco Financial Group Plc.	10,600	10,600	400	-
BTS Rail mass transit growth in frastructure fund	418	421	24	11
CH. Karnchang Plc.	7,556	7,548	147	68
AP (Thailand) Plc.	5,550	5,450	370	250
Kasikornbank Plc.	-	9,595	152	25
Sansiri Plc.	10,517	8,812	393	-
Bangkok Bank Plc.	10,051	-	-	-
Intouch Holding Plc.	2,937	-	89	-
Total - at cost	90,936	90,693	2,754	769
<u>Less</u> unrealized loss on investment revaluation in other company	(7,523)	(24,029)		
Investment in other company - fair value	83,413	66,664		
Open-end Fund-Debt securities and Equity securities	48,670	49,256		
<u>Add</u> unrealized gain (loss) on investment revaluation	2,783	(50)		
Open - end Fund - Debt securities and Equity securities at fair value	51,453	49,206		
Investment in available for sale securities at fair value	505,709	468,601	12,024	9,363

During the years ended December 31, 2014 and 2013, the Company recognized gain loss from revaluation, sale, and reclassified of investment - net as “Other incomes” in statements of comprehensive income:-

Unit : Thousand Baht		
Particulars	2014	2013
Unrealized loss from reclassified its investments in trading		
securities to investment in available-for-sale securities	-	(12,974)
Gain from sale investment		
available for trading securities	-	4,014
available for sale securities	3,258	9,677
Unrealized gain - available for trading securities	282	141
Total	3,540	858

Unit : Thousand Baht				
Related Companies	Type of Business	Relationship	Paid-up Capital	
			2014	2013
Saha Pathana Inter-Holding Plc.	Investment	Co-director and shareholder	494,034	494,034
I.C.C. International Plc.	Commerce	Co-director and shareholder	290,634	290,634
Boutique New City Plc.	Garment	Shareholder	120,000	120,000
Far East DDB Plc.	Agency and advertising	Co-director and shareholder	75,000	75,000
Thai President Foods Plc.	Food	Shareholder	180,000	180,000
Bangkok Rubber Plc.	Footwear	Co-director and shareholder	1,634,572	1,634,572
Saha Pathanapibul Plc.	Commerce	Shareholder	318,422	318,422
Thai Wacoal Plc.	Garment	Shareholder	120,000	120,000
President Bakery Plc.	food	Shareholder	450,000	450,000
Sahacogen (Chonburi) Plc.	Generating and distributing	Co-director and shareholder	955,000	955,000

10. LONG-TERM INVESTMENTS – OTHERS

Long-term investments - others as at December 31, consisted of:-

Unit : Thousand Baht		
Particulars	2014	2013
Debt securities - mature on 2 to 5 years	146,122	75,000
Debt securities - mature on 6 to 7 years	30,000	35,000
Deposit with financial institutions (mature over 12 months)	20,020	40,000
Investment in related companies	60,074	62,574
<u>Less</u> Allowance of investment devaluation	(5,540)	(8,630)
Total of long-term investments - others	250,676	203,944

10.1 Investment in Debt Securities

Unit : Thousand Baht								
Particulars	2014				2013			
	Mature on				Mature on			
	1 year	2 - 5 year	6 - 7 year	Total	1 year	2 - 5 year	6 - 7 year	Total
PTT Global Ghemical Public Company Limited	-	-	20,000	20,000	7,000	-	-	7,000
Thai Oil Public Company Limited	-	-	-	-	20,000	-	-	20,000
BANPU Public Company Limited	-	-	-	-	30,000	-	-	30,000
PTT Public Company Limited	-	60,000	10,000	70,000	20,000	30,000	35,000	85,000
Bank of Ayudhya Public Company Limited	20,000	-	-	20,000	-	20,000	-	20,000
IRPC Public Company Limited	-	10,000	-	10,000	-	5,000	-	5,000
CP ALL Public Company Limited	-	40,000	-	40,000	-	20,000	-	20,000
Advanced Wireless Network Company Limited	-	10,000	-	10,000	-	-	-	-
SCG Public Company Limited	-	26,122	-	26,122	-	-	-	-
Total investment in debt securities	20,000	146,122	30,000	196,122	77,000	75,000	35,000	187,000

10.2 Investments in Related Companies

Unit : Thousand Baht

Particulars	Holding (%)		Investments		Dividends	
	2014	2013	2014	2013	2014	2013
Thai Sports Garment Co., Ltd.	19.00	19.00	1,900	1,900	950	950
Champ Ace Co., Ltd.	15.00	15.00	6,000	6,000	-	1,500
S.T.G.C. Co., Ltd.	10.00	10.00	250	250	-	-
Waseda Education (Thailand) Co., Ltd.	7.14	7.14	4,000	4,000	-	-
Thai Takaya Co., Ltd.	3.33	3.33	1,000	1,000	-	40
Cosmo Express Trading Co., Ltd.	4.00	4.00	*256	*256	-	-
Sriracha Aviation Co., Ltd.	1.82	1.82	1,000	*1,000	50	-
SSDC (Tigertext) Co., Ltd.	2.35	2.35	8,977	8,977	342	304
Sahapat properties Co., Ltd.	2.00	2.00	400	*400	160	-
Thai Staflex Co., Ltd.	2.00	2.00	1,200	1,200	48	180
Treasure Hill Co., Ltd.	2.00	2.00	*4,000	*4,000	-	-
Sahapat Real Estate Co., Ltd.	2.00	2.00	5,000	5,000	150	150
Thai Naxis Co., Ltd.	1.50	1.50	300	300	75	50
Pan Land Co., Ltd.	0.67	0.67	*2,000	*2,000	-	-
Five Star Plus Co., Ltd.	-	5.00	-	*2,500	-	-
Thai Bunka Fashion Co., Ltd.	4.00	4.00	*1,000	*1,000	-	-
Erawan Textile Co., Ltd.	2.46	2.46	17,041	17,041	-	-
Bangkok Tokyo Socks Co., Ltd.	4.89	4.89	5,750	5,750	420	420
Total investment in related companies			60,074	62,574	2,195	3,594
<u>Less</u> *Allowance of investment devaluation			(5,540)	(8,630)	-	-
Investment in related companies			54,534	53,944	2,195	3,594

Unit : Thousand Baht

Related Companies	Type of Business	Relationship	Paid-up Capital	
			December 31, 2014	December 31, 2014
Thai Sports Garment Co., Ltd	Manufacturing and distributing garment	Co-management/director and shareholders	10,000	10,000
Champ Ace Co., Ltd.	Manufacturing and distributing garment and leather	Co-management/director and shareholders	40,000	40,000
S.T.G.C. Co., Ltd.	Research and develop weaving materials	Shareholders	2,500	2,500
Waseda Education (Thailand) Co., Ltd.	Language institute	Shareholders	56,000	56,000
Thai Takaya Co., Ltd.	Manufacturing and distributing garment	Shareholders	30,000	30,000
Cosmo Express Trading Co., Ltd.	Trading	Shareholders	8,000	8,000
Sriracha Aviation Co., Ltd.	Maintenance	Shareholders	55,000	55,000
SSDC (Tigertext) Co., Ltd.	Bleaching and dyeing	Co-directors and shareholders	324,000	324,000
Sahapat Properties Co., Ltd.	Investing	Shareholders	20,000	20,000
Thai Staflex Co., Ltd.	Manufacturing and distributing paste	Shareholders	60,000	60,000
Treasure Hill Co., Ltd.	Golf course	Co-directors and shareholders	200,000	200,000
Sahapat Real Estate Co., Ltd.	Real estate	Shareholders	250,000	250,000
Thai Naxis Co., Ltd.	Production and distributing label	Shareholders	20,000	20,000
Pan Land Co., Ltd	Real estate	Co-directors and shareholders	300,000	300,000
Five Star Plus Co., Ltd.	Manufacturing and distributing label	Co-directors and shareholders	-	50,000
Thai Bunka Fashion Co., Ltd.	Design institute	Co-directors and shareholders	25,000	25,000
Erawan Textile Co., Ltd.	Spun yarn and fabrics	Shareholders	465,094	465,094
Bangkok Tokyo Socks Co., Ltd.	Manufacturing and distributing socks	Shareholders	143,220	143,220

11. INVESTMENT PROPERTY

Investment property as at December 31, consisted of:-

Particulars	Unit : Thousand Baht	
	2014	2013
Investment property-net	387	387
Fair Value	15,305	11,000
Rental income	3,898	3,898

The fair value assessed by an independent appraiser, using market data and replacement cost.

Investment property represented the land and plant which plant are fully depreciated and has been rented to a related company with rental charge of Baht 3.9 million per year. The agreement is automatically renewed unless either of the parties hereto terminates the agreement.

12. PROPERTY, PLANT AND EQUIPMENT – NET

Property, plant and equipment as at December 31, 2014 consisted of:-

Particulars	Unit : Thousand Baht								
	Land	Building	Machinery	Tools equipment	Furniture and fixture	Furniture and equipment	Vehicles	Assets installation	Total
Cost									
As at January 1, 2014	43,540	117,651	305,289	55,163	125,848	116,707	26,609	610	791,417
Increase during the year	-	-	3,199	638	3,681	3,132	107	289	11,046
Decrease during the year	-	-	-	(438)	-	(1,612)	(4,278)	(426)	(6,754)
As at December 31, 2014	43,540	117,651	308,488	55,363	129,529	118,227	22,438	473	795,709
Accumulated depreciation									
As at January 1, 2014	-	71,726	246,244	46,222	98,736	100,496	17,860	-	581,284
Increase during the year	-	4,150	12,024	1,403	8,268	6,563	2,996	-	35,404
Decrease during the year	-	-	-	(438)	-	(1,602)	(4,278)	-	(6,318)
As at December 31, 2014	-	75,876	258,268	47,187	107,004	105,457	16,578	-	610,370
Net book value as at January 1, 2014	43,540	45,925	59,045	8,941	27,112	16,211	8,749	610	210,133
Net book value as at December 31, 2014	43,540	41,775	50,220	8,176	22,525	12,770	5,860	473	185,339

Depreciation for the years ended December 31, 2014 and 2013 are Baht 35.40 million and Baht 37.11 million, respectively, including the statements of comprehensive income.

As at December 31, 2014 and 2013 the Company's plant and equipment amounting to Baht 440.75 million and Baht 431.58 million, respectively, are fully depreciated but are still in use.

13. INTANGIBLE ASSETS - NET

Intangible assets as at December 31, 2014 consisted of:-

Unit : Thousand Baht

Particulars	Computer program	Computer program under installation	Total
Cost			
As at January 1, 2014	27,058	817	27,875
Increase during the year	2,435	118	2,553
decrease during the year	-	(542)	(542)
As at December 31, 2014	29,493	393	29,886
Accumulated amortization			
As at January 1, 2014	16,836	-	16,836
Increase during the year	3,349	-	3,349
As at December 31, 2014	20,185	-	20,185
Net book value as at January 1, 2014	10,222	817	11,039
Net book value as at December 31, 2014	9,308	393	9,701

14. DEFERRED TAX ASSETS AND LIABILITIES

Movements in deferred tax assets and liabilities during the year were as follows:

Unit : Thousand Baht

Particulars	January 1, 2014	Movement increase (decrease)		December 31, 2014
		Profit (loss)	other comprehensive income	
Deferred tax assets:				
Allowance for goods returned	1,143	128	-	1,271
Inventories	4,521	849	-	5,370
Investment in related companies	1,726	(618)	-	1,108
Unrealized loss from reclassified its investments in trading - securities to investment in available - for - sale securities	2,595	(44)	-	2,551
Employee benefit obligations	22,234	2,262	(3,200)	21,296
Total deferred tax assets	32,219	2,577	(3,200)	31,596
Deferred tax liabilities :				
Available - for sale securities	45,619	-	6,584	52,203
Property, Plant and equipment (Depreciation)	2,481	1,169	-	3,650
Total deferred tax liabilities	48,100	1,169	6,584	55,853

Tax expenses for the years ended December 31, were as follows:-

Unit : Thousand Baht		
Particulars	2014	2013
Profit before income tax	60,057	87,339
Income tax rate	20%	20%
Current income tax expense as tax rate	12,011	17,468
Non-deductible expenses by the Revenue Code	726	296
Double expenses by the Revenue Code	(886)	(1,452)
Exception revenue by Revenue Code		
- Dividend income	(2,844)	(2,713)
- BOI	(8,112)	(10,288)
Tax expense	895	3,311
The average effective tax rate	1%	4%

The Company used income tax rate of 20% for the calculation of corporate income tax for the year ended December 31, 2014 and 2013 attributable to the Section 5 of the Royal Decree Issued Under the Revenue Code Regarding Deduction in Tax Rate No. 577 B.E. 2557 and No. 530 B.E. 2554, respectively.

15. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, consisted of:-

Unit : Thousand Baht		
Particulars	2014	2013
Trade payables		
Trade payables - related companies	3,777	5,854
Trade payables - other companies	147,033	122,777
Total trade payables	150,810	128,631
Other payables		
Accrued royalty expenses	6,258	6,464
Unearned income	2,003	450
Accrued bonus	4,679	8,675
Accrued others expenses	5,437	4,239
Others	9,322	13,626
Total other payables	27,699	33,454
Total trade and other payables	178,509	162,085

16. EMPLOYEE BENEFIT OBLIGATIONS

Movement of the present value of employee benefits obligation for the years ended December 31, 2014 and 2013 as follows:

Unit : Thousand Baht		
Particulars	2014	2013
Post-employment benefit plan		
Employee benefit obligations as at beginning of the years	111,170	100,256
Current service cost	11,144	12,740
Interest cost	3,087	3,228
Paid of employee benefits obligations during the years	(2,919)	(5,054)
Actuarial gain	(15,997)	-
Net employee benefit obligations as at ending of the years	106,485	111,170

Employee benefit expenses in the statements of comprehensive income for the years ended December 31, consisted of:-

Unit : Thousand Baht		
Particulars	2014	2013
Current service cost	11,144	12,740
Interest from obligation	3,087	3,228
Total employee benefits expenses	14,231	15,968

Employee benefit expenses for the years ended December 31, as shown in the statements of comprehensive income as follows:-

Unit : Thousand Baht		
Particulars	2014	2013
Costs of sales	6,202	6,303
Administrative expenses	8,029	9,665
Total employee benefits expenses	14,231	15,968

Principal actuarial assumptions (express as weighted averages) as follows:-

Percentage		
Particulars	December 31, 2014	December 31, 2013
Discount rate	3.33	3.31
Future salary increase rate	3.00 - 5.00	5.00 - 10.00
Monthly employee turnover rate	8 - 30	8 - 40
Daily employee turnover rate	8 - 40	17 - 70

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

17. LEGAL RESERVE

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set aside legal reserve at least 5% of annual net profit until meet 10% of authorized share capital. Such legal reserve is not allowed to pay for dividend. The Company has completely provided for the legal reserve which duly met 10% of authorized share capital.

18. GENERAL RESERVE

The Company allocated portion of profit as general reserve without specific objective.

19. DIVIDEND PAYMENT

The Ordinary General Shareholders' Meeting No. 35 held on April 22, 2014, approved the dividend payment for the year 2013 at rate of Baht 0.45 per share, amounted of Baht 43.20 million which the dividend payments are drawn from BOI promotional net profit of the BOI Certificate No. 1446(2)/2550. The dividend was paid on May 20, 2014.

The Ordinary General Shareholders' Meeting No. 34 held on April 23, 2013, approved the dividend payment for the year 2012 at rate of Baht 0.60 per share, amounted of Baht 57.60 million which the dividend payments are drawn from BOI promotional net profit of the BOI Certificate No. 1446(2)/2550 at rate of Baht 0.52 per share and from Non-BOI promotional net profit, which subject to 30% corporate income tax, at rate of Baht 0.08 per share. The dividend was paid on May 21, 2013.

20. OTHER INCOMES

Other incomes for the years ended December 31, were as follows:-

Particulars	Unit : Thousand Baht	
	2014	2013
Rental income	7,141	5,703
Interest income	16,021	17,433
Dividend income	14,218	13,565
Gain from investment (Note 9)	3,540	858
Foreign exchange earnings	5,351	2,319
Other	10,610	9,458
Total other incomes	56,881	49,336

21. Expenses by Nature

Significant expenses by nature for the years ended December 31, were as follows:-

Unit : Thousand Baht		
Particulars	2014	2013
Increase in changes of finished goods and work in process	(9,477)	(24,525)
Purchase of finished goods	53,066	55,006
Raw materials and consumable used	562,415	477,945
Directors and management benefit expenses	18,823	20,580
Employee benefit expenses	272,910	285,992
Depreciation and amortization expenses	39,223	39,879
Royalty expenses	33,287	39,854
Loss on diminution in inventories	4,242	3,545

22. OPERATING SEGMENTS

Geographic information

The Company operates in one business segment, that is the business of manufacturing and distributing ready-made garment and has geographical areas with both local and export sales. The geographic operation results for years ended December 31, are classified as follows:-

Unit : Thousand Baht						
Particulars	2014			2013		
	Local	Export	Total	Local	Export	Total
Revenue from sale	883,358	301,839	1,185,197	970,414	87,202	1,057,616
Other income			56,881			49,336
Cost of sales			(891,905)			(738,733)
Selling expenses			(58,990)			(52,535)
Administrative expenses			(231,123)			(228,344)
Finance costs			(2)			(1)
Tax expenses			(895)			(3,311)
Profit (loss) for the years	70,588	(11,425)	59,163	87,260	(3,232)	84,028
Property, plant and equipment - net			185,339			210,133

Information about major customers

The Company has revenues from transactions with a foreign customer amount more than 10 percent of its revenues in the statements of comprehensive income for the years ended December 31, 2014 and 2013 in amount of Baht 228.43 million and Baht 11.99 million, respectively.

23. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company has information relating to financial instruments both in and off the statements of financial position as follows:-

23.1 Accounting policies and procedure

Accounting policies are disclosed in Note 3 to the financial statements.

23.2 Credit risk

- The Company has concentrations of risks as most of trade accounts receivable are related parties. However, such account receivables are customer with trading transactions for a long time and have a capability to pay debt.
- For other customers, management has a credit policy to control credit risk by analyzing the financial position of all customers who request credit term.
- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of credit risk.

23.3 Interest rate risk

Risk from the fluctuation in interest rate may have negative effect to the Company for the current and the future years. The Company expects that they can manage the contingent risk, due to the Company has set a plan and follow up the situation closely.

23.4 Risk from exchange rate

The Company has risk from the fluctuation of foreign exchange rates, due to some debtors and creditors arisen from the trading in foreign currencies. The Company has entered into some forward exchange contracts according to Note 24.2. These assets and liabilities are mainly in short terms. The Company, therefore, expects no material risk from the exchange rate.

23.5 Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of financial instruments:

- Financial assets shown at book value which equal to estimated fair value.
- Financial liabilities shown at book value almost the same with fair value, due to such liabilities will be matured in short term.

23.6 Capital management

The Board's policy is to maintain a strong capital base so as to maintain assurance of shareholder, investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital which the Company defines as result from operating activities divided by total shareholders' equity, excluding Non-controlling interests and also monitors the level of dividends to ordinary shareholders.

24. FOREIGN CURRENCY TRANSACTIONS

24.1 Assets and liabilities in foreign currencies

The Company has a policy to cover foreign exchange exposure of assets and liabilities in foreign currencies whereby the Company will deposit money received from sales in foreign currencies with bank for payment of expenses and creditors in foreign currencies. Balance of significant assets and liabilities of the Company in foreign currencies as at December 31, as follows:

Unit : Thousand Baht				
Particulars	2014		2013	
	Foreign currencies	Convert to Baht	Foreign currencies	Convert to Baht
Assets				
USD	906	29,480	855	27,859
Total		29,480		27,859
Liabilities				
USD	2,204	72,994	1,484	48,996
EUR	840	34	1	38
HKD	83	4	8	34
YEN	72,030	20	72	23
Total		73,052		49,091

24.2 Buying and selling forward exchange contracts

As at December 31, 2014, the Company had purchased and sold forward exchange contracts with a commercial bank to hedge against the exchange rates risk on collections and payment denominated in foreign currencies for anticipated purchase and sales. These forward contracts cover the period less than 1 year are summarized below:

Currency	Foreign currency	Baht equivalent
Purchased contract of foreign currency		
USD	84,531	2,796,068
EURO	43,000	1,755,700

25. REGISTERED PROVIDENT FUND

The Company has set up and registered provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987), in order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation. The Company and the employees partly contribute 3-5% of their basic salaries. It has also appointed TISCO Asset Management Company Limited to be the fund manager.

Provident fund contributions made by the Company for its employees and recorded as expenses in the statements of comprehensive income for the years ended December 31, 2014 and 2013 are Baht 5.54 million and Baht 5.70 million, respectively.

26. PROMOTIONAL PRIVILEGES

The Company was grant 1 promotional certificates as follows:

Particulars	
1. Promotional certificates No.	1446(2)/2550
2. Date of promotional certificate	4/5/2550
3. Effective date	15/2/2551
4. To promote investment in the business of	Weaving products or fragment
5. Important privileges which are granted:	
5.1 Exemption rom corporate income tax on net profit from promotional operation commencing from the revenue generating date.	8 Years Not exceeded Baht 184.63 million
5.2 Exemption from income tax on dividend from promoted business which was exempted from income tax 5.1.	8 Years
5.3 Allowance for reduction the corporate income tax from promotional ne profit at 50% of normal rate after the exemption for corporate income tax ended, as 5.1.	5 Years
5.4 Allowance for double deduction of transportation expenses, electricity and water supplies, commencing from the revenue generating date	10 Years
5.5 Allowance for deduction the investment for installation or construction of facility in addition to normal depreciation	25% of invesment

27. COMMITMENTS AND CONTINGENT LIABILITIES

27.1 As at December 31, 2014 and 2013, the Company had a commitment with bank for the letters of guarantee issued by bank totaling Baht 11.03 million and Baht 7.29 million, respectively.

27.2 As at December 31, 2014 and 2013, the Company had unused letters of credit amount of USD 46,406.55 and USD 50,803.20, respectively.

27.3 The Company has entered into an agreement with the person who is granted in a trademark license agreement for manufacturing and distributing ready-made garment. It is the counter agreement which each party must comply according to the conditions stipulated in the agreement of totaling 4 trademarks. The royalty fees are payable at 5.00% - 7.50% on sale income

27.4 The Company has commitments with regard to operating lease agreement where the Company is the lessee with leasing terms of 1-6 years. As at December 31, 2014 and 2013, the Company had obligations to pay lease payments in the future as follows:

Particulars	Unit : Thousand Baht	
	2014	2013
Due within 1 year	1,572	2,134
Due over 1 year but not over 5 years	262	1,776
Over 5 years	53	111
Total	1,887	4,021

- 27.5 The Company has entered into the Lease Agreement to lease the space of The SANTORINI PARK CHA-AM at 555 Moo 3, Tambol Khaoyai, Amphur Cha-am, Phetchaburi with Theme Plaza Development Co., Ltd. for the period beginning from September 1, 2014 to April 1, 2015, which the Company has commitment to pay monthly rental based on percentage of sales according to the rates specified in the lease agreement.
- 27.6 The Company has entered into the purchase and sale agreements with 2 related companies, which are related by some of common directors, for two condominium units totaling Baht 17.55 million. As at December 31, 2014 and 2013, the Company has an obligation to pay for the condominiums amounted of Baht 13.85 million and 15.21 million, respectively.
- 27.7 The Company has an obligation to pay a remaining consulting fee of Baht 2.7 million to a consulting company to provide financial advisory services.

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's authorized directors to be issued February 26, 2015.

Remuneration of Company Auditor

1. Audit fee

Unit : Baht

Payer	Auditor Name	Audit Fee
People's Garmen Public Company Limited	Mr.Vichai Ruchitanont	740,000.-
Total		740,000.-

2. Non-audit fee

Unit : Baht

Payer	Facilitator	Type of Work Other Services (non-audit fee)	Remuneration for other Services	
			Payment during Year	Future payment
People’s Garment Public Company Limited	ANS Audit Company Limited	License Examinations	-	20,000
		BOI Examination	-	30,000
Total Non-Audit Fee			-	50,000

3. Remuneration of Auditors in 2014 and 2013

Unit : Baht

Type of Work	2014	2013
Review of the Financial Statement for 1 st , 2 nd and 3 rd	360,000	330,000
Review of the Annual Financial Statement	380,000	370,000
Total	740,000	700,000
License Examine	20,000	20,000
BOI Examination	30,000	30,000
Grand Total	790,000	750,000

General Information

Name of Company	: People's Garment Public Company Limited
Stock Code	: PG
Type of Business	: Manufacturing and Distributing Textile & Garment
Registration No.	: 0107537001552
Year of Establishment	: 1980
Listed Date	: September 29, 1988
Headquarter Address	: 666 Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120
Tel.	: 66-2685-6500
Fax	: 66-2294-5159
Website	: http://www.pg.co.th
Registered Capital	: 96 Million Baht
Paid-Up Capital	: 96 Million Baht Comprised of 96 Million Common Stocks
Par Value	: 1 Baht Per Value
Preferred Stock	: None

Investment in the other companies by being shareholder 10% or more

Company Name	Type of Business	Paid-Up Capital (Common Stock)	Share Hold		(%)
			Shares	Amount (Baht)	
Thai Sports Garment Co., Ltd. 666 Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120	Manufacturing and Distributing Garment	10,000,000	19,000	1,900,000	19
Champ Ace Co., Ltd. 58 soi Charoen Rat 7 Cross.Rd. 29-1 (right side), Bankklo, Bangkholaem Bangkok 10120	Manufacturing and Distributing Garment and Leatherwork	40,000,000	60,000	6,000,000	15
S.T.G.C. Co., Ltd. 930/1 Soi Pradu 1, Sathupradit Road, Bankklo, Bangkholaem, Bangkok 10120	Textile Research&Development	2,500,000	2,500	250,000	10

References Persons

Registrar	: Thailand Securities Depository Company limited 62 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Kholng Toei, Khlong Toei, Bangkok 10110 Tel. 66-2229-2800 Fax. 66-2654-5642, 66-2654-5645		
Auditor	: Mr.Vichai Ruchitanont Certified Public Accountant Registration No. 4054 Mr.Atipong Atipongsakul Certified Public Accountant Registration No. 3500 Mr.Sathien Vongsnan Certified Public Accountant Registration No. 3495 Ms.Kultida Pasurakul Certified Public Accountant Registration No. 5946 ANS Audit Company Limited 100/72, 22nd Floor, 100/2 Vongvanij Building B, Rama 9 Road, Huaykwang, Bangkok, 10320 Tel. 66-2645-0109 Fax. 66-2645-0110		

Corporate Governance Committee Report

People's Garment Public Company Limited has appointed a Corporate Governance Committee to support the Board of Directors with respect to the prescription of policies and practices on good governance as well as to ensure that the Company's governance is premised on the foundations of good corporate governance principles, business ethical standards, in compliance with applicable laws and regulations. The Corporate Governance Committee comprises 4 members, as follows:

Mr.Santi	Bangor	Independent Director and Chairman of Corporate Governance
Mr.Charoen	Charoenwatanasuksom	Director
Mrs.Sunan	Niyomnaitham	Director
Mrs.Suvimol	Charoensrichai	Director and Secretary of Corporate Governance

In 2014, the Corporate Governance Committee held 2 meetings and attended one Executive Committee meeting in the fourth quarter. The Corporate Governance Committee has performed the functions stipulated in the Corporate Governance Committee Charter and has given approval to the following agenda:

1. Approval of revisions to the governance policy, corporate governance principles, business ethics and Codes of Conduct for Directors, Executive Officers and employees in line with Company strategy and the Stock Exchange of Thailand's Good Governance Principles for Listed Companies 2012 as well as international practices.

2. Approval of the organisation's vision and mission. The Corporate Governance Committee attended one meeting of the Executive Committee in the fourth quarter to ensure consistency with the business goals and strategies, as well as management policies which are responsible to the society and environment. This is to comply with disclosure guidelines of the Office of the Securities and Exchange Commission which require disclosure of policies and activities showing responsibility for the society and the environment in the Annual Disclosure (Form 56-1) and Annual Report (Form 56-2).

3. Approval of anti-corruption policies in preparation for the membership subscription process of the CAC (Private Sector Collective Action Against Corruption), as well as to show commitment to operating the business with integrity, honesty, transparency and fairness. The Company is responsible to society and all stakeholders. A guideline has been established to prevent any involvement in corruption. These policies have already been approved by the Board of Directors.

The Corporate Governance Committee is confident that the level of commitment and determination shown by the Board of Directors, Executive Officers and all employees will enable the Company to develop, promote and raise the standard of governance and business ethics in parallel with social and environmental responsibility undertakings in a transparent and exemplary manner, which would be beneficial to both the organisation and society as a whole.

On behalf of the Corporate Governance Committee



(Mr. Santi Bangor)

Chairman of the Corporate Governance Committee



Corporate Governance

Corporate Governance

The Board of Directors of People's Garment Public Company Limited has attached importance and devoted its determination to undertake business operations on the basis of good governance principles. The rules on good corporate governance and regulations of the Securities and Exchange Commission have been factors in strengthening the organization in terms of securing efficient governance systems and exhibiting loyalty, honesty, transparency, fairness, responsibility and accounting of the rights of all stakeholders, which are comprehensive, appropriate and consistent with current situations premised on the foundation of the sufficiency economy principle.

The Board of Directors annually reviews the good corporate governance principals in compliance with new principals. The company has adjusted its corporate governance principals (2nd revised edition) by following "Principals of corporate governance for listed companies year 2012" of The Stock Exchange of Thailand and conforming to ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) which is measure instrument the level of good corporate governance of ASEAN listed company. The details are as following;

Good Corporate Governance policies

1. 5 Sections of Good Governance principles
2. Code of Conduct
3. Ethics of Board of Directors, management and employees

The new policy was approved by the Board of Directors Meeting No.1/2014 on 19 February 2014 and was published on the company's Website, www.pg.co.th, and Intranet system for the management and employees to acknowledge and follow accordingly.

Corporate Governance Policies

The Board of Directors is confident that a proper, transparent and accountable governance system is in place along with checks and balances and an internal control system that is sufficient and appropriate. Alongside these mechanisms are due respect for the rights and equality of shareholders and accountability to all stakeholders.

These key factors contribute to the enhancement of the organization's immunity and promotion of a balanced and sustainable growth in the long-term.

In pursuance thereof, the Board of Directors thereby prescribed the following governance policies as a practice guideline for the Company directors, Executive Officers and all employees.

1. Company Directors, Executive Officers and all employees are fully committed to the application of governance principles, business ethics and Codes of Conduct for Company Directors, Executive Officers and employees to Company operations.

2. Company Directors, Executive Officers and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.

3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committee and Executive Officer.

4. An internal control system shall be installed and risks shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.

5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.

6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.

7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.

8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.

9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.

10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.

11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

In 2014, the Company has been awarded as the listed company which abided by the Good Corporate Governance Principles and regulations of shareholder's meeting as following details;

- The Company was evaluated full 100 points in level "Excellent" from 2014 Annual General Meeting of Shareholders by Investors Association Thailand. The Company has been granted "Investors' Choice Award", with 100% AGM, for 6 consecutive years, since 2009 to 2014.

- The Company was evaluated by Thai Institute of Directors (IOD) as one of the 108 listed companies of "very good" companies, according to the report of the corporate governance of listed companies in 2014.

- The company granted SET Award 2014 in Best Corporate Social Responsibility Awards

Chapter 1: Rights of Shareholder

The Board of Directors has realized the importance of the shareholders and local institutions rights in having basic rights and individual rights through acceptable methods and measures without violating shareholder rights. However, every shareholder has only one voting right and no privileges. The regulations on shareholders rights are described as follows:

1. Basics Right

- Right to own, sell, buy or transfer shares.
- Right to participate in the shareholder's meeting, and to vote for any significant approvals.
- Right to authorize the independent directors or any person(s) as his/her proxy in attending the meeting
- Right to appoint or discharge the Directors as well as consider their remuneration
- Right to appoint auditors and their remuneration
- Right to give opinions and ask questions in the meeting of shareholders
- Right to be equally allocated of the profit/dividend

2. The right to Access to the Information

Shareholders have the right to access to adequate information including on time and up to date, even some cases which are not under criteria to be disclosed if company considered that shareholders need to be informed, such information will be disclosed both Thai and English version via SET's website and company's website.

Shareholders have equal rights to receive information as following.

- The shareholders can be better informed about the Company Disclosure of the Company's shareholding structure, including a list of the 10 largest shareholders of the Company at the close of share register prior

- Information of related transaction, and transaction regarding significant asset trading.

- The minutes of the Shareholders' Meeting (with in 14 days of the meeting date), and information necessary for shareholders' decision making, as a notification to the shareholders are disclosed via the Company website. These disclosures are undertaken to secure the confidence and trust of shareholders in the operational structure which is transparent and accountable, as well as to show that the operations are efficient and achieving a sustained growth generating a return to shareholders at a suitable rate.

- All shareholders, both retail shareholders and general investors are able to contact for information directly from the Company Secretary by email at suvimol@pg.co.th or direct line telephone at 0-2685-6509. All information is given on the basis of accuracy and equality.

3. The Right to Attend Shareholders' Meetings

The Board of Directors has held a meeting of shareholders every year within 4 months (120 days) as from the end of the Company's annual accounting year on 31 December each year. In order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting.

For 2014, the Company does not call for extraordinary shareholders' meeting.

Prior to the Meeting of Shareholders

In 2014, the Company conducted 35th General Shareholder's Meeting on 22 April 2014.

1. In this respect, the shareholders holding one share or several shares, but not over 5% of total number of shareholders with voting rights, were allowed to propose agenda and to nominate the candidates to be elected as Directors in advance, during 1-30 December 2013, according to the Company's regulations. Regarding the meeting, the Company has informed shareholders of "Investor Relations" on November 12, 2013 via information board of SET, and on the company's website: www.pg.co.th. Nonetheless, there was neither meeting agenda nor nomination of the Directors proposed in advance.

2. Shareholders were notified of the board of directors' resolution determining the date of 35th shareholders' meeting 2 months prior to the meeting date, i.e. on February 19, 2014, so as to enable the shareholders to set aside time for attending the meeting.

3. The meeting notice together with all relevant documents in both Thai and English were published on the Company website (www.pg.co.th) on March 21, 2014, which was 30 days in advance of the meeting date.

4. The same information was sent to the Thailand Securities Depository Company Limited, the Company's

Share Registrar, for forwarding to shareholders in document format on April 1, 2014, i.e. 21 days in advance of the meeting date, so as to give the shareholders sufficient time to study the meeting documents.

5. The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 14 days prior to the meeting date, i.e. 8 - 10 April 2014.

6. Prior to the meeting date, the Company had provided an opportunity for shareholders who may have queries regarding agenda to send them in advance during period March 21, 2014 to April 17, 2014. via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2014, there were no questions received in advance.

7. Shareholders are notified of the rules and procedures for attending the meeting in the meeting notice, with which Proxy Form B as prescribed by the Ministry of Commerce was also attached so as to enable shareholders who were unable to attend the meeting to grant proxies to other persons or grant proxies to Independent Directors who are Audit Committee of the Company as specified or a choice of either Proxy Form A or Proxy Form C. All three Proxy Forms can be downloaded from the Company website. The Company also gave notice of such publication guidelines via the press release system of the Stock Exchange of Thailand.

In 2015, the Company continuously determined the date for **the 36th general meeting of shareholders on Tuesday 28 April 2015, at 9.00 hrs., Chao Phraya Room 1, Montien Riverside Hotel, No. 372, Rama 3 Road, Bangkhlo Sub-district, Bang Khor Laem District, Bangkok 10120.**

The company has a policy to promote and facilitate shareholders including institutional investors to attend the Annual General Meeting by setting convenience conference venue where have access to mass transportation and enough so that shareholders are able to attend the meeting as well. Company's annual general meetings of shareholders were thoroughly arranged at Montien Riverside hotel.

Prior to the meeting date, the Company had provided an opportunity for shareholders to exercise their right to propose matters for inclusion in the agenda of the meeting of shareholders and to propose names of persons for election as Company Directors for 2015 in advance. Such criterion was disseminated via SET NEWS and company's website (www.pg.co.th) in both Thai and English and was arranged in form of letter addressed to Company Secretary during December 1 - 30, 2014.

For 2015, There were no agenda and candidate proposed for 36th annual general meeting of shareholders.

Day of Shareholders' Meeting

1. Date, time, and venue was taken place at shareholders' convenience and appropriated for the meeting. In 2014, annual general meeting of shareholders was held on April 22, 2014 at 09.00 at Montien Riverside Hotel, started registration at 07.00 o'clock.

2. Shareholders were able to register with the barcode system at least 2 hours prior to the meeting and in the subsequent period until the end of the meeting, a right given to shareholders attending after the meeting had already commenced. Such latecomers would have the right to cast votes in the pending agendum that had not yet been voted on. The quorum would be counted as from the agendum of first attendance and vote, except where held otherwise by the shareholders. The company assigns adequate staff members to administer the registration and prepares duty stamps for affixing on the Proxy Form on their behalf. In addition, voting boards and polling cards were provided to the shareholders for use in casting votes.

3. Shareholders who were unable to attend the meeting can grant proxies to other persons or grant proxies to Independent Directors who are Audit Committee of the Company as specified for retaining the right.

4. The Board of Directors has attached significance to the meeting of shareholders. It is deemed as a duty to attend every meeting, with the exception of illnesses or other important engagements.

In 2014 annual general meeting of shareholders, all 12 Company Directors attended the meeting, included the Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Remunerations Committee, Chairman of the Selection Committee, Chairman of the Executive Committee, Chairman of the Risk Management Committee, Managing Director and Chief Financial Officer, who attended the meeting to give explanations and respond to questions posed on matters related to the meeting agenda, or to the Company.

5. The company arranged an independent auditor from ANS Audit Co, Ltd. as inspector acted as an auditor of counting vote thoroughly the meeting in compliance with laws and company regulations.

6. Prior to the commencement of meeting pursuant to the agenda, the Company Secretary notified the meeting of the number and proportions of shareholders present and declared the meeting open. An explanation was given on the voting procedures and vote-counting procedures for shareholders casting votes in each agendum according to the law and articles of the Company. The Chairman of the Board of Directors, acting as chairman of the meeting opens the meeting.

Voting rights in the meeting were commensurate with the number of shares held, with one share equal to one vote.

7. The shareholders' meeting was carried out in accordance with the agenda notified in the meeting notice.

No additions or changes were made to significant data without giving prior notice to the shareholders.

Appropriate and sufficient time was set aside for presenting various matters in each agendum and opportunities were given to shareholders to pose questions and express opinions fully in each agendum. If shareholders need to propose agenda which were not contained in the notice for consideration during the meeting, such proposal need to be approved by the meeting with the minimum vote of 1/3 of shareholders who attend the meeting and have the right to vote.

For 2014, there were questions from three shareholders who was shareholder and proxy from Thai Investors Association. Such questions were clearly answered by the Company's Director.

8. Votes were cast openly. Voting on each agenda is made by barcode system, voting card and ballot were prepared for all shareholders. In vote counting, only votes for **disapproval and /or abstentions** are counted and there are deducted from the total shares represented in the meeting. The balance is counted as votes for approval. The Company employed an information system for summarizing the voting results obtained from the vote counts in each agendum, which was displayed on a screen shown to all shareholders simultaneously.

In 2014, ballot papers were used in important agenda, such as the appointment of Directors where in the shareholders were given an opportunity to select Directors

individually. In the interest of transparency, the ballot papers for such votes were kept at the Bangkok Head Office, which could be inspected after the meeting.

Result of Voting in each Agenda

Following are the 35th general meeting of shareholder results of voting in each agenda on Tuesday April 22, 2014 which is unanimous; (the minute of the meeting was disseminated via company's website www.pg.co.th)

Agenda	No. of Shareholders	Approval		Disapproval		Abstention	
		No. of Shares	%	No. of Shares	%	No. of Shares	%
1	108	79,307,779	100	-	-	-	-
3	109	79,307,780	100	-	-	-	-
4	109	79,307,780	100	-	-	-	-
5.1	110	79,325,680	100	-	-	-	-
5.2	110	79,319,014	99.99	-	-	6,666	0.01
5.3	110	79,325,680	100	-	-	-	-
5.4	110	79,325,680	100	-	-	-	-
6	112	79,335,080	100	-	-	-	-
7	113	79,545,080	100	-	-	-	-

1. Appointment of Directors : The Company gave an opportunity for shareholders to elect Directors individually. The shareholders had been provided with preliminary information on the nominees, positions held in other businesses, clearly specifying the cases of companies carrying out businesses identical to or in competition with the Company, and the attendance of Board of Directors Meetings. The nominees had been vetted by the Selection Committee.

2. Directors' Remuneration : Details were provided on the amount of remuneration proposed, which were in accordance with the policies and conditions for directorial remunerations considered and reviewed by the Remunerations Committee. In any event, the Company has regularly proposed a remunerations limit for approval by the meeting of shareholders every year, and disclosed the remunerations paid to each Director in the Annual Report page 23 - 24 and Form 56

3. Appointment of Auditor and Determination of Audit Fee : The Company provided details on the

name of auditor, audit office, the relationship between the audit office and the Company, the number of years of work performed, reasons for changing the auditor, and comparative data on audit fees for the current year and the preceding year. Such information had also been considered by the Audit Committee.

4. Dividend Payment : The Company provided details on profit distribution, dividend payment in accordance with the Company's dividend policy, and a comparison of dividend payment for the current year and the preceding year. The closing date of the register (Record Date) for the determination of the right to receive dividend payment was also specified.

Guidelines on conflict of interest for the meeting

In the shareholders' meeting if any director has a conflict of interest or related transaction in any agenda. Sais director will inform the meeting to request leaving the meeting or abstaining on such agenda.

Subsequent to the Meeting of Shareholders

1. Disseminating the resolution of shareholders' meeting together with the result of the vote on each agenda both Thai and English version via the SET's and company's website in the next business day.

2. The Company Secretary recorded the information and prepared accurate and complete minutes for the general meeting of shareholders, including the names of Directors present/absent together with the reasons for absence, essential explanations and a summary of questions or answers or opinions. In the past year, all Directors were present and no questions were posed by the shareholders. The details on each agenda were in accordance with the facts in the meeting. Summaries of the votes in each agenda were divided into approvals, non-approvals and abstentions. Such minutes were signed by the Chairman of the Board of Directors, acting as chairman of the meeting, and submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within 14 days of the meeting of shareholders. The minutes were also published on the Company website in both Thai and English as a channel for shareholders to search and inspect data without having to wait for the subsequent meeting. A submission was also made to the Ministry of Commerce within the period prescribed by law.

3. The meeting atmosphere and minute were tape-recorded and disseminate via company website.

4. After the shareholders' meeting approved dividend payment, company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories Co., Ltd. to ensure all shareholders receiving payment correctly and completely.

Distribution of shares

1. The Company set the Record Date for distribution of shares on March 20, 2014 to determine the persons eligible for attendance of the Annual General Meeting of Shareholders. The names were collected in accordance with Section 225 of the Securities and Exchange Act by closing the share register book on March 21, 2014.

2. The Members of the Board of Directors and their spouses as well as children who are underage hold a combined amount of 5.16% of issued shares, which does not exceed 25%.

3. The free float proportion was 26.15% of issued shares which was greater than 25% of issued shares.

4. The proportion of local institutions' shares was 0.003% of issued shares.

Chapter 2: Equitable Treatment of Shareholders

The Company attaches importance and ensures that all shareholders are treated equally and fairly by without supporting one group of stakeholders. The company also set principal to support the shareholders' equity. The principals are set along with facilitating the shareholders to attend the meeting as following;

The Right to attend the meeting

1. For foreign shareholders, the meeting notice with attached documents were translated in to English and sent together with Thai Version. The notice both Thai and English version were disseminated via company website.

2. The voting right depends on the number of shares held by shareholders, one share, one vote (**all of the Company's shares is Common Stocks**).

3. The shareholders holding one share or several shares, but not over 5% of total number of shareholders with voting rights, were allowed to propose agenda and to nominate the candidates to be elected as Directors in advance, during 1st-30th December 2013, according to the Company's regulations. Regarding the meeting, the Company has informed shareholders of "Investor Relations" on 12th November 2013 via information board of SET, and on the company's website: www.pg.co.th. Nonetheless, there was neither meeting agenda nor nomination of the Directors proposed in advance.

4. In 2014, the Company had held one shareholders' meeting on Tuesday 22 April 2014 comprising all 12 Directors attendance. The meeting's resolution was to assign Thailand Security Depository Co., Ltd. (TSD), Company's Registrar, to send the Notice of the Meeting of Shareholders, 21 days in advance and announced 30 days prior to the

meeting in the www.pg.co.th for downloading, in order that the shareholders could have more time studied the information.

5. If any shareholders could not attend the meeting, the Company allowed them to authorize the Independent Directors or anyone as the proxy of voting rights by using the letter of proxy Form B with voting recommendation, Form A, or Form C (for foreign investors with custodians in Thailand to oversee their stocks). The letter of proxy should be attached with the Notice, and announced in the www.pg.co.th for downloading.

The revenue stamps are also provided for the letter of proxy.

In 2014, there were shareholders gave a proxy to the Audit Committee and Independent Directors of the Company as follows; Total number of attendants was 79,545,080 shares, or 82.86% of total 96,000,000 shares.

Proxy	Principal		
	No. of Shareholders	No. of shares	Percentage
Proxy to Audit Committee	3	10,266	1.10
Proxy to Individual	28	4,048,025	5.09

6. The meeting is conducted according to the order of the agenda items; there is no reshuffling of agenda items, nor any change made to material information without notifying shareholders in advance.

7. Votes were cast openly. Voting on each agenda is made by barcode system, voting card and ballot were prepared for all shareholders. In vote counting, only votes for disapproval and/or abstentions are counted and there are deducted from the total shares represented in the meeting.

In 2014, ballot papers were used in important agenda, such as the appointment of Directors where in the shareholders were given an opportunity to select Directors individually. In the interest of transparency, the ballot papers for such votes were kept at the Bangkok Head Office, which could be inspected after the meeting.

8. The minute of 2014 annual general meeting of

shareholders, meeting atmosphere and tape recorded were disseminated within 14 days after the meeting via company website.

Supervision of Internal Data Use

The company has a measurement to the use of insider information by determining in the company's code of business ethics, they must be individuals of integrity, accountability and moral consciousness. Under no circumstance should they exploit their authority for the benefit of themselves and/or others. All relevant employees must protect the interests and the company's asset. They must not use company information or assets for benefit of themselves and/or not to engage in any action which assists any individual in business that competes with company. The code of business ethics were distributed to directors, executives and staff, also disseminated via company website.

Besides, regulation regarding operation is determined including the discipline punishment which all directors and staff are aware of this and act accordingly.

In 2014, Directors and executive officers of the Company had observed strict compliance with the said policies. No share trading with the internal data use by Directors and executive officers of the Company was found during the prohibited period.

Company Stock trading

1. Company share trading is covered in the code of business ethics. Directors, Executives and Staff in possession of insider information are prohibited from selling or purchasing company share within one month before disclosing the financial statements to the public. Besides, Directors and executive offers are required and notified of their duties to report changes in securities holdings in the Company to the Office of the Securities and Exchange Commission within 3 working days of such changes together with the submission of a copy to the Company Secretary. A report would then be made to the meeting of the Board of Directors and Executive Committee on every occasion, in which every agenda would include a report of securities holdings of Directors and executive officers. Directors and executive officers assuming office for the first time are also

required to report securities holdings in the Company to the Securities and Exchange Commission within the above time limit.

2. Company secretary annually arranges the board of director meeting schedule which is sent to all directors in advance in order to inform the period when securities trading should be abstained.

In 2014, Directors and executive officers of the Company had observed strict compliance with the said policies. No share trading was found during the prohibited period.

3. With regard to the principles of buying selling company' stocks, the Directors and Executive Directors are requested to inform the Board of Directors and/or the Company Secretary before carrying out the stock transaction at least 1 day.

Protection of the Conflict of Interest

1. With the transparent structure of shareholding, there is no report of the conflicts of interest. Meanwhile, the disclosure of shareholder structure has deliberately shown in the annual report as well as the overall shareholding of the Board of Directors.

2. The board of directors proceeds carefully and rationally with regard to conflict of interest and connected transaction. The company most concern on its benefits and set pricing strategy in compliance with fair trading conditions as if the transactions are engaged with third party. The process of such transaction is managed transparently and compliance with the regulation of the Stock Exchange of Thailand. Furthermore, the company set the regulation in its good corporate governance and business ethic binding upon company and shareholder. Information such as connected transaction is disclosed to ensure equal access by all.

3. The company performs as the announcement of the Capital Market Committee and The Stock Exchange of Thailand in regarding the disclosure of information and operation of registered company on connection transaction.

4. Directors who have interests in the agenda must leave the room and refrain from voting on such agenda. Then, others directors can express the opinion and vote independently. The company secretary shall inform the name of interested directors to the meeting. The name of related

person, relationship of connected person, pricing, transaction value and different opinion of directors (If any) shall be reported to the Stock Exchange of Thailand within requiring time. Besides, such details will be disseminated via company website for transparency including recorded in the minute of the meeting for examination.

5. In 2014, the company had no connected transactions neither limit financial assistance; borrowing or guarantee transactions. As well as, there was no transaction prohibiting the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

CROSS-SHAREHOLDING ratio; While the company allows the structure for cross-shareholding, nevertheless, such cross-shareholding is not of the nature conflicting with nor contradicting to the announcement by The Capital Market Supervisory Board no. Thor Chor. 28/2008 regarding "the permission request and the permission to offer newly-issued shares"

Asset purchasing control

The company controls purchasing of asset in accordance with the regulation of Capital Market Commission subjected "The acquisition or disposition of assets". The directors who have an interest on such transaction are not take part for making decision for transparency and fairness.

In 2014, the company did 2 transactions of the acquisition or disposition of assets with related person. In this regards, company followed the regulation of SEC and disclosed the information via SET's news and company website.

Chapter 3: Roles of Stakeholders

The Company attaches importance and has laid down policies for the treatment of each stakeholder group, both externally and internally including governance official, related department through having responsibility to social, community and environmental.

The company concern on business growth, mutually beneficial which lead to sustainable growth. A practical is established in code of business ethics to be confident that all stakeholders will be treated equally and fairly. In case of disadvantage, the company and stakeholder groups shall find the solution that benefit to all party.

Business Ethic and Director, Management and Employees Integrity

Practice guidelines are provided in writing in the Code of Conduct and Ethics of Board of Directors, management and employees Handbook (Second Revision Edition) as a practical reference for the Board of Directors, executive officers and employees at all levels. The policies provide an ethical framework for the business operations, taking into account the balance and fairness for all stakeholders in the code of conduct. Such information has also been published in the Company website and intranet system, including the development of a means for participation of stakeholders in the sustained enhancement of the Company's performance. The following were provided in this regard.

1. Shareholders

The Company respects the basic rights of shareholders as provided by the relevant laws and regulations. All shareholders are treated equally. The Company aims to create the greatest satisfaction for shareholders by taking into consideration the sustained growth of the Company and reasonable, fair and consistent returns, as well as a transparent management system and a reliable accounting system. The company also maintains its capital and property. (the details of shareholders' right are shown in article 1 and 2.)

In 2014, the Company paid dividends for 2013 operations at a rate of 0.45 baht per share, or 51.41 percent of net profits. The payment was paid from BOI project on May 20, 2014. The company continuously pays dividends to shareholders in order to ensure long-term security to the shareholders.

Moreover, the Company has made quarterly reports of operational results and disclosed transactions with connected persons under similar terms to third parties via the press release system of the Stock Exchange of Thailand and the Company website.

2. Employees

The Company appreciates and recognizes the importance of employees as an essential element for the success of the organization. As a result, the Company has promoted the development of competencies of all employees

in terms of knowledge and skills, and has treated all employees on an equal basis.

Company establishes stability in career and gives opportunity to success in career accordance with each potential. Employees are allowed to participate in setting direction and operation. Remuneration and welfare benefits are provided suitably and fairly as well as proper with the employees' achievement.

The remuneration and welfare for employees

Remuneration to employees

The company has its policy to pay employees remuneration appropriately both short term basis in compliance with annual performance also compare with same business and long term basis which employees will be clearly measured their performance and potential. The company establishes stability in career path and gives opportunity to success in their career as well as properly manage others welfare to employees.

Employee Welfare

The Company has established the Provident Fund for employees' long-term benefits to promote the money saving for their future as well as to persuade employees to loyalty work for the Company. For members of the Provident Fund, they will monthly receive 3-5% of the wage as monthly contribution, and they will also pay the same amount deducting from their wages for their accumulated fund. When the employment is terminated, the employees will receive accumulated fund, contribution and the net profit of the fund.

The Company enhances and encourages all employees to be participated in organization development. There is an election of welfare committee (2 year terms) to be employee representative and center to cooperate between employee and company. The committee is for helping and reliving employees' trouble besides welfare benefits provided by company. The welfare committee also gives consul and listen employees' opinion.

The company pays attention to welfare and employees' safety. As a results, company set welfare and basic benefits incompliance with Laws such as holiday, annual leave,

including social security, compensation fund, and provident fund. Said benefits are continually advertised to employees.

1. Welfare on the Development of Employees

- Promotion of education during working hours and after working hours
- Training constantly on working knowledge, conducted by the Company and others.
- Provision of library, video, internet corner and intranet system

2. Welfare on Living-Cost

- Establishment the welfare shop selling cheap consumer products from the Saha Group and others
- Bonus, shift payment and experiential payment
- Provision of uniform for both daily and monthly employees
- Provision of Transfer bus for employees
- Transportation allowance; vehicle and gas
- Provision of welfare for accidents, the death of parents and spouse
- Provision of hygienic canteen with reasonable price
- Scholarship to employee's child in Saha Group

3. Welfare of Future Security Promotion

- The Provident Fund
- The Credit Union
- Saving Project in association with the Government Savings Bank
- Provision of pension for the retired employees
- Housing loans in coordination with the Government Housing Bank
- Granting Awards and souvenirs to the employees complete working for 10, 20 and 30 years.

4. Health Welfare

- Clinic with doctors, nurses, medical equipment and medicine
- Project "Muscle Stretching" for employees of

every branch in preventing working disease

- Medical Checking and tests for the breast cancer, cervical cancer, and etc.
- Health examination regarding working risk factors.
- Visiting sick employees

5. Welfare on Sports and Recreation

- Sport Events to foster good health, unison and good relation.
- Cultural activities such as Songkran Day and Loy Krathong Day
- Religious activities such as candle procession on the Buddhist Lent Day
- Sports Club, football field, tennis court, badminton court, table tennis, fitness and swimming pool in association with I.C.C. International Public Co.,Ltd.

Work Safety and Occupational Health

Safety, Occupational health and working environment Policy

The company attaches importance to the healthcare, safety, and working environment which are a part of success and cannot be separated from working. Employees and workers need to be safe and have good hygiene under working environment. Thus, human resources are the most valuable resource for the company. The company sets the policy of safety, occupational health and working environment, all employees and workers need to be informed and performed.

- The company will promote safety working and preserve environment.
- The company will support safety working and provide safety tools including arrange safety workplace along with educating and motivating employees to work safely.
- The company set the policy for all commanders to take care and control subordinates to work in accordance with safety regulations and rules.

The Company also disseminates news regarding disease protection and health care via exhibition activities, public relation board, voice line and intranet system. (The details are in “Management of Safety, Occupational Hygiene and Environment”)

Policy on Employee Development

The Company has a policy in encourage employees to have business capabilities, leaderships, teamwork, knowledge and skills. The training is based on actual performance under instruction of coaching such as learning from practical work (on the job training). As a result, employees have new experiences from colleagues including class room training from internal speaker and outside. On average, each employee will be trained 6 hours per person.

Channel for Employees’ Communication

The Company has provided a channel of communication for employees to make suggestions and identify problems between the employees and their superiors by way of a suggestion box of the Welfare Committee/ telephone number 02-685-6518 or via intranet system.

The Company has determined the Measures for the Protection which will keep relevant information secret and take into account the safety of the complainant. Measures have been prescribed for the protection of complainants who are employees, including those who cooperate in the investigation of facts. These persons will be protected from unfair treatment as a consequence of the complaint, e.g. disturbances during work, reassignment or termination of employment.

In 2014, these suggestions would be considered and implemented in order to maintain good relationships between the parties, including hearings of opinions and suggestions from all employee levels equally and without discrimination.

3. Customers

The policy of response customers’ satisfaction has been implemented to comply with the agreement leading to the business achievement.

The company concentrated on equitable treatment and fairness, ensuring the benefits to customers and company, in delivering of commodity and service with reasonable charge.

- The Company also provides customer the recommendations, adequate and precise information, quick response, and confidentiality without misusing it.

- Crates new innovation in order to add value to its products according to our quality policies **“To be engrossed in producing quality products, delivering on time and continuous improvement”**.

- A dedicated client relations Department was established to facilitate information exchange with clients. In addition, the Company also gives due attention and fair treatment of the customers and consumers. Further information may be requested or opinions may be expressed and problems notified via communication channel as following;

	Telephone	E-mail
Business 1 Division	0-2685-6535	nutchapunporn@pg.co.th
Business 1 Division	0-2685-6565	photchamarn@pg.co.th
Company Secretary	0-2685-6509	suvimol@pg.co.th

In 2014, there were no significant complain from customers, for other petitions were analyzed in order to prevent, monitor and adjust to our organization. In order that such defects will not happen again.

4. Business Competitors

- The Company adheres to the rules of fair competition and plays a role in driving the Company towards greater potentials and the continual development of better products and services.

- The Company will not conduct any malpractices in eliciting secret, defaming, or accusing business competitors.

In 2014, there was no any dispute about business competitors.

5. Business Partners

The Company realized the significance of impartial and fair treatment with business partners. On the basis of

fair business return, the business partner will not disgrace the Company's reputation nor commit any violations.

- The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment.

- Installing an assessment and short-listing system of our trade partners, including the verification and performance monitoring system through the Approved Vender List that meets ISO 9001 criteria.

- Apart from the business agreement, the Company shall not request, gain or accept money or other benefits.

- Consideration to potential development of our trade partners, in parallel with the company's development, under a "Win-Win" situation.

The company attaches the importance of potential development of business partners along with company growth. In 2014, there was no violation of contract between the Company and any Business Partners.

6. Creditor

The Company observes and adheres strictly to its debt obligations along with the fostering of good relationships with debtors. Mutual confidence and trust is promoted by strictly punctual repayments to the debtors.

The company applies Media clearing, transferring system of Bank to facilitate all creditors

- Billing Date During 5 - 11 of each month
- Transferring Date Every 25 of each month

In 2014, The Company meet the payment term which paid to trade account payable, and never been complained of default during the previous year and without any creditors.

7. Labor

The Company oversees that the operations of all branches do not employ illegal labor.

8. Human Rights

The company has conducted the business with strictly respect to law and human rights and employees that receive the honor and respect the right of individuals equally

not discrimination whole the separate of color, race, religion, sex, social practices as the main base area of human rights.

- Foster the idea of human rights to employees and do not support any organizations that lead to violation of human rights.

- Give the right to employees to argue for proving guilty or corruption, and no unfair of job termination.

- Arrange communication channels for employees who believe their rights have been violated or treated unjustly can complain to the company, and the complaint should be composed and conducted fairly.

Throughout the duration of the operation, the company has never treat employees unfairly and never had a case to the court in the matter.

9. Political Rights

- The Company promoted both executives officers and employees to exercise their political rights with respect to the Institution Law and other relevant laws.

- The Executive Officers and employees cannot convince their colleagues and subordinates to support any political activities directly or indirectly.

10. Government

Businesses are carried out in strict accordance with the provisions of laws and regulations of supervisory agencies, thus fostering good relations with state agencies. Cooperation is given in terms of providing accurate data as requested by the state agencies. The company makes accurate, full and timely tax payments according to the laws including value added tax, specific business tax, withholding tax, household tax, custom tax, exercise tax and corporate income tax.

11. Society and Community

The Board of Directors has raised awareness on corporate social responsibilities to the Executives and employees through activities. It aims to better the quality of life and increase social benefits for the communities of which operated business. This is regarded as the way to benefit society.

- Acknowledging people in the society and communities on the business operation as well as social responsibility with disclosure information to fostering better understanding

- Organizing career training (sewing) for the group of housewives in Kaset Bang Samuk, granting scholarship, and money donation to the foundations, non-profit organizations, hospitals, and religious events.

- Concerning on utilization of needed resources with less impacts on communities with respect to the good relationship to the society and communities.

12. Environment

The company attaches importance to its role in maintaining the environment and preserving natural resources. The business operations have been taken into account impact on resources and the environment. The Board of Directors realized the significance of undertaken the business in accordance with laws, regulations and policies on the environment regarding the impact on natural resources and the environment and regular revisions and assessments of performance which are considered as one of the essential policies in the company's mission statement.

- Employees throughout the organization are continually encouraged to have a conscience on responsibilities to the society, communities and the environment by arranging event and activities regarding environmental preserving via the meeting , training, seminar and media.

- Continuing to develop and improve production process, machinery, and technology in order to reduce impact to environment and community.

- Continual researching and developing new products which are environmental friendly such as evaluated Carbon Footprint, Cool Mode and I-Flex.

With our commitment and policy to run the business together with taking care of the environment, all factories of company received the certificate of the Environment Management System ISO 14001:2004 from United Registrar of Systems (Thailand). Moreover, the Company received a certification for “Green System” Rang 3 Green Commitment from the Ministry of Industry.

Promotion on Effective Utilization of Resources

The Company implements a policy to continuously promote all employees to use resources effectively and worthy by means of limiting the use of energy. Consecutively foster the idea of energy, oil and water supply savings to all employees and encouraged them to save energy both at office and home. The Company has also equipped employees with knowledge of energy saving and aware of the effect of Global Warming such as;

- Promote the environmental friendly production for both energy reservation and waste management such as peak demand control system, evaporative.

- Develop of IT system called “Workflow” to replace the use of paper and two-sided printing.

The company joined “Clean Technology” campaign to continuously develop, improve, or make changes to production processes to ensure the optimized use of available resources, and to minimize pollution risks which may affect human and environment.

Arrangement of Training Course with Knowledge on Environment for Staff

The Company aware of environmental conservation by encourages executives and staffs joining the Global Warming alleviation campaign, sign board, voice line, and company intranet. The documents regarding environmental concern are provided in library room including set the event both inside and outside the Company continuously. These are example for training programs;

- Clean Technology Training Program
- The Environmental Management System ISO 14001:2004 Training Program
- The Auditor of the Environmental Management System ISO 14001:2004 Training Program

Policy to abstain from intellectual property infringement

With our policy to operate business based on ethical conducts and integrity principle, the company adheres not to engage in intellectual property infringement. The policy to abstain from intellectual property infringement is for directors and employees to consider on products or services

which apply on company operation such as products, equipment, tools, or information technology.

Trademarks

Foreign Trademark The intellectual property rights of others shall be respected. The works of others shall not be infringed or applied to personal use except where a license has been obtained or a fee paid to the owner of the work.

The Company has been licensed for trademarks of International Brand, so we strictly honor all trade agreements, insist on legitimate business and not violate copyright. Foster the idea of anti and stop using any copy products to the employees.

House Brands

The company adheres not to engage in intellectual property infringement, by creating our business innovation on our own, so we encourage staff to create innovations in terms of both products and services as well as joining hands with customers, trading partners and government to invent and develop high quality products and services to meet the demand of market and customers. The Company is the registered owner of various trademarks through the Department of Intellectual Property, Ministry of Commerce. Accordingly, the Company sold our House Brand products, which were our trademarks, in aboard and we already registered that trademarks with the registrar.

Furthermore, the company also encourages employees to send their innovative products to the Chairman Awards contest on a regular basis. The award-winning products each year bring pride and inspiration to employees that always continue creating innovative products.

Software Usage

The Company mandates that all software used in company's operation is properly licensed. As such, the below is the list of guidelines sets to govern employees activities on computer network as follows.

- Will not use the computer program to conduct any activities that are not against the law, nor that would result in losses for other individuals.

- Will not use the computer program to act contrary to the public order or the moral values of Thai people.

- Do not use a computer network to send the document or take any other action in the manner of infringement of the intellectual property of others.

- Computer networks shall be used to search information for work, or to find useful knowledge to improve work efficiency only.

- Install only legally copyrighted software program onto computers.

- Do not install a computer program that violates the intellectual property rights of others.

In 2014, the company has never committed any intellectual property infringement or trade piracy.

Policy and Principles of giving or receiving gifts or other benefits

- The Company allows the Executives and employees to give or receiving gifts on special traditional occasions, which have no influence on the decision-making in business operation. In other words, giving or receiving gifts has been done with transparency.

- Gifts should not be costly, not in forms of cash or anything appraised as money.

- In case of receiving gifts or others on special occasions from business partners, the Secretary will record list of gifts and report to the Board of Directors.

In 2014, the Executives and employees have sent all gifts to the Secretary to allocate them to the employees under the project of "From Business Partner ... To PG" for consecutive 3 years to foster their pride for being a part of organization achievement.

Policy and Guideline on Anti-Corruption and Anti-Bribery Practices in Business Operation

Since the company realizes importance of anti-corruption principle, and would like to create standards of doing clean business, on February 19, 2014, the company joined the Thai Private Sector Network for Anti-Corruption Campaign and has continuously do activities with the network. The company, therefore, stipulated its guidelines to

anti-corruption in its “Good Corporate Governance, Business ethics and Conducts for Management and Employees Policy”. Company directors, executive board, and employees are not to accept and support any type of corruptions both direct and indirect. The policy is determined in writing as approved by the Board of Directors Meeting No.2/2015 on February 26, 2015. In this regard, the following guidelines have been prescribed.

1. A consciousness, value and attitude to comply with laws and regulations honestly and in good faith shall be instilled in employees.

2. An internal control system which is efficient and effective shall be in place. There shall be suitable oversight and checks of powers to prevent employee abuses or involvements in dishonest acts or corruption.

3. Company Directors, Executive Officers and employees are prohibited from performing any act which

amounts to a demand or acceptance of properties or other benefits for oneself or for others as an inducement to wrongfully perform or refrain from performing a duty or which could result in a loss of the Company’s legitimate benefits.

4. Company Directors, Executive Officers and employees are prohibited from giving or offering to give properties or any other benefits to third parties to induce such person to unlawfully or wrongfully perform or refrain from an act.

5. There shall be a financial reporting system which is transparent and accurate.

6. There shall be a channel for employees and related persons to provide notices of causes for suspicion with confidence of protection. Personnel must be appointed to examine all notices of suspicion given.

Declaration and complaint

In compliance with good corporate governance, the company allows all employees and stakeholders to communicate or complaint the corruption, misfeasance, breaking company regulations, or any conduct that might cause damage to the company both direct and indirect including to give the opinion on company operation via communication channel as follows;

	E-mail	Telephone number
Audit Committee	auditcommittee@pg.co.th	-
Secretary to Audit Committee	pgaudit@pg.co.th	0-2685-6533
Company Secretary/Investor relations	suvimol@pg.co.th	0-2685-6509

1. Company’s website : www.pg.co.th

2. Email or telephone

3. By post : to Audit Committee

Address : People’s Garment Public Company Limited
666 Rama 3 Road,
Bangpongpan, Yannawa
Bangkok 10120

4. By Fax no. 02 294-5159

The company will receive and take appropriate action to all claims with transparency and fairness. Petitioners will be safe under systematic protection measures, and their conformation will be kept confidential.

Measure for the Protection of complainants (Whistle Blowing)

1. The company specifies a keeper who receive information or complaint to response in keeping secret information of complainant such as name, address, or any information. A complainant may choose to remain anonymous if he/she deems that disclosure could lead to insecurity or loss concerns.

2. The Company will keep relevant information secret and take into account the safety of the complainant. Measures have been prescribed for the protection of complainants who are employees, including those who

cooperate in the investigation of facts. These persons will be protected from unfair treatment as a consequence of the complaint, e.g. disturbances during work, reassignment or termination of employment.

In addition, the Company provides the opportunity to stakeholders to express their opinions, suggestions, as well as complaints through channels and activities organized by the Company, for example, the Annual General Meeting of Shareholders of the Company. The Annual General Meeting of Shareholders of the Company, in particular, is another channel where the Board of Directors, executives, staff, shareholders including major and minor shareholders, and institutional investors meet, communicate and listen to a report on the Company's progress and operating results over the past year in the areas of economy, environment and society.

Therefore, in the past year of business operation, there has never been action taken against a later-than stipulated announcement of information, a violence of labor law or any other law related to employment, consumers, business competition, and environment. There also has also never been any claim or petition made by stakeholders.

Chapter 4: Disclosure of Information and Transparency

The board of Directors recognizes the quality of information, accurate, sufficient, expeditious, nondiscriminatory and fair information disclosure. Ensure disclosure of significant information related to the company, both financial and non-financial information, or information that might affect the company's share prices, to all shareholders and interested investors in a complete, accurate, and equitable manners.

The disclosures are easy accessible to all stakeholders and party. Have all such information published in both Thai and English version on the Website of the Stock Exchange of Thailand and the company's Website, www.pg.co.th, in order to engender the confidential.

1. Corporate Governance : The company arranges the good corporate governance policy and principal, business ethics, and code of conduct, in writing and provide to all directors, executive and staff including public relation

billboard, company intranet system, and company website (www.pg.co.th) including policy on anti-corruption.

In 2014, the results of performance according to the corporate governance policy were reported in conformity with the good corporate governance principles set by the Stock Exchange of Thailand, and publicized via the Company's annual report, the annual information report form (Form 56-1), and the Company website.

2. Importance information regarding financial and non-financial : The Board of Directors has carried out the disclosure of the Company's significant data, including financial data and nonfinancial data as required under the Regulations of the Stock Exchange of Thailand and the SEC. Such disclosures were accurate, complete, timely and transparent, having been reviewed under the prescribed procedures. The information was published in both Thai and English via channels of the Stock Exchange of Thailand (www.set.or.th) and the Company website (www.pg.co.th).

• **The information shown in the report (Form 56-1), and the Company annual report was transparently and completely disclosed in every aspect,** according to the Criteria of Disclosure of the Stock Exchange of Thailand and the Securities (SET) and Exchange Commission Thailand (SEC). In order to provide shareholders information in making the investment decision, the information has regularly been updated.

In the previous year, the Company has not been charged on any violation of SET or SEC Criteria of Disclosure.

• **Regarding the annual budget and quarterly budget,** the Board of Directors has realized importance of preparing accurate financial statement, compliance with accepted accounting standards; the company has prepared financial statement with caution and good consideration in order to reflect the actual operating results of the company. The auditors have audited them with approval from the Audit Committee and the Board of Directors. Subsequently, the Company has disseminated this information to the shareholders and then presented to the SET and SEC. In this regards, it was disclosed to the investors or shareholders before the due period for investors' benefit.

The company auditors are knowledgeable, skillful, independent, and approved by the SET and SEC. Besides, the auditors do not have business relationship with company, parent company, subsidiaries, Executives, major shareholders, relation with any of them. Thus, the auditors have the independent rights in auditing and commenting on the Company's budgets. Audit fee and others services paid to auditor are disclosed in topic "the remuneration to auditor" in the annual report.

In 2014, financial statements both quarterly and annually in Thai and English version are disseminated via company website and can be downloaded. The Company financial statement was certified by Company Auditor with no conditions, though Company Auditor remarked that the Company sent financial statement to SEC and SET on time and not ordered to correct.

3. Report on the Board of Director' Responsibilities with respect to the Financial Statements :

The Board of Directors appreciates the significance of preparing an accurate and complete financial statement in accordance with accounting standards. The disclosure of such data have been reviewed by independent auditors and approved by the Audit Committee and Board of Directors before publication to the shareholders. Also, in order to secure confidence, the Board of Directors have prepared a report on the responsibilities of the Board of Directors to the financial statements, signed by the Chairman of the Board of Directors and the Managing Director, published in the Annual Report and Form 56-1 together with the Auditor's Report. Such report provides evidence of compliance with the Generally Accepted Accounting Principles and the consistent application of appropriate accounting policies. Thus, investors are able to rely on such data when making decisions.

4. The Disclosure of Connected Transaction (Related Transaction) and/or the Entered Material Assets or Services Transaction : All these transaction should be approved by the Audit Committee and the Board of Directors so as to avoid any conflicts of interest. It should be carefully prepared for the best interest of the Company and shareholders. The approved report of budget was presented

to the SET in both Thai and English languages, and disseminated in the Company's website, annual report and Form 56-1, according to the regulations of SET.

In 2014, there were 6 connected transactions which were in compliance with the prescribed rules. Details are provided in "Connected Transaction (Related Transaction)".

5. Company directors and executive directors including spouse and underage children must report transaction of stock trading and stock holding by arranging the report in accordance with laws. The transactions must be reported to SEC as following;

- Report of company stock holding when first time of being appointed as director or executive. Using form 59-1 and the report need to be submitted within 30 days counting from the day of being such position.

- If there are any changing in stock holding such as trading or transferring, use form 59-2. the report must be submitted within 3 days counting from transaction date.

- The company must show directors and executives name lists in form 35E-1 when first time of being the position. The report must be submitted within 7 days counting from the day of being such position.

Moreover, in every quarter directors and executives including spouse and underage child are requested to report the company stock holding to company directors for acknowledgement.

6. Company directors and executives including related persons must report their conflict of interest which connected to company operation.

The criteria of disclosure are as follow:

- Report on the first office holding as the Director or Executive

- Report on any changes of stake holding data
- Report at the end of year
- In case of termination and reappointment as the Director in a consecutive way, the Director shall not present new report if there is no change of stakeholding.

- The Directors and Executives should present report of stake holding to the Secretary within 1 month after

being elected/ appointed, and changes. After that, the Secretary will send the copy of report, within 7 days, to the Chairman of Board Directors, and Chairman of Audit Committee.

In 2014, the Directors and Executives have already reported their stock transaction, Company's shareholding and changes of stake holdings. (see details on "Shareholding and Management Structure")

7. Monitoring the use of internal data : The company has implemented a measure to prevent the use of internal data. The stipulation on this issue is the company's business ethics under the topic of Conflict of Interest, and has been disclosed in the annual report under the title of Good Corporate Governance; the topic is "Chapter2: Equitable Treatment of Shareholders".

8. Policy on Corporate Social Responsibility : The Company set the policy in its mission for practical guideline and substantial perform. This is a mission which all employees shall participate. Its details are provided in annual report under topic "CSR Report".

9. Communication between executives : Joint meetings every month between the Executive Committee and chief executive officers of all work units have been organized in order to disseminate information on the organization's business targets and business strategies. Communications are made to employees throughout the organization in order to share common understanding and practices in the same direction so as to achieve the business targets.

The President of the Board gave priority to attend the seminar with Executive Committee and chief executive officers of all work units annually in order to indicate concept, approach strategy and working philosophy, besides, to show opinions freely and encourage business operation for the purpose of the Company's target. In 2014, the meeting was held every month.

Apart from financial report or other information technologies to the Stock Exchange of Thailand (SET) and Securities Exchange of Commission (SEC) via designated

channels completely, precisely and timely, the Company has revealed more information on several issues accordingly;

1. The disclosure of structure of shareholding, including name of the first ten major shareholders as closing date in the annual report, page 10 and company website: <http://www.pg.co.th>.

2. The disclosure of company organization in company's website and annual report.

3. The disclosure of shareholding of the Directors and Executives in the annual report.

4. The disclosure of nature of business, company operation, analysis of industrial trend and potential competitiveness, analysis of company performance, financial statement including company objectives and goal in topic "the nature of business" in the annual report.

5. The disclosure of risky factors in operating, types of risks, causes and effects, as well as guidelines to prevent or decrease risks.

6. The disclosure of policy on distribution of dividend.

7. The disclosure of roles and functions of company directors and subcommittee, the number of meeting attendance individually in article no. 5. "the responsibility of company directors in annual report. The details of directors and executives are disseminated via company's website.

8. Date and year of appointment the directors are presented in annual report.

9. The disclosure of criteria of director nomination and the assessment of director's performance.

10. The disclosure of the remunerations policy for Directors and Executives by individually paid including type of payment, and the amount. The information are shown in article 5 "responsibilities of directors" in annual report.

11. The disclosure of development and training course that directors attended in the previous year.

12. The disclosure of internal control according to the concept of COSO revising framework in May 2013 as well as the result of internal control assessment, the results of assessment in 5 aspects with 17 principles, in the Corporate Governance report of the Audit Committee.

13. The disclosure of whistle blowing policy in Chapter 3: Roles of Stakeholders topic "anti-corruption policy" in the annual report.

14. The disclosure of annual report and notice of the shareholder's meeting in Thai and English on the company website within 120 days, which is able to download.

15. The disclosure of charters, duties, responsibilities, qualifications and directorship terms of the Board of Directors and all Board Committees are publicized through the company's website.

16. The disclosure of the Company's article of association, vision and mission on the company's website.

Investor Relations : The Board of Directors has designated the persons who would be able to provide data and information as required by investors and relevant persons. In this regard, the following person can be contacted:

Mrs.Suvimol Charoensrichai

Company Secretary/Executive Secretary

Telephone 0-2685-6509 fax 0-2294-5159

Email: suvimol@pg.co.th

The Company announced the person and channel for contact via company website: www.pg.co.th under the topic "Investor Relations".

Besides, investors and students had requested information regarding investment and education from related department which company realized the importance of information providing and cooperation.

In 2014, 14 companies in Saha group cooperated with Stock Exchange of Thailand arranged "the 6th Analysts and investors meet Saha Group" held on June 27, 2014 to coincide with 18th SAHA Group fair at Plenary Hall, Queen Sirikit Conventional Center. The event provided a venue where analysts, investors and mass media could engage in meaningful discussions with company directors and executive. All 14 participated company cooperated on compose a book to summarize company history and performance disseminated to all attendance. The group received well participation from analysts and investors.

Chapter 5 Responsibility of the Board of Directors

The Board of Directors play a vital role in providing guidelines for Company's execution, monitoring the operation performance, issuing the policy of good corporate governance,

business ethics, and employees' morality, protect benefits for the Company and shareholders. Also, they supervise the activities to be legally implemented.

In the previous year, the following cases had never happen to the company.

- Severe violation against stipulations of the Securities and Exchange Commission and the Stock Exchange of Thailand
- Corruption action or violation of ethics.
- Resignation of a non-executive director due to the reason of good governance.
- Loss of creditability due to the Board of Director's failure in monitoring the business.

1. The Structure of the Board of Directors

The Board of Directors consists of the Directors, Independent Directors, Sub-Committee, Managing Director, and Secretary, with approved qualifications and ability to check and balance each other.

Policy on board diversity

The company directors has determined the qualification of nominated director by considering the missing skills of existing directors including profession, specialization and gender as shown in the structure of board of directors.

Every time after the shareholders' meeting, the Board of Directors holds a meeting to establish sub-committees which has been earlier screened by the Nomination Committee. In 2014, the Board of Directors Meeting No. 2/2014 on 12 May 2014 passed resolution to establish 6 sub-committees and clearly authorized their duties and responsibilities and tenure.

With regard to the Company's regulations, the Board of Directors is comprised of at least 5 directors, and the greater part is currently living in the Kingdom of Thailand.

The Board of Directors comprises of individuals who are competent and plays important role in determining company policy. They work with senior management to implement operation plans, stipulate monetary policy and risk management policy. They participate a significant in supervise, monitor and evaluate the company performance.

1.1 The board of Directors

In 2014, there were 12 directors who named on certification letter of ministry of commerce consisting of;

Directors		Position	Appointment date	Year
1. Mr.Boonkiet	Chokwatana	President	April 24, 1989	25
2. Mrs.Somporn	Tiyaviboonsiri	Director	July 2, 1982	32
3. Mr.Chailert	Manoonpol	Director	July 29, 1985	29
4. Mrs.Sunan	Niyom	Director	July 29, 1986	28
5. Ms.Pisamai	Chunmanu	Director	April 20, 1988	26
6. Mr.Charoen	Charoenwatanasuksom	Director	April 27, 1992	22
7. Mrs.Teerada	Ambhanwong	Director	April 26, 1999	15
8. Mrs.Nuchanart	Thammanomai	Independent Director	April 26, 1999	15
9. Mr.Amorn	Asvanunt	Independent Director	April 22, 2002	12
10. Mrs.Chortip	Pramoj Na Ayudhya	Independent Director	April 22, 2002	12
11. Gen.Konecharnart	Chunnabhata	Independent Director	April 28, 2009	5
12. Mr.Santi	Bangor	Independent Director	April 28, 2009	5
Mrs.Suvimol	Charoensrichai	Company Secretary		

Authorized Directors

An authorized act having a binding effect on the Company is requires the signatures of 2 directors out of the following 7 directors as well as the Company seal, namely.

1. Mr.Boonkiet Chokwatana
2. Mr.Charoen Charoenwatanasuksom
3. Mrs.Sunan Niyomnaitham
4. Mrs.Somporn Tiyaviboonsiri
5. Mr.Chailert Manoonpol
6. Ms.Pisamai Chunmanu
7. Mrs.Teerada Ambhanwong

The board of director comprises of

	Number (person)			Percentage
	Male	Female	Total	
Executive Director	1	1	2	16.66
Non-Executive Director	2	3	5	41.67
Independent Director	3	2	5	41.67
Total	6	6	12	100.00

The company has non-executive directors more than 1 person who have working experience on core business of company or same industrial or big organization. Such experiences are benefit to company operation (details are shown in directors' profiles in annual report).

The Board of Directors consists of 5 independent directors, or 41.67% of the entire Board which is higher than a standard stipulated (one third or 33.33%) by the Capital Market Supervisory Board. The independent directors response in examining the operation of management team, expressing the opinion, supporting policy that benefit to shareholders or opposing the unfair or ambiguous that may effect to benefit of shareholders and stakeholders. The independent director also monitors on dissemination of related transaction to ensure that company and shareholders have the best interest.

The authority of company directors

1. To supervise and manage the administration in compliance with objective, company' s articles and resolution of shareholders' meeting as well as legal compliance.

2. To appoint one Director to be President and anybody to be Vice - President as appropriate.

3. To appoint, demote or empower the advisor of board of directors, managing director, audit committee, executive board, remuneration committee and nomination committee, risk management committee, and company secretary as appropriate.

4. To approve a loan to related company as a shareholder or business partner or other company that has business relationship to company in case of the financial amount lying beyond the authority of executive directors.

5. To approve the guarantee of credit facilities to business partner as a shareholder or other company that has business relationship to company in case of the financial amount lying beyond the authority of executive directors.

6. To approve nonfinancial juristic act in case of the financial amount lying beyond the authority of executive directors.

7. To approve collection or cancelation of credit facilities in case of the financial amount lying beyond the authority of executive directors.

8. To approve investment and trading of stocks or other assets in case of the financial amount lying beyond the authority of executive directors.

9. To approve acquirement and investment in fixed asset in case of the financial amount lying beyond the authority of executive directors.

10. To approve adjustment, destroy, amortization of intangible asset and fixed asset that unworkable such as out of order, lost, destroyed, ruined, deteriorated, out of date in case of total book value lying beyond the authority of executive directors.

11. To approve price adjustment and destruction of raw materials, dead products or out of fashion products that lower book value in the financial amount that lying beyond the authority of executive directors.

12. To approve compromise, settlement of disputes by arbitration, complaint, lawsuit and/or implementation of judiciary on behalf of company for the matter of normal and abnormal commerce in case of the capital lying beyond the authority of executive director.

13. To propose the increase and decrease of capital or changing in stock value or amendment of memorandum of association, regulations, and/or company's objective to shareholders.

14. Having the authority to invite management team, executives and employee to present and express their opinion or submit related documents.

15. To consult the specialist or company consultant (if any) or hire consultant or specialist in necessary case by company's expenses.

16. To appoint and remove company secretary.

17. All the above authorities of company directors related to acquisition or disposition of assets and related transaction need to be performing according to the regulation of the capital market commission.

Duties and responsibilities of The Board of Directors

1. To formulate visions, tasks and business policies of the Company.

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

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

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

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

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

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

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

9. Approve the interim dividend payment and report to shareholders' meeting for acknowledgement.

10. Set the date, time, and place for the annual shareholders' general meeting, and convene said meeting accordingly. Also set the rate for dividend payments (if any), and provide comments relating to the meeting agenda to the shareholders. In that regard, the company may suspend shares transfer registration for the period of 21 days leading up to the meeting, whereby the company is required to post such announcement to the shareholders at the company's head office and its subsidiaries for the period of no less than 14 days prior to such suspension. Otherwise, the company may set the date to finalize the shareholders' list (Record

Date) no longer than 2 months prior to the meeting, and then set the date for shares registration suspension 1 day later, in order to compile the shareholders' list according to article 225 of The Securities and Exchange Act, to entitle the shareholders to attend the meeting, and to be eligible for dividend payments.

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

12. Report shareholding structure anytime of changing.

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

14. Approve the charter for The Board of Directors, and/or other committees.

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

1.2 Duties of President

1. Consider and determine meeting agenda with managing director and supervise all directors to receive information correctly, completely, clearly and in time before meeting in order to have appropriately consideration.

2. Be leader of the board of directors and be the president in board of directors meeting.

2.1 To proceed the meeting in according to agenda, regulations, and laws.

2.2 To allocate adequate time and encourage all directors to express opinion freely and respect all stakeholders.

2.3 To clearly summarize the meeting resolution and operations.

3. To be leader in shareholders' meeting and proceed the meeting in according to agenda, regulations, and laws. Also allocate adequate time including equally give the opportunities to shareholders for express their opinion and answer the questions appropriately and transparently.

4. Support and be model in performing by good corporate governance and ethics

5. Strengthen the relationship and support the work of the Board of Management.

6. Monitor the disclosure of information and transparency in the management of conflicts of interest.

7. To ensure that the Board has the appropriate structure and composition.

1.3 Merger or Segregation of Positions

The Company prescribes that the Chairman of the Board of Directors shall not be an Executive Director, Managing Director and shall not have any relationship with the entire management team. There is a clear separation in the functions with respect to supervisory policies and the management of routine functions. The Company has prepared a Charter of the Board of Directors with clearly prescribes and delineates the powers of all committees and the Managing Director.

The Chairman of the Board of Directors is the leader and controller of Board of Directors meetings in order to ensure independence. All Directors are able to express opinions or make suggestions fully. The management of the executives is supported through the grant of powers and responsibilities to the Managing Director. The Board of Directors does not interfere with routine management work.

Although the Chairman of the Board of Directors is not an Independent Director, the Company remains confident that the discharge of duties has always been undertaken with an understanding of good corporate governance principles. Decisions on significant matters approved by each relevant committee have achieved a balance and reviewed as well as strictly complied with.

In 2014, the Executive Board consists of 11 Executive Directors leading by the Managing Director for the execution of management planning to comply with the policies of the Board of Directors. The Executive Directors also participated in stipulating policies and missions.

1.4 Term for company directors and number of year term

1. At each annual shareholders' general meeting, one-third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closet to such number shall apply. Retiring directors are eligible for re-election.

2. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.

3. Apart from retiring upon term completion, the company director shall also relieved of his/her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position.

4. The company director resigning from the position before term completion is required to submit his/her resignation letter to the company, with such resignation coming into effect on the date of said submission.

Furthermore, nomination committee screen and nominate right person to ensure that the elected person has knowledge, capability, and experience before proposing to the board of directors. Term of all company directors and independent directors are disclosed the above.

1.5 Term of independent directors

The board of directors does not specify the office holding term of independent directors since the shareholders' meeting will approve the resolution of the election of company directors and independent directors.

The board of directors has information for considering the election of independent directors whose term has ended. In 2014, there were 5 independent director named below;

Independent Directors		Appointment date	Year
1. Mrs.Nuchanart	Thammanomai	April 26, 1999	15
2. Mr.Amorn	Asvanunt	April 22, 2002	12
3. Mrs.Chortip	Pramoj Na Ayudhya	April 22, 2002	12
4. Gen.Konecharnart	Chunnabhata	April 28, 2009	5
5. Mr.Santi	Bangor	April 28, 2009	5

1.6 Holding Office Regulation for the Directors

The Board of Directors has not specified the number of listed companies that each director takes a director position, believing that competency and business expertise of each director has nothing to do with the number of companies he takes if every director has commitment and determination to perform his duty as he has been trusted by the Board of Directors and the shareholders.

The Directors who hold office in other companies should be approved by the Board of Directors, according to the regulations of holding office for the Directors.

The disclosure of name and information of every Director holding office in other companies has been shown in the Form 56-1 and the annual report. At present, there are two Directors who hold office in 5 listed companies. Nonetheless, the company believes that there will not be any impacts on their performance. Furthermore, the Directors have shown their dedication in working and regular attendance in the meetings. Those are the reasons why the Company does not specify the number of listed companies for the Directors to hold.

Being company director of listed company (No. of company)	No. of company director (person)	Percentage	Name lists	
More than 5 companies	1	8.33	Mr.Boonkiet	Chokwatana
5 companies	1	8.33	Mr.Amorn	Asavanunt
4 companies	1	8.33	Mrs.Teerada	Ambhanwong
3 companies	1	8.33	Mr.Chailert	Manoonpol
2 companies	2	16.68	Mrs.Nuchanart	Thammanomai
			Mr.Santi	Bangor
1 companies	6	50.00	Mr.Charoen	Charoenwatanasuksom ***
			Mrs.Somporn	Tiyaviboonsiri
			Mrs.Sunan	Niyomnaitham ***
			Ms.Pisamai	Chunmanu
			GEN.Konecharnart	Chunnabhata
			Mrs.Chortip	Pramoj Na Ayudhya
	12	100.00		

Remarks: ** Independent Director in more than 5 listed.

*** Executive Director in 1 listed.

Regarding holding office in the other listed companies, the Company's Directors and Chief Executive Committee, Directors and Chief Executives Officers of the Saha Group will consider such criteria of those companies as types of business and the necessity in assigning the Managing Director or the Company Executive to be the Company's representative concerning partnership or partnership contract. If necessary, they will send the Director or the Executive who has knowledge, skills, and expertise in that area to hold office.

1.7 Self-evaluation by The Board of Directors

The Board of Directors provided the opportunity for each director to carry out evaluation of the performances by entire The Board of Directors in 2014, which was implemented on a yearly basis, so as to review performance results, problems, and obstacles faced during the past year, in order to contribute to better effective performances by The Board of Directors.

In 2014, the company delivered an evaluation form on the performance of The Board of Directors to all directors. Every director was independent in taking such evaluation. The evaluation form was returned to the Company Secretary once completed to be collected, summarized, and reported to The Board of Directors at The Board of Directors' meeting no. 5/2014 on December 23, 2014 which resulted in an overall evaluation as "good", with the average score of 75 percent. The evaluation criteria accounted to a percentage of the full score in each of the following:

Score	Criteria
Up to 80 percent	Excellent
70 - 79	Good
60 - 69	Fair
Less than 59	Need improvement

Nevertheless, the company did not evaluate directors individually, since the evaluation in the form of The Board of Directors can reflect the performance as a whole, which each director can improve deficient parts of the topic very well.

With regard to the appraisal of the performances by The Managing Director, this would be carried out by The Chairman and Vice-Chairman, by considering the work results relating to each management aspect carried out by The Managing Director during each particular year.

Regarding the assessment of the Managing Directors' performance, the Chairman will evaluate their performance by using the assessment form of CEO of the Stock Exchange of Thailand.

1.8 Development of Directors and Executive Officers

The Board of Directors and executive officers have appreciated their roles, duties and responsibilities to the Company. Thus, the Company has attached importance to the development of all personnel throughout the organization, consistent with the leadership and vision of the Directors and executive officers, in order to enhance knowledge, competencies, skills and potentials. The Board of Directors and executive officers are encouraged to attend seminars and training in courses that are beneficial to the performance of functions as are held internally or externally, including work visits abroad. The following is samples of courses trained by IOD:

- Director Accreditation Program (DAP)
- Director Certification Program (DCP)
- Finance for Non-Finance Director
- Roles of Compensation Committee Program (RCC)

In 2014, the Company's Director attended some seminar and training courses, i.e.

Name	Descriptions
Mr.Boonkiet Chokwatana	Chairman Forum no.1/2014 "Clean Business : What is the Chairman Role?" (co-speaker) arranged by Thai Institute of Directors (IOD)
Mr.Santi Bangor	The challenge of auditors toward sustainability development of listed company" arranged by Securities and Exchange Commission
Mr.Charoen Charoenwatanasuksom	CEO Forum No. 1/2014 by TLCA aims to exchanging point of view regarding management arranged by Thai listed companies Association
Mrs.Sunan Niyomnaitham	The seminar "report of director remuneration survey for year 2014" arranged by Thai Institute of Directors (IOD)
Mrs.Suvimol Charoensrichai	Company Secretary Forum "Strengthening Anti-Corruption Practice in Your Boardroom" arranged by Thai Institute of Directors (IOD) aims to strengthen knowledge and understanding correctly on anti-corruption.

Orientation of New Directors

The Company has arranged for the orientation of new Directors in order to inform them of the Company's policies and relevant information, such as the Company's principal business, operating results, organizational structure, shareholders, including relevant rules and regulations as well as plant visiting. Also, for the benefit of the discharge of functions by new Directors, the Company has prepared a handbook for Directors, as follows.

Director's Handbook

1. Securities and Exchange Act (No. 4) B.E. 2551 (2008)
2. Charter of the Board of Directors
3. Certificate of Registration as a Public Limited Company
4. Company Certification and Objects of the Company
5. Articles of Association
6. Good Corporate Governance Handbook
7. SEC's Listed Company Directors Handbook

Other Information

- Visions and goals of the Company;
- Annual Report together with an introductory presentation on the Company's business description for new Directors.

Current directors and Management Executives

Continuing education is provided to these directors through sponsorship of relevant training courses offered by IOD from twelve Eleven Company Directors, or 91.67% underwent such courses, and participation in more such courses are in the works, both concerning directors' duties and Company business in general.

All executives are continually trained in relevant laws and regulations that are helpful to their performance in the management role.

Relevant parties in corporate governance

The Company Secretary, the secretary to the Audit Committee, officers engaged in investor relations, as well as those doing relevant jobs, regularly attend assorted training courses and sit in on seminars on relevant and current topics, and topics that are helpful to their performance organized by SEC, SET, Listed Companies Association, and IOD.

1.9 Company Secretary

The board of directors had appointed Mrs. Suvimol Charoensrichai as company secretary. The duties and responsibilities detailed in topic : management structure, subject "company secretary" .

2. Sub committee

The company has 6 sub committees which details below;

	Persons	Independent Directors	Non-Executive Directors	Executive Directors	Executive Officers**
1. Audit Committee	3	3	-	-	-
2. Remuneration Committee	3	1	1	1	-
3. Nomination Committee	3	1	2	-	-
4. Risk Management Committee	4	1	-	1	2
5. Corporate Governance Committee	4	1	-	2	1
6. Management Executive	11	-	-	2	9

Remarks : Those 6 supporting committees have their term for 1 year.

** Executive Officer which was not the Company Director.

All sub-committees need to be selected by the nomination committee which duty on carefully proposed appropriate person to be appointed by the board of directors. Sub-committee has specific duties and presents the subject to the board of directors for acknowledgement. The board of directors may appoint other sub-committee in compliance with appropriateness and situation. Sub-committees are not comprised entirely of Independent Directors, but Non-Executive Directors, Executive Directors and Independent Directors. All such Directors are qualified and have a good understanding of their roles as Directors and committee

members. Functions are performed with responsibility, loyalty, honesty, morality, care, prudence and independence. It is believed that all Directors have such an understanding and carry out strict compliance. The composition of each committee is also accepted by the shareholders.

Furthermore, the company reviews performance of the board of directors and sub-committee annually.

However, the Directors and Chief Executives have never been employed or be in a partner of the external audit firm during the past two years.

2.1 Audit Committee

The Board of Directors' meeting No.2/2014 held on May 12, 2014 approved a resolution of appointment of Audit Committee. The committee appointed at least 3 persons who have qualification in accordance with laws of The Stock Exchange of Thailand and one of them must have accounting and financial knowledge to be audit committee as named below.

Names	Position	
1. Mr.Amorn Asvanunt	Chairman of Audit Committee	Independent Director having knowledge on Accounting and Finance
2. Mrs.Nuchanart Thammanomai	Member of Audit Committee	Independent Director having knowledge on Law
3. Mr.Santi Bangor	Member of Audit Committee	Independent Director having knowledge on Financial
Mrs.Napatsorn Sudlapa	Secretary to the Audit Committee	

Remark : Audit Committee has its term for one year, which starts counting on May 12, 2014.

Meeting : In 2014, Audit Committee convened 4 meeting. All 3 members of the committee attended all meetings.

Functions and Responsibility of Audit Committee performing by the Charter of Audit Committee

1. To review the financial statements of the Company to ensure that financial reporting is accurate and in accordance with generally accepted accounting principles.

2. To review the internal control system and internal audit to ensure efficiency and effectiveness and to consider the independence of internal audit units as well as to give approvals for appointments, transfers or terminations of heads of internal audit units or other units responsible for internal audits.

3. To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and laws relating to the Company's businesses.

4. To consider, select, propose and demote independent persons for appointment as the Company's auditors and propose the remuneration for such persons, and also to attend meetings with the auditors without the presence of the management which must be held at least once a year.

5. To scrutinize connected transactions or transactions which may contain conflicts of interests in order to ensure compliance with the law and regulations of the Stock Exchange of Thailand, as well as to ensure that that such transactions are entered into reasonably and are in the best interests of the Company.

6. To prepare an Audit Committee Report which must be disclosed in the Company Annual Report. Such report must be signed by the Chairman of the Audit Committee and consist of at least the following information:

- (a) Opinion pertaining to the accuracy, completeness and reliability of the Company's financial statements;
- (b) Opinion pertaining to the sufficiency of internal controls in the Company;
- (c) Opinion pertaining to compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws relating to the Company's businesses;
- (d) Opinion pertaining to the suitability of the auditor;
- (e) Opinion pertaining to transactions that could potentially give rise to conflicts of interests;

(f) The number of Audit Committee members and the meeting attendance of each Audit Committee member;

(g) General opinion or observation expressed by the Audit Committee in relation to the performance of functions under this Charter;

(h) Other items deemed as necessary information for shareholders and investors generally within the scope of duties and responsibilities as assigned by the Board of Directors.

7. In the discharge of its duties, if the Audit Committee finds or is under a suspicion that the following transaction or act has been committed, which may have a substantial impact on the financial standing and operating results of the Company, the Audit Committee shall file a report to the Board of Directors in order to effect remedial actions within the period as deemed appropriate by the Audit Committee:

- (a) transaction giving rise to a conflict of interests;
- (b) fraud or irregularity or a significant deficiency in the internal control system;
- (c) violation of the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws relating to the Company's businesses. If the Board of Directors or executive officers fail to carry out the remedies within the prescribed period, any Audit Committee member may report such transaction or action to the Office of the Securities and Exchange Commission or Stock Exchange of Thailand.

8. To support and monitor the Company's implementation of an efficient risk management system.

9. To revise and amend the Charter of the Audit Committee and propose such revision or amendment to the Board of Directors for approval

10. To perform other acts as assigned by the Board of Directors with the approval of the Audit Committee pursuant to powers under the Company Articles and the law.

Responsibility

In performing the above duties, the Audit Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.2 Remuneration Committee

In 2014, the Board of Director meeting no.2/2014 on May 12, 2014 considered and approved the appointment of the previous Remuneration Committee, with 1 Independent Director, to renew the term as following names;

Names		Position	
1. Mr.Boonkiet	Chokwatana	Chairman of Remuneration Committee	Non-Executive Director
2. Mrs. Sunan	Niyomnaitham	Member of Remuneration Committee	Executive Director
3. Mrs.Chotip	Pramoj Na Ayudhya	Member of Remuneration Committee	Independent Director

Remark : Remuneration Committee has its term for one year, which starts counting on May 12, 2014.

Meeting : In 2014, the Remuneration Committee convened 1 meeting. All 3 members of the committee attended the meeting in order to consider monthly compensation of executive director for 2014 and propose yearly compensation for 2015 by presenting to company director and shareholder meeting respectively for getting an approval.

Functions and Responsibility of Remuneration Committee

1. To determine the remuneration of Company Directors, taking into consideration other companies in the same industry, the growth and performance of the Company and the remuneration limit approved by the meeting of shareholders and remunerations paid in the preceding year, in order to make a proposal to the Board of Directors for consideration and submission to the meeting of shareholders for approval.

2. To consider the distribution of remuneration of Company Directors, Audit Committee members, Nominating Committee members and Remuneration Committee members, taking into consideration the functions, responsibilities and performance of such committees, within the limit approved by the meeting of shareholders, and making such proposals to the Board of Directors for approval.

3. To revise and amend the Charter of the Remuneration Committee and to submit such revisions or amendments to the Board of Directors for approval.

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

Responsibility

In performing the above duties, the Remuneration Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties

2.3 Nomination Committee

In 2014, the Board of Director meeting no.2/2014 on May 12, 2014 considered and approved the appointment of Nomination committee, which had 3 members; one of them must be Independent Director, as following names;

Names		Position	
1. Mr.Boonkiet	Chokwatana	Chairman of Nomination Committee	Non-Executive Director
2. Mrs.Somporn	Tiyaviboonsiri	Member of Nomination Committee	Non-Executive Director
3. Mrs.Chortip	Pramoj Na Ayudhya	Member of Nomination Committee	Independent Director

Remark: Nomination Committee has its term for one year, which starts counting on May 12, 2014.

Meeting: In 2014, the Nomination Committee convened 2 meetings. All 3 members of the committee attended all meetings.

Functions and Responsibility of Nomination Committee

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

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

3. To consider the selection of persons having suitable qualifications for a Company Director for nomination to the meeting of the Board of Directors for approval. Where a directorial position has become vacant by reason of a resignation, the Company Board of Directors shall appoint a director to fill in the position. As for other cases, the Company Board of Directors must submit the candidate to the shareholders for consideration pursuant to the Company's articles.

4. To consider and review the structure and element of company director

5. To revise and amend the Charter of the Nominating Committee and to submit such revisions or amendments to the Board of Directors for approval.

6. To complete any assignment received from the Board.

Responsibility

In performing the above duties, The Nomination Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties

In 2014, the Nomination Committee convened 2 meetings. All 3 members of the committee attended all meetings to consider the nomination of replacements for directors who expire their term in the year 2014 and to nominate and appoint sub-committee and to present to company director and ordinary shareholder meeting for getting an approval respectively.

Moreover, the committee arrange meeting for nominating independent director who have qualification in accordance with the rules of Capital Market Supervisory Board in order to support Structure of Company Director pursuant to good corporate governance principal. Therefore, the Company has independent directors one third (1/3) of board of directors.

2.4 Risk Management Committee

In 2014, company director meeting no.2/2014 on May 12, 2014 considered and approved the appointment of Risk Management committee which consists of 4 members; the chairman is Independent Director, as following names;

Names		Position	
1. Gen.Konecharnart	Chunnabhata	Chairman of Risk Management Committee	Independent Director
2. Mr.Charoen	Charoenwatanasuksom	Member	Executive Director
3. Ms.Nopparat	Asawasiripong	Member	Executive Director
4. Mrs.Suvimol	Charoensrichai	Member/Secretary to the Risk Management Committee Company	Secretary

Remark : Risk management committee has its term for one year which start counting on May 12, 2014.

Meeting : In 2014, the Risk Management Committee convened 4 meetings. All 4 members of the committee attended all meetings.

Function and responsibility of Risk Management Committee

1. To accept the risk management policy from company director for planning risk management for all level in the organization
2. To propose the appointment of risk management team to company director for acknowledgement
3. To follow, specific and evaluate the risk which presented by risk management team
4. To evaluate and consider risk management plan which presented by risk management team
5. To report the risk management to company director for getting agreement

6. To supervise the effective of risk management
7. To revise and amend the Charter of the Risk Management Committee and to submit such revisions or amendments to the Board of Directors for approval.
8. To complete any assignment related to risk management received from the Board.

Responsibility

In performing the above duties, The Risk Management Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.5 Corporate Governance Committee

In 2014, company director meeting no.2/2014 on May 12, 2014 considered and approved the appointment of Corporate Governance committee, which consists of 4 members; the chairman is Independent Director, as following names;

Names		Position	
1. Mr. Santi Bangor		Chairman of Corporate Governance Committee	Independent Director
2. Mr.Charoen Charoenwatanasuksom		Member	Executive Director
3. Mrs.Sunan Niyomnaitham		Member	Executive Director
4. Mrs.Suvimol Charoensrichai		Member/Secretary to the Corporate Governance Committee	Company Secretary

Remark : Corporate Governance committee has its term for one year which start counting on May 12, 2014.

Meeting : In 2014, the Corporate Governance Committee convened 2 meetings. All 4 members of the committee attended all meetings.

Function and responsibility of Corporate Governance Committee

1. To revise and consider Corporate Governance Policies, Business Ethics and Code of Conduct for Employees to ensure the appropriate and up-to-date.
2. To propose the guideline to perform in accordance with the corporate governance principle for the Company's directors, sub-committee, executives including employees in every level.
3. To follow and supervise the operation of the Board of Directors, managements and employees in order to conform with corporate governance framework, the Company's policies and related laws and regulations.

4. To propose the corporate governance report to the Board of Directors including opinion and suggestion for conduct appropriated revision.
5. To assign policies and guideline for the operation of Corporate Social Responsibility and follow such operation then report to the Board of Directors.
6. To control the effectiveness of corporate governance to be consecutively and appropriated success.
7. To propose the appointment of corporate governance team to company director for acknowledgement.
8. To revise and amend the Charter of the Risk Management Committee and to submit such revisions or amendments to the Board of Directors for approval.
9. To complete any assignment related to risk management received from the Board.

Responsibility

In performing the above duties, the Corporate Governance Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.6 Executive Committee

The executive committee functions as management team which set up for managing company business assigned by the board. The company director meeting no.2/2014 on May 12, 2014 considered and approved the appointment of 11 members of Executive Committee.

In 2014, executive committee convened 12 meetings. The schedule of meeting was set yearly in advance.

Names		Position
1. Mr.Charoen	Charoenwatanasukom	Chief Executive Director/Managing Director
2. Mrs. Sunan	Niyomnaitham	Deputy Managing Director/Chief Financial Officer
3. Ms. Orawan	Thammarakkhit	Manager, Business 1 Department
4. Ms.Nopparat	Asawasiripong	Assistant Manager, Personnel Department
5. Mrs.Sasivimol	Kluyasritrakul	Assistant Manager, Account and Finance Department
6. Mrs.Nutchapunporn	Sunthornwiset	Manager, Business 1 Division
7. Mr.Suwat	Panichlers	Manager, Production Division
8. Mrs.Kalayanee	Chantarapikul	Manager, Purchasing Division
9. Mrs.Photchamarn	Engkanisarn	Manager, Business 2 Division
10. Mrs.Suvimol	Charoensrichai	Manager, Registration Division/Secretary to the Executive Board
11. Mr. Thamrong	Phoonyawatana	Manager, Production Division
Ms.Pragairat	Sae-na	Manager, Information Technology Division

Remark: the board of executive directors has 1 year term counting from May 12, 2014.

No. 11 Mr. Thamrong Phoonyawatana is appointed on May 12, 2014

And Ms. Pragairat Sae-Na ended her term on May 12, 2014.

All 11 members have no forbidden qualifications;

1. No record of committing criminal offenses against property, which was done in bad faith.

2. No record of a potential conflict of interest with the Company during the past year.

Functions and Responsibility of Executive Committee

1. To supervise operations in line with the Company's tasks and to comply with the Company's business policy in view of achieving the Company's business goals as well as the objectives of shareholders' resolutions.

2. Developing the organization and personnel in terms of knowledge and full competence and building organizational culture.

3. To sequence the importance of company director 's decision and use it for getting effective management.

4. To consider the agenda before presenting to the company director.

5. Having a duty to report on plan progression and budget approved to the Board of Directors every quarter.

6. Arranging for a meeting with chief officers of each department every month on the quarterly basis to follow up and monitor operating results.

7. Arranging for the General Meeting with chief officers of each department in the fourth quarter of each year to jointly set business targets and the Company's plans for next year with aim at the continual and sustainable growth.

8. Considering financial policies, loan raising, investment, and lease/lease agreements within specified amount limit.

9. To consider policies pertaining administration and organizational restructuring.

10. To consider business and marketing policies.

11. To consider personnel policies and approve the adjustment of employee salary scales and bonuses.

12. To consider the approval of juristic acts binding on the Company or other acts not performed in the usual course of business within the prescribed financial limit.

13. To report on shareholding whenever Changing.

14. To promote the good conscience of executives and employees in their performance of duties in line with the Company's business policies, business ethics and employee code of conduct.

15. Others followed by meeting's resolution.

Responsibility

In performing the above duties, The Remuneration Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.7 Authority and Responsibility of Managing Director

The Board of Directors has recognized the Principle of Good Corporate Governance, and to be in compliance with Chapter 3/1 of the Securities and Exchange Act, B.E. 2535 as amended by the Securities and Exchange Act (No. 4), B.E. 2551, it deems expedient to establish the Charter of Managing Director as follows;

1. To manage the Company and administer the operations in compliance with policies, laws, objectives, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, resolutions of the Executive Committee, as well as relevant regulations and procedures.

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

3. To command, allocate, appoint, relieve, transfer, promote, enforce disciplines, evaluate as well as to determine the company personnel's remuneration and welfare benefits of employees. All said power must not be inconsistent with the power of Executive Committee.

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

5. To grant or approve the investment in permanent asset in the specific amount.

6. To grant or approve selling or buying ordinary shares and/or others securities issued by other companies in the specific amount.

7. To approve the juristic act of non-financial transaction in the specific amount.

8. To report the operation under article 5,6,7 to the Executive Board whenever performing 9. To grant and/or delegate powers to other persons to perform specific tasks on behalf of the Managing Director.

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

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

11. In the event that the above powers may not be thoroughly clarified or causing any doubt (uncertain) in exercising, the matter must be submitted for the Board of Directors' consideration.

12. To carry out any other acts as assigned by the Board of Directors and/or Executive Committee.

2.8 The nomination and appointment directors and chief executive officer

The nomination directors

The Nominating Committee has been assigned to select qualified persons having appropriate qualifications. For such nominating process of the persons to be appointed directors, the company has set the screening criteria for such candidates based upon their basic qualifications and qualities that can meet the requirements of the vacancy, in order to have The Board of Directors with knowledge and various field of expertise, including leadership, vision, integrity and ethics, as well as transparent work experiences and not be prohibited under the laws and regulations of the company. The board of directors had clearly determined functions and responsibility of directors as in manual of directors for listed company as following;

1. Be legal (Fiduciary Duties)
2. Be carefully (Duty of Care)
3. Be honesty (Duty of Loyalty)
4. Be responsibility to duties (accountable)

In 2013, the Company has formulated the structure of the Board of Directors. As a result, the proportion of the Executive Directors, Non-Executive Directors, and Independent Directors was more appropriated in monitoring the good corporate governance rigorously, though having the Independent Directors less than 50%.

Director and Independent Director Selection Process

Nomination Committee nominates and screen independent director who have qualification follow the standard of the Stock Exchange of Thailand and Securities and Exchange Commission to propose to the board of directors and shareholder meeting.

Determination of Independent Directors' Qualifications

According to Notification of Capital Market Supervisory Board TorChor 4/2009 title Application for and Approval of Offer for Sale of Newly Issued Shares which was announced on February 20, 2009 and effective on

March 1, 2009. The definition of independent director were changed, therefore the qualification of independent director should be conformed to the said notification. People's Garment Public Company Limited has defined the qualification of independent director which is more intensive than the minimum principal of the Securities and Exchange Commission and the Stock Exchange of Thailand. The details are following;

1. Holding not more than 0.5 percent of total voting shares of company or its parent company, its subsidiaries, its associated companies, including stocks held by connected persons of the independent.

2. Not being or never been board member who participated in management of its parent company or an executive director, employee, staff, advisor who receives salary of a controlling person of company, its parent company, its subsidiaries, its associated companies, same-level subsidiaries or a juristic person who may have conflicts of interest unless the foregoing status has ended for more than 2 years, excluding independent director who ever be government official or advisor for government service which is major shareholder or controlling person of company.

3. Not being a person related by blood or legal registration, such as father, mother, spouse, sibling and child, including spouse of the children, management, major shareholders, controlling persons, or persons to be nominated as management or controlling person of company or its subsidiaries.

4. Not having or never had a business relationship with company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest, in the manner that may interfere with his independent judgment, or is not or has not ever been a major shareholder, non-independent director or management of any person having business relationship with company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest unless the foregoing relationship has ended for more than 2 years.

The term "business relationship" aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance

through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the applicant or his counterparty being subject to indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the applicant or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies concerning the Connected Transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of a year prior to the date on which the business relationship with the person commences;

5. Not being or never been an auditor of company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest and is not a major shareholder, non-independent director, management or partner of an audit firm which employs auditors of company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest unless the foregoing relationship has ended for more than 2 years.

6. Not being or never been any professional advisor including legal or financial advisor who receives an annual service fee exceeding 2 million Baht from company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest, and is not a major shareholder, non-independent director, management or partner of the professional advisor unless the foregoing relationship has ended for more than 2 years.

7. Not being a representative of company director or its major shareholder or a shareholder who is related to company's major shareholder.

8. Not being a director in other organization that compete with or related to company, its subsidiaries, or not being a partnership of organization that compete with or related to company, and not being an executive director, employee, staff, advisor who receives salary, and not holding share more than 1 percent of total voting shares of organization that compete with or related to company.

9. Not having characteristics which lead to incapable of expressing independent opinions regarding company's business.

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

The nomination and appointment chief executive officer

The nomination for chief executive (The executive director)

The nomination process for chief executives will be considered by nomination committee. The nomination committee selects current executives or others who have knowledge, capability, and qualification in conformity with business nature of company also have the ability to manage company tasks to achieve objective and goal determined by the board of directors. Moreover, candidates who have no forbidden qualifications by laws, will be proposed to the board of director for appointment.

The nomination for executives (Secondary executives)

The nomination process for executives is considered from the selection of the persons who have good qualifications and sound morality and ethics to join the company. The company provides the opportunities to be executives by training and developing employees through the evaluation process of employees' potentials and capabilities. Such employees who pass the evaluation shall be assigned to challenging tasks and have higher responsibility scope. The company alerts to develop all employees to replace the position in case of vacancy.

3. Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has been elected by the shareholders as their representatives in implementing

company's policies. They collaborated with the Executives in formulating vision, missions, strategies, operational plan, annual budget, good governance, and supervision so as to support and direct the performance of the Executives and employees.

In 2014, the Board of Directors has legally operated the company in compliance with the laws and regulation. Therefore, there is no infringement on the official regulations found.

3.1 Leadership and Vision

Leadership

The Board of Directors is comprised of persons with knowledge, competence, skills and experience in the Company's principal business. The vision, mission, strategies and goals as well as working plans and annual budget are determined in order to enhance operational efficiency for the greatest benefits of the business and achievement of the Company's business goals. In this regard, the Board of Directors undertakes the duties of monitoring the management of the executive according to the various working plans, as well as the determination and delineation of roles, functions and responsibilities between the Board of Directors, executive officers, employees and relevant persons.

In addition, the Audit Committee has been entrusted with the function of supervising the operations of the internal audit section so as to ensure sufficiency for the business and to ensure suitable risk management in order to achieve the highest safeguard of interests. The principles of good corporate governance are applied as management tools for adding value to the business and the shareholders.

Vision

The board of directors realizes the importance of business operation. In this regard, the company determines vision and missions for directors, executives, and employees to have one goal in business operation. Besides, company's vision and mission will be reviewed on yearly basis. In 2014, the company defined its vision in conformity with social responsibility and environment.

3.2 Good Corporate Governance

The Board of Directors appreciates the importance of good corporate governance. In consequence thereof, the Board of Directors has laid down a policy on corporate governance in writing, consisting of 4 parties, i.e. corporate governance policies, corporate governance principles, business ethics and employees' code of conduct. The corporate governance policies are reviewed annually and disseminated via company's website. Such policies were handed to the Board of Directors, executive officers and all employees of the Company, in order to be a guideline for all employees to responsibly their duty with good conscious, to promote the implementation of good corporate governance systems in the organization, thus achieving transparency in business operations, trust of shareholders and general investors, stability to the business and generation of beneficial returns to the shareholders, stakeholders and the society as a whole as well as the promotion of advancement of employees. **(Full version of corporate governance policies, business ethics, code of conduct for company directors, executive officers and employees are published via company's website).**

The company encourages its management executives and employees to acknowledge and follow the **Good Corporate Governance policy, Good Governance principles, Code of Conduct and Ethics of Board of Directors, management and employees (Second Revision Edition)**. The Board of Directors will follow these stipulations to be a good model for employees to follow. Moreover, members of the Board of Directors and new staff will receive this policy manual at an orientation, and they will sign a commitment to follow the policy stipulation in their operation.

The company has the Audit Committee, the Supervisory Committee, and the Internal Audit Unit, to ensure compliance with the good governance policy. A follow-up has been scheduled in a year plan of the company. On a quarterly basis, a follow up result shall be reported directly to the Audit Committee together with recommendations and solutions to prevent any damage that may occur to the company.

3.3 Conflict of Interests

The Board of Directors has clear guidelines for managing the avoidance of conflict of interests prudently and reasonably, and in order to confer the greatest benefits for the Company and the shareholders. Transactions which might entail conflicts of interests have been notified by the Company and the resolutions disclosed specifying the value of the transaction, the contractual party and reasons of necessity for entering into such a transaction in accordance with the rules of the Stock Exchange of Thailand. The interested Directors have left the meeting room and did not vote on such agenda so as to ensure independence in decisions and information were disclosed immediately in the interest of transparency.

Connected transactions would be considered by the Board of Directors meeting on the suitability of the transaction and the Audit Committee would give its approval for the disclosure of information in Form 56-1 and the Annual Report.

In 2014, the board of directors approved 4 related transactions which perform strictly to prescribed rules. Company Directors and Executives are required to report their own interest and related persons.

3.4 Promotion of Social Responsibility, Environment, and Human Rights

The Company has realizes on the importance of social responsibility and environment in parallel with the business operation. Therefore, the Company focuses on fostering quality of life in surrounding communities, human rights awareness, and fair employment in the sustainable ways. (details are shown in Article 3 roles of stakeholders in annual report).

3.5 Internal Control and Audit Internal Control

Internal Control

The Board of Directors attaches importance to and has installed a control system for operations, financial reporting and compliance with rules, regulations and policies. The internal audit units were entrusted with the duties and responsibilities of carrying out audits on compliance with the installed internal control systems for subsequent reporting to the Audit Committee and the Board of Directors. Such audit units are independent in the exercise of their functions. The Board of Directors would conduct an annual review of the suitability and sufficiency of internal control systems in all 5 areas, i.e. organization and the environment, risk management, control of executive operations, information and communication system, and monitoring systems.

In Board of Directors meeting no. 2/2015, held on 26 February 2014, which was also attended by the Audit Committee, the sufficiency appraisal form of the Company's internal control system was considered. The meeting was of the opinion that the Company had sufficient and effective internal control systems as per the Audit Committee report in Form 56-1 and the Annual Report page 56

The Internal Audit

The Board of Directors has assigned the Audit Committee to inspect the sufficiency, appropriateness, and effectiveness of the internal control system. The results of the internal audit should be reported to the Board of Directors and shareholders. Moreover, the Internal Audit Unit, separated as one unit of the company, should reports directly to the Audit Committee.

Mrs. Napassorn Sudlapha, the Secretary of the Audit Committee, was appointed as the Manager of the Internal Unit.

Profile in brief

Education	: Bachelor in Business Administrations, Accounting, Ramkhanhaeng University
Training Background	: Sustainability Accounting :Global Warming by the Federation of Accounting Professions.
Work Experience	: 1997 - Present Manager of Internal Audit Unit 2000 - Present Secretary to the Audit Committee 1990 - 1997 Assistant of the Auditor of Thamkakan Accounting
Responsibility	: the assessment of sufficiency and effectiveness of the internal audit using standard auditing measures in proposing improvement for the added value of the organization, and simultaneously supporting the good corporate governance.

In 2014, the Board of Inspection has effectively performed their responsibilities as assigned. Thanks to the qualified personnel in the Internal Audit Unit, the mission has been completely accomplished. The evaluation of internal control system revealed that there were some issues to be improved as well as recommendations for corporate operation, which were presented to the Board of Directors in the quarterly meeting.

The Internal Audit Unit will report a follow-up and cross-check result of the internal management to the Audit Committee every quarter. In 2014, the Audit Committee had arranged four meetings and reported to the Board of Directors every quarter. The Audit Committee has reported their views on the adequacy of the company's internal audit and risk management system in the Annual Report under the title of "The Report of the Audit Committee".

3.6 Risk Management

The risk management is a policy implemented systematically in the organization under the supervision of the Risk Management Committee comprising the Independent Directors, Managing Directors, and Executive Directors.

In this regard, the Executives of each department have been appointed as a commission responsible for the risk management according to the policy and assigned duties. The report on risk management is presented to the Audit Committee, the Board of Directors and the Executive Board. The Board of Directors permits the Non-Executive Directors to conduct their meeting without attendance of the management unit. If necessary, they can propose statement of necessity to the Board of Directors to be considered. Whenever there is a significant risk or an irregular transaction. These proceedings are taken to ensure that the level and magnitude of damages that could occur are maintained within acceptable, assessable and controllable levels for the organization that can be systematically inspected with due consideration to the Organization's goals.

In 2013, the Risk Management Committee arranged totals 4 meetings and report to the Audit Committee, Executives Committee, and Board of Directors in every quarter. Such report regards opinion and consideration which approved from all committee and benefit to company operation.

4. Board of Directors Meetings

The Board of Directors had determined that meetings shall be held at least once every quarter. A schedule of Board of Directors meetings is prepared one year in advance wherein the agenda are clearly stated. The Company Secretary would submit such schedule in the December meeting of each year together **with the submission of documents at least 7 days prior to the meeting date** so as to give the Board of Directors sufficient time to consider and examine the data prior to attending the meeting, except in the event of urgency for the protection of the Company's interests where notice may be given less than 7 days. Each meeting would last approximately 2 hours.

Directors are able to express opinions openly and independently. The Chairman of the Board of Directors would compile the opinions and conclusions obtained from the meeting. The resolution shall be done by major vote. Each member has one vote. Interested Directors in each agenda would abstain from voting or abstain from giving an opinion or be absent from the meeting. If the votes are equal, Chairman of the meeting shall cast one vote to be decisive.

For passing the resolutions on each agenda, it must contained two-thirds of company directors.

The board of directors pays more attention on management of conflict of interests of all stakeholders by entirely disclosing information. A director who has conflict of interests must not participate in such agenda.

In a meeting of the Board of Directors, if there is a query or a need to obtain additional information from relevant persons, the Managing Director would invite a high level executive officer to give an explanation.

The Company Secretary would record the meeting and archive the minutes of past meetings that had been endorsed by the meeting and verified by signatures of the Chairman of the Board of Directors. In additional, company directors can express opinion or amend on the minutes of the meeting.

Minutes of Board of Directors meetings and committee meetings are made in writing. Such documents are archived in original document format at the Company Head Office for convenience of reference by the Directors and relevant persons.

The Board of Directors had scheduled 5 meetings a year, with the possibility of other meetings in the event of an emergency.

In addition, Non-Executive Directors are encouraged to hold meetings amongst themselves in the absence of the management in necessity and present to the board for acknowledgement.

In 2013, the Company has held 5 meetings which were considered as the appropriate numbers and adequate time for the performance of the Directors. Not less than 80% of the Directors attended the meeting. If the Directors would like to have more information, they could make a request to the Secretary.

The Audit Committee and internal audit units have held a joint meeting with the Company Auditor at least once a year, every year.

In 2013 the Audit Committee and 2 representatives from Management Executive (Managing Director and Deputy Managing Director) held a freely meeting.

5. Remuneration of the Directors and Executive Officers

The Remunerations Committee would determine the appropriate remunerations limit after taking into account the experience, duties, scope of roles and functions, participation and responsibilities of each Director for proposal to the Board of Directors and to the meeting of shareholders for approval of such remunerations limit. (The criteria and policy of remuneration to each director are disclosed in the Management Structure of Annual Report and Form 56-1).

6. Succession Plan

The company has succession plan for all positions in management level. The process starts from nominate appropriate persons with transparency manner, then develop and train such person continuously, and assess their performance. In this regard, company aims to build executives officer who have knowledge, capability, and be leader and specialist together with honesty. The company believes that its operation will run continuously and effectively.

The Board of Director has realized the importance of preparation for succeeding personnel of the retired Chief

executives and Department Managers, the succession plan is as follow;

6.1 The criteria for chief executive officers (Executive directors) are as following;

1. Provide the explanation of chief executive officers regarding goal and company's strategies and specific required qualifications.
2. Select secondary executive officers who have vision, knowledge, and capability.
3. Analyze qualification of each executive officer for seeking strong points and thing that need to be improved.
4. Make development plan for each executive officer for promoting their potential and capability.

The Company has conducted monthly meeting moderating by the Managing Director. Apart from this, the meeting on the Company's turnover consisting of the Managing Director, Chief Executives, and nominated Executives (acting successor) has been conducted every month. The Annual Meeting has been conducted to stipulate the missions for the next year in order to reinforce collaboration and raise awareness of organizational management as a part in succession plan. In this regard, the Selection Committee and the Management Executives continuously follow and evaluate the operation of personnel who would be assigned, for approved and after that, present to the Board of Directors for approving.

6.2 The criteria for unit chief are as following;

1. To develop the visions, knowledge and skills of the potential Executives and to promote them as Chief executives respectively.
2. To provide more academic knowledge and hands-on trainings.
3. To allow the secondary executives to collaborate and attend the meeting with the Chief Executives.
4. To select the secondary executives of high potential to succeed and place in the appropriate positions.
5. To enhance the management skills to the specialist
6. To give the secondary executives more opportunities on administration.
7. To conduct systematic trainings in every department

8. To train the Chief Executives and Executives to work with responsibilities and honesty focusing on the corporate image.

As part of a succession plan, meetings are held on a monthly basis between members of the Board of Directors, high-ranking executives, and executives (to be successors) and the Chairman (who is also a Chairman of the Nomination Committee).

7. The operation of anti-corruption

The company advocates for anti-corruption and anti-fraud practices, as well as raises awareness, value, good attitude and honesty to directors, executives, and employees. A part of anti-corruption management plan is risk evaluation on working process in every department. In this regards, the internal audit department acts as an assessor.

The company has communication channel for advertising on anti-corruption policy as following

- Orientation new employees
- Manual of good corporate governance policy
- Company's website, intranet and billboard
- Publish Animation VDO

Besides, the company expands anti corruption policy to business partners in order to run business with transparency and fairness.

8. A Survey of Corporate Governance Practices among Listed Company

In 2014, Thai Institute of Director associated with Securities and Exchange Commission Thailand and Stock Exchange of Thailand in a survey of corporate governance practices among listed company in 2014, the total listed is 550 companies, by evaluation from Annual Report 2013 and information disclosure in 2014. The survey result for the Company was "very good".

Score	Meaning
70 - 79	Good
80 - 89	Very good
90 - 100	Excellent

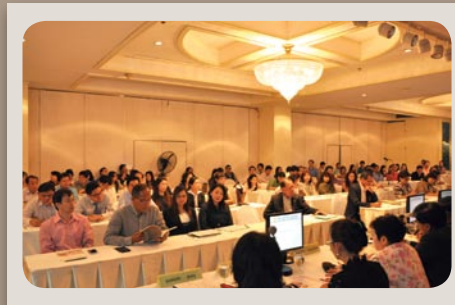
Number of Evaluating Criteria;

Categories	2014 (clause)	2013 (clause)	2012 (clause)
1. Rights of Shareholders	33	24	24
2. Shareholder's Equity	19	16	16
3. Rights of Stakeholders	28	18	18
4. Transparency and Disclosure of Information	50	36	36
5. Responsibility of the Board	107	54	54
Total	237	148	148

Details of Corporate Governance Evaluation

Categories	2014 (%)	2013 (%)	2012 (%)
Rights of Shareholders	88	90	90
Shareholder's Equity	98	95	88
Rights of Stakeholders	95	98	95
Transparency and Disclosure of Information	93	98	95
Responsibility of the Board	76	81	78
Score Average	86	92	88

The 35rd Annual General Meeting of Shareholders Year 2014



The 6th Analysts and Investors Meet Saha Group



CSR Report 2014



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Message from the Chief Executive Officer and Managing Director



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Adoption CSR in its process instead of
being task adopt CSR in its process

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The company has been operating with adherence to Dr.Tiam Chokwatana's working philosophy, which is "integrity and fairness". This philosophy has been put in place until the company has grown to be a public company with the management using principles of good corporate governance, transparency, auditability, an internal control system, as well as a system of checks and balances.

Working using CSR - The Company has been aware of the significance of its business practices with social and environmental responsibility. Its operational procedure has been under the Saha Group's concept: "good people, good products and good society", which covers three key areas, namely, within the economical, societal and environmental spaces. This concept has been utilized as its compass for its business operations and as part of the formulation of its strategic plan, including the formulation of its vision, mission and environmental policy. Moreover, the Company has adopted CSR in its processes and has promoted CSR as its organizational culture to promote personal responsibility from within the company, and as a result will produce both, improved organizational and social responsibility.

Involvement in the public interest - The Company has committed itself to the continual development of CSR work through the involvement of both the management and employees, who pooled their efforts to focus on, and successfully drive, the implementation of CSR in order to make society and the environment sustainable. As a result of its efforts, it was granted the CSRI Recognition Award by the Corporate Social Responsibility Institute (CSRI) , and the Best Corporate Social Responsibility Awards under the SET Awards 2013 by the Stock Exchange of Thailand (SET).

On behalf of the Board of Directors, the management, and employees, I would like to express my gratitude to the stakeholders and related agencies for their good cooperation in continually supporting the Company's operations. The Company will adhere to business practices based on the principles of good governance, anti-corruption, as well as social and environmental responsibility to yield the maximum benefit to all related parties and be part of the creation of sustainability to society as a whole.



(Mr.Charoen Charoenwatanasuksom)
Chief Executive Officer/Managing Director

About the Report

People's Garment Public Company Limited (PG) has prepared the CSR Report as a separate report for the third year. Focusing on providing reliable and high-quality data, the Company's Board of Directors defined key sustainability issues and a priority assessment of issues concerned with the Company's goals and operations, which showed its major social, community and environmental performance between January 1, 2014 and December 31, 2014.

Reporting Guidelines

This report has been prepared to show the intentions to achieve sustainable growth of major social, community and environmental practices based on the Integrated CSR Reporting Framework. This framework was developed by the THAIPAT Institute for listed companies to utilize as guidelines for CSR reporting in line with international reporting framework standards.

Scope of Reporting

The report includes the Company's operations at its three plants, namely the Lamphun Plant, Kabin Buri Plant, and Wellgrow Plant. As part of the governance and promotion of the disclosure of information in line with international reporting guidelines, the reporting is intended to respond to stakeholders' expectations that are disclosed in this report.

Having a plan to prepare the CSR report on an annual basis and develop a system and method for regular data storage, the Company has aimed to obtain a clear data collection guideline and procedure, as well as data that is complete as much as possible. Also, it has a plan to communicate the results of its CSR implementation to its stakeholders.

Dissemination Channels

Providing all stakeholders with appropriate information that allows them to consider issues that are of interest to them, this report is available in both Thai and English in the form of printed materials, CD, and webpage, for variety and convenience of information access.

This report, which is included in the Annual Report, can be downloaded from the Company's website. For more information, please contact:

Company Secretary & Investment Relations

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Role to Stakeholders

Recognizing that its stakeholders play a key role in determining the direction of its business practices, the Company has focused on protection and consideration of all groups comprising its stakeholders. It has organized dialogues with its stakeholders to involve them in activities according to their roles and to learn about their expectations and needs so as to respond to them accordingly. The stakeholders are classified into nine groups, and the Company's mission has been defined to meet the needs and expectations of the respective groups in a balanced manner.



Stakeholders	Stakeholders' expectations	Participation chaannels	Response to stakeholders
Shareholders	<ul style="list-style-type: none"> * Performance and business growth. * Management with transparency and audibility. 	<ul style="list-style-type: none"> * Quarterly Performance Report and disclosure of information via the news system of the Stock Exchange of Thailand and on the Company's website. * Annual General Shareholders' Meeting. * Activity "Analysts and Investors Meeting Saha Group, 6th Year." 	<ul style="list-style-type: none"> * Dividends.
Employees	<ul style="list-style-type: none"> * Compensation and benefits. * Human rights and involvement. * Job security/career advancement opportunities. * Safety at work and occupational health. * Development and learning. 	<ul style="list-style-type: none"> * Conferences, seminars, and training. * Events, such as the Company's founding anniversary and sport competition. * Opening for comments via post box. * Electronic media, such as Intranet and E-learning. * Public relations via the public address system and bulletin boards. 	<ul style="list-style-type: none"> * Appropriate compensation and benefits. * Promotion of employees' knowledge and career advancement.
Community and society as a whole	<ul style="list-style-type: none"> * Environmental protection and safety. * Generation of revenue for the community. 	<ul style="list-style-type: none"> * Community projects on occupations, education and environmental protection. * Community dialogues. * Receiving feedback and complaints. 	<ul style="list-style-type: none"> * Sharing of the Company's occupational knowledge and skills to the community. * Community projects on occupations, education and environmental protection.

Stakeholders	Stakeholders' expectations	Participation channels	Response to stakeholders
Partners	<ul style="list-style-type: none"> * Ethics and transparency in business practices. * Exchange of knowledge and experience. 	<ul style="list-style-type: none"> * Community dialogues. * Clarification of, and encouragement of partners to understand, the Company's policies and ethics in business practices. * Partner visits to exchange experience and expertise and listen to the partners' problems/ suggestions. * Fairness and equality. 	<ul style="list-style-type: none"> * Communication with the partners about the Company's policies and ethics in business practices. * Exchange of knowledge, experience and expertise.
Customers	<ul style="list-style-type: none"> * High-quality products and services. * High-quality products with punctual delivery. * Environmentally-friendly manufacturing process. * Receiving information necessary for decision-making without data concealment or distortion. 	<ul style="list-style-type: none"> * Meetings with customers. * Communication channels: the Company's website/electronic media (Facebook/E-mail) and customer visits/trade fairs. * Provision of channels for customers to file complaints or suggestions for operational improvement. 	<ul style="list-style-type: none"> * Development of product quality to ensure the product safety for consumers. * Consideration of complaints or suggestions to improve and develop products that meet customer needs.
Competitors	Free competition and marketing activities.	Communication channels: Public forums.	<ul style="list-style-type: none"> * Business practices with transparency under fair trade and fair competition. * Avoidance of seeking confidential information of the competitors by dishonest means or damaging their reputation by slandering.
Accounts payables	<ul style="list-style-type: none"> * Ethics and transparency in business practices. * Adherence to, and compliance with, the terms of agreements with accounts payables. 	Reports: Annual Report/Social, Community and Environmental Responsibility Report.	Punctual payment to accounts payables based on terms of agreements, without default.
Government agencies	<ul style="list-style-type: none"> * Legal compliance. * Social and environmental responsibility. 	<ul style="list-style-type: none"> * Report: Annual Report/Social Community and Environmental Responsibility Report. * Compliance with laws, rules, regulations, and corporate governance. * Communication channels: Punctual provision of correct information for relevant authorities /website. 	<ul style="list-style-type: none"> * Compliance with laws, rules and regulations on correct and transparent business operations. * Control of the environmental quality to ensure that it is above the minimum standard assigned by law. * Provision of correct and quick information for overseeing government agencies.
Mass media	<ul style="list-style-type: none"> * Efficient data communication. * Accurate and quick information. 	Communication channels: interviews, journals, magazines, exhibitions, and websites.	Provision of accurate and complete information.

Sustainable Business Operations

1. Management Guidelines

The Company's vision is "Being the leader in the textile and garment business that grows along with the society and the environment in a sustainable way." Being a manufacturer and seller of garments and knitted fabrics, the Company's mission is to create the security and build the economy for the country taking into account all groups of stakeholders. This is based on the good corporate governance policy, as well as operational directions that are consistent and drive the organization into the achievement of its business goals.

The Company has operated in line with the guidelines for sustainable development, and it has raised the awareness among the management and employees throughout the organization about the efficient use of energy and resources. It aims to continuously develop environmentally friendly products in order to reduce greenhouse gas emissions and get involved in reducing the impacts of global warming. The development of such environmentally friendly products covers work processes, production, procurement and distribution of products and services, good corporate governance, business ethics, and codes of ethics for the directors, the management and employees, including measures pertaining to transparency, fairness, anti-corruption, as well as social, community and environmental responsibility. The objective of the development of environmentally friendly products is to have the Company grow in parallel with the creation of value added to society and the environment in a sustainable way.

The Company has designated committees and sub-committees to manage specific tasks covering economic, social and environmental tasks and to consider other matters accordingly and efficiently, as follows:

Economic Panel

Executive Committee consists of 11 executives. Managing Director, as the Chairperson, is responsible for ensuring the operations to achieve the goal while complying with the corporate policy as prescribed by the shareholders.

Risk Management Committee consists of 4 committee members which are independent to the other committees. Managing Director, and high-level executives are responsible for monitoring the processes and identifying the risks regarding the project as well as evaluating and approving the Risk Management plan proposed by the Risk Management Committee.

Social Panel

Corporate Governance Committee is responsible for proposing a framework for the good corporate governance, and reviewing and enforcing the good corporate governance policies. The committee shall oversee and carry out Corporate Social Responsibility (CSR) activities in order to answer all the needs of the stakeholders within the scope of good corporate governance policies, business ethics, and code of conduct for directors, executives, and all employees.

Safety, Health (Occupational) and Environment (SHE) Sub-Committee is responsible for developing the framework and roadmap for Security, Health (Occupational) and Environment (SHE) of the company. This committee shall carry out SHE-related activities of the company, oversee, and evaluate the operations continuously in order to improve the taskforce.

Welfare Sub-Committee is a focal point in delivering social welfare support to all employees and taking care of employees' quality of life. This committee shall involve in social community development, define the directions, and carry out operational plans for the community development initiatives in order to consistently improve the taskforce.

Environmental Panel

Energy and Environment Conservation Sub-Committee is responsible for carrying out energy saving projects that are aligned with the corporate energy-saving policies and controlling how effectively the energy is consumed by collaborating with other related parties. The objective of this committee is to make the energy management initiatives aligned and complied with the corporate goal.

2. Corporate Governance

The Board of Directors of People's Garment Public Company Limited emphasizes on a good corporate governance by exercising the best practices from Stock Exchange of Thailand (SET) and the Rules and Regulations from The Office of The Securities and Exchange Commission and Investment Board as framework in supporting the good corporate governance initiatives to achieve effectiveness, integrity, fairness, transparency, responsibility and accountability for all stakeholders and to be aligned with business situations and sustainable economy principles.

Corporate Governance Policy

The Board of Directors has played a key role in determining the direction of the Company's operations and overseeing and monitoring the management. In 2014, the Board revised the good corporate governance principle, comprising "The Corporate Governance Policy, Good Corporate Governance Principle, Business Ethics, and Codes of Ethics for the Directors, the Management and Employees" (2nd edition). This was approved at the Board of Directors' meeting, no. 1/2014, on February 19, 2014, and it was posted on the website: www.pg.co.th and the Company's Intranet. This is to provide all people in the organization with the business practice guidelines serving as the basis that they have to adhere to, in order to yield the maximum benefit for the organization and its stakeholders and to ensure legal compliance of business activities.

Structure of Management for Sustainability

To achieve the efficient performance of the Board of Directors, the Company has established six sub-committees to carefully screen assignments under the good corporate governance principle.

The Board of Director has designated the Corporate Governance Committee to take charge of social and environmental responsibility, with the Company Secretary serving as the coordinator. The Company is going to restructure the committee in 2015 to assign them linked responsibilities to enhance the efficiency and effectiveness. The organizational chart is provided below:

Throughout the year of 2014, the Corporate Governance Committee held 2 meetings with the focus on the standards and the roadmap towards a good corporate governance in a continuous and sustainable manner, with a hope that it will become a corporate culture for everyone to hold on.

- Review of the corporate governance policy, the good corporate governance principle, business ethics, as well as the codes of ethics for the directors, the management and employees.

- Announcement of the intention to enter into an alliance with the Thai private sector with respect to anti-corruption.

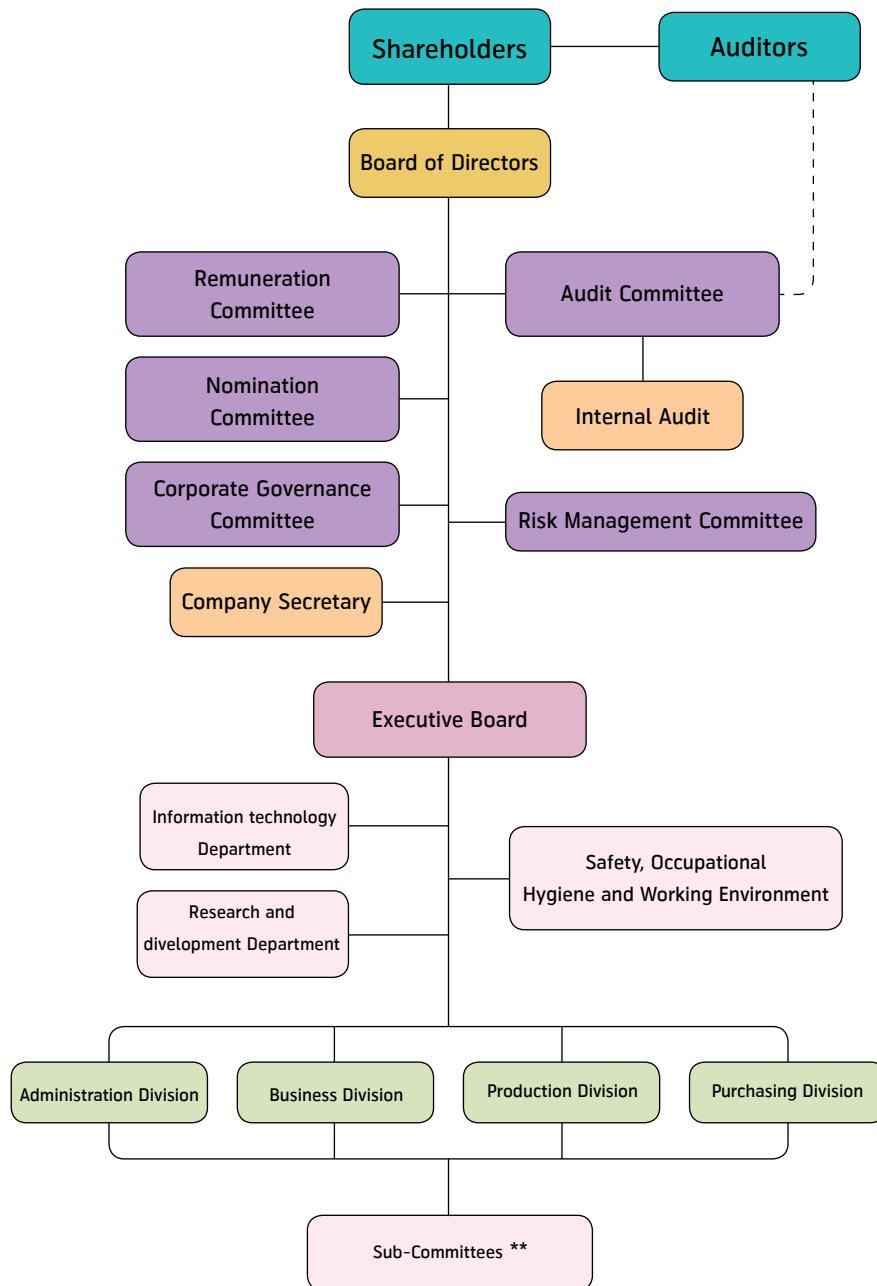
- Proposal of an anti-corruption policy and practice guidelines.

In addition, monitoring of business operation is adopted based on the principles of good governance as listed below :

1. Rights of Shareholder
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Disclosure of Information and Transparency
5. Responsibility of the Board of Directors
6. Good Corporate Governance policy
7. Anti - corruption policy

The Company has also prepared various media to communicate and publicize the Company's information to the employees in an official way. This is to put an emphasis on the practice guidelines in line with the good corporate governance policy to employees, which is a key element to the preparation for the ASEAN economy. Also, the Company has campaigned for anti-corruption guidelines for its employees and then its partners. Companies under the Saha Group are preparing animations to raise the awareness of its employees, from newcomer employees, and its related parties.

More information about Equitable Treatment of Shareholders was disclosed in 2014 Annual Report under the section of "Corporate Governance" and Corporate Governance Committee Report,



**** Sub-Committees are composed of the following :**

- | | |
|---|--|
| 1. Quality Standard System ISO 9001 Committee | 6. Company Welfare Committee |
| 2. Safety, Occupational Hygiene and Working Environment Committee | 7. Prevention and Solution to Drugs Problems in an Establishment Committee |
| 3. Environment Management Standard ISO 14001 Committee | 8. Energy and Environment Conservation Committee |
| 4. Thai Corporate Social Responsibility TLS 8001 Committee | 9. KAIZEN Committee |
| 5. Worldwide Responsible Apparel Production Standard WRAP Committee | 10. Innovation Committee |

Monitoring on Corporate Governance Policies

Directors, executives, and employees all stay complied with the Good Governance best practice and always consistently refreshed with the upcoming plans and announcements.

In 2014, there were no evidence of policy violations and the company did not claim for any loss and damage from the stakeholders. More information about Corporate Governance is disclosed under the section of “Corporate Governance”, in the Annual Report

Sustainable Business Operations : Economic Panel

1. Fair-Trade Business

The company focuses on fair-trade business within legal concerns and code of conduct. It also emphasizes a fair competition based on mutual benefits between partners and account receivables who will be treated fairly. It is agreed that any party shall not ask for, receive or agree to receive assets or other privileges beyond mutual agreements. Doing business with partner, customers, public sector and private sector, including competitors shall not lead to deterioration against the company's reputation or violation against the laws as described in the following details:

- Be committed to customer satisfaction and confidence. Stay customer-focused and take any appropriate action for the benefits of the customers. The company will ensure that the customers receive goods that are in high-quality, safe, and environmentally friendly within an affordable price. The customers must be informed with essential information to support their buying decision without any omission or distortion provided by the company. The company must strictly take any action as promised in the terms and conditions of the services offered to the customers. There shall be an improvement effort made to add more values to the goods and services offered in order to answer the continuously growing demands of the customers; good relationship management towards sustainable relationship ; a refrainment from any action that may cause violation of customer rights and privacy, including the abuse of those pieces of information for individual benefits without an absolute rights.

- Respect the trade agreement that is based on a fair-trade competition. Consider equality, parity, and integrity in doing business for mutual benefits with partners. Have an effective partner recruitment system that builds a value chain from partners who follow SHE standards, environmentally friendly, nurture good relationship, share and exchange information, collaborate for development and add values to goods and service for mutual growth.

- Treat partners with the law of fair-trade competition. Be committed not to seeking out confidential information from direct competitors in an unethical manner. Stay refrained from committing defamation against the direct competitors.

- Prioritized for transparency and integrity in business transaction with government authorities and stay away from inappropriate actions that may violate the good corporate governance. Stay against all bribery for government officers with an intention to gain benefits for the business.

The company provides extensive channels of communications for partner, customers, and stakeholders to provide their complaints and feedbacks and be treated with fairness in practice.

Recaptions, Receipts and Grants of Gifts

With an intention for fair-trade competition, the hospitality, entertainment and gift practices are established based on appropriateness and good relationship as followed:

1. No taking or giving gifts or hosting events that may influence any decision. If necessary, the gifts or events that are valued more than expected. All employees must report to their supervisors or managers.

2. In case of assigned by the direct managers to work on-site at other customer's location, the policy is also the same for such occasions as winning a prize, complementary gifts, or lucky draw, etc.

3. If a representative, partners, shareholders or other parties would like to give gifts, complementary assets, and hospitality events on behalf of their company to PG employees, it must be approved by the company before.

4. The expenditure of those activities mentioned above must be in a reasonable range of budgeting.

In 2014, the executives and employees sent forth the gifts from partners to the Department of Secretary and then they were separated and allocated to everyone of the employees under the project "From Partners to PG" which was the third year after 2012. This led to the proud of being a PG employee as part of the company's success.

Copyright Infringement

The company shall not take any action that violate intellectual properties of others. the executive directors and employees will not use company resources and assets effectively and use only those covered with its copyright properly. As a whole, the company is against the pirated versions of goods and services which violate copyrights of others. The company is thus committed that:

1. Do business with a respect to the laws, regulations and committed agreements related to copyrights.
2. Be responsible for pieces of work as the company's intellectual properties and will not exploit them for others without prior approval.
3. Respect the intellectual properties of others and will not violate other pieces of work by exploiting them for private benefits unless it is allowed or compensated by the owner of the intellectual properties.
4. The pieces of work contributed by the employees at work are regarded as intellectual properties of the company. If the employees resigned from the company, those pieces of work must be sent back to the company, regardless of any recording formats.

At all times, the company explicitly expresses its commitment to all stakeholders through the production process that takes CSR concerns in mind. The Golden Certificate of Compliance from Worldwide Responsible Accredited Production is thus given to the company as an evidence for this effort.

2. Promoting Social Responsibility in the Business Chain

The Company has introduced a process and technology that are concerned about potential environmental impacts, from the selection of raw materials and energy and technology, in order to ensure the efficient use of energy in the production process, to the production of finished goods. Thus, the Company has managed risks in the supply chain to maintain the continuity of its business operations. It has adopted sustainable development and virtuous business practices under the good corporate governance principle as a mechanism and strategy for the development of sustainable

supply chain management, in order to establish a linkage between each operation. It has formulated policies for effective implementation, as follows:

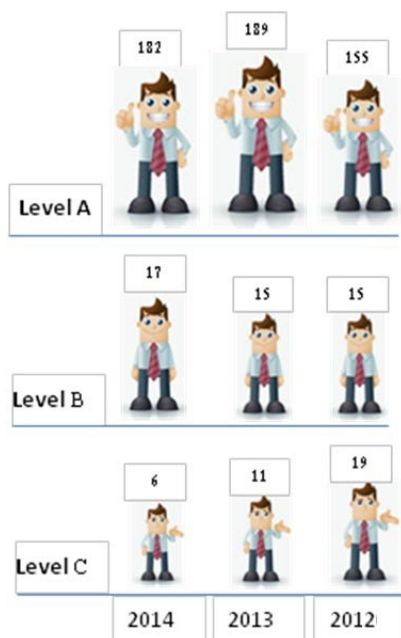
Environmentally friendly Procurement

Procurement is an important process in the management of cost-effectiveness together with product quality. The Company's procurement involves the selection of products and services that have good quality while reducing environmental impacts simultaneously; it does not take into account only price. This aims is to encourage changes and instill environmental awareness into both employees and suppliers so that they shift to goods and services while considering environmental impacts more. Environmentally friendly procurement consists of compliance with laws, control of the manufacturing process to ensure environmentally friendliness, energy management, water management, and waste management.

The Company has auditing, partner evaluation and selection, as well as monitoring systems that take into account the quality, quantities, deliveries, including the minimum requirements of labor law and quality management systems, such as ISO 9001 and ISO 14001. The evaluation criteria are as follows:

1. Efficient management and use of resources.
2. Waste segregation/putting waste in a proper location.
3. System of preventing and controlling the release of any contaminated waste into the environment.
4. Appropriate methods for handling hazardous chemicals, materials and raw materials.
5. System of delivering vehicles that are in good condition, without causing pollution.
6. Preparation for emergencies.
7. Safety, occupational health, and the working environment.
8. Compliance with the environmental regulations.
9. Cooperation in solving environmental issues.
10. No complaints from stakeholders/related parties.

Partner Evaluation



Ratios of Partner Evaluation based on ISO 9001

Production Process

The Company has optimized and analyzed its production process, from receiving raw materials, having finished goods and services available, and transporting finish products, based on the concept of safe and environmentally friendly products. For instance, it has adjusted and controlled the production system by using the LEAN and PMS systems, using biomass in replace of fuel oil, and using the evaporative cooling system (EVAP) instead of the air-conditioning system, which can reduce energy consumption. Despite increased production capacity, the impacts of the production process have decreased.

LEAN Production is a management tool that maximizes the performance of the production lines by focusing on the values of the production on the customers and adding values to the goods and services while removing loss occurred during the production phases. This is expected to lower the cost of production, maximize profits, and promote business values to the optimum level while the values of the products of high quality and employee engagement are still maintained in the process.

PMS is a system for management working on a real time basis which can be used as a tool to control the production nodes in each phase, including the output. The input information is by scanning the barcodes on each output from each production team. This systematizes all the processes, making it to produce the outputs with more accurate timing. The system can display the actual volume of outputs compared against the targeted one and can help predict Whether a specific production line can produce in such a volume that meet the targets or not.

Efficient and Environmentally friendly Freight Transport

The Company has utilized software for transport management in order to enhance the transport efficiency. Transport planning, in terms of routes, vehicle and modes of transport is an important factor in transport cost management. This has resulted in an efficient use of existing assets and a reduction in greenhouse gas emissions to render environmentally-friendly transport. The details of such planning are outlined as follows:

1. Setting the truck schedules for each plant via the Intranet.
2. Reduction in empty truck transport if the transport of non-empty trucks of other companies under the Saha Group is possible.
3. Use of software to control the load of each shipment to achieve energy efficiency.
4. Reduction in energy use by training drivers to drive safely and raising their awareness about driving at an appropriate speed and studying routes every time before starting.
5. Regular inspection of vehicles to ensure safety and energy efficiency.

The above-mentioned management has led to the reduction of greenhouse gas emissions. The Company has extended the results to its partners (freight transport companies), and it has received good cooperation from its partners.

Partners, Service Providers and Distributors

The Company has evaluated the performance of, and paid visits to, its partners, service providers and distributors on a regular basis to ensure their compliance with the environmental management system ISO 14001 and the policy towards the management of energy and environmental conservation. This has allowed the Company to select partners in a systematic manner to make sure that throughout the supply chain it has partners that operate their business in compliance with the law, safety and occupational health standards, and the principle of being environmentally friendly. The Company has supported environmentally friendly procurement by considering products and services rendered by operators that comply with environmental standards or the Company's criteria. The criteria include legal compliance, efficient use of resources and energy, production control, and waste management. This aims to enhance the capacity and efficiency of their joint business operations and upgrade the procurement to become more green in the future.

Based on the above operations, the Company expects that its partners, service providers and distributors will be able to extend the environmental management guidelines into standards in other chains.

Customers, Consumers, and End-Users

The company realizes that business organizations will be sustainable on a condition that it needs to deeply understand the needs of the customers. Nowadays, expectation from the customers is unlimited and not scoped within what the business did to the market. However, they expect more of how the society and environment will benefit in a sustainable way from the actions by the company. So, the company builds innovations while considering the effects on society and environment and business values in mind. These

initiatives include, but not limited to, identifying amount of Carbon Footprint on polo T-shirts; manufacturing Eco Yarn Dyed Look which replaces yarn dyeing by knitting / converting special yarn into fabric and then dyeing fabric only one time as piece dye fabric but getting different shades of color; which is and saving energy resources and cutting down unnecessary consumption of power.

3. Responsibilities for Consumers

The company realized that customer satisfaction and their confidence are key to success towards sustainable business growth. The best practices and policies are as follows:

1. Manufacture goods that are safe for consumers and friendly to the environment.
2. Improve by providing innovation that gives values to goods and services for the customers as well as give essential information for the customers to make a smart buying decision.
3. Do business based on integrity, fairness, and transparency; do not violate the rights of the customers; do keep customer information confidential; and do not abuse the customer information for any other purpose.
4. Do not claim, take, or agree to take assets or privileges from the customers in an unethical manner, whether express, implied or statutory.

The company will prudently manufacture products that are with high quality, durability and at affordable price. With the concern of quality and safety standard of the products, the company thus place a quality assurance in each process starting from the raw material selection, to the delivery to the hands of the customers. The assurance will help the customers stay away from risks and hazard as follow:

- Control the safety of the raw material by bringing in the (REACH : Registration Evaluation and Authorization of Chemicals from EU as a baseline in determining the standards of raw material selection. So, the raw materials are free from hazardous substances such as formaldehyde or fluorescent.



- Control the safety of the products during the production process before reaching the hands of the customers including:
- Control the production site areas to be free from hazardous chemical for local and international customers.
- Examine heavy metal substance in the products such as mercury or lead.
- Examine needles or pieces of metal in the products.
- The product packages are reusable and degradable by nature, leaving no harm to the environment.

Labels of Products and Services

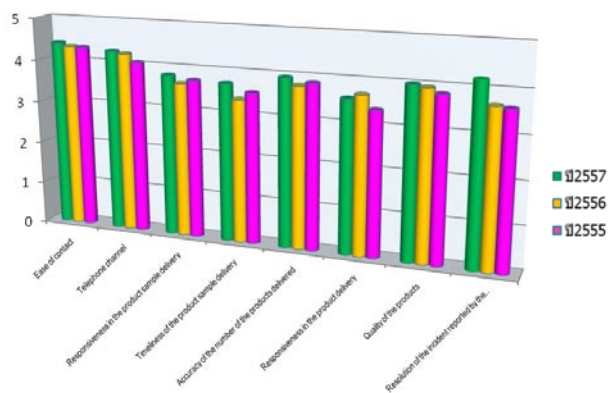


The company realizes the importance of labels on each products. So, it dictates that all products should be labelled or tagged with instruction, advice, or information required by the laws such as legal notice, regulations and international standard for individual products. This is for the customers to gain the most benefits from the product they are buying.

Which is safety and environmentally friendly. Moreover, the customers can realize the impact that happens during product life cycle. This information will further the decision of customers when they decide to buy the product such as Carbon Footprint Label attached to Men's white polo shirt of Arrow brand. In addition this information is not only stimulate the purchasing decision but also change buying behavior to buy the eco-friendly product.

Measuring Customer Satisfaction

The company believes that customer satisfaction is a corporate key performance indicator. Customer feedbacks are thoroughly monitored and managed. If there is a suggestion from the customers, the company will analyze and apply with the related production teams and product development team so that the new generation of the products will be much more improved



Resolving Customer's Reported Incidents

The company implemented the systems and channels to receive complaints or incidents, inquiries, and suggestions from the customers regarding the products and services from any channels they are most convenient. There are multiple channels that the customers can access such as call center which is connected to ICC International (PCL)'s database. The database of ICC is the main database of the company and ICC is also a major distributors of the company. All reports from the customers are regularly updated and resolved consistently.

Communication Channels

The company implemented the systems and channels to receive complaints or incidents, inquiries, and suggestions from the customers regarding the products and services from any channels they are most convenient. These channels include:

	Number	E-mail
Business 1	0-2685-6537	nutchapunporn@pg.co.th
Business 2	0-2985-6566	photchamarn@pg.co.th
Company Secretary	0-2685-6509	suvimol@pg.co.th

Apart from this, there are several channels such as social media. website www.pg.co.th and Facebook fanpage, all of which can provide immediate responses to the changing demands of the customer, improving the effectiveness and responsiveness in communication and enhancing products displayed online for such brands as Saha Group Fair Trade Export Exhibition, the one that the company has rigorously involved. This exhibition will give another channel for the customers to browse product items and send comments and feedbacks to the company, bringing up more improvements in the operation processes.

In 2014, no significant reported incidents from the customers were found. Minor issues were analyzed for the cause and resolved accordingly to prevent future failures. All the systems were well monitored so that the same issues were not repeated in the future.

Socially Sustainable Business

1. Anti-corruption

The company resists any type of corruption through realizing that bribery and corruption are hazardous to fairness and freedom competition. These also damage economic and social development, moreover, the company's policy for business advantage is not to offer any bribery or reward in regardless of direct or indirect manner.

The company strictly follows the principle of transparency and righteousness in pursuit of its business operations. It advocates for anti-corruption and anti-fraud practices, as well as raises awareness, value, and good attitude of its staffs toward honesty. It organizes activities to promote and encourage executives and staffs to be complied with laws and related company regulations. The company will not further the staffs to achieve their goal through corruption or fraudulent practices. All new staffs, who participate in work orientation, will be trained. And educated about company's anti-corruption policy and ethical practice.

Moreover, the company has an internal audit unit responsible for providing the effective and efficient control systems, which can examine, monitor, and assess risks associated with corruption in order to prevent staffs from conducting fraudulence or being involved in any corruption/fraudulent practices. The examination committee is responsible for verifying the internal control system and follow up on the internal examination. If a fraudulent incident was detected, the internal audit unit will report the incident directly to the examination committee which will then report it to the company's board respectively.

To upgrade the standard of the Company's transparent business practices, the Board of Directors approved the signing of the **Declaration of Intention to Enter into an Alliance with the Thai Private Sector for Anti-corruption** at the Board of Directors' meeting, no. 1/2014, on February 19, 2014, in order to comply with the principles of good corporate governance and responsibility for society as a whole.

Being conscious of the importance of this policy, companies affiliated with the Saha Group held a seminar

titled "Preparation for the CAC Membership Certification" on July 29, 2014. The objective of the seminar was to provide the directors, top management, secretary and related parties with knowledge and an understanding about the membership certification process, in order to support and drive toward this achievement.

In addition, the Board adopted a policy to comply with anti-corruption law. Put in writing to serve as the anti-corruption guideline, the policy was approved at the Board of Directors' meeting, no. 2/2015, held on February 26, 2015, to commence the process of CAC membership certification.

(Detail is indicated in corporate Governance "item No.3 : Roles of stakeholders and topic :Anti - Corruption Policy)

For the past few years, the Board and the management have constantly adopted the philosophy of a self-sufficiency economy as the guideline for organizational management. Also, they have been committed to strict administration based on the good corporate governance principle and **adhered to the principle that all employees throughout the organization shall perform their duties with diligence, integrity, and justice** in accordance with the living and working philosophy of the Saha Group's founder, Dr. Tiam Chokwatana.

As a result, in 2014, there were no complaints against the Company about corruption, e.g. bribing for its business interests. In addition, its Lamphun Branch received the "Top Corporate Governance Report Award 2014, Regional Level (North)" on August 6, 2014. The Office of the National Anti-Corruption Commission, in cooperation with the Committee on Corporate Governance and Corporate Social Responsibility, the Thai Chamber of Commerce, and the University of the Thai Chamber of Commerce, held a program to grant the "Top Corporate Governance Report Award 2014" (Year 5) to operators that possessed transparent, auditable information disclosure and preserved integrity. This was consistent with the main goal and strategy stating that all sectors of society shall hold the values of extolling morality, ethics, and discipline, through campaigns for the enhancement of a culture of integrity and

the advocacy for good governance and corporate governance (including the campaign for anti-corruption).

2. Respect of Human Rights

The Company operates its business with respect to laws of pertaining human rights by declaring clear policies in accordance with international standards, WRAP (Worldwide Responsible Accredited Production) and standards of Thai labor (Mor ror thor 8001 - 2553) with regards to non-discrimination, race, nationality, ethic, colour, religion, language, sexual orientation, disability as factors in making consideration of , and decision for, employment. The employees show their willingness to work, no child labor, respect the rights and freedom of employees. In the meantime the Company recognizes the importance of skills and capability development for employees as well as providing the opportunities for all employees to learn.. In case the employees do not receive justice, there are channels to submit their claims or any evidence of possible illegal actions including recommendations, systematic and fair prevention measures for the requester and it is published in electronics system of the organization (Intranet)

Measures For outsource/sub contraction

The Company has stated in their contracts that the contractor must legally treat their employees as Company's employees in accordance with principles pertaining to human rights. In case the contractor fails to comply with the contract, the Company may terminate the contract without notice. Throughout the period, the Company has examined documents and interviewed outsource labors and found no irregularities.

Training should be conducted for outsource labor before starting operation so that they understand the rules and regulations of the Company, quality control policies and standards in all systems that the Company involved in, as well as participating in the operation and practice with the employees. In case of expats, knowledge will be provided via translators in order to reduce the operational risks that may not be relevant by considering human right, equality and safety.

3. Fair treatment towards Labor

The Company recognizes that "Employee" is human resource that is a core driver of business to achieve the target. The Company has duty to treat its employees with respect of fundamental rights in accordance with human rights, promote opportunity and process in work and develop capability of the employees to strengthen business to be stable, prosperous, and achieve sustainable growth. Policies and operation guidelines pertaining to ethics for employees in the business are as follows:

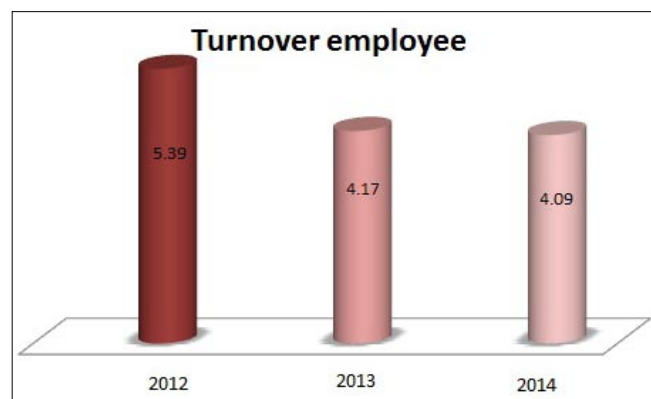
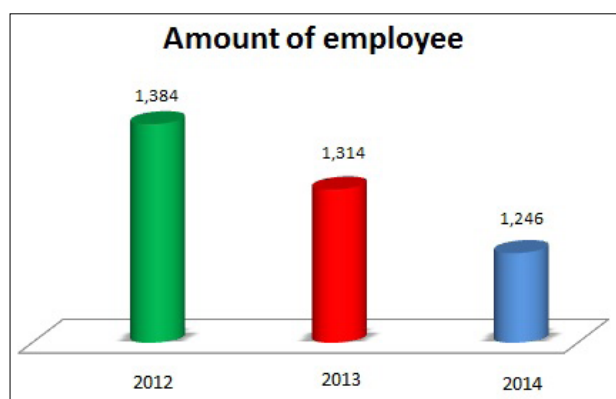
1. Treat employees with respect of human dignity and fundamental rights of work as well as not disclose or forward information or confidentiality of employees to external individuals or non-relevant persons.
2. Treat employees under legal framework, rules and regulations in accordance with the operation of the Company.
3. Promote equality in the employment without discrimination of gender, race, nationality, religion, age, disability or no direct related status with operations.
4. Support and promote training, the exchange of knowledge to thoroughly develop competencies of all employees, enhance stability in career and provide opportunities of career path according to individual competency.
5. Encourage the employees to be involved in specifying operational direction and development of the Company.
6. Provide fair and appropriate compensation based on knowledge, competency, responsibility and performance.
7. Provide appropriate welfare and benefits for the employees.
8. Provide communication channels for the employees to suggest or file any complaints about work. The recommendations will be considered and solutions will be identified for the benefits of all parties and build good relations in operations.
9. Provide necessary facilities in performing duties as well as prepare work place by considering safety, occupation health, the environment in operations to promote and enhance quality of life for the employees.
10. Promote coordination among employees in all levels to further social responsibility activities.

3.1 Recruitment and Employment of personnel

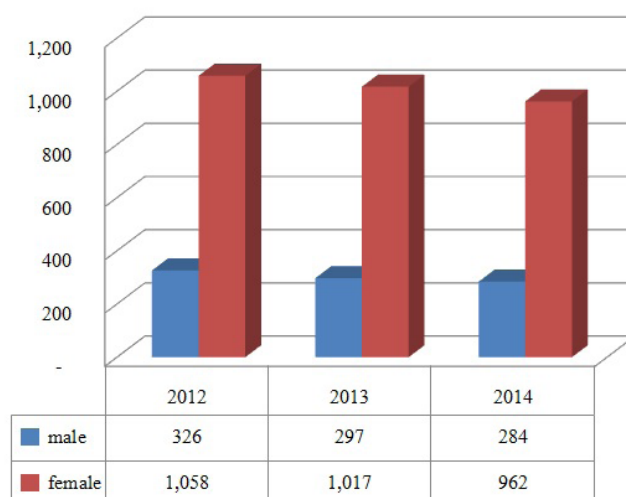
The Company will recruit, select and hire based on the principles of capability, quality, ethics and necessity of the business in order to hire “good” and “talented” individuals whose attitudes are relevant to the work and culture of the Company.

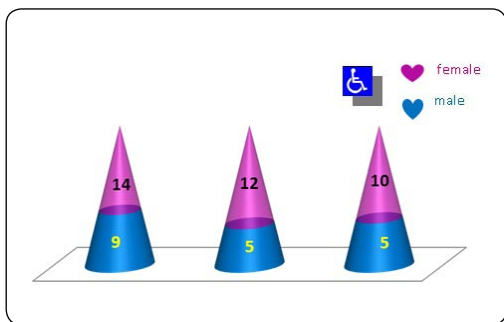
The Company has determined clear and tangible policies according to business principles. The process of recruitment and selection are transparent and fair and provides the opportunities for internal and external recruitment in order to increase career paths for employees and appropriate personnel for job description.

In 2014 total employees were 1,246 persons. Male employees represented 23% of the total, while female employees represented 77% as the business of the Company is ready-made clothes industry. The characteristic of work needs to be neat and detailed. The proportion of female employees is more than male employees in accordance with the job characteristic. The average age is 39 years and working experience is 10 years.



Proportion of Male and Female





The Employment of Disable Persons

For 12 years (since 2002 up to present, the Company has consistently hired disabled people, realizing that those who are able to work will make themselves and their families proud and this can reduce the dependency of society.

3.2 Wage, salary, compensation and welfare Management

The Company has policies about wage management in accordance with principles of ethics. The compensation will be based on the principles of compensation which relates to progress of work and responsibility in accordance with the capabilities of employees both male and female equally, sexual deviation person, persons with disabilities, as well as the adjustment of compensation of the Company to be competitive in the same industry to attract talented people and motivate existing employees to improve their performance continuously.

Welfare and benefit management

The Company has focused on establishing a good relationship with its employees, its valuable resource. Paying attention to their daily lives, the Company has provided them with welfare and benefits to create security and confidence.

1. Knowledge development

Educational support and scholarships : To promote and develop the potential for different careers to enable employees to grow and advance together within the organization.

Knowledge development and training : To encourage employees to practice and review their knowledge on a regular basis and take part in learning and sharing their work experience with their co-workers, in order to sustain the knowledge within the organization.

Library : To cultivate a nature of reading lovers and self-study in employees to gain updated knowledge, thus leading to creativity. The library is the source of news and information in the form of books, journals, academic papers, CDs, and VCDs classified into categories for easy search.

2. Living allowance welfare

Skill allowance : To encourage employees who use skills in their routine work to continuously develop their skills, which are divided into different levels.

Shift allowance : To motivate employees to work outside the normal office time.

Housing rent allowance : To help with housing expenses of employees who are sent to work outside the Company or outside their hometown or employees residing in areas with a high cost of living.

Aid allowance : This allowance is provided in the event of the death of employees' family members or in cases where employees or their heirs experienced public and natural disasters.

Uniform : To achieve orderliness at work in line with the nature of each type of work and to improve safety at work.

Pick-up transport : To facilitate employees and lessen their transport expenses, the Company provides a pick-up service along predefined routes for employees commuting to work.

- Goods and service privilege** : To grant employees and their families a privilege to purchase goods and services of the Company and its subsidiaries at special prices.
- Dining room** : A dining room where hygienic food at reasonable prices has been made available, and the food was inspected by the Bangkok Metropolitan Administration (BMA).

3. Welfare to provide stability in life

Provident Fund A provident fund is a fund raised from money collected from employees and the Company, which serves as a reserve for cases of resignation, retirement, disability or death of employees.

Savings cooperatives The savings of the cooperative members are in the form of cooperative shares, cooperative deposits, savings deposits with special interest rates, and cooperatives loans.

Housing loans Employees are given a bank loan with a high cap and an interest rate that is lower than the rate that banks offer to its ordinary customers.

Special person In addition to compensation as assigned by law, special rewards are granted to retired employees with long working years in the Company.

4. Company's birthday gifts

Employees with long working years in the Company are provided with gifts to boost their morale and strengthen their ties with the Company.



5. Recreation

Sport events and traditional events.

6. Health

Social Security Fund The Company entered the social security system as assigned by social security law, to support employees in the cases of injury, sickness, maternity, disability, or death that is not a result of work. In addition, it provides child, ageing and unemployment benefits under the conditions specified in the Social Security Act.

Workmen's Compensation Fund Money from the Workmen's Compensation Fund is drawn to help employees in the event of injury, sickness, disability or death from work as stated in the Workmen's Compensation Fund Act.

Yearly health check-up Annual physical examinations for occupational health risk factors as set by occupational physicians are provided.

Nursing room A nursing room served by medical doctors and professional nurses is available to provide medical treatment or first aid.

Health promotion corner A designated area and sport equipment is provided for employees to exercise and to promote healthiness.

Nerve movement and muscular relaxation Fifteen minutes a day during normal working hours is dedicated for employees' exercise with activities designed by physiotherapist experts in line with the types of business practices the employees performed. This aims to reduce their fatigue, protect against occupational diseases, energize them for work, and prevent accidents from work.

Visit to sick employees Being aware of the significance of an employee's illness, the Company visits sick employees with a gift basket to demonstrate its concern about them.

3.3 Personnel Development

The Company has planned to develop its personnel in line with its master plan, the internal and external impactful environment, the formulation of a new vision, the change of working patterns to create new forms of administration, and operations that ensure achievement. Accordingly, personnel development is based on the development of knowledge, skills, and ability, as follows:

1. Knowledge development

This involves gathering knowledge of all personnel in all units to develop a system and a manual that assist everyone in the organization in accessing the accumulated knowledge and developing themselves. For example, knowledge about the production of slacks was collected to allow all plants of the Company to produce goods or operate efficiently. After receiving knowledge development training, employee productivity increased by 20 percent, which resulted in an increase in the Company's competitiveness. The average training period was 48 hours per person.

2. Skill development

This deals with the development of employees' ability to perform regular work so that they possess necessary skills, which leads to work efficiency. An example of training in skill development was "Sewing to Achieve Effectiveness and Efficiency." The training in skill development was followed by an increase of 16.50 percent in employee efficiency. The average training period was six hours per person.



3. Ability development

The Company has focused on ability development, with an average training period of six hours per person.

- Core ability development - This aims to build employees' overall capacity, in terms of knowledge, skills, attitudes, beliefs, and character to result in the organization achieving goals under its vision, e.g. application of the Fashion Trend, 2015.

- Management ability development - Development of personnel to equip them with the management ability to achieve tasks is consistent with the Company's strategic plans and vision. Examples of the training courses were "Administration Art 'GEN Y' to Efficient Team Management," "Teamwork," and "Communications."

It was the Company's honor that Mr. Santi Bangor, an Independent Director/Audit Committee member and Chairman of the Corporate Governance Committee provided the Company's management with knowledge about the Business Plan 2015 - 2017, Business Recovery Plan, and Restructuring Plan.

To add value to its personnel and foster knowledge expansion, the Company organized projects that extended the self-development concept, as follows:

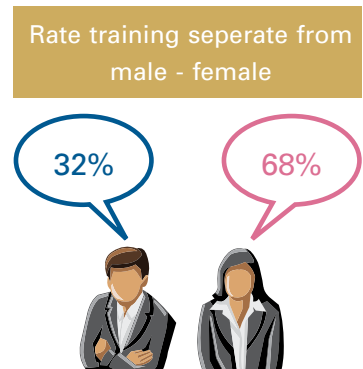


Inside: Activities to disseminate and promote knowledge within the organization were held to allow personnel to exchange their experience and knowledge. An example was sharing learning points among plants to reduce errors at work or to transfer knowledge and experience of best practices to further extend mutual learning. Another example was the propagation of knowledge through different events, such as Kaizen, which provided operational employees with opportunities to exchange information and learn from each other and Innovation, which fostered innovations in production, products, services, etc.

Outside sources: The Company allowed outsiders, such as educational institutions, government agencies, state enterprises, and other private companies to visit and take a study tour of the Company. In this regard, the Company transmitted its operational guidelines, such as the processes of manufacturing, environmental management, energy management, waste management, safety management, and quality management to encourage further extension.

Proportion of training participants classified by gender

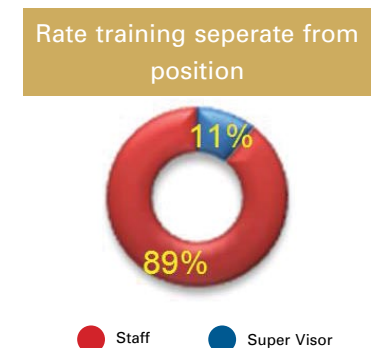
In 2014, the overall number of the Company's employees was 1,246. There were a total of 969 employees who joined the training - 305 male employees and 664 female employees, representing 32 percent and 68 percent of all employees attending the training, respectively.



Proportion of training participants classified by positions

Out of 969 employees receiving training, 105 were supervisors and 864 were operational staffs, representing 11 percent and 89 percent, respectively.

In summary, the average training period per person in 2014 was six hours, which showed an increase from 2013, when the figure was 4.39 hours per person and from 2012, when the figure was 2.42 hours per person.



3.4 Work and life balance

Considering employees to be a valuable resource whose life has to be cared for, the Company had a clear labor relations policy to show its organizational stability. Also, it allowed the Welfare Committee and the Committee on Standard on Prevention and Solution to Drug Problems in an Establishment to play a role in holding activities to create a happy 8 workplace with eight components, as follows:



Happy 1: Happy Body

- Provision of health-related knowledge, such as household medicine.
- Encouragement of employees to “stretch muscles” (7th year, 3rd set).
- Breast cancer screening from the Breast Center, Siriraj Hospital.

- Non-smoking campaign to educate employees about the direct and indirect effects of smoking and participating in creating a non-smoking movement.
- Sport events within the Company or its subsidiaries or outside the Company were organized in order to strengthen relationships within the organization and outside the organization, which would lead to love and unity. They included the Male Football Game, Female Chair Ball Game, Super Fun Sport Games, etc.
- Health promotion corners were provided for employees to play sports, such as table tennis, badminton, petanque, from which they could choose accordingly.
- Drug test - The activity aimed to make the Company free from all drugs. A random drug test was conducted every year, which found no employees with drug use.



Happy 2: Happy Heart

- Donation of blood to the Thai Red Cross Society once every three months. In 2014, the total blood donated by the Company’s personnel was 70,400 cc.
- Donation of desk calendars and CDs - This activity aimed to involve employees in donating unused old calendars and CDs to the Foundation for the Blind in Thailand under the Patronage of H.M. the Queen and the Association of Persons with Physical Disability International.

Happy 3: Happy Society

- Distribution of 2,870 seedlings to employees to plant at home to continually raise their awareness of environmental conservation.
- Donation of beverage packeting boxes to the beverage box recycling center to make roof sheets to give to the Princess Pa Foundation, under the Thai Red Cross Society, to help society as a whole.

Happy 4: Happy Relax

- **Super Fun Sport Games**, which was an internal fun event focusing on relaxing from the tension from work and strengthening love and unity within the Company.
- **Making Krathong** (small banana leaf boat) from natural materials, which provided employees with skills to make simple and economical Krathong. This aimed to carry on Thai culture and tradition and to reduce pollution which impacts the environment.
- **Karaoke singing contests** for Thai country songs and northeastern folk songs with communities in Kabin Buri district, Prachin Buri.
- **Employees' birthday gifts** The Employee's welfare committee organized a program to give a birthday gift to employees in the month they were born to show their importance to the organization.
- **Company products as a New Year's gift** The Company distributed Swoop shirts (An Honest World Model) as a New Year's gift to all Thai and foreign employees. This product - a cool mode fabrics innovation - was a result of the Company's development with the sense of involvement in reducing impacts of global warming. This aimed to boost their morale in working, their pride in the Company's products, and their ties with the Company.



Happy 5: Happy Brain

- Preparation of bulletin boards to provide knowledge about work, health and quality of life.
- Library, which contains books focusing on the AEC, marketing, Cambodia, and administration.
- Personnel development and training in three dimensions: knowledge, skills, and ability.



Happy 6: Happy Family

- Children's Day activities, which were held to allow employees and their children to do activities with the Company - the employees did not need to take a leave from work to take their children to join the activities elsewhere. These activities brought about a better relationship between families, employees, and the Company, as well as their better pride in, and love for, the organization.
- Development of a breastfeed corner, an area reserved for exchanging ideas between breastfeeding employees. The Company provided a location, equipment, and storage of breastmilk under the concept "Creating a good job and a happy life with breastmilk."
- Event "Representations of Mothers' Bonds" to establish a good relationship between employees and their families.



Happy 7: Happy Money

- Loans from the Government Housing Bank, the Government Saving Bank, and the Savings Cooperative, which aimed to help reduce the burden of informal debt among employees and to ensure their better life.
- Savings Promotion Program, which encouraged employees to create savings and reduce extravagance in order to ensure savings in the future. The Company, with the Government Saving Bank, facilitated employees by providing a savings deposit service at the Company, so the employees did not need to travel to the bank.
- Reduction of the cost of living for employees (products with welfare prices).
- The Company requested manufacturers of consumer goods under the Saha Group and outsiders to sell their goods to employees at welfare prices in the area arranged by the Company, which reduced employees' expenses.



Happy 8: Happy Soul

- Food offering to Buddhist monks on the Company's founding anniversary, which aimed to make employees physically and mentally happy.
- Activities on Songkran Day - Buddha statue bathing, merit-making for the Buddha statue on each birthday, and water pouring on elders or employees that would be about to retire were held in order to preserve good traditions.
- Candle procession on the Buddhist Lent Day - To preserve the Thai culture and traditions, encourage employees to observe precepts and refrain from vices, and support monk activities during the Buddhist Lent Day, marching in procession around the temple within the community in the vicinity of the Company was held.
- Program on morality and ethic promotion to raise employees' awareness of work through paying homage to a Buddha statue and extending loving kindness to all beings before working - The Company organized the program for paying homage to a Buddha statue and extending loving kindness to all beings before work every day. This process instilled morality, ethics and discipline relating to work based on Buddhism, which resulted in their concentration and wisdom. Particularly, practicing Dhamma equipped employees with generosity and morality, which made them become good people, work happily, develop their potential to achieve the maximum benefits, achieve their goals, possess positive attitudes towards work, have a sense of unity in the organization, serve as potential human resources, and assist the Company in advancing.



In addition to attaching great importance to the development and maintenance of welfare and benefits and to the human rights principle, the Company has provided opportunities for employees to express their ideas or complaints through the Whistle Blower system without a need to disclose their personal information. This is another channel for them to participate in monitoring the interests of the organization.

3.5 Safety, Occupational Health and Work Environment Management

The Company gives importance to safety, occupational health and work environment management actively and consistently by formulating clear and tangible safety policies. The working team is comprised of safety, health and working environment committees (Kor Phor Or), safety employees in management level and permanent safety employees in the professional level who provides specific operation, including the safety division that reports directly to Top Management. The main operation is divided into 3 parts: Safety, occupation health, health promotion and environmental management has operated as follows:

1. Occupational Safety, Health and Environment committees

Business Places	Legal Stipulations		Arrangements by the company			
	No. of Employees	No. of Committee Member	No. of Employees	No. of Committee Members		
				Male	Female	Total
Headquarters	500 or over	11	520	12	3	15
Wellgrow	100 - 499	7	141	7	2	9
Lamphun	100 - 499	7	445	11	4	15
Kabin Buri	100 - 499	7	220	8	3	11
Total			1,326	38	12	50
Percentage (%)				76	24	100

2. Occupational Safety, Health and Environment Teams

Business Places	Headquarters			Wellgrow			Lamphun			Kabin Buri		
	No. of Team Members			No. of Team Members			No. of Team Members			No. of Team Members		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
1. Executive Level	7	21	28	1	0	1	2	1	3	2	0	2
2. Supervisor Level	17	46	63	3	15	18	6	23	29	4	6	10
3. OSHE professionals	5	1	6	0	1	1	2	1	3	1	0	1
Total	29	68	97	4	16	20	10	25	35	7	6	13
Percentage (%)	30	70	100	20	80	100	29	71	100	54	46	100

Safety Management

Compliance with Laws

The Company strictly focuses on compliance with safety and environment laws by establishing operational safety guidelines as well as occupation health and environment policies. The Company assigns safety division to be responsible for evaluating the consistency of compliance in accordance with new management team twice a year, to ensure the compliance with laws that relate to the operation of the Company correctly. The Company has never paid penalty fees or been sanctioned for not complying with laws, safety and environment regulations

Fostering Safety and Health Awareness

The Company consistently operated a programs called “Zero Accident ”every year. In 2014 the Company focused on the operation of preventing accidents from work and outside the work by creating a mindset of safety and health promotion for employees at all levels, such as basic training for fire-fighting, safety in the workplace, safety in chemical usage, safe motorcycle riding, basic first aids and a full standard curriculum of first aids by an instructor from the Thai Red Cross Society. The Company provides health care and the protection of seasonal diseases, such as diarrhea, conjunctivitis, and the flu. The Company also provides occupational health knowledge and preventive safety by setting up the Morning Talk activity so that the employees will have knowledge and understanding of health and sanitation. This results in good health for the employees; for instance, by providing knowledge about: Byssinosis, hearing loss prevention, correct lifting and moving position, protection of backache, Trigger Finger, etc.



Morning Talk activity to provide safety and occupational health in preventive approach for employees

Prepare safety signs in 2 languages: Thai and Cambodian, such as emergency exit signs, how to use and inspect fire extinguisher, practical procedures during a fire accident, the telephone of nearby fire stations, nearby hospitals so as to communicate safety information with Thai employees and Cambodian outsourced employees to understand and acknowledge easily which can reduce injuries and protect the loss of life and the assets of employees.



Safety signs in two languages: Thai and Cambodian



Basis fire-fighting and fire drills



Provide basic fire-fighting knowledge a fire evacuation plan for daytime, O.T. Plan for Cambodian outsourced employees

The Company inspects the safety of electrical system annually by electrical engineers, electrical maintenance system and electrical equipment for safety use, including the training for electrical operators to have knowledge and understanding and the necessary skills to work safely in accordance with their work assignment. This includes, examining the safe usage of boiler, as well as the boiler that transfer the heat through liquid used by mechanical engineer once a year, examine fire extinguisher and the water in the fire-fighting system, inspect and test the readiness of fire alarm system, heat detector, smoke detector according to the specified period by the law.



Annual examination of electrical system



Examine the safety usage of boiler and the boiler that uses liquid to transfer heat.

Proactive safety operation with the engagement of employees

Safety inspections within own division or job description is the activity that gives opportunity for employees to engage in safe work. Employees will explore or find unsafe circumstances in the operational area and examine the availability of machine prior to starting daily work, such as check electrical cables, ground connections, as well as Personal Protective Equipment: PPE provided by the Company for particular job description). In case of unsafe condition or possible risks are found, will report to a supervisor to correct and ensure the safety immediately. Self- work inspection can protect accident caused from work and is considered as the maintenance of equipment for effective work. In addition the Safety, Occupational health and environment Committee in (Khor Por Or) inspect the safety among cross audits in four branches once in every quarter.

The Company conducts risk assessment in all work types by applying Job Safety Analysis: JSA and identifies hazardous conditions or possible diseases from work as well as recommend improvement methods, solution or protection of hazard in steps or identify safe work and prepare risk assessment manual of risk assessment in workplace to be applied for all branches.



Safety inspection, Cross audit.

* Chemical management in accordance with laws

The Company has carried out the control of chemical usage in accordance with laws to prevent hazards against employees and impacts against environment by preparing a Safety Data Sheet: SDS on possessed chemicals to be updated and comply with the laws of the Ministry of Industry according to GHS system (Globally Harmonized System of Classification and Labeling of Chemicals), prepare list of hazardous chemicals and safety information of hazardous chemicals (Sor or 1) according to laws of Ministry of Labor. Consequently the related person can process the chemicals correctly and safely, and provides proper and sufficient personal protective equipment and prepare emergency plan in case of chemical leakage to ensure the readiness and response to possible situation.



Emergency drills in case of chemical leakage

Emergency plan drills and preparation to respond to disaster

The Company has realized the importance of readiness and an efficient response for emergency situations and disaster by preparing three emergency plans to identify guidelines and a practical approach to stop the incidents in timely manner: prepare readiness and response to an emergency situation in the case of fire accident, chemical, oil spill or leakage and boiler leakage or explosion. Trainings are provided so as to review knowledge for employees regularly and practice emergency drill plan at least once a year for work safety, reduction of impact on life, asset of employees and the Company. This makes the stakeholders have confidence in the organization and nearby communities. Preparation to respond to disaster, such as evacuation in case of earthquake, has been rehearsed across all branches of the Company.



Rehearse fire evacuation in day time



Rehearse fire evacuation during overtime work



Rehearse evacuation in case of earthquake

Apart from proactive safety operation within the organization, the Company realizes the importance of building capability for safety operators by arranging trips for safety committees to visit establishment that has been successful in safety operation: Honda Automobile (Thailand) Company Limited in Ayuttaya province so as to bring back the knowledge to develop safety operation during work hours or off work hour such as training of safe riding on motorcycles organized on yearly basis. Campaigns on “Safe drive, no drive in case of being drunk, drowsy, on call” during New Year Festival, Songkran Days so that the staff can return to their hometown safely.



Visit plant at Honda Automobile (Thailand) Company Limited.



Campaign on “Safe Driving, No Drive While Drunk, Drowsy, on Call” During New year and Songkran Days.

According to proactive measure to prevent accidents, there have been no accidents from work and no loss time injury as well as no sickness or disease from work. Consequently the Company has received honor gold award (no accident and no loss time from injury 12,362,136 man hours consecutively) in “Zero Accident Campaign” in 2014 from Ministry of Labor for consecutive seven year and has been awarded for outstanding establishment in safety, occupational health and environment for national operation from Ministry of Labor.



Received trophy for outstanding establishment on safety, occupational health and national work environment in 2014

In 2014 the Company has received an honor award from “Zero Accident Campaign” from Labor Protection and Welfare, the Ministry of Labor as follows:

- * Well Grow branch received an honor copper trophy for the second consecutive year for no accident from work and no loss time injury of 1,788,030 man hours
- * Lamphun branch received honor gold trophy for third consecutive year for no accident from work and no loss time from injury of 12,362,136 man hours



Awarded of honorable gold and copper trophy in “Zero Accident Campaign” in 2014

Consistent Environmental Measurement In Operation

The Company has consistently measured the environment in its operations every year so as to monitor and protect against any diseases from its operation or other adverse impacts from such operations and reduce the impact on nearby communities. In 2014 all branches of the Company measured the environment in their operations covering all parameters, as specified by the Ministry of Labor and Industry, such as lighting, noise, heat, dust, density of chemicals, contaminants released from the boiler stacks, and quality of waste water that is released from the plant. The results of the measurements have passed the standard criteria in all checked spots in 100 percent of the cases. The monitoring results create confidence of the environment in operations for employees and comply with environmental management system ISO 14001:2004



Measure the environment in operations, such as lighting, noise, heat, dust and chemicals

Occupational health and health promotion

The Company has been committed to becoming a health and safety promotion organization as a result of its awareness that employees' being physically and mentally healthy and free from occupational diseases will be of benefit to themselves, their families and the Company – they can perform their tasks at full capacity. Concerning the occupational and personal health interventions for the employees, the Company has focused on prevention, treatment, and health promotion. In preventive terms, the Company has educated employees in health care, prevention of general and occupational diseases, first aid, and ergonomics. In addition, it has provided employees with adequate welfare, such as providing them with clean drinking water. The analysis of the quality of drinking water provided has shown that it meets the Thai Industry Standard for Drinking Water TIS 257/2549. There are separate toilets for male and female employees and for persons with disabilities; these toilets are hygienically cleaned. Also, there is a nursing room with sufficient medical supplies and medicines for first aid and initial medical treatment. There is a medical doctor available for examinations and treatment, and there are professional nurses who are always in the nursing room throughout the working period. A cupboard containing necessary generic drugs is placed in the areas where employees work overtime. There are wheelchairs and stretchers provided for moving injured or ill employees, and there are vehicles that are ready to deliver employees to the hospital so that they receive treatment in a timely manner.



Training in first aid and ergonomics

Physical examination for occupational health risk factors and yearly health check-up

The Company has provided physical examinations for occupational health risk factors. Occupational physicians from local hospitals and professional occupational safety officers conducted an assessment of health risks resulting from all characteristics of work, e.g. chemicals, lighting, noise, heat, vibration, or other environments that can be hazardous to identify the impacts on employees' health from work. The annual health check-up which involves the screening of diseases that are risks to female employees, such as breast x-rays and cervical cancer screening, have been provided. If any abnormalities are detected, they can be treated promptly.



Physical examination for occupational health risk factors and yearly health check-up

Working in the production process, which requires sitting or standing using limited postures or a continually-repetitive body movement over a long period of time, causes tiredness of the neck, back, shoulders, arms, hands and feet. Therefore, the Company consulted experts about designing chairs with a backrest to support the lower back and adjustable height according to the body size. The developed chairs are tested to ensure size and shape suitability before they are given to sewing staff for use in the Production Department. As for employees who perform a task that needs continuous standing for a lengthy period, they are provided with chairs or seats to sit during work.



Change to chairs with aa backrest for sewing staff and provision of chairs or seats for employees to sit during work

In addition, the Company held health promotion activities, e.g. exercise during work to prevent muscle injuries and occupational diseases. The Safety Department, with physiotherapist specialists from Somdet Chaophya Hospital, studied the nature of the work of the Company and then divided it into three parts – office work, production work, and warehouse work. They utilized the data to identify the muscular stretching postures that suit each type of work. The activity has been carried out for seven years, since 2008, and the muscular stretching postures are changed every three years.

In 2014, the third set of muscular stretching postures was improved – the new one focuses on exercising muscles in order to increase strength and stretch nerves to reduce fatigue from work, prevent muscle injuries and occupational diseases, as well as to improve performance and productivity.



Muscular stretching during work to reduce tiredness

Social and community development

To get involved in community and social development is the practical approaches in the operation of this Company. The Company holds true to the ideologies in operation for social development and community with sustainability, together with the reduction of impact on society and the environment. The Company plans to implement the social and community development activities that could meet the needs of the community along with the operation of the organization.

The Company has established a framework for improving the quality of community life and society in the area around the office and factories as follows:

1. Promoting learning for youth and develop skills that benefit to the occupations.
2. Conserving of natural resources and the environment.
3. Supporting employment within the community.
4. Promoting good health within the community.

Social and community development guidelines

	Headquarter	Lamphun	Kabinburi	Wellgrow
Education	<ul style="list-style-type: none"> - Summer Internship Program with SAHA Group Project - Education Support for Chalermprakiet 48 Pansa School Project - Life Changing Operating Project - Flow from PG Heart to Countryside Project 	<ul style="list-style-type: none"> - Flow from PG Heart to Countryside Project 		
Environment	<ul style="list-style-type: none"> - PG volunteer projects for sustainable protected forest 	<ul style="list-style-type: none"> - The Trash Recycle Paa Bpaa Project (Donation of recycle waste) - World Environment Day Project - Reforestation Chalermprakiet 	<ul style="list-style-type: none"> - PG Preserve The Earth, Reforestation, Environment Conservation Project 	<ul style="list-style-type: none"> - Donate Beverage Packaging box to Recycling Center Project
Society	<ul style="list-style-type: none"> - Blood Donation Project 	<ul style="list-style-type: none"> - Blood Donation Project 	<ul style="list-style-type: none"> - Blood Donation Project 	
Economic and Occupation	<ul style="list-style-type: none"> - Factory visit Project 			
Health		<ul style="list-style-type: none"> “SAHA Premier League” Project 	<ul style="list-style-type: none"> “Anti-Drug Community Relations SAHA Triathlon “Project” 	

In 2014 , The Company, together with the headquarter, branch factories in Lamphun, Kabin Buri and Wellgrow have been participated in 6 community development and social activities as follows:

Education

Summer internship program

To participate in building the capacity of students who joined the Company's summer internship program so that they had the opportunity to apply knowledge they had learned and collect actual work experience to prepare themselves for future work, the Company accepted five third-year students from the Department of Textile Science, Faculty of Agro-industry, Kasetsart University, as trainees in different units, including the research and development unit, business unit, and manufacturing unit. In addition to receiving knowledge in different areas, before the end of the internship, the students had to integrate knowledge they had gained to give a presentation about a product, with advice from the head of the unit where they were trained, in front of the meeting chaired by the Managing Director. This program resulted in actual work experience and allowed them to practice analytical thinking and collaboration. Also, it revealed the students' potential, and in turn, the Company was able to utilize their ideas to develop products. Examples of relevant programs are:

1. Behavior in Choosing Plus-size Apparel.
2. Consumers' Behavior in Choosing Earth-loving Products.



Plant visits



Students' tour around the plant to see the manufacturing process

Realizing the importance of enhancement of knowledge and an understanding of garments and learning about work in different careers or positions outside the classroom, the Company provided the opportunity for teachers and grade 12 students from the English Program, Assumption School, to tour the working processes of all units of the Company. Aiming to allow the students to learn about careers from actual experience, this program gave them an insight into the details of various careers in terms of their nature and required qualifications. This would help them with decision-making about jobs suiting their aptitude, abilities and personalities, which would result in happy and efficient work in the future.

Education Support for Chalermprakiat 48 Phansa School in Lampoon Province Project

The Company donated funds to the Chalermprakiat 48 Pansa School for impoverished female student in the remote areas to prevent them from becoming child prostitutions and to support AIDS orphans and children who have been abused. The project includes disadvantaged children and needy to receive a good care and education in order that they may not become a burden to society in the future and can live a normal life in society.

Life Changing Operating Project

The Company and Dr.Tiam Chokwatana Foundation have been helping Ms. Mantra Sriyouklad, a student at Nongyaplong School in Phetchaburi Province continuously for three years, by providing scholarships and support for her family's small grocery shop in order to generate income for her family with a sustained quality of life.



Flow from PG Heart to Countryside Project

The Company's main objective is to support the education for students in various remote areas with teaching equipment, scholarship, sport equipment and necessary supplies for both students and schools. The Company has been implementing this program consecutively for the last 11 years.

In 2014 the Company launched the project at Wat Baan Ang Thong School, Chachoengsao Province

Scholarships to the Chitralada Technology College

The Company has a policy to promote education and development of its personnel and their children and students with a lack of financial support, by granting scholarships to a 4-year program (undergraduate) at the Faculty of Business Administration and the Faculty of Industrial Technology at the Chitralada Technology College.

In 2014, the Company granted two scholarships.



Environment

PG volunteering for sustainable forest protection

The objective of the activity was to raise employees' awareness and appreciation of the importance of environmental conservation through continual reforestation in the National Forest Reserve in Saraburi. This activity was done for three years, from 2012 to 2014. Also, the activity was concerned with tracking the survival rate of trees, reforesting, and maintaining the ecological balance. This aimed to result in a climatic balance, abundant forests, and the uptake of CO₂ on an average of 25 kg per year. The graph showing the accumulative CO₂ uptakes is as follows:

Making a recyclable solid waste offering ("Waste Paa Bpaa" Project)

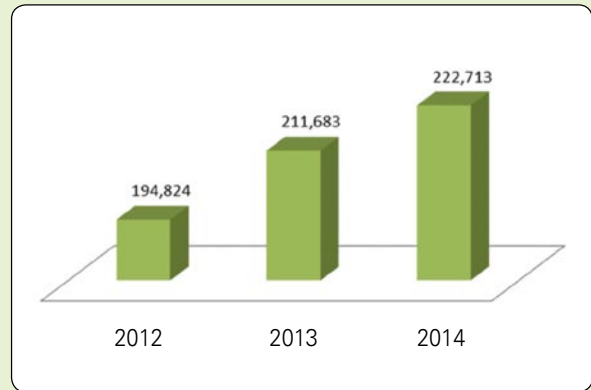
Supporting community and environmental development, this activity encouraged employees to work with communities in the Ban Klang Municipality, Lamphun, to provide knowledge about solid waste and sorting valuable solid waste to do something beneficial to society and reduce global warming. The money from selling the valuable waste was donated to Wat Rong Sao, Ban Klang district.



Donation Beverage Packeting box to the Recycling Center Project

The company aims to raise employees' environmental awareness and resource utilization through activity called "Recycle of Beverage Pack packaging box for loving environment" Realizing the importance of the project, the company provides an exhibition to educate and exhibit the products made by the recycle packaging box that were segregated, cleaned, and storage for recycling to be a roof which is donated to Princess Pa foundation, Thai Red cross Society for impoverished people and flood victims. This project has been operated for 5th year consecutively.

In the year 2014, 11,030 boxes were collected and cumulative quantity was 222,713 boxes, which all of them were recycled to by 111 Green roofs; moreover, these can reduce CO₂ emission equal to 2,004 TonCO₂ and also it can save waste Storage area equal to 8.91 m²



Donation of calendars and CDs

To help society and raise employees' awareness of generosity, the Company asked for unused calendars and CDs from employees from all departments. The calendars and CDs were donated to the Foundation for the Blind in Thailand under the Patronage of H.M. the Queen and CDs were donated to Association of Persons with Physical Disability International.

In 2015, there were a total of 507 calendars for the year 2014 and 2,459 CDs were donated.

Society

Blood donation

The Company set up a program to involve employees in donating blood every three months to save the lives of others. Blood donation can improve donors' healthiness because their body creates new blood cells to replace the lost ones, and it also boost donors' awareness of social help. In 2014, the total amount of blood donated by employees was 70,400 cc.



Breast cancer screening

The Breast Care Center under Siriraj Hospital brought a mobile vehicle to provide a breast cancer screening service using mammograms for the Company's employees. Then, the Company extended this service to employees of the companies located in the vicinity of the Company, such as Lion (Thailand) Co., Ltd., Thai Sports Garment Co., Ltd, and New City (Bangkok) (PCL), as well as the Company's retired employees, former employees, and relatives of employees.

Master project on energy management

The TV program "ELECTION" presenting about energy conservation interviewed Mr. Charoen Charoenwatanasuksum, the Managing Director and toured the Lamphun Plant to see its operations relating to energy conservation on June 10, 2014. The Company had four remarkable, successful energy conservation measures in four key areas, as follows:

1. Demand control program.
2. Evaporative cooling system (EVAP).
3. Replacement of fuel oil with Boiler Bio-mass.
4. Replacement of T8 light bulb with T5 light bulb and installation of pull switches.

Overall, it was reflected that the Company realized the significance of energy management and of the campaign for boosting employees' awareness of taking part in energy saving in order to reduce impacts of global warming and efficient use of resources. The program presented the issues on TV to serve as a good role model for society.



Providing education and Job to Cummanities.

1. The Company used wood chips in replace of fuel oil. With its partners, it educated communities about how to generate income from wood chip waste, which did not destroy the environment and reduced CO2 emissions from incomplete combustion.

- Tawai Village (Chiang Mai): Wood chip waste from crafting could generate income.
- Farmer groups (longan/mango orchards): Branches in the orchards also generated income.

2. Sewing parts of garments - The Company hired surrounding communities to sew parts of garments, and it provided them training and lent them machines and equipment to create jobs and revenue.



Others

Chalermphrakiat Activity

The Company and The I.C.C. International (Public) Co., Ltd. made merit together by giving alms to Buddhist monks on December 4, 2014 to give royal charity to the King on the occasion of the King's 87th birthday anniversary of His Majesty King Bhumibol.

Dr. Thiam Chokwatana Foundation

This is a non-profit organization with the intention to promote public participation and cooperating with other charitable organizations in the area of education, religion, community, society, and mitigation and to support and sustain society in a way that is not contradict to morality. The foundation also support and promote environmental and natural resources conservation, Including promoting national development in various fields. The center could be a place that companies and employees in SAHA group could join in to make merit and benefit to society.

Church of the Blessed Nicholas Bunkerd Kitbamrung, Khao Yai

The Company donated 200,000 baht to support the construction of the Church of the Blessed Nicholas Bunkerd Kitbamrung, Khao Yai, which is located in Kensington English Garden Resort, Khao Yai, for communities to use to preform religious ceremonies.



Thai Red Cross Society

The Company donated 200,000 baht to support “The Cardiac Catheterization Lab,” at the Medical Excellence Center, Qneen Savang Vadhana Memorial Hospital.

In 2014, the Company also made donations to different projects involving both the public and private sectors and to public interest activities to communities and society as a whole, as follows:

Support	Baht donated
Support for the Dr.Tiam Chokwatana Foundation to promote public interest activities	618,000
Support for upholding Buddhism/temple restoration - Wat Thong Bon, Bangkok/Wat Chong Lom, Ratchaburi - Wat Rattana chom Phu (Nong Khro), Prachin Buri/Wat Don Kaew, Tak.	34,000
Support for scholarships through the Operations for Life Change Project	18,000
Support for scholarships to the Chitralada Technology College	120,000
Support for building Phra Phuttha Metta Maha Punyo (Buddha statue with represent the Buddha statne of Sunday (Paang Tawi Netr)	100,000
Support for the restoration of the Church of the Blessed Nicholas Bunkerd Kitbamrung, Khao Yai	200,000
Support for the Cardiac Catheterization Lab Project of the Queen Savang vadhana Memorial Hospital, Chon Buri	200,000

Handling complaints from the community

The Company was aware of cultivating and developing the awareness among the board of directors, management and employees to engage in social responsibility and concern with community that may be affected by the operations of the Company. Moreover, the Company has joined the Corporate Social Responsibility - Department of Industrial Works (CSR-DIW) and has been certified by the Ministry as a responsible entrepreneur participants with continuity and sustainability (CSR - DIW Continuous). It is apparent that the Company has not received any complaint from the community around the site since the operation begun.

The Company is committed to maintain the quality and standards of operation and continue to improve and not to cause any negative effects to society and to the communities.

Environmentally sustainable business

The Company has operated its business in adherence with the principles of environmental management for the offices and all plants to improve the environment, through the major driving force of the Board of Directors and the management. It has the **Energy and Environmental Conservation Committee** serving as a working group for the energy and environmental management system. The Company has gained cooperation from all employees within the organization and its partners, and it has complied with the environmental standard system, ISO 14001.

Furthermore, the Company was certified as a green industry, Level 3, by the Ministry of Industry, which has led to continuous development of energy and environmental management. This was due to the fact that everyone in the organization cooperated in environmentally-friendly operations in all aspects, so this became part of the culture of the organization and then the vision **“Being the leader in the textile and garment business that grows along with society and the environment in a sustainable way.”**

Energy Management

The energy management practice is dictated by the **company’s energy and environmental management policies** as the framework for using energy as effectively as possible. These policies are disclosed to all executives and employees companywide via the intranet and PR boards as follows:

1. Respect the laws and related regulations regarding energy saving and environmental conservation of the company.
2. Nurture a corporate culture and implant an awareness of involvement and accountability on energy and environmental conservation at all level of operations.
3. Promote development initiatives on energy-saving and environmental conservation. Consider the energy and environmental effects in every step of production phases starting from industrial design of product packaging, production, distribution, applications, waste management and resource optimization.
4. Promote energy-saving and environmental conservation activities. design all corporate events with an objective to improve and develop the consumption of energy and natural resources to be more effective and reduce the adverse effects on climate change and ecological system.
5. Promote the management systems for energy-saving environmental conservation. They should start from the effective use of resources with 5R principles (Reduce, Reuse, Recycle, Repair, Reject), reduction of consumption, reuse, recycle, repairs, avoiding the unnecessary use, restoration and rehabilitation, alternative energy, monitoring and preventive programs. These all are aimed to maintain the equilibrium of ecological systems and human life.

1. Energy management

The Company has managed and controlled energy use in its office buildings and plants, with a focus on simultaneously reducing energy consumption and emissions of greenhouse gas (carbon dioxide) through operational activities, such as the management of power usage in office equipment, manufacturing, and transport.

The company monitors how efficiently the corporate office and factories consumed energy by focusing on the reduction of energy consumption and omission of greenhouse gas (Carbon Dioxide) through such activities as office electrical appliances management, and office supplies management as below:

- **Personal Computers** - Configure the screensaver after long period of use absence, set up a sleep mode, or turn off the screen monitor after leaving the workstation for 15 minutes. Also consider slim-size screen which consumes less energy than CRT.

- **Printer** - Use network printer and reduce the number of printers located in each spots of the corporate infrastructure in order to consume less energy.
- **Photocopier** - Enable power saver mode to save energy.

Maintenance

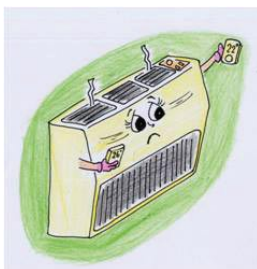
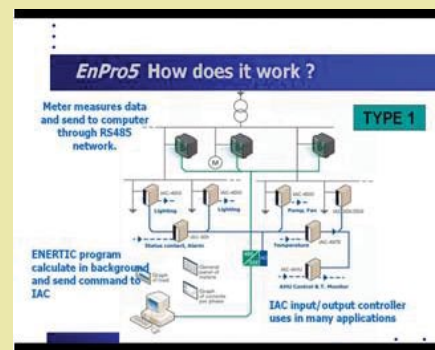
The Company has adhered to the principles of the ISO 9001 and ISO 14001 for maintenance management for both the offices and plants. It has expert staff providing regular maintenance service of the air conditioning system, machines, electric equipment, transformers, and vehicles under the work plan to ensure their availability and optimize their performance. Also, this aims to save energy and be environmentally friendly, which reduces power consumption by approximately 5 to 10 percent.

Electrical power control system

Implementation of Peak Demand Control System

The controlling system on energy demand called Peak Demand Control System is implement the cost of power supplies caused by peak demand. The system will check for demand for power on regular basis and when the demand reached the demand limit, it will alert and then cut off the machines that are not in necessary use at that time. It can be set as an automatic workflow with prioritized list of tasks in order to reduce the level of consumption to be at the limit set. This is used to control the peak periods throughout the air-conditioning system.

Reduction of power consumption: 491,094 kilowatts/year and Reduction of CO₂: 306,442 kgCO₂ /year



Improvement on the air-conditioning system

The company appoints Maintenance Unit and Admin Unit consisting of professional staff experienced in maintaining air-conditioners, electrical appliances, electric generator. Their function is to monitor and control the air-conditioners to work well and ensure the durability of their performance, efficiency in functioning, and cost-effectiveness in using energy.

Particularly, air-conditioners are the most power-consuming facilities. So, the company realizes the importance of cleaning them, removing the dust inside the air duct, fixing the leaks in the system, and checking the cooling substances and the tube insulation. There are maintenance schedules performed regularly on the air-conditioners, condensers, cooling tower and air compressors

Installation of Standard Temperature on the Air-Conditioner

The company installs Standard Temperature which is a machine that controls the level of temperature of the air-conditioners to be at no less than 25°C. This helps reduce the power consumption by 10% compared to an air-conditioner without the controller. It is advised for every employee to turn on and off the air-conditioner on timely basis such as turning it off during lunch break or no one at the office.

Reduction of power consumption: 17,022 kilowatts/ year and Reduction of CO₂: 10,622 kgCO₂ /year

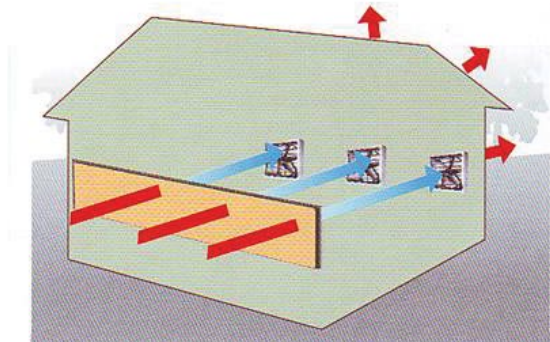
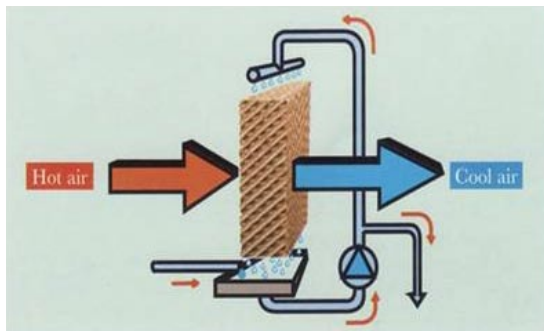
Implementation of Evaporative Cooling System - EVAP

With an aim to reduce the use of energy, the company implements Evaporative Cooling System or EVAP instead of typical air-conditioning for some areas that fit for the type of work and area space.

This EVAP is both an air-conditioner and an evaporator. It can reduce the temperature for a specific area to 5-8°C against outside temperature. The evaporative function will adjust the new temperature level inside the building by moving in cool air and moving out old air into outside the building. This will also reduce dust during the cooling process, enhancing coolness from the so-called wind-chill effect that moves wind blow into the building. EVAP makes the working atmosphere comfortable for all employees.

EVAP can save 80% energy compared to typical air-conditioners. So, the power consumption and maintenance costs are reduced while it is friendly to the environment because it is CFC-free. No greenhouse effect is caused by the output of this system.

Reduction of power consumption: 240,000 kilowatts/ year and Reduction of CO₂: 149,760 kgCO₂ /year



Lighting System

- **Maintain lighting equipment** Because dust and waste in the light bulb or lamp will reduce the degree of lighting, the maintenance service will keep the lamp cleaned and shine at full degree. It thus reduces the costs of purchasing by cleaning lamps and equipment for at least 2 times a year.

- **Use a pull-switch** To make the switch on-off meet specific demand of users in different areas, it is thus changed to be a pull-switch.



- **Implement on-off switch control panel** This makes the turn-on and turn-off right at the first click. No guessing for one place with too many switches.

- **Implement Motion Sensor and Timer** The automatic switching controls the use of lighting on the areas that do not need all-time lighting such as delivery lifts, walkway to restroom, and public pathway.

Reduction of power consumption: 254 kilowatts/ year and Reduction of CO₂: 158 kgCO₂ /year

- **Change T8 Lamp to T5 Lamp**

company replaced T8 lamps (50w) with T5 (30w) because they can reduce the power consumption of the lamps and reduce the CO₂ for 64,000 kgCO₂ a year, accounting for 358,580 baht a year compared with typical T8. This is a cost-saving project as well.

Reduction of power consumption: 102,451 kilowatts/ year and Reduction of CO₂: 64,000 kgCO₂ /year

- **Replacement of fluorescent lights with LED lights**

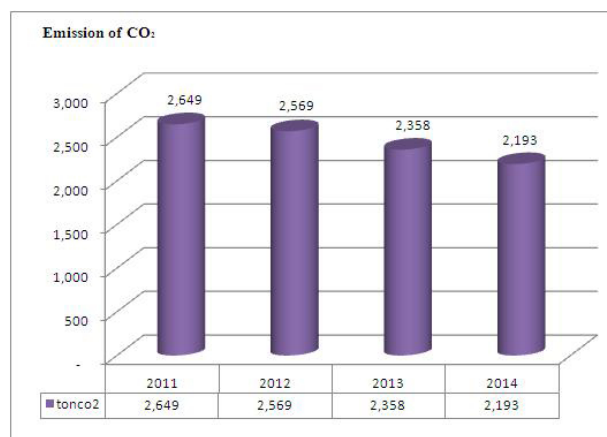
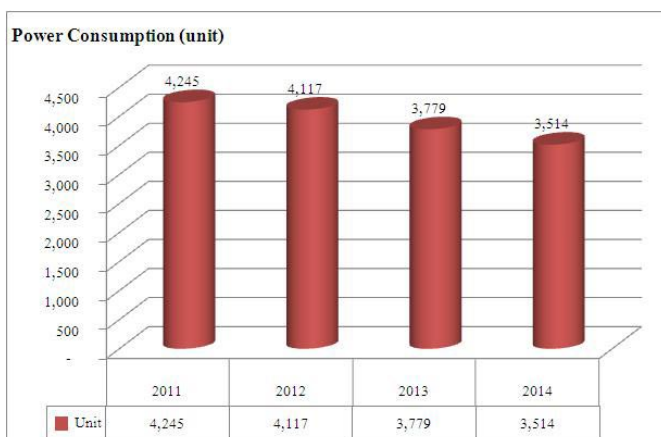
In 2014, the Company implemented a project focusing on replacing fluorescent lights (20w) with LED lights (13.5 w). Apart from reducing power consumption of the lighting system within the organization, this reduces carbon dioxide emissions by up to 64,000 kgCO₂ a year, which equates to a savings of 358,580 baht per year, compared to the use of fluorescent lights. In addition to reducing energy use, this helps indirectly reduce production costs.

In summary, it reduces power usage by 102,451 kWh per year and reduces CO₂ emissions by 64,000 kgCO₂ a year.



Overview of Energy Management

In 2014, the company used energy for up to 3,514,000 units (emitting CO₂ into the air for 2,193 TonCO₂). The number decreased by 259,615 units from that of the previous year (6.87%). This is one of the success in the company's energy management effort as supported by the directors and executives together with involvement from employees. The company is still working to upgrade the energy management to be better in the future.



2. Environmental Management

The company takes a proactive approach for the environmental management with the objective to use resources for sustainability, reuse the resources, and control wastes with 5Rs principles: Clean Technology, Green Productivity and Eco Design. There is also a consideration of reducing waste, pollution and emission of greenhouse gas. All the procedures are planned, monitored, evaluated and reviewed for continuous improvement.

Sustainable Resource Utilization

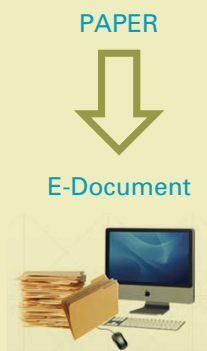
1. Video Conference

The video conference is one of the most effective communications and it is fast in connecting people from different regions, saving time and risks from travelling across provinces. The use of this communication is an energy-saving and reduces the volumes of CO₂.

2. Document Management System (DMS Software) / Workflow

This workflow is an automated system that organizes the steps of tasks to be executed by employees or business units. It is governed by a set of rules and powered by computer software. The company promotes all employees to use this automated workflow instead of paperwork.

Document Management System (DMS Software)

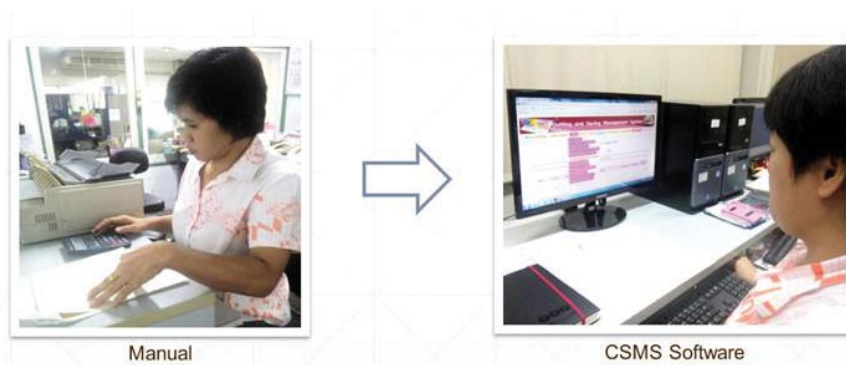


	Before	after	
Used paper (sheet/year)	309,500	0	100%
Amount of paper purchase (baht/year)	152,710	0	100%
CO ₂ Emission (kgCO ₂ /year)	5,431	0	100%

3. Cutting and saving management system (CSMS software)

The Company developed CSMS software for management to optimize performance in the cutting process, which improved the accuracy of the fabric spreading calculation and reduced paperwork use.

Cutting and Saving Management System (CSMS Software)



Condensation System

• Condensation System

The condensation system brings in vapor from the production process to condensation process. The output is condensate which is still hot temperature, then it is input into the condensation system, heating up the water and reducing the use of fuel. So, the process of evaporation is faster.

From the idea of condensate, the water temperature is between 80-90°C from previously at 40°C. This improves the performance of the vaporization to increase at 6-8% and reduces the use of fuel by 6-8%.

• Boiler Bio-Mass Project

Lamphun Branch and Kabinburi Branch use the Boiler Bio-Mass for heat generation from chip wood instead of gasoline. This has no adverse effect on the environment and helps reduce air pollution from burning. The burning of the chip wood is free from Sulfur Dioxide, leaving no hazardous remains on employee's health and the surrounding community. It then reduces the cost of fuel and the cost of production.

The elimination process of the ashes from the burning is done under the standard of procedures regulated by laws and ISO 14001.

Table : Comparison of Chip Wood consumption

Year	Fuel Save (baht)	Reduction of Co ₂ Emission (Ton Co ₂)
2014	7,120,193	1,527
2013	7,105,361	1,453
2012	7,023,171	1,418



Air Quality Management

The Company has focused on air quality management given its awareness of air pollution impacts on climate change. The Company has reduced and controlled the causes of waste from its production processes so as to protect against pollution and reduce the impacts on the environment. For example, it has used renewable fuel by biomass, wood scraps instead of bunker oil since 2010 until present which is five years. This has resulted in the reduction of bunker oil import for 356,000



Measure the amount of suspended solids in the air that emitted from the boiler stack and examine the quality of released water

litters per year, reduced fuel costs for boilers by 7,120,193 baht and reduced the emission of carbon dioxide (CO₂) by 1,527 ton carbon per year. In addition, the Company has measured air quality released from boiler stacks, such as Total Suspend Particulate: TSP, Sulfur Dioxide : SO₂ , Nitrogen Dioxide : NO₂ , Carbon Monoxide and opacity value. In 2014 the Company monitored and found that the air quality from the boiler stacks did not exceed the standard value according to the Ministry of Industry. This ensures that the air quality from the plant will not impact the surrounding communities. The results of the air quality monitoring from boiler stacks in 2014 shown in Table 1

Table 1 The results of air quality released from boiler stacks in 2014

Parameter	Result from measurement in 2014	Standard	Result against benchmark
Density of Particulate (mg/m ³)	144.755	320	pass
Density of Sulfur Dioxide (ppm)	4.156	60	pass
Density of Nitrogen Dioxide (ppm)	11.493	200	pass
Density of Carbon monoxide (ppm)	<0.133	690	pass

- Standards** 1) The Standard of the Amount of Impurities in the Air Emitted by the Factory, Ministry of Industry, B.E. 2549 (2006)
 2) The Standard of the Amount of Soot in the Air Emitted by the Chimney of the Factory's Boiler, Ministry of Industry, B.E. 2549 (2006)

Note: As for the pollutant calculated against a pressure of 1 atmosphere and a temperature of 25°C, the amount of oxygen in the polluted air represents 7 percent (biomass).

Company that conducted measurement and sample analysis/control : We Care Environment Services Co., Ltd.

Recorder : Mr.Chukiat Saichiamcharat

Auditor/controller : Mr.Supot Intrarujikul (Wo-210-Kho-5203)

Analyst : Ms.Chuleeporn Pokprakhon (Wo-210-Jo-5206)

Phone number : (662) 330-9300-1

Water Quality Management

The Company has quality control system of water released from production process by means of water treatment with turbine aeration, as well as regularly monitor and inspect the wastewater from the plant every year. The wastewater quality is measured and inspected prior to being transferred to wastewater treatment pond and prior to being released from wastewater treatment pond at a release point



from the plant to comply with standard criteria specified by law. The results of quality of wastewater released from the plant in 2014 is shown in Table 2

Table 2 The results of quality of wastewater that released from the plant in 2014

Parameter	Result from measurement in 2014	Standard	Result against benchmark
Acid and Base (pH)	7.8	5.5-9.0	Pass
BOD value Biochemical Oxygen Demand: BOD;5-Day-test (mg/l)	15	≤20	Pass
COD value Chemical Oxygen Demand: COD (mg/l)	77.2	≤120	Pass
Phosphate (mg/l)	0.43	-	Pass
TDS value Total Dissolved Solids: TDS (mg/l)	480	≤3,000	Pass
Suspended Solids (mg/l)	26.4	≤50	Pass

The Standard of the Properties of Wastewater Discharged by the Factory, Ministry of Industry, No. 2 (1996), issued under the Factory Act, B.E. 2535 (1992)

Company that conducted measurement and sample analysis/control :

Global Utility Service Co., Ltd. Lamphun Industrial Estate Branch

Recorder : Mr.Phongmahat Sangsiriphong (Wo-079/5-Kho-2808)

Auditor/controller : Mr.Phongmahat Sangsiriphong (Wo-079/5- Kho-2808)

Analyst : Ms. Siwaphon Khamrueang (Wo-079/5-Jo-2127)

Phone number : (665) 358-108-3

Waste Management

The Company has managed waste generated during the manufacturing process in strict adherence to the law and the 5R principle, which includes reduce, reuse, repair, reject, and recycle to provide for the circulation and efficient use of resources. The company has divided solid waste into four categories - general solid waste, biodegradable solid waste, recyclable solid waste, and hazardous waste.



The Company has managed general, recyclable and biodegradable waste in compliance with the Ministry of Industry's regulations and the environmental management standard ISO 14001: 2004. Developing the practice guidelines for solid waste disposal, which comprise sorting, storing, and checking before transport and selecting licensed contractors, it has managed waste from the plants and offices through the following projects:

Waste Segregation (5R) project: Reduce, Reuse, Recycle, Repair and Reject

This project aims to raise the awareness of everyone in the organization and its business contacts of engaging in putting waste in correct types of trash bins. Involving all people in the Company in environmental protection and global warming mitigation, this project established the correct way of waste disposal according to the waste life cycle, which would not affect the environment in the Company or society.

Reduction of waste: 181,775 kilograms / year and Reduction of CO₂: 405,600 kgCO₂ /year, generating income 640,266 Baht

Carbon Dioxide Absorption

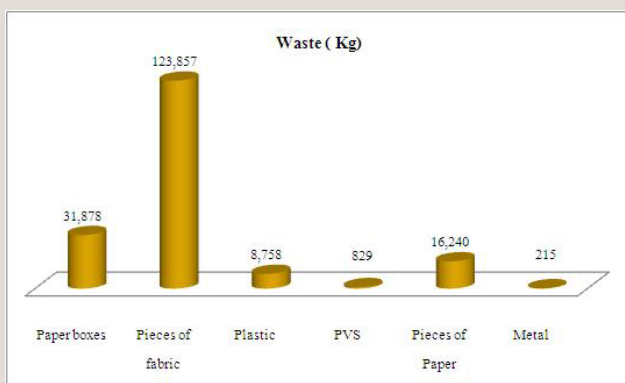
• Tree planting activity

The company consumes energy for operating the business and releases CO₂ into the air, being part of global warming.

The company thus imposes the environmental management policy that aims to absorb CO₂ and reduce the level of temperature via these activities:

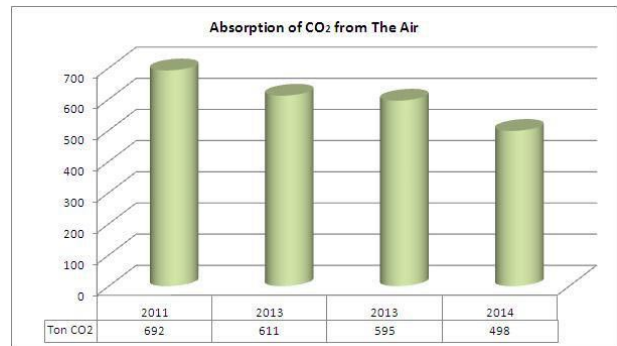
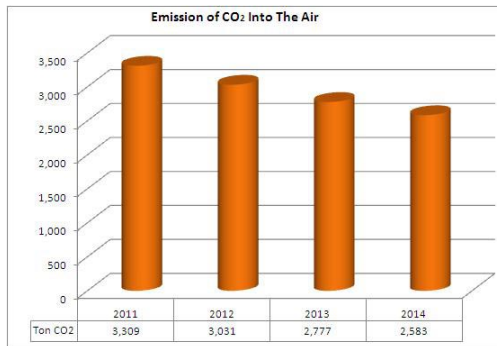
- PG Protects the Forest
- Community Service - Tree Planting
- Young Plant Cultivation for Employees and the Public

These tree planting activities will help absorb CO₂ released into the air through their leaves, stems, and root. The photosynthesis will turn CO₂ into carbon and it becomes part of the tree's organism. So, the CO₂ disappears and the ecological system is back to its equilibrium state. In this year, 3,680 trees have been planted which is equal to 92 TonCO₂

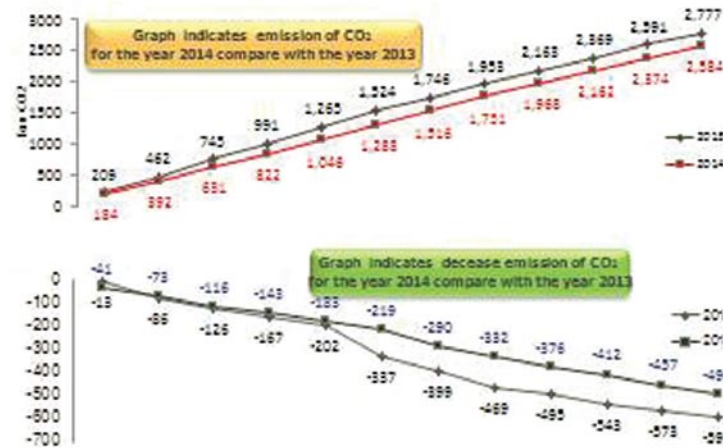


Overview of Air Pollution Management

In 2014, the company emitted CO₂ for 2,583 TonCO₂, reducing from the previous year by 254 TonCO₂, or 21.43%. To mitigate the effects and restore the air, the absorption activities can help remove 498 TonCO₂.

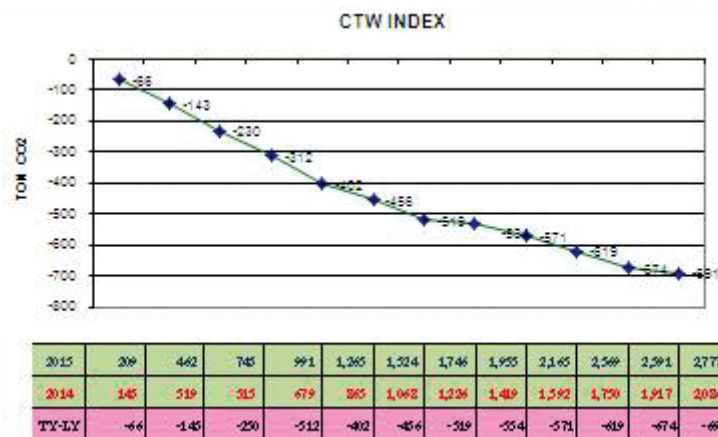


Ratio of Emission and Absorption of CO₂ from each activity of the Company. Year 2014



Ton CO ₂	YEAR	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec
ปล่อยมลพิษ CO ₂	2013	209	462	745	991	1,265	1,524	1,746	1,955	2,165	2,369	2,591	2,777
	2014	184	392	681	822	1,048	1,288	1,518	1,721	1,968	2,181	2,374	2,583
ลดลง CO ₂	2013	-41	-73	-116	-143	-185	-219	-280	-332	-376	-412	-457	-498
	2014	-13	-65	-116	-167	-202	-337	-388	-468	-485	-543	-573	-595

Graph : Indicate emission of Co₂ of this year compared to last year.

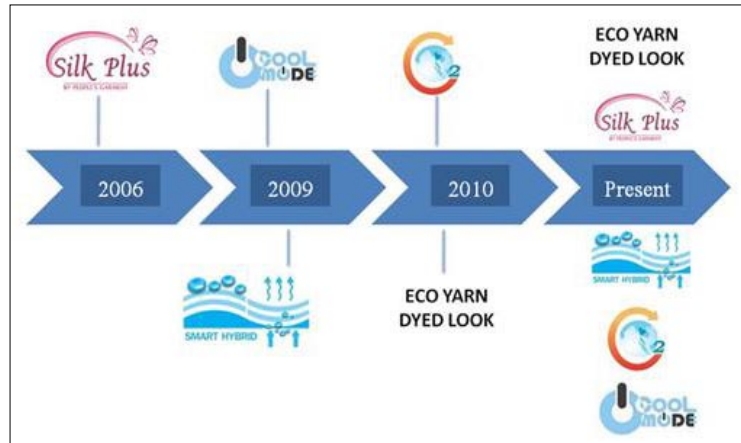


PG Innovation from Responsible Business

The company prioritizes research and development (R&D) on textile and garment. Knowledge and expertise gained from real experiences in doing business has been transformed into an innovation based on social and environmental concerns. These kinds of innovation help increase the competitive advantages and business values.

With that innovation strategy, the company appoints R&D Unit who are specialized in developing innovation in textile and garment. This unit will add values to the company's products and it is also supported and collaborated by government agencies and private sector consistently.

The company aims to manufacture products of values that are environmentally-friendly and safe.



2009–
2014

COOL MODE

The company manufactures polo T-shirts that are safe for humans and environment. They are comfortable when wearing even though it is 25°C. So, it helps save energy consumption. The T-shirts can ventilate heat from human body to outside of the T-shirts. They can absorb sweat fastly. This COOL MODE is also certified by Thailand Textile Institute: THTI and Thailand Greenhouse Gas Management Organization (Public Organization) to use the label of “COOL MODE” as the first company in Thailand.

Special Features of COOL MODE T-shirts

The T-shirts are comfortable, easy to wash, high-quality and durable as well as safe. the main 3 features are as follow:

- Production process The chemicals and dye color are safe and free from cancer risks and heavy metal.
- Quality and Durability The T-shirts are resistant to any pressure after washing and durable for spinning, sunlight and sweat. They are as good as Thai Industrial Standards and international standards.

- Cooling quality It is a special quality in reducing human body temperature, making the customers feel cool and comfortable. It requires less to use air-conditioners while wearing this T-shirt.



CARBON FOOTPRINT

PG and Thailand Textile Institute : THTI work together to identify the carbon footprint on “Cotton polo ARROW T-shirts for men in M, L, XL, XXL”.



1. Environmental Footprints

Attaching great importance to the environment, the Company formulated a clear environmental policy. With the Textile Industry Development Institute, in 2014, the Company engaged in a project on the development of textile products that are sustainably environmentally-friendly in order to conduct an environmental footprint assessment on the product “white male polo shorts made of 100% cotton.” This assessment is a life cycle assessment of products (LCA), which deals with the assessment of the impacts on energy and the environment of a product, ranging from the acquisition or procurement of raw materials, manufacturing, transportation, uses, and final disposal. Accordingly, the assessment revealed information about the use of energy and raw materials in the manufacturing of the Company’s product; it served as the database for the development of products and the manufacturing process to achieve more efficiency, thus reducing the use of energy and raw materials. Also, it allowed for environmental labeling of the product, which served as a channel for marketing and advertising its environmentally-friendly product to consumers to help persuade them to become more environmentally aware. An environmental impact assessment was conducted in 14 areas, in line with the EU guidelines. As previously mentioned, for the project, the Company performed an assessment of the white male polo shorts made of 100% cotton. Four major environmental impacts were selected for environmental footprint labeling, which are as follows:

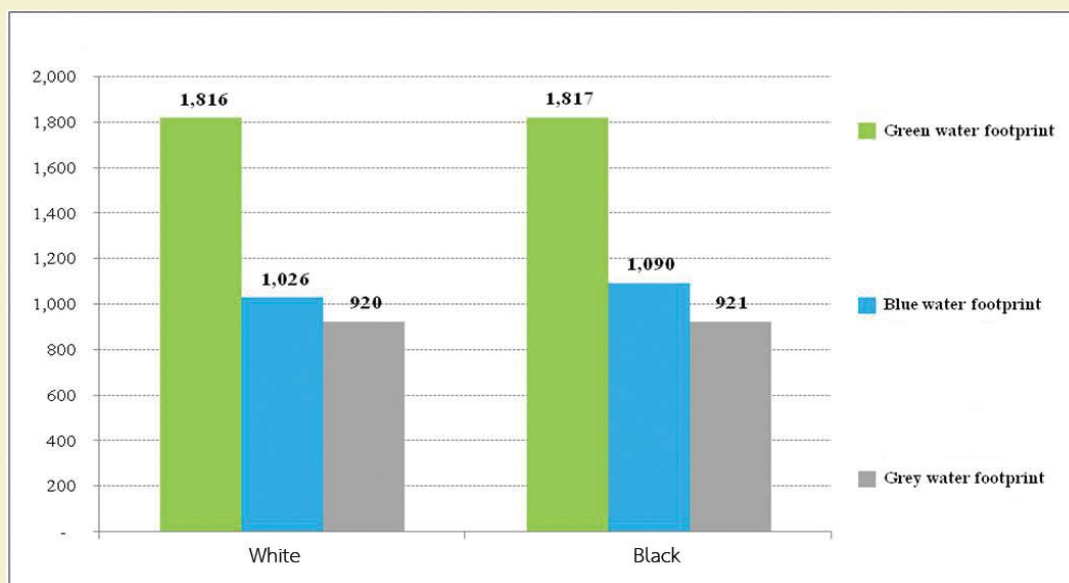
1. Change in the atmosphere = 12.0 kg CO₂ eq. (carbon dioxide equivalent)
2. Use of water = 0.196 m³ water eq.
3. Soil acidity[A1] = 0.0040 molc H⁺ + eq. (concentration of hydrogen protons equivalent)
4. Abnormal growth of aquatic plants = 0.0017 kgP eq. (phosphorus equivalent)



2. Water Footprints

Carbon footprints were assessed on the ARROW white cotton polo shirt for men, and its carbon footprint label was certified by the Greenhouse Gas Management Organization (public organization). Also, the environmental footprints were assessed on this product. The carbon footprint and environmental footprint assessment equipped the Company's personnel with knowledge about, and experience in, the assessment of products' environmental impacts.

The Company's awareness of the importance of water resource management, which is important to environmental management, was as a result of the fact that it has used water from various sources, including tap water, surface water, and groundwater for manufacturing and other activities within the Company. To show the amount of water used throughout the chain of the production of its products, a water footprint assessment was conducted on the ARROW white and black male polo shorts made of 100% cotton. The assessment consisted of a calculation of the amount of water used in the manufacturing process for the shirts by means of the LCA (Business to Consumer or B2C). This manufacturing process includes cotton growing, yarn spinning, knitting, dyeing, and sewing. Water footprints investigated included green, blue and grey water footprints. This water footprint assessment manifested that the water footprints of a 227-gram white cotton polo shirt, size M, and the black one with the same weight and size equated to 3,762 liters and 3,827 liters, respectively. The water footprints for the white and black cotton polo shirts are illustrated in the graph below.



Water Footprint of White and Black Polo Cotton Shirts

The water footprint assessment has resulted in the Company gaining knowledge about the amount of water used in the production process and assessing the production impacts associated with water resources and water pollution. Furthermore, the assessment will lead to water management that connects to the production of other products and the whole production chain system.

ECO YARN DYED LOOK

The company innovates the production process of lycra fabric as it is the core material. The process is environmentally friendly and reduces more of greenhouse gas than typical production of fabric. This is under the brand of **ECO YARN DYED LOOK**.

The innovation of ECO YARN DYED LOOK is based on the concept of energy-saving and greenhouse gas reduction during the production process. It improves the production process of lycra with 100% cotton. The fabric is dyed for one time, while the appearance comes in different color stripes. So, it is the innovation that reduces the use of water, electrical power, time and volume of CO2 in the dying process.

In 2013-2014, the ECO YARN DYED LOOK was invited to be displayed in the museum of material “Material ConneXion” which was one the proud by the company in making an innovation for environment. In other words, it was also a promotion of Thai textile and garment industry to the world as well. The Material ConneXion gathers information about raw materials and new innovations from around the world. There are 10 branches around the world including London, Milan, Cologne, Bangkok, Daegu, Seoul, Istanbul, Beijing, Shanghai, and Hafde in Sweden.



Year 2014

3. I-Flex

In 2014, the Company developed a knitted fabric innovation under the trade name “I-Flex.” It is a 360-degree flexible knitted fabric that gives the wearers more flexible movement. With its easy-care and easy-ironing properties, it can be used to make a variety of products, such as suits, dresses, skirts, and pants.



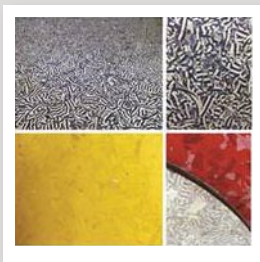
4. Development of Products from Fabric Waste

In 2013, the Company implemented the project “Cleaner Technology (CT),” which provided information about the amount of waste derived from its manufacturing process. In 2014, it conducted research and development (R&D) on new types of materials from knitted fabric waste to create the value added to the type of waste. In cooperation with its partners in performing R&D on the formula for compressed sheets from fabric waste, it successfully developed compressed sheets from knitted fabric waste, which it has also used for developing other products in 2015.

Waste Management

Product made by fabric waste.

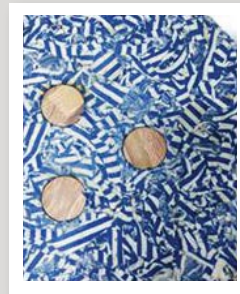
Sample of waste fabric



Model for study



Master Model



2013-
Present

SILK PLUS

The company develops silk products under the brand of “Silk Plus” by sorting out raw materials that are environmentally friendly and making the most use from leftover pieces of silk threads. Those leftover are reused and knitted into a fabric of values for all seasons, and easy to take care of. In 2009, Silk Plus is another product that was displayed in Material ConneXion.

In 2010, Silk Plus was invited by the Netherlands to be displayed in a design museum. It was another proud of silk industry of Thailand in the world market and another way to increase competitive advantages of the company

In 2013, it was awarded the winner of The Best ECO 2013 - ECOInnovation Treat the World with Sustainability from the event BIFF & BILL 2013 by Department of International Trade Promotion, at Impact Arena, Muang Thong Thani.



Modern Thai Silk

In 2013, the Company developed knitted fabrics under the trade name “Silk Plus,” new silk fabrics that are modern and different from conventional fabrics. Thai silk identities, including luster, uneven, and flexible are delivered to the new type of fabrics. An Italian expert designed the patterns, colors and texture for the developed fabrics to go with the summer 2015 fashion trend. A total of seven types of fabrics were developed, which were presented at local project PR events and the Premiere Vision 2014 event held in Paris, France.

The Company’s knitted fabric development was a result of cooperation between the government and private

In 2014, the Company developed knitted silk fabrics to create commercial value. Participating in the project “Design and Production of the Prototypes of Finished Modern Thai Silk Fabrics under the Activity of Creating Prototypes of Finished Modern Thai Silk Fabrics,” the Company became a manufacturer of knitted silk fabrics, which attracted the attention of nationally recognized designers, i.e. Issue Painkiller and Vickteerut. These designers have used the Company’s silk fabrics to produce the prototypes of finished products that are modern and create novelty for Thai silk fabrics. The products are expected to generate revenue in 2015.



sectors. The first private company involved was Spun Silk World Co., Ltd., a manufacturer of spun silk yarns, which are yarns made from silk waste leftover in the production of silk filament yarns. The other was Chul Thai Silk Co., Ltd, Thailand’s major manufacturer of filament yarns, which has promoted sericulture among Thai farmers – the job has generated income for communities for a long time. The development was under the R&D project about modern Thai silk called “Modern Thai Silk,” which was set up by the Office of Knowledge Management and Development (OKDM), under the Department of Sericulture, and the Thailand Textile Institute. The project aimed to create added value to, and show the potential of, Thai silk so as to gain international recognition and to stimulate the demand for Thai silk amongst the general public.

*Thai Silk Developed under the Project
“Modern Thai Silk”*



In 2014, the company gained 4% of total revenues by selling innovation on top of the products, with a forecast to gain more revenues in the future.

PG is still committed to build more of innovations for every of the products and apply environmental concerns with them. By the year 2015, the company plans to label the Green Label in each product. These

Green Labels are the unique branding from Thailand on environmental concerns. The Green Labeled products will be examined in every stage of production starting from design, optimizing the raw materials, energysaving, reuse, waste reduction and greenhouse gas reduction in terms of environmental impact. The Green Labeled products are free from chemicals and dye colors that are hazardous according to the industrial

standards. These are all benefits for the customers: Save the environment from using products of high quality and safety.

Award-Winning and Pride of PG

January

- ⦿ Awarded as Green Industry - Level 3, Ministry of industry.
- ⦿ Awarded as a company hiring people with disability more than the baseline, Ministry of Social Development and Human Society.

March

- ⦿ Certified with the Standards for Drug Prevention and Resolution at Workplace, Department of Labor Protection and Welfare, Ministry of Labor.
- ⦿ Certificate for an AIDS-response Standard Organization (ASO Thailand), Silver Level.

July



Certificate for Operators Producing and Using Cool Mode Clothing, from the Thailand Greenhouse Gas Management Organization (Public Organization) and the Thailand Textile Institute.

August



Good Governance Award (Transparency and Integrity), from the National Anti-Corruption Commission.

August



⦿ Awarded as The Best in Safety, Health and Environment for Workplace at Provincial Level, Department of Labor Protection and Welfare, Ministry of Labor.



⦿ Awarded with Zero Accident Campaign, Gold Level, Department of Labor Protection and Welfare, Ministry of Labor.



⦿ Awarded as Excellent Establishment on Labor Relations and Welfare - Type: SME without Labor Union, 2013, Department of Labor Protection and Welfare, Ministry of Labor.

September

Investors' Choice Award
(Listed Company with Full 100
Scores under Criteria that are
Regulations for the Sixth Year),
from the Thai Investors Association.



October

Certified as a factory with Corporate Social
Responsibility, Department of Industrial Works (CSR-DIW),
Ministry of Industry.



October



Awarded as Excellent in Passing the Evaluation of Corporate Governance for Thai Listed Companies 2014 from Corporate Governance Report of Thai Listed Companies 2013 (CGR) and granted 4 seals from National Corporate Governance Committee, Thai Institute of Directors Association (IOD).

November

CSR Recognition Award, 2014 (General Award), from the Stock Exchange of Thailand and the Corporate Social Responsibility Institute.



SET Awards 2014 (Best Corporate Social Responsibility), from the Stock Exchange of Thailand and the Journal of Finance, Banking and Investment.

December



“Good” Award for a Disease-free, Safe, and Happy Body and Mind Establishment, National Level, from the Ministry of Public Health.

Awarded as a company hiring people with disability more than the baseline, Ministry of Social Development and Human Society.



Social and Environmental Awards

Institute/Organization	Year	Awards
Ministry of Labour	1999	Received a certificate from the Ministry of Labor a Social Welfare for actively participating in the proactive women and child labor protection project among enterprises involved in export promotion, fully complying with current women and child labor protection measures.
	2002	Awarded a certificate issued by the Department of Labor Protection and Welfare to honor operators who obtained successes in complying with labor standards voluntarily and cooperated with government agencies.
	2004	<ul style="list-style-type: none"> - Awarded an Honorary Certificate for "Best Workplace for Recruiting Disabled Persons". - Awarded a "Certificate and Notice under the White Factory Project". - Awarded "Standard Certification for AIDS Management in Accordance with ASO Thailand Gold Level Standards". - Awarded a prize for "Green Factory in Celebration of Her Majesty the Queen's 72nd Anniversary".
	2007	<ul style="list-style-type: none"> - Awarded an ultimate of "Certificate and Notice under the White Factory Project" in regard of preventing and solving drug problem in workplace. - Received "Certificate of TLS 8001-2010" for primary in regard of meeting the standard of Social responsibility of Thai Business. - Awarded an Honorary Certificate for "Best Workplace for Recruiting Disabled Persons".
	2008	Awarded "Standard Certification for AIDS and Tuberculosis Management in Accordance with ASO Thailand Platinum Level Standards".
	2009	Received an award for "Outstanding Mid-Size Workplace of the Category without a Labour Union for Labour Relations and Welfare".
	2010	<ul style="list-style-type: none"> - Awarded excellent establishments on Labour Relations and Social Welfare (for 3 continuous years). - The Company received a distinction for being in a "Workplace which supports the employment of disabled persons Project". - Received primary "Certificate of TLS 8001-2010". - Awarded an ultimate of "Certificate and Notice under the White Factory Project" in 2011.
	2011	<ul style="list-style-type: none"> - Awarded the Certificate of Thai Labour Standards TLS 8001-2553, initial completion level. - Awarded excellent establishments on Labour Relations and Social Welfare (for 4 continuous years).
	2012	Awarded excellent establishments on Labour Relations and Social Welfare (for 5 continuous years since 2008 - 2012).

Institute/Organization	Year	Awards
	2013	<p>Awarded the Excellent Establishments on Labour Relations and Social Welfare</p> <ul style="list-style-type: none"> - Head Office : 6 consecutive years (2008 - 2013) - Lumphun : 6 consecutive year (2008 - 2013) - Kabinburi : 5 consecutive years (2009 - 2013) - Wellgrow : 2 consecutive years (2012 - 2013) <p>- Awarded the Standard on Prevention and Solution to Drugs Problems in an Establishment (SDE)</p> <p>- Awarded the Excellent Establishment on Safety, Occupational Hygiene and Working Environment in the provincial level at Lumphun branch.</p> <p>- Awarded the Excellent Establishment on Skill Development at Kabinburi branch.</p> <p>- Awarded the golden certificate from "Zero Accident Campaign"</p>
Ministry of Social Development and Human Security	2010	Awarded an Honorary Certificate for "Best Workplace for Recruiting Disabled Persons".
	2013	Received the certificate for promoting of recruiting disable persons higher level than the requirement of the law.
Ministry of Industry	2006	Awarded a prized for "Pleasant factory and kindly to environment" to extol His Majesty the King on occasion of celebrating the 60 th anniversary accession to the throne.
	2011	Awarded a prized for "Corporate Social Responsibility, Department of Industrial Works/CSR-DIW".
Thai Chamber of Commerce	2003	Received grant of the royal permission, "Suwannachart", Thong Daeng Shirt, on 21 January 2003.
Thailand Productivity Institute	2003	Received a commendation from the Thailand Productivity Institute due to the Company's involvement in creating a national database under the "Productivity and Investment Climate Survey of Thailand in 2003 Project".
Ministry of Public Health	2010	Awarded a prize and certification of standard for AIDS management, ASO Thailand, Gold Level.
Thai Red Cross	2005	Lumphun branch has awarded "Best Workplace for AIDS Management".
	2010	Awarded for workplace cooperation in the procurement of group blood donors in aid of mankind for 5 continuous years.
The Governor	2009	- Received a distinction for being a "workplace which supports the employment of disabled persons in 2009".
		- Received a "Distinction Trophy for Outstanding Workplace on Factory Strength to Combat Narcotic Drugs".
Thailand Greenhouse Gas Organization (Public Organization)	2011	Received a certification of "The Carbon Foot Print Label" from Thailand Greenhouse Gas Organization (Public Organization), Ministry of Natural Resources and Environment, for white polo shirts for males carrying the ARROW brand.





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