

7. Securities and Shareholders

7.1 The Company's Securities

- Registered capital: 812,099,845 Baht.*
 - Par Value: 1 Baht/ Share
 - Issued and paid-up capital: 812,099,845 Baht
 - None other types of shares
- (Comprising 812,099,845 ordinary shares)

*The registered capital of 812,100,000 Baht was decreased to the new registered capital of 812,099,845 Baht on May 16, 2018 by decreasing the remaining shares from allocation of the additional common stock to facilitate the stock dividend payment.

7.2 Shareholders

The company's number of shareholders as shown in the share register book on December 28, 2018 as follows;

Shareholder Nationality	Number of Shareholder	Amount of Share	Percent of Share (%)
Thai Shareholders	3,311	807,725,565	99.46
Foreign Shareholders	9	4,374,280	0.54
Total	3,320	812,099,845	100

7.2.1 Major Shareholders

List of the company's top ten major shareholders by dividing into family groups as follows;

	Name of Shareholder	Number of Share	Percent of Share(%)
1.	<u>Tangtrongwechakit Group</u>	<u>607,688,320</u>	<u>74.83</u>
	Buriram Capital Co., Ltd.	410,069,000	50.49
	Mr. Anant Tangtongwechakit	33,099,000	4.08
	Mrs. Wanphen Punyaniran	32,939,000	4.06
	Mrs. Jirawan Pongpichitkul	32,889,000	4.05
	Miss Chittima Tangtrongwechakit	32,889,000	4.05
	Mr. Sarit Tangtrongwechakit	32,889,000	4.05
	Mr. Adisak Tangtrongwechakit	32,889,000	4.05
	Mrs. Sureewan Tangtongwechakit	25,320	0.00
2.	<u>Sareewiwatthana Group</u>	<u>49,914,880</u>	<u>6.15</u>
	Miss Pitsinee Sareewiwatthana	19,209,600	2.37
	Miss Pimsiri Sareewiwatthana	18,000,000	2.22
	Mrs. Waranee Sareewiwatthana	10,100,880	1.24
	Mr. Paiboon Sareewiwatthana	2,604,400	0.32

Name of Shareholder		Number of Share	Percent of Share(%)
3.	<u>Techathiphakorn Group</u>	<u>14,645,000</u>	<u>1.80</u>
	Mr. Somsak Techathiphakorn	7,422,200	0.91
	Mr. Kittisak Techathiphakorn	3,488,300	0.43
	Mr. Piti Techathiphakorn	3,478,300	0.43
	Miss Supreeya Techathiphakorn	116,200	0.01
	Mr. Preecha Techathiphakorn	80,000	0.01
	Miss Ariya Techathiphakorn	60,000	0.01
4.	<u>Khahanurak Group</u>	<u>11,181,720</u>	<u>1.38</u>
	Mr. Nattaphat Khahanurak	8,928,720	1.10
	Miss Pannita Anantakul	2,253,000	0.28
5.	<u>Brahmasakha Na Sakolnakhon Group</u>	<u>10,448,620</u>	<u>1.29</u>
	Mrs. Sulee Brahmasakha Na Sakolnakhon	5,781,340	0.71
	Mr. Saranwit Brahmasakha Na Sakolnakhon	4,667,280	0.57
6.	<u>Shartpinyo Group</u>	<u>8,153,900</u>	<u>1.00</u>
	Miss Jutirat Shartpinyo	6,768,000	0.83
	Mr. Utain Shartpinyo	1,385,900	0.17
7.	Miss Benjamas Nanthawerawat	3,145,500	<u>0.39</u>
8.	<u>Lertlumprasertkul Group</u>	<u>2,235,000</u>	<u>0.28</u>
	Mr. Nattapong Lertlumprasertkul	1,970,000	0.24
	Mr. Sommai Lertlumprasertkul	265,000	0.03
9.	Mr. Chatchaval Piemongsuk	2,234,760	<u>0.28</u>
10.	Mr. Vanthana Chareonnavarat	2,232,000	<u>0.27</u>
Total		711,879,700	87.66

Remarks:

- The persons of Tangtrongwechakit Group (as shown in the above table) are considered to be acting in concert under the Notification of the Capital Market Supervisory Board No. TorChor. 7/2552, and such persons have concerted behavior prior to the listed company in the Stock Exchange of Thailand, until now, they still have been “acting in concert”. Such shareholdings were disclosed in the IPO filing already.
- Buriram Capital Co., Ltd. is a holding company that has Baht 339,380,000 registered capital by dividing into 3,393,800 ordinary shares, par value Baht 100 per share. List of shareholder as of December 28, 2018 are as follows;

List of Buriram Capital Co., Ltd.'s shareholders

Name of Shareholder	Number of Share	Percent of Share (%)
1. Mr. Anant Tangtongwechakit	576,945	17.00
2. Mrs. Wanphen Punyaniran	563,371	16.60
3. Mrs. Jirawan Pongpichitkul	563,371	16.60
4. Miss Chittima Tangtrongwechakit	563,371	16.60
5. Mr. Sarit Tangtrongwechakij	563,371	16.60
6. Mr. Adisak Tangtrongweachakit	563,371	16.60
Total	3,393,800	100.00

7.2.2 Free Float (As of December 28, 2018)

Total number of Free Float is 3,307 equivalent to 25.06%.

7.3 Major Shareholders' Agreement

The major shareholder group has significant influence on the company's policy and strategy establishment, management and operation. Nevertheless, *the company has no shareholders' agreement between the major shareholders* on matters affecting the issuance and offering of securities or the management of the company.

(As of December 28, 2018)

Major Shareholder (de facto control to influence a policy)	Number of Share	Percent of Share(%)
<u>Tangtrongwechakit Group</u>	<u>607,688,320</u>	<u>74.83</u>
Buriram Capital Co., Ltd.	410,069,000	50.49
Mr. Anant Tangtongwechakit	33,099,000	4.08
Mrs. Wanphen Punyaniran	32,939,000	4.06
Mrs. Jirawan Pongpichitkul	32,889,000	4.05
Miss Chittima Tangtrongwechakit	32,889,000	4.05
Mr. Sarit Tangtrongwechakij	32,889,000	4.05
Mr. Adisak Tangtrongweachakit	32,889,000	4.05
Mrs. Sureewan Tangtongwechakit	25,320	0.00

7.4 Subsidiaries' Major Shareholders

Buriram Sugar Factory Co., Ltd. List of shareholder are as follows;

	Name of Shareholder	Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	10,490,000	99.904
2	Mr. Anant Tangtongwechakit	1,666	0.016
3	Mrs. Wanphen Punyaniran	1,666	0.016
4	Mrs. Jirawan Pongpichitkul	1,666	0.016
5	Miss Chittima Tangtrongwechakit	1,666	0.016
6	Mr. Sarit Tangtrongwechakij	1,666	0.016
7	Mr. Adisak Tangtrongweachakit	1,666	0.016
8	Mrs. Pakinee Tangtrongweachakij	4	0
	Total	10,500,000	100

Buriram Sugarcane Research and Development Co., Ltd. List of shareholder are as follows;

	Name of Shareholder	Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	708,794	100
2	Mr. Anant Tangtongwechakit	1	0
3	Mrs. Wanphen Punyaniran	1	0
4	Mrs. Jirawan Pongpichitkul	1	0
5	Miss Chittima Tangtrongwechakit	1	0
6	Mr. Sarit Tangtrongwechakij	1	0
7	Mr. Adisak Tangtrongweachakit	1	0
	Total	708,800	100

Buriram Energy Co., Ltd. List of shareholder are as follows;

	Name of Shareholder	Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	1,355,993	100
2	Mr. Anant Tangtongwechakit	1	0
3	Mrs. Wanphen Punyaniran	1	0
4	Mrs. Jirawan Pongpichitkul	1	0
5	Miss Chittima Tangtrongwechakit	1	0
6	Mr. Sarit Tangtrongwechakij	1	0
7	Mr. Adisak Tangtrongweachakit	1	0
8	Mrs. Pakinee Tangtrongweachakij	1	0
	Total	1,356,000	100

Buriram Power Co., Ltd. List of shareholder are as follows;

	Name of Shareholder	Number of Share	Percent of Share(%)
1	Buriram Energy Co., Ltd.	1,699,994	100
2	Mr. Anant Tangtongwechakit	1	0
3	Mrs. Wanphen Punyaniran	1	0
4	Mrs. Jirawan Pongpichitkul	1	0
5	Miss Chittima Tangtrongwechakit	1	0
6	Mr. Sarit Tangtrongwechakij	1	0
7	Mr. Adisak Tangtrongweachakit	1	0
	Total	1,700,000	100

Key Brand Fertilizer Co., Ltd. List of shareholder are as follows;

	Name of Shareholder	Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	149,994	100
2	Mr. Anant Tangtongwechakit	1	0
3	Mrs. Wanphen Punyaniran	1	0
4	Mrs. Jirawan Pongpichitkul	1	0
5	Miss Chittima Tangtrongwechakit	1	0
6	Mr. Sarit Tangtrongwechakij	1	0
7	Mr. Adisak Tangtrongweachakit	1	0
	Total	150,000	100

Buriram Power Plus Co., Ltd. List of shareholder are as follows;

	Name of Shareholder	Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	1,599,995	100
2	Mr. Anant Tangtongwechakit	1	0
3	Mrs. Jirawan Pongpichitkul	1	0
4	Miss Chittima Tangtrongwechakit	1	0
5	Mr. Sarit Tangtrongwechakij	1	0
6	Mr. Adisak Tangtrongweachakit	1	0
	Total	1,600,000	100

Chamni Sugar Factory Co., Ltd. List of shareholder are as follows;

(Former Name: Buriram Super Power Co., Ltd.)

Name of Shareholder		Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	49,995	100
2	Mr. Anant Tangtongwechakit	1	0
3	Mrs. Jirawan Pongpichitkul	1	0
4	Miss Chittima Tangtrongwechakit	1	0
5	Mr. Sarit Tangtrongwechakij	1	0
6	Mr. Adisak Tangtrongweachakit	1	0
Total		50,000	100

Buriram Sugar Capital Co., Ltd. List of shareholder are as follows;

(Former Name: Buriram Agro Energy Co., Ltd.)

Name of Shareholder		Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	99,995	100
2	Mr. Anant Tangtongwechakit	1	0
3	Mrs. Jirawan Pongpichitkul	1	0
4	Miss Chittima Tangtrongwechakit	1	0
5	Mr. Sarit Tangtrongwechakij	1	0
6	Mr. Adisak Tangtrongweachakit	1	0
Total		100,000	100

Sugarcane Ecoware Co., Ltd. List of shareholder are as follows;

Name of Shareholder		Number of Share	Percent of Share(%)
1	Buriram Sugar Public Company Limited	749,997	99.99
2	Mr. Anant Tangtongwechakit	1	0
3	Miss Chittima Tangtrongwechakit	1	0
4	Mr. Adisak Tangtrongweachakit	1	0
Total		750,000	100

7.5 Issuance of Other Securities

7.5.1 Investment Unit of Infrastructure Fund

The establishment of the the Buriram Sugar Group Power Plant Infrastructure Fund (“BRRGIF”) by selling the rights in the net income from the power plant businesses of the company's subsidiaries; namely, Buriram Energy Co., Ltd. (“BEC”) and Buriram Power Co., Ltd. (“BPC”), was approved by the Securities and Exchange Commission on August 1, 2017, and traded in the Stock Exchange of Thailand was firstly operated on August 7, 2017. BRRGIF offered the investment units totaling of 350 Million units with the last offering price and par value per unit by 10.30 Baht. The amount of first offering of investment units was equivalent to 3,605 Million Bath. The company is the major unit holder which holds the BRRGIF’s unit equivalent to 33.05% (as of December 12, 2018).

The period of such infrastructure fund is to be in line with the Power Purchase Agreements, between BEC and Provincial Electricity Authority (“PEA”) and between BPC and PEA, which do not exceed 10 years (Contract termination on August 10, 2028) and 17 years (Contract termination on April 6, 2035) respectively.

7.6 Dividend Payment Policy

The Buriram Sugar Public Company Limited (“the company”) places a policy of dividend payment to every shareholder for not less than 50% of net profit declared in the consolidated financial statements. According to Public Limited Companies Act, B.E.2535, the dividend payment shall be proceeded only from the retained earnings on the separate financial statements. However, the company, a holding company, has no income from its own business. Thus, its subsidiaries’ dividends must be recognized as the company’s income prior to allocation for legal reserves and dividend payment in line with its policy. Moreover, the company may not pay dividends in the rate of not less than 50% of net profit on the consolidated financial statements. In addition, the company may decrease the dividend payout as mentioned ratio depending on the operating results, financial statement, financial liquidity of the company, and the need to expand the business of the company, and to be used as the working capital in business operations.

The subsidiaries of the company place a policy of dividend payment to every shareholder for not less than 50% of net profit declared in the financial statements of each subsidiary after the deduction of corporate income tax and statutory reserve. Whereas dividend payment might be less than the specified rate depending on the operating performance, financial status, liquidity, expansion plan and working capital.

Dividend Payment Details of Year 2014, 2015, 2016 and 2017

Dividend Payment Detail	2014	2015	2016	2017	
				Interim	Annual
1. Net profit from the consolidated financial statements (Million Baht)	236.31	272.35	- Net Profit: 113.32* - Retained Earnings Before Dividend Payout: 729.47*	525.41	
2. Number of shares (Million Share)	676.75	676.75	676.75	812.09	
3. Dividend per share (Baht/Share)	0.20	0.22	-Stock Dividend Payout: 0.2000 (5 existing shares per 1 new share) -Cash Dividend Payout: 0.022222222222**	0.15	0.30
4. Total dividend payment (Million Baht)	135.35	148.89	150.38	121.81	243.63
5. Payout ratio on net profit	57.28%	54.67%	130.71%	70.05%	
6. Dividend payout is whether in compliance with the company's dividend policy	In compliance with the company's dividend policy				

Remarks * In 2016, the dividend payout was derived from the net profit on the consolidated financial statements and retained earnings of the company.

**The total dividend was subject to withholding tax at the rate as specified by laws.

8. Management Structure

(1) Organizational Structure

Board of Directors had appointed 5 sub-committees which are Audit Committees, Risk Management Committee, Corporate Governance Committee, Nomination and Compensation Committee and Executive Committee in order to take actions in accordance with the particular tasks assigned by Board of Directors to operate the business smoothly in compliance with the principles of good corporate governance by having managing director as the highest level executive of the company. Thus, any of the directors and senior executives has never been a former employee or partner of the current external auditor in the past 2 years.



(2) Management Structure

2.1 The Board of Directors

As of December 31, 2018 the company had 11 members on Board of Directors which consist of 5 members, or 45.45%, who are in the position of independent director and 6 members, or 54.55%, who are both in the position of director and executive. According to the following table, the director no. 8 and 9 have the knowledge of accounting, the director no. 9 and 11 have the knowledge of finance and no. 10 have knowledge and experience in the corporate governance, as well as others have the knowledge and experience in the business of the company.

Name	Position	Appointed Date
1. Mr. Prachuab Chaiyasan	Chairman of the Board of Directors (Independent Director) and Chairman of Audit Committee	15 October 2012
2. Mr. Anant Tangtongwechakit	Director, Chairman of Executive Committee, Chairman of Risk Management Committee and Managing Director (Authorized Director/ Executive)	13 September 1988 (Term Expired in 2019)
3. Mrs. Wanphen Punyaniran	Director (Authorized Director/ Executive of Subsidiary)	7 July 2012 (Term Expired in 2019)
4. Mrs. Jirawan Pongpichitkul	Director, Member of Executive Committee, Member of Risk Management Committee and Senior Deputy Managing Director: Domestic Investment in Agricultural Business (Authorized Director/ Executive)	11 November 2010
5. Miss Chittima Tangtrongwechakit	Director, Member of Executive Committee, Member of Risk Management Committee, Member of Nomination and Remuneration Committee, Member of Corporate Governance Committee and Senior Deputy Managing Director: Domestic Investment in Domestic Sales (Authorized Director/ Executive)	12 May 1995 (Term Expired in 2019)
6. Mr. Sarit Tangtrongwechakit	Director, Member of Executive Committee, Member of Risk Management Committee and Senior Deputy Managing Director: International Investment (Authorized Director/ Executive)	25 June 2004 (Term Expired in 2019)
7. Mr. Adisak Tangtrongwechakit	Director, Member of Executive Committee, Member of Risk Management Committee, Member of Nomination and Remuneration Committee, Member of Corporate Governance Committee and Senior Deputy Managing Director: Domestic Investment in Energy Business (Authorized Director/ Executive)	25 June 2004
8. Mrs. Seenual Tasanapant	Independent Director, Member of Audit Committee, Chairman of Corporate Governance Committee and Chairman of Nomination and Remuneration Committee	3 October 2014
9. Mr. Sirichai Sombutsiri	Independent Director and Member of Audit Committee	10 January 2013
10. Assoc. Prof. Dr. Djitt Laowattana	Independent Director and Member of Corporate Governance Committee	25 April 2018
11. Mr. Vichate Tantiwanich	Independent Director and Member of Nomination and Remuneration Committee	25 April 2018

The Authorized Directors

- | | |
|--------------------------------|------------------------------------|
| 1. Mr. Anant Tangtongwechakit | 2. Mrs. Wanphen Punyaniran |
| 3. Mrs. Jirawan Pongpichitkul | 4. Miss Chittima Tangtrongwechakit |
| 5. Mr. Sarit Tangtrongwechakit | 6. Mr. Adisak Tangtrongwechakit |

“Any two authorized directors co-sign their names and affix the company’s seal.”

Charter of Board of Directors

The Board of Directors’ Meeting No. 7/2018 of Buriram Sugar Public Company Limited (“the company”) which was held on December 19, 2018 had the resolution to review the charter of Board of Directors in order to arrange and collect the information which is namely the composition, qualifications, appointment, qualifications, tenure and retirement, meeting, performance evaluation and other relevant matters, including review of authorities and duties to keep up with the current situations to become the good practices to other directors. The details are as follows.

1. Composition, Qualifications and Appointment

- 1.1 The Board of Directors must consist of at least 5 Directors and not less than half of total number of directors must be resident in the Kingdom of Thailand.
- 1.2 The Board of Directors consists of Executive Director and non- Executive Director which must be qualified according to the regulations of the Securities and Exchange Commission of Thailand (“SEC”) including the independent directors have to be equal or more than 1/3 of the total number of directors.
- 1.3 Directors must be qualified according to the laws and no prohibitions which show the lack of proper to be entrusted to manage public affairs especially the business of the listed company owned by shareholders in accordance with the notification of Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 (as amended)
- 1.4 Directors must come from a variety of highly qualified professions that are necessary for business management of the Buriram Sugar Group (“BSG”) which should be namely the knowledge or experiences in sugar industry; agricultural crops especially sugarcane, biomass energy, laws including accounting and finance including qualifications that are consistent with the company's strategy and business goals.
- 1.5 The directors shall not hold shares, be an entrepreneurship or a director in the partnership or foreign companies that operate the same types of business or be business competitors with

the company unless it has been approved by shareholders in the shareholders' meeting before the appointment.

- 1.6 Election of directors shall comply with the nomination and appointment process specified by the company which must be transparent and precise. However, the nomination of directors needs to use a professional search firm as a consultant or Director Pool database of the Thai Institute of Directors Association (IOD) for consideration of nomination as well. In addition, the appointment and the removal from office of the directors shall comply with the resolution in the shareholders' meeting in accordance with the terms and conditions under the regulation article 14 of the company which defines that the shareholders have the rights to elect directors by majority of votes deemed as a resolution, counted by 1 share per 1 vote with individually voting for director election. The nominee who gets the highest votes arranged in descending order shall be elected as directors. If the nominees elected in following order get equal votes in which the number of directors in that term is exceeding as regulated for the company, chairman of the meeting shall have a casting vote.
- 1.7 The Board of Directors shall select one of directors as Chairman and one or more than one directors as vice chairman.

2. Tenure and Retirement

- 2.1 The directors have the period of tenure in accordance with regulation article 15 of the company which is defined that one third of the directors who are in the position in longest period shall be retired. If the number of directors cannot be divided as mentioned, the number of directors who shall be retired should be similar to one third as possible. Additionally, the directors who shall be retired by rotation can be re-elected as director as well.
- 2.2 In addition to the retirement by rotation, the directors shall be retired as follows.
- Deceased
 - Resign
 - Incompetent or take any illegal action
 - Resolution from shareholders' meeting
 - Court order
- 2.3 Any of directors who resign from the position shall submit a resignation letter which will be effective as of the date that the company well-received the resignation letter.
- 2.4 In case the position of director becomes vacant which is derived from other reasons apart from the retirement by rotation, the Board of Directors shall select the qualified person with no illegal actions as director in the following Board of Directors' meeting unless the term of the previous director is less than 2 months. However, the new coming director shall be in the position as long as

the remaining period of tenure of the previous director. The required voting for this agenda must not less than three-fourths of votes by the existing directors.

- 2.5 The shareholders' meeting may approve to retire the directors prior to expired term with not less than three-fourths of votes and not less than half of total shares of the shareholders who attend the Meeting and have the right to vote.

3. Duty and Responsibility

The Board of Directors had precisely separated the authorities and responsibilities in policy establishment of governance and operation management in general and the authorities and responsibilities in practical management. The chairman of the Board of Directors is not the executive and the authorized director including the managing director and also person who involves with day-to-day operations, on the other hand, the chairman of Board of Directors is responsible to support and give the advices to management through the executives. Meanwhile, the managing director is responsible to manage and supervise the business operation of the company and its subsidiaries under the authorities assigned by the Board of Directors.

Thus, the authorities and responsibilities of the Chairman are specified as below:

1. Take responsibility as the leader of the Board of Directors in monitoring and supervising the operations of the Board of Directors and sub-committees.
2. Preside at the Board of Directors' meeting. In case of tie, the Chairman adds an additional vote as a casting vote.
3. Summon the Board of Directors' meeting or may assign another person to act on own behalf.
4. Preside at the shareholders' meeting and control the meeting to be in accordance with the company's articles of association regarding the meeting. Conduct the meeting according to the agenda items specified in the invitation notice, unless the meeting resolves to change the order of the agenda items required by votes of not less than two-thirds of the shareholders presenting at the meeting.
5. Engage in other acts as assigned by the Board of Directors.

Thus, the scope of duties of the Board of Directors is as follows:

The Authority

1. Administer the business of the company in order to generate the profit maximization for shareholders. According to the business operation of the company, the directors shall perform duties with the responsibility, discretion, honesty in compliance with laws, Articles of

- Association and regulation including the resolutions from shareholders' meeting as well as the Board of Directors' meeting.
2. Consider and approve the important matters concerning to the operation of the company, for example, vision, mission, policies, business strategy, goals and operation plan, financial target and budgeting of the company, subsidiaries and associates.
 3. Supervise the business operation in general as well as the management department in accordance with vision, mission, policies, business strategy, goals and operation plan, financial target and budget of the company.
 4. Organize the accounting system, financial reporting and auditing as well as the system of internal control, internal audit, risk management and anti-corruption including set up the effective measures to follow the performance of the company, subsidiaries, and associates.
 5. Provide an annual report of the company and/or the Board of Directors according to the laws and regulations.
 6. Supervise and provide the mechanism of supervision and prevent the conflict of interest between stakeholders with companies, subsidiaries and associates.
 7. Consider and approve and/or consider and give opinion in order to present to the shareholders' meeting for approval of the transactions that are significant to the company in compliance with laws, regulations, and related applicable rules and/or the articles of association of the company, subsidiaries, and associates.
 8. Appoint one of the Directors of the company as Chairman of the Board of Directors and the Vice Chairman according to the appropriate number.
 9. Arrange and/or change the name of Directors who have the authority.
 10. Recruitment and appointment of person who have knowledge, ability, experience and qualified according to law and regulation to be a Directors in the case of the position of Directors becomes vacant due to reasons other than retirement by rotation.
 11. Recruit individuals who have the knowledge, ability and experience according to the laws and related regulations to propose to the shareholders' meeting to consider and appoint as the Directors of the company.
 12. The person who has been appointed or nominated as the Directors or executives of subsidiaries and/or associates should be in accordance with the shareholding proportion of subsidiaries and associates. Thus, the said nominated persons must have proper knowledge, ability and

- experience, must not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing business as specified in the notification of the SEC.
13. Consider the annual and interim dividend of the company, subsidiaries and associates.
 14. Consider the remuneration criteria of the Board of Directors, sub-committees, and senior executives.
 15. Considering the amount of the remuneration of the Directors in the company according to the criteria for compensation. Then, the Board of Directors propose such remuneration at the shareholders' meeting to consider and approve.
 16. Evaluate the Managing Director's performance and consider the remuneration amount according to the remuneration criteria specifies by the Board of Directors.
 17. Appoint the sub-committees by recruiting the person who have knowledge, ability, and experience and qualified as the Board of Directors seem appropriate to be appointed as member in sub-committees, as well as specify the authority and scope of work of such committees.
 18. Appoint one of the Executive Directors of the company as the Managing Director including instruct the scope of authority of the Managing Director.
 19. Appoint the company secretary by recruiting the person who have knowledge, ability, and experience and qualified according to law and regulation.
 20. Arrange the succession plan of Managing Director position by reviewing the plan annually.
 21. Appoint and/or authorize the Directors or other person to have the power to take any action that is within the jurisdiction of the Board of Directors as the Board deems appropriate. The Board of Directors may abolish, rescind, or change such authority.
 22. Supervise to provide a channel to communicate with each shareholders group and the stakeholders of the company.
 23. Supervise to disclose significant information related the company and the subsidiaries correctly, completely, and transparently via easily accessible channel with equal and trustworthy treatment.
 24. Create and modify laws and regulations within the company.
 25. Have duties and responsibilities as defined in laws and regulations, articles of association, and resolution of shareholders' meeting.
 26. Establish, review policies, and enhance the effectiveness of anti-corruption practices as well as monitor executives and management to comply with anti-corruption policy, code of conduct,

and code of ethics, and act as a model steering such awareness to be a part in an organization culture. Thus, in case of any evidence indicating that one of the Board of Directors involves any actions or accepting or supporting corruption, the company will punish in line with the working regulations, the highest penalty is the dismissal from service or termination of contract. In addition, in case of any actions breaking rules or laws, those who violate any laws will be punished in accordance relevant applicable laws.

27. Specify and review the good corporate governance and code of conduct and be aware of the duties and responsibilities as a leader to create sustainable value for the company, as well as supervise the development plan for enhancing the corporate governance suitable for the company's nature of business.

In addition, The Board of Directors or any authorized persons who have conflict of interest with company and/or subsidiaries and/or related companies do not have the right to approve the administration of conflict of interest or connected transactions except such transactions operated under policies and criteria considered and approved by the Board of Directors and/or shareholders' meeting (as the case may be), which must be in accordance with laws, regulations, objectives and articles of association.

4. Meeting

- 4.1 The Board of Directions has to arrange the meeting at least 4 times a year to consider and approve the annual financial statements and quarterly reports including other important events and meetings as appropriate, as well as specify each agenda clearly such as approval for reviewed or audited financial statements by an auditor, etc.
- 4.2 Assign the next year's annual meeting of the Board of Directors and sub-committees at the end of the year. In order to make the Board of Directors, sub-committees and executives to attend the meeting and give an opinion or approval in any matter.
- 4.3 Regarding the Board of the Directors' meeting, the Chairman or other authorized person is responsible for sending an invitation at least 7 days before the meeting. Unless it is necessary and urgent or is to protect the right and benefit of BSG, the meeting can be arranged in other way or earlier than the specified meeting date. Thus, the directors of two or more persons may request the Chairman to call a date for the meeting within 14 days of the request.
- 4.4 The Board of Directors have to receive proper and timely information. The company secretary will ensure that Directors received the agenda and supporting documents prior to the meeting.

- 4.5 Minutes of meeting must have been written and kept as an evident if approved by the Board of Directors, which the Board of Directors and related persons can check such minutes of meeting.
- 4.6 There must be Directors at the meeting not less than half of the number of Directors. If the Chairman cannot attend the meeting then the Vice Chairman will instead take the responsibility. If the Vice Chairman is not present then one of the Directors will be appoint to act as the Chairman.
- 4.7 The minimum amount of a quorum of the Board of Directors will be voted at the meeting shall be not less than 2/3 of the total number of directors.
- 4.8 Each Director has one vote in the meeting. Interested directors do not have right to vote. The resolution of the meeting decided by the majority vote. If the votes are equal the Chairman of the meeting shall have a final vote.
- 4.9 The company secretary will record the minutes of the meeting.

5. Report

- 5.1 The Board will provide a report on the operations of the company and subsidiaries in its annual report (Form 56-2) to inform the shareholders.
- 5.2 The Board of Directors will prepare the report on the Board of Director's Responsibility for the financial statements together with the report of the auditors and disclose in the annual registration statement (Form 56-1) and annual report (Form 56-2).
- 5.3 The Board of Directors must supervise every Director of the company to reveal an identity of their own according to the Capital Market Commission Board No. 38/2016 about the criteria, conditions and procedures for disclosure of information about the financial position and the performance of the issuing company (No. 8). For the benefit of the shareholders, investors and the public in the annual registration statement (Form 56-1), the annual report (Form 56-2) and the company website.

6. Performance Evaluation of the Board of Directors, sub-committees, and managing director

The Board of Directors must provide an annual assessment of the performance of the company at the end of the year divided into As a Whole and Self-assessment according to guidelines for good corporate governance. In order to review the work, problems and obstacles encountered and assessed their performance in the past year and find ways to improve the efficiency in the next year.

The criteria for the self-assessment of the Board of Directors and the individual Directors have reference according to the example of the Stock Exchange of Thailand in February, 2015, which was applied according to the company and its subsidiaries' businesses. The details are as follows:

- The Criteria of Performance Evaluation As a Whole is as follows.

1. The structure and qualification of the Board of Directors.
2. Duty and responsibility of the Board of Directors.
3. The Board of Directors meeting.
4. Duty of the Directors.
5. Relationship with management department.
6. Self-development of the Board of Directors and Executive.

- The Criteria of Individual Performance Evaluation is as follows.

1. The structure and qualification of the Board of Directors.
2. The Board of Directors meeting.
3. Duty and responsibility of the Board of Directors.

For the process of evaluation, the office of directors/company secretary will send both questionnaire with descriptions and scoring to each of the individual company directors in early December and bring returns within mid-December of the year. After that the office of directors/ company secretary will seek the result of both evaluation and report to the Board of Directors in the meeting in order to analyze the causes and find a way to develop in the future. The score rating is as follow.

Scoring:

- | | | |
|---|---|--|
| 0 | = | Completely disagree or no action on the matter. |
| 1 | = | Disagree or have little action in the matter. |
| 2 | = | Agree or have moderate action in the matter. |
| 3 | = | Agree quite a lot or have many action in the matter. |
| 4 | = | Completely Agree or have approve all action in the matter. |

In addition, the Board of Directors has provided the additional evaluation of sub-committees which was started in 2017 onwards in line with the criteria as mentioned above.

For the evaluation of the Managing Director, the Board of Directors considered evaluating in every year by using annual evaluation from Corporate Governance Center registered in 2011 of the Stock Exchange of Thailand and/or other appropriate sources as reference together with the company operating performance. Further study the method of other organizations that work well and deliver the result to all directors for evaluation in early January of next year. In order to inspect total earning of company and

deliver to the office of directors/ company secretary in mid-January to conclude the assessment and present to the Nomination and Compensation Committee prior to the Board of Directors' meeting for approval.

7. The Remuneration of Directors, sub-committees and senior executives

The Board of Directors is aware of remuneration to all Directors, sub-committees and senior executives appropriately in accordance with the duties and responsibilities as assigned which shall comply with the overview performance and operating results of the Company. In addition, Board of Directors had the resolution to appoint the Nomination and Compensation committees in order to establish and review the policies, terms and conditions and the consideration for compensation or other benefits to directors, sub-committees and senior executives before propose to Board of Directors and shareholders' meeting to consider and approve respectively.

The determination of remuneration shall be considered from the overview performance and operating results of the company, the operations and the responsibilities which are derived from the performance evaluation. Furthermore, the remuneration of the company shall compare to the remuneration of similar types of business in other companies and refer to the information of remuneration for directors and executives in listed companies according to the survey data on the directors and executives' information in listed companies in 2015 conducted by Stock Exchange of Thailand.

In addition, the remuneration for directors and sub-committees shall be considered and approved by the shareholders' meeting. Nevertheless, the remuneration of senior executives shall be in accordance with the terms and conditions as well as the policies which was determined by Board of Directors derived from the consideration of duties and responsibilities including the individual performance and operating results of the company. Board of Directors, sub-committees and senior executives shall receive the proper rate of remuneration in compliance with position, duties and responsibility in work and also the resolution of shareholders' meeting.

8. Development of the directors and senior executives

The Board of Directors has policies to promote and facilitate training and educating Directors and those involved in corporate governance systems of BSG in order to improve and develop the operations more efficient. The Board of Directors is required to pass the training course such as Director Accreditation Program (DAP) and/or Director Certification Program (DCP) from Thai Institute of Directors Association (IOD).

In addition, the office of directors/ company secretary will plan next year's annual training ahead at the end of the year together with the Human Resources and Administration Department in order to get an approval from The Board of Directors about the training course in the next year. There are compulsory trainings for the Board of Directors and members in sub-committees, and interesting trainings. In each year the company will encourage at least 1 director as well as members in sub-committees and executives to attend the training course and seminar activities from Stock Exchange of Thailand, the Securities and Exchange Commission and the other organization that related to the company.

9. The Orientation of New Directors.

The Board of Directors shall organize the orientation for new directors who have been recently appointed. After the appointment, the Managing Director shall introduce the new appointed directors to management and other directors including present the company information, such as, organization chart and nature of business including the related information namely the handbook of good corporate governance and code of conduct of BSG in order to realize the role and scope of duties and authorities of the Board of Directors and also the code of ethics and insider trading and so on. Therefore, the information was collected as the handbook for new appointed directors for orientation and individual study.

Furthermore, if the new directors have not participated in the courses for directors, the company shall support the directors to be trained in those necessary courses such as Director Accreditation Program (DAP) or Director Certification Program (DCP), Audit Committee Program (ACP) (in case the directors are also the audit committee) organized by Thai Institute of Directors Association (IOD) and other related training courses that are necessary.

10. The Independence of the Board of Directors and Definition of Independent Directors

10.1 The Board of Directors must be neutral, not be influenced by the control of executives or management or a group or juristic person because the Board of Directors is the representative of shareholders who select in order to protect the interests of all shareholders.

10.2 The Board of Directors should have leadership, vision and independence in making decisions for the best benefit of BSG, and all shareholders. The Chairman must be able to control the operation of the executives or management effectively.

10.3 The Board of Directors should provide a clearly separation of roles and responsibilities between the Board of Directors and the management.

10.4 Maintain the balance of power within the Board of Directors, so all directors can express their opinions independently. Therefore, the composition of the Board of Directors shall consist of executive and non-executive directors.

10.5 The independent directors are able to access the financial data and business information adequately in order to provide opinions independently and preserve the benefit of all shareholders and company.

10.6 The independent directors must have the independent qualifications in accordance with the Securities and Exchange Commission as well as other qualifications are required. For the composition and appointment of independent directors, the Board of Directors will fundamentally consider the qualifications of a person who will be appointed as an independent director with the qualifications and disqualification of directors under the Limited Public Company Act, law on the securities and exchange, Notification of the Capital Markets Supervisory Board, as well as relevant notifications, rules and/or regulations. Moreover, the Board of Directors will consider and select an independent director who is qualified, expertise, competent, and use other appropriate elements for additional consideration, and then propose such matter at the shareholders' meeting for further appointment. Thus, the company has a policy to appoint the independent directors at least 1/3 of the total number of directors, which consists of not less than 3 persons. The qualification of the independent directors must comply with the Securities and Exchange Commission No. 28/2008 for permission and grant of permission to offer newly issued shares on 15th December 2008 (as amended) as follow:

- The person must hold no more than 1% of shares with voting rights of the company, the parent company, the subsidiaries, the associates, the major shareholders or the entities with the authority to control the company; inclusive of shareholding by individuals related to such independent directors
- The person must not be serving, or have served, as a director who is involved with the management, or a staff member, an employee or a consultant with a monthly wage. The person also must not be or be an individual with the authority to control the company, the parent company, the subsidiaries, the associates, the associates of the same level, the major shareholders or of the entities with the authority to control the company, with the exception of the case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director. The ineligibility however does not include the case where an independent director has

previously served as a public servant or a consultant of a government agency which is a major shareholder of, or an entity with the authority to control the company.

- The person must not be related by blood or law as father, mother, spouse, sibling or child, spouse of son or daughter of executives, major shareholders, individuals with the authority to control the company or candidates for the position of an executive or an individual with the authority to control the company or a subsidiary.
- The person must not have, or have had, a business relationship with the company, the parent company, the subsidiaries, the associates, the major shareholders or the entities with the authority to control the company, in such a manner that may interfere with one's independent discretion. The person also must have not been or has been a shareholder, individuals with the authority to control the company, of the person who has business relationship with the company, the parent company, the subsidiaries, the associates, the major shareholder or the entities with the authority to control the company. There is an exception in the case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director. The business relationship as described is inclusive of normal trading transactions for the conduct of business; lease or letting of immovable; transactions relating to assets or service; provision or acceptance of financial assistance through acceptance or provision of loans and guarantees, the use of assets as collateral and other such practices which result in the company or the party to the agreement being under the obligation to repay the other party for an amount from 3% of net tangible assets of the company or from Twenty Million Baht whichever is lower. The calculation of such obligation to debt is to be in accordance with the related transaction value calculation method as per the Announcement of the Capital Market Supervisory Board on the Related Transaction Criteria with exceptions. The said obligation to debt includes that which has materialized during the period of one year prior to the day of business relationship with the same individual.
- The person must not be, or has been, an auditor of the company, the parent company, the subsidiaries, the associates, the major shareholders or the entities with the authority to control the company. The person also must not be a significant shareholder, an individual with the authority to control or a partner of the audit office with which the auditor the company, the parent company, subsidiaries, the associates, the major shareholders or the

entities with the authority to control the company is associated. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.

- The person must not be, or has been, a provider of a professional service including the service as a legal consultant or a financial consultant for which greater than Two Million Baht of fee is paid per year by the company, the parent company, subsidiaries, the associates, the major shareholders or the entities with the authority to control the company. The person also must not be a significant shareholder or an individual with the authority to control or a partner of such provider of professional service. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.
- The person must not be a director appointed to represent a director of the company, a major shareholder or a shareholder who is related to a major shareholder.
- The person must not be in a business of the same nature as, and of significant competition to, that of the company or an associate. The person also must not be a significant partner in a partnership; a director who is involved with the management; a staff member; an employee; a consultant with a monthly wage; as well as, a shareholder who holds more than 1% of shares with voting rights of another company which is engaged in a business of the same nature as and of significant competition to that of the company or an associate.
- The person must not have any other characteristic which an obstacle to the giving of free opinion on the operation of the company.
- The person must not be assigned by the Board of Directors to make a consideration relating to the business operations of the company, the subsidiaries, the associates, for the subsidiaries in the same level, the major shareholders, or controlling persons.

11 The number of listed companies that the directors and managing director hold office

The Board of Directors recognizes the importance of dedication and time of the directors and managing director to perform their duties effectively. In order to maximize the benefit of the company through the directors' and managing director's competence, the Board of Directors has a policy to define the number of listed companies and other companies that directors or executives hold office according to the good corporate governance principles as follows;

11.1 The directors can hold office as directors of other listed companies not more than 5 listed companies whose type of business not competitive with the Buriram Sugar Group's. In addition, they must dedicate their time, competence to perform duties for the company sufficiently and effectively. Thus, the holding office as a director of other listed companies must be proposed at the Board of Directors' meeting for acknowledgement.

11.2 The managing director's holding office as a director or an executive of other companies or listed companies that are not a subsidiary of the Buriram Sugar Group must be proposed at the Board of the Directors' meeting for approval on the consideration of the appropriateness of such business which is not competitive with the Buriram Sugar Group's type of business, as well as the dedication of time and competence to work for the company sufficiently.

12 Sub-Committees

The Board of Directors has established 5 sub-committees: Audit Committee, Risk Management Committee, Corporate Governance Committee, Nomination and Compensation Committee, and the Executive Board in order to execute the specific matters assigned by the Board of Directors to ensure smooth business operations and in compliance with the good corporate governance. Thus, each charter is clearly defined with composition, roles, and responsibilities, and should be reviewed on a yearly basis.

2.2 Audit Committee

As of December 31, 2018 the Audit Committee has consisted of 3 members as follows.

Name	Position
1. Mr. Prachuab Chaiyasan	Chairman of the Audit Committee
2. Mrs. Seenual Tasanapant	Audit Committee Member
3. Mr. Sirichai Sombutsiri	Audit Committee Member

Remark: Mrs. Seenual Tasanapant and Mr. Sirichai Sombutsiri are audit directors who have sufficient knowledge and experiences to be responsible to review the accountability of financial statement.

Ms. Natchaya Yangyuenrat the internal audit manager is the secretary to the Audit Committee. The Charter of Audit Committee has been reviewed with the approval of the Board of Directors' Meeting No. 7/2018 on December 19, 2018 as follows:

1. Charter of Audit Committee

The Board of Directors has assigned the Audit Committee to independently comments and suggestions on good governance with a focus on sustainability by reviewing the accuracy and reliability of

financial report, internal control, risk management, internal audit, compliance with laws and regulations in order to improve the company's operations effectively and transparently.

Composition

- 1.1 The Board of Directors or the shareholders will appoint the Chairman of the Audit Committee and the Audit Committee according to the conditions and regulations of the Stock Exchange of Thailand.
- 1.2 The Audit Committee consists of at least 3 Directors and at least 1 person must have sufficient knowledge and experience in reviewing the reliability of financial statement.
- 1.3 The manager of Internal Audit Department is secretary of the Audit Committee.

Qualification

Audit committees must be independent directors with the qualification in accordance with the conditions and regulations of Stock Exchange of Thailand and able to give the comments or report the performance results in compliance with the duties independently including dedicate for work.

2. Tenure

- 2.1 The tenure of audit committees is in accordance with the tenure of Board of Directors.
- 2.2 In case of resignation or retirement which affects to the insufficient number of audit directors as determined in this charter, Board of Directors must appoint a new audit director to fulfil the insufficient number of committees within 3 months since the date that the committees are insufficient.

3. The Meeting

- 3.1 The Audit Committee must arrange the meeting at least 4 times a year and the meeting between the Audit Committee and Internal Audit Office at least 1 time a year in order to discuss and approve the internal audit plan, budget and manpower of the Internal Audit Department as well as monitor and evaluate the performance of Internal Audit Office.
- 3.2 The quorum of the Audit Committee who attended the meeting must not less than half of the total membership. In addition, each member of the Audit Committee has to attend at least 3/4 of the meeting in that year.
- 3.3 The Audit Committee may invite management department or related persons to attend the meeting, make a comments or shipping documents as necessary.
- 3.4 The Directors who have interests in any matter must not attend the meeting or abstain from expressing an opinion on that matter.

4. Duty and Responsibility

4.1 Internal Control

- 1) Review the company's internal processes to obtain suggestion and complaint including review the policy and internal control on risk assessment of corruption to ensure the effectiveness of anti-corruption practices according to Internal Audit Office' s review and evaluation and report it on self-assessment by Thai Institute of Director.
- 2) Provide proper, efficiency and effective internal control and internal audit.
- 3) Ensure that the company has proper working process with risk management, control, supervision, technology information and security of the data and communication network.
- 4) Provide the Audit Committee with overall performance and annual evaluation.

4.2 Internal Audit

- 1) Consider and evaluate the internal control system that the internal audit office has already checked to ensure the appropriate action of the system and present the result to the Board of Director for consideration.
- 2) Consider the independence of internal audit by their work and report including the chain of command. As well as approve the appointment, removal, transfer or dismissal of the Head of the Internal Audit Office or other related office in charge of internal audit.

4.3. Financial and audit reports

- 1) Ensure that the company's financial reports are correct and sufficient by cooperating with the external auditor and administrator who responsible in prepare the financial reports in both quarterly and annual. The Audit Committee may assign auditor to review or audit in any matter as necessary, and significant matter on the auditing process.
- 2) Consider, nominate, appoint, or dismiss the independent person to act as auditor and present the auditor's remuneration. As well as arrange the meeting with the auditor without the management department in attendance at least 1 time a year.
- 3) Advise the Board of the Directors and the management department to improve the business operation in order to reduce the risk in any matter for correct financial reports and effective business operation of the company.

4.4 Following the law and related regulation

- 1) Carry out the review to ensure compliance Securities and Exchange Acts, regulation of the Stock of Thailand's regulation, and any other relevant laws.

- 2) Ensure that the company complies all related rules and the notification of the Stock Exchange of Thailand when there is a connected transaction or transaction that may lead to conflict of interests which give the company the maximum advantage and reasonableness, as well as disclose such transactions or conflict of interest in a complete and appropriate manner.
- 3) Prepare the report of the Audit Committee disclosure in the company's annual report which must be signed by the Chairman of the Audit Committee and the data must contains at least the following:
 - The opinion about accuracy and completeness to make the financial report of the company reliable.
 - The opinion about the adequacy of the internal control system in the company.
 - The opinion about compliance with the Securities and Exchange Commission's and the Stock Exchange of Thailand's laws and regulation and other laws relevant to the company's business.
 - The opinion about the appropriateness of the auditor.
 - The opinion about the transactions that may have conflicts of interest.
 - The number of Audit Committee meetings and the attendance of each member in the Audit Committee.
 - Opinions or overall observation that the Audit Committee has the duty under the charter.
 - Other matters that shareholders and investors should know under the scope of duties and responsibilities as assigned by the Board of Directors.
- 4) If the Audit Committee find or suspect the list of the following actions which may have a significant impact on the financial statements and results of operations of the company. They must report to the Board of Directors immediately.
 - The transactions that may cause the conflicts of interest.
 - The corruption and unusual activity towards internal control system.
 - Violation of the law or regulation of Securities and Exchange Commission and Stock Exchange of Thailand or other related laws.

If the Board of the Directors fails to achieve the objective in time then one member of the Audit Committee will make a report to The Securities and Exchange Commission or the Stock Exchange of Thailand.

4.5 Other responsibility

- 1) The Audit Committee may seek the opinion of an independent consultant in other profession when deemed necessary. The company will pay all of the expenses.
- 2) Review and update the charter of the Audit Committee and present to the Board of Directors for approval.
- 3) Carry out any other duties assigned by the Board of Directors with the approval of the Audit Committee.

Report

1. Report to the Board of directors within a reasonable time to perform an update. If there is any action that might affect the financial status, operating result, conflict of interest, corruption, deficiencies on internal control against the laws, regulations of the Stock Exchange of Thailand or governmental rules.
2. The Audit Committee's monitoring activities disclosed in the company's annual report, its report with the Chairman of Audit Committee's signature.
3. Prepare a report on the governance of the Audit Committee by disclosing in the annual report of the company. The report must be signed by the Chairman of the Audit Committee

2.3 Risk Management Committee

As of December 31, 2018 the Risk Management Committee has consisted of 5 members as follows.

Name		Position
1.	Mr. Anant Tangtongwechakit	Chairman of the Risk Management Committee
2.	Mrs. Jirawan Pongpichitkul	Risk Management Committee Member
3.	Miss Chittima Tangtrongwechakit	Risk Management Committee Member
4.	Mr. Sarit Tangtrongwechakij	Risk Management Committee Member
5.	Mr. Adisak Tangtrongweachakit	Risk Management Committee Member

In addition, Miss. Niparat Wetchapan, risk management manager is the secretary to the Risk Management Committee. Besides, the Charter of the Risk Management Committee has been reviewed from the Board of Directors' Meeting No. 7/2018 on December 19, 201, however there is no any amendment, detail as follows:

Charter of Risk Management Committee

This Charter of Risk Management Committee is effective on March 2, 2017 onwards.

Objectives

Board of Directors established risk management committees in order to determine the policies concerning to risk management in the organization including regulate the system and risk management procedures to minimize the effects on the business of the company appropriately therefore the composition is provided efficiently which is assigned by Board of Directors.

Composition

1. The Board of Directors will appoint Risk Management Committee and Chairman of Risk Management Committee by nominate the Directors and/or executives and/or those who have sufficient knowledge and experience in risk management or the company's type of business. There must be at least 3 members in the Risk Management Committee.
2. The Risk Management Committee will appoint secretary, selected from the senior of Risk Management Office or other person whom the Risk Management Committee seem appropriate, who in charge of risk management in order to assist about the meeting, prepare the agenda, submission of documents for meetings and minutes of meeting.

Tenure

1. The tenure of risk management committee is in the same period of the Board of Directors'. Regarding the expired term of service, he or she can be elected for a new position as the Board of Directors seems appropriate.
2. The Risk Management Directors who retired by rotation may be appointed to the position again. If approved by the Board of Directors.
3. Apart from the retirement by rotation the Risk Management Directors will be retiring as follow situation.
 - Decease
 - Resign
 - Incompetent or take any illegal action in accordance with Public Limited Company Act B.E. 2535 and Securities and Exchange Act B.E.2535 (as amended).
 - The resolution from Board of Directors' meeting
 - The court order

Scope of Duties

1. Provide support to the Board of Directors in determining the policy at the level of acceptable risk.
2. Present an overview of the company's risks and how to manage and track the risk to the Board of Directors.
3. Review reporting and risk management and take steps to ensure that risk management is sufficient, adequate, and in an acceptable level.
4. Coordinate with the Audit Committee by sharing knowledge and information about the risk and internal control effect that may affect the company.
5. Make the decision and provide advice on important problems occurred in the process of risk management.
6. Support the risk management culture in the organization.
7. Evaluate the performance of the Risk Management Committee and report on the annual assessment to the Board of Directors.
8. Review the appropriateness of the Charter regularly in every year to ensure that the contents in the charter are consistent with the purpose and strategies in risk management of the company.
9. Consider and review the guidelines for the risk management of the company as well as provide the suggestions for improvement.
10. Supervise, monitor and review the effectiveness of the risk management process of the company on a regular basis.
11. Appoint the risk management working group as appropriate.
12. Promote any procedures relating to the anti-corruption management and anti-corruption policy.

Responsibility

The Risk Management Committee is responsible directly to the Board of Directors in accordance with the duties and responsibilities assigned by Board of Directors. In addition, Board of Directors is also responsible to operation of the company on external stakeholders.

The Meeting

1. Arrange a meeting at least once a quarter and may invite the management, or executives or employees involved with related matter, or who saw fit to attend the meeting, comment or submit the information as necessary.
2. The quorum of the Risk Management Committee meeting must contain the number of the Directors at least 2/3 in total.

3. The Directors who have conflict of interest in any matter must not attend the meeting or abstain from expressing an opinion on that matter.
4. Each director has one vote in the meeting, and the decisions of the meeting resolved by the majority vote. If the votes are equal the Chairman of the meeting shall have a final vote.

Report

Report on the performance of the Risk Management Committee should be presented to the Board of Director for acknowledgement and disclosed in the annual report of the company that signed by the Chairman of the Risk Management Committee.

Performance Evaluation

The Risk Management Committee will evaluate the performance and report the annual assessment result to the Board of Directors.

2.4 Corporate Governance Committee

As of December 31, 2018 the Corporate Governance Committee has consisted of 4 members, which have 2 independent directors equivalent to 50% as follows.

Name	Position
1. Mrs. Seenual Tasanapant	Chairman of Corporate Governance Committee (Independent Director)
2. Assoc. Prof. Dr. Djitt Laowattana *Appointed on December 19, 2018	Corporate Governance Committee Member (Independent Director)
3. Miss Chittima Tangtrongwechakit	Corporate Governance Committee Member
4. Mr. Adisak Tangtrongweachakit	Corporate Governance Committee Member

In addition, Miss Patcharee Kosanam, director officer manager and company secretary, is the secretary to the Corporate Governance Committee. Besides, the Charter of the Corporate Governance Committee has been reviewed by the Board of Directors' Meeting No. 7/2018 on December 19, 2018. However there is no any amendment, detail as follows:

Composition, Qualifications and Appointment

1. Composition and appointment

- 1.1 There must be at least 3 members and the majority must consist of independent directors. However, if the organization is still small and the number of independent directors is not sufficient. There must be at least 1 independent director in the Corporate Governance Committee. The Corporate Governance Committee must nominate 1 independent director as the Chairman.

- 1.2 The Board of Directors will appoint the directors to be in the position of the Corporate Governance Committee. If the Corporate Governance Committee is retired by rotation, he or she may be reappointed by the Board of Directors in another term.
- 1.3 The company will select and nominate the employee to act as secretary of the committee with approval of the Corporate Governance Committee.

2. Qualification

- 2.1 Stay in the position of director who has no bias and work independently in accordance with corporate governance policy.
- 2.2 Possess the knowledge and ability to serve as the Corporate Governance Committee including provide advices to Board of Directors as well as oversee the operations of directors, executives and management in compliance with the Code of Conduct, Good Governance Policy, and Anti-Corruption Policy as well as knowledge of the business operation, working experience, and also well understanding of roles, duties and responsibility of the Corporate Governance Committee.
- 2.3 Dedicate time to carry out their duties in order to achieve the objectives of the Corporate Governance Committee.

Tenure and Retirement

1. Tenure

- 1.1 Directors of the Corporate Governance Committee have tenure same as the Directors' position.
- 1.2 In case of resignation or retirement which affects to the insufficient number of the Corporate Governance Committee as determined in this charter, the Board of Directors must appoint a new corporate governance director to fulfil the insufficient number of such committee within 3 months since the date that the amount of member in this committee is insufficient.

2. Retirement

- 2.1 Corporate Governance Committee shall retire as following situations
 - Decease
 - Resign
 - Retire from the position of director
 - The resolution approved by Board of Directors
 - Disqualification or having the prohibited characteristics as provided by laws.

- 2.2 In case of resignation, the Corporate Governance Committee must submit the resignation letter to the Chairman of the Board of Directors and shall be effective since the date that Chairman of the Board of Directors sign and approve this resignation.

Scope of Duties

1. Arrange the policies, rules and guidelines according to the Code of Conduct and Good Governance Principles for the standard to directors, executives and employees to comply with.
2. Provide the advice to the Board of Directors and also supervise and oversee the company operation according to the Code of Conduct and Good Governance Policy as well as review the Code of Conduct and Good Corporate Governance Principles on a yearly basis and present it to the Board of Directors.
3. Supervise the operation of directors, executives and management according to the Code of Conduct and Good Governance Policy.
4. Set the compliance practices related to anti-corruption.
5. Prepare a report on corporate governance and the performance of the Corporate Governance Committee to the Board of Directors and disclose such report in the annual report and annual registration statement (Form 56-1).

In addition, The Corporate Governance Committee or any authorized persons who have conflict of interest with company and/or subsidiaries and/or related companies do not have the right to approve the administration of conflict of interest or connected transactions except such transactions operated under policies and criteria considered and approved by the Board of Directors and/or shareholders' meeting (as the case may be), which must be in accordance with laws, regulations, objectives and articles of association.

Meeting**1. Meeting Arrangement**

- 1.1 The Corporate Governance Committee must arrange the meeting at least twice a year or may provide additional meeting as Chairman of the Board of Directors deems appropriate. The Corporate Governance Committee must attend the meeting at least 75% of the total amount of the meeting in each year.
- 1.2 The chairman of the Corporate Governance Committee may call the meeting as a special case if a member or the chairman seems necessary.

2. Attendance

- 2.1 The Corporate Governance Committee's meeting must contain the directors more than a half of all membership as a quorum. Chairman of the Corporate Governance Committee is the chairman of the meeting.
- 2.2 In case of the Chairman cannot attend the meeting then the Corporate Governance Committee will appoint 1 of the directors to act as the Chairman.
- 2.3 If the secretary cannot attend the meeting, the Corporate Governance Committee will appoint someone to act as the representative.

3. Voting

- 3.1 The meeting resolution depends on the majority vote of which the directors present at the meeting. If the votes are equal, the Chairman of the meeting shall have a final vote.
- 3.2 The directors who have conflict of interests in any agenda have no right to vote.

4. The Meeting Record

The secretary of Corporate Governance Committee or any assigned persons must record the minutes of meeting.

Report

1. The Corporate Governance Committee must report any matter concerning to Code of Conduct, the Good Governance Policy and anti-corruption as well as related compliance practices to the Board of Directors for approval, and/or present other agenda on such actions to the Board of Directors for acknowledgement.
2. The Chairman of the Corporate Governance Committee must report the result of performance to shareholders in the annual report and the annual registration statement (form 56-1) by disclosing the details as follows:
 - 2.1 The amount of the meeting.
 - 2.2 The amount of each director that attends the meeting.
 - 2.3 The result of the operation according to the charter.

Performance Evaluation

The Corporate Governance Committee must evaluate their own performance and report the result as well as the problem and obstacle (if any) to the Board of Directors.

The Remuneration

The Corporate Governance Committee shall receive the proper rate of remuneration in compliance with position, duties and responsibility in work and also the resolution of shareholders' meeting.

2.5 Nomination and Remuneration Committee

As of December 31, 2018 the Nomination and Remuneration Committee has consisted of 4 members which have 2 independent directors equivalent to 50% as follows:

Name	Position
1. Mrs. Seenual Tasanapant	Chairman of Nomination and Remuneration Committee (Independent Committee)
2. Mr. Vichate Tantivanich *Appointed on December 19, 2018	Nomination and Remuneration Committee Member (Independent Committee)
3. Miss Chittima Tangtrongwechakit	Nomination and Compensation Committee Member
4. Mr. Adisak Tangtrongweachakit	Nomination and Compensation Committee Member

In addition, Miss Patcharee Kosanam, director officer manager and company secretary, is the secretary to the Nomination and Remuneration Committee. Besides, the Charter of the Nomination and Remuneration Committee has been reviewed by the Board of Directors' Meeting No.7/2018 on December 19, 2017. However, there is no any amendment, detail as follows:

1. Composition, Qualifications and Appointment

1.1 Composition and appointment

- 1.1.1 There must be at least 3 members and the majority must consist of independent director. However, if the organization is still small and the number of independent directors is not sufficient. There must be at least 1 independent director in the Nomination and Compensation Committee. The Nomination and Compensation Committee must nominate 1 independent director as the Chairman of committee.
- 1.1.2 The Board of Directors will appoint the directors to be in the position of the Nomination and Compensation Committee. If a member of the Nomination and Compensation Committee is retired by rotation, he or she may be reappointed by the Board of Directors in another term.
- 1.1.3 The company will select and nominate an employee to act as secretary of the committee with approval of the Nomination and Compensation Committee.

1.2 Qualification

- 1.2.1 Stay in the position of director who is no bias and work independently in accordance with corporate governance policy.
- 1.2.2 Possess the knowledge and ability to serve as the Nomination and Compensation Committee including provide advices to Board of Directors as well as oversee the operations according to

the Code of Conduct and good governance policy, and also possess working experience, and well understanding of roles, duties and responsibility of the Nomination and Compensation Committee.

- 1.2.3 Dedicate time to carry out their duties in order to achieve the objectives of the Nomination and Compensation Committee.

2. Tenure and Retirement

2.1 Tenure

- 2.1.1 The tenure of the Nomination and Compensation Committee is in accordance with the tenure of directors
- 2.1.2 In case of resignation or retirement which affects to the insufficient number of the Nomination and Compensation Committee as determined in this charter, the Board of Directors must appoint a new Nomination and Compensation director to fulfil the insufficient number of such committee within 3 months since the date that the amount of member in this committee is insufficient.

2.2 Retirement

- 2.2.1 The Nomination and Compensation Committee shall retire as following situations
- Decease
 - Resign
 - Retire from the position of director
 - Resolution approved by Board of Directors
 - Lack of qualifications of the Nomination and Compensation Committee or characteristics against the laws and regulations
- 2.2.2 In case of resignation, a member of the Nomination and Compensation Committee must submit the resignation letter to Chairman of the Board of Directors and shall be effective since the date that the Chairman of Board of Directors sign and approve this resignation.

3. Scope of Duties

3.1 The Nomination

- 3.1.1 Specify policy, criteria, and guidelines for appropriate nomination of directors and executives as well as sub-committees to let the Board of Directors consider. The nominated persons are considered by qualifications, education, knowledge, skills, expertise, experience in related companies as well as the independence of directors according to specified criteria in order to lead the guidelines for the company's goals, vision, and mission. Such criteria of nomination practices is in accordance with the Good Corporate Governance Principles.

- 3.1.2 Provide selection and nomination of Directors and senior Executive including the Committees who qualified according to the criteria, and present to the Board of Directors and shareholders' meeting for approval respectively.
- 3.1.3 Consider and suggest the structure, size and composition of the Board of Directors that appropriate with the company, and keep update the changing situation of business, and domestic and international society.
- 3.1.4 Plan and provide the orientation for new appointed Director including the development plan to improve the knowledge and ability of the company director.
- 3.1.5 Prepare and review the succession plan of Chairman of Executive Board, and senior executive in order to make the management and operation of the company continuously and effectively, which is presented to the Board of Directors for consideration.
- 3.1.6 Encourage the company to allow shareholders to participate in the proposed list in order to be considered as a Director.
- 3.1.7 Disclose the nomination information of directors, sub-committees and executives in annual report and the annual registration statement (form 56-1).

3.2 The Compensation

- 3.2.1 Define and review policies, rules, and form the proper remuneration or other benefits to directors, sub-committees, and executives suitable to roles and responsibility according to the company's operating results with fairness.
- 3.2.2 Offer appropriate compensation and/or other benefit to directors, sub-committees, and executives to motivate and retain the Directors who have the ability and potential according to the company's operating results and the benefit of shareholders, and present to the Board of Directors and shareholders' meeting for approval respectively.
- 3.2.3 Define the performance evaluation of directors, sub-committees and executives for the proper annual compensation.
- 3.2.4 Disclose the criteria and information of remuneration and/or other benefit of directors, sub-committees, and executives, and report of remuneration criteria and opinions of the Nomination and Compensation Committee in annual report and the annual registration statement (form 56-1).
- 3.2.5 Review the policies, guidelines and terms and conditions of nomination and compensation as well as other benefits of directors, sub-committees and executives every year.
- 3.2.6 Responsible to any other matter assigned by Board of Directors.

Thus, the authority of the Nomination and Compensation Committee does not include the power to approve any transaction with conflict of interest or any matter the Nomination and Compensation Committee or related persons with interested director of such committee, or other benefit considered conflict with the company under the regulations of the Stock Exchange of Thailand. Such transactions must be approved by the Board of Directors' and/or shareholders' meeting in compliance with the company's articles of association or related laws, except transactions are in the type of ordinary and normal business transaction which the Board of Directors clearly specifies.

4. The Meeting

4.1 Meeting Arrangement

- 4.1.1 The Nomination and Compensation Committee must arrange the meeting at least twice a year or may provide additional meeting as Chairman of the Board of Directors deems appropriate. The Nomination and Compensation Committee must attend the meeting at least 75% of the total amount of the meeting in each year.
- 4.1.2 The Chairman of the Nomination and Compensation Committee may call the meeting as a special case if a member or the chairman seems necessary.

4.2 Attendance

- 4.2.1 The meeting of Nomination and Compensation Committee must contain the directors more than a half of all membership as a quorum. Chairman of the Nomination and Compensation Committee is the chairman of the meeting.
- 4.2.2 In case of the Chairman cannot attend the meeting then the Nomination and Compensation Committee will appoint 1 of the Directors to act as the Chairman.
- 4.2.3 If the Secretary cannot attend the meeting, the Nomination and Compensation Committee will appoint someone to act as the representative.

4.3 Voting

- 4.3.1 The meeting decision depends on the majority vote. If the votes are equal the Chairman of the meeting shall have a final vote.
- 4.3.2 The directors who have conflict of interests in any agenda have no rights to vote.

4.4 The Meeting Record

- 4.4.1 The secretary of Nomination and Compensation Committee or any assigned persons must record the minutes of meeting.

5. Report

- 5.1 The Nomination and Compensation Committee must report the nomination results of directors, executives, and sub-committees as well as the remuneration to the Board of Directors' meeting for approval along with any matter agendas concerning to operating performance to the Board of Directors for acknowledgement.
- 5.2 The Chairman of the Nomination and Compensation Committee must report the result of performance to shareholders in the annual report and the annual registration statement (form 56-1) by disclosing the details as follows:
- 5.2.1 The amount of the meeting.
- 5.2.2 The amount of each Director attending the meeting.
- 5.2.3 The result of the operation according to the charter.

6. Performance Evaluation

The Nomination and Compensation Committee must evaluate their own performance and report the result as well as the problem and obstacle (if any) to the Board of Directors.

7. The Remuneration

The Nomination and Compensation Committee shall receive the proper rate of remuneration in compliance with position, duties and responsibility in work and also the resolution of shareholders' meeting.

2.6 Executive Committee

As of December 31, 2018 the Executive Committee has consisted of 5 members as follows.

Name	Position
1. Mr. Anant Tangtongwechakit	Chairman of Executive Committee
2. Mrs. Jirawan Pongpichitkul	Executive Committee Member
3. Miss Chittima Tangtrongwechakit	Executive Committee Member
4. Mr. Sarit Tangtrongwechakit	Executive Committee Member
5. Mr. Adisak Tangtrongwechakit	Executive Committee Member

In addition, Miss Patcharee Kosanam, director officer manager and company secretary, is the secretary of the executive committee. Besides, the Charter of Executive Committee has been reviewed by the Board of Directors' Meeting No. 7/2018 on December 19, 2018. However, there is no any amendment, detail as follows:

1. Composition, Qualifications and Appointment

1.1 Composition and Appointment

- 1.1.1 The Executive Committee must be company directors and/or executives appointed by the Board of Directors as deemed appropriate and must consist of at least 3 directors and/or executives. The Board of Directors appoints one executive director to act as Chairman of Executive Board.
- 1.1.2 The Board of Directors will appoint directors and/or executives to work in the Executive Committee. If the Executive Directors are retired by rotation, they may be reappointed by the Board of Directors
- 1.1.3 The company will select and nominate employees to act as secretary of the committee with approval of the Executive Committee.

1.2 Qualification

- 1.2.1 Have good governance and perform duty and consider the benefit of the shareholders and the organization with fairness.
- 1.2.2 Have the knowledge and ability to serve as the Executive Directors including possess knowledge of management, finance, accounting, or business related to Buriram Sugar Group (“BSG”) and well understanding of roles, duties, and responsibility of the Executive Board.
- 1.2.3 Dedicate time to carry out their duties in order to achieve the objectives of the company.

2. Tenure and Retirement

2.1 Tenure

- 2.1.1 Directors of Executive have tenure same as the director or executive position.
- 2.1.2 In case of resignation or retirement which affects to the insufficient number of the Executive Committee as determined in this charter, the Board of Directors must appoint a new executive director to fulfil the insufficient number of such committee within 3 months since the date that the amount of member in this committee is insufficient.

2.2 Retirement

- 2.2.1 The executive committees shall retire as following situations
- Retire from the director or executive position
 - Decease
 - Resolution approved by Board of Directors
 - Resign
 - Lack of qualifications of executive director or characteristics against the laws and regulations
- 2.2.2 In case of resignation, the executive director must submit the resignation letter to Chairman of the Board of Directors and shall be effective since the date that Chairman of Board of Directors sign and approve this resignation.

3. Scope of Duties

- 3.1 Consider, define, give opinions on vision, mission, policies, business strategies, goals and framework, financial goals and budget and report to the Board of Directors for approval.
- 3.2 Supervise and monitor the business operation in line with vision, mission, policies, business strategies, goals, and framework, financial goals and budget approved by the Board of Directors.
- 3.3 Create the organizational structure and company management policies, including policies regarding the selection, training, employment and dismissal of employees who have a position higher than the company's managers by appoint the Managing Director and/or Human Resources and Administration Manager to be in charge in signing the employment contract.
- 3.4 Study the possibility of investing in new projects and have the authority to consider and approve the investment with the person, entity, organization and other business that the Executive Boards deem appropriate in order to operate in line with company's objectives as well as consider and approve investment expenses, any contracts and/or any related matters to be completed. The Executive Board will approve the budget for each project start at 20 Million Baht but less than 100 Million Baht. Thus, the expenses must not exceed the annual budget approved by the Board of Directors.
- 3.5 Consider and approve financial transactions with financial institution to open an account to a loan, mortgage, pledge, guarantee and other services including trading and registration of title to land in the company's objectives for the benefit of the company as well as consider and approve any contracts and/or any related matters to be completed. The Executive Board will approve the budget for each project start at 20 Million Baht but less than 1 Billion Baht. Thus, the expenses must not exceed the annual budget approved by the Board of Directors.
- 3.6 Consider and approve the contract or financial instruments such as the right to buy or sell sugar or the forward contract and so on in order to avoid the financial risk.
- 3.7 Consider and make suggestion about the project proposal or any transaction involving the company's operations exceeding the amount of budget and/or according to the laws and regulations or article of association specifying to receive approval from shareholders' or Board of Directors' meeting.
- 3.8 Consider and approve the work and operations or any action which may affect the company.

- 3.9 Appoint the Managing Director to conduct the business of the company based on the duties, roles and responsibilities as prescribed by the Board of Directors under corporate governance of the Executive Board.
- 3.10 Assign and/or appoint executive director or any person to take any action within the authority of Executive Committee as the Board of the Director deem appropriate. The Executive Committee may cancel, dismiss, or change such authority.
- 3.11 Consider and approve the authorization handbook, so the person who have been appointed or authorized will aware of the scope of responsibility of their own and follow the handbook in a systematic manner.
- 3.12 Responsible in any matter or policies that assigned or by The Board of the Directors.
- 3.13 Encourage and establish an effective anti-corruption system as well as communicate such matter with employees and supervise them to comply with the anti-corruption policy, good corporate governance handbook and code of conduct and also act as an example for all employees. Thus, in case of any evidence indicating that one of the Executive Board involves any actions or accepting or supporting corruption, the company will punish in line with the working regulations, the highest penalty is the dismissal from service or termination of contract. In addition, in case of any actions breaking rules or laws, those who violate any laws will be punished in accordance relevant applicable laws.
- 3.14 Study and comply with the good corporate governance principles, code of conduct as well as laws and relevant regulations.

Thus, the authority of the Executive Committee or authorized persons who have conflict of interest with company and/or subsidiaries and/or related companies do not have the right to approve such transactions, except such transactions are in accordance with policies and criteria considered and approved by the Board of Directors and/or shareholders' meeting (as the case maybe) under the laws, objectives and articles of association.

4. The Meeting

4.1 Meeting Arrangement

- 4.1.1 The Executive Directors must attend the meeting at least at least 75% of the total amount of the meeting.

4.2 Attendance

- 4.2.1 The Executive Committee's meeting must contain the directors more than a half of all membership as a quorum. The Chairman of Executive Committee is the chairman of the meeting.

4.2.2 In case of the Chairman cannot attend the meeting then the Executive Committees will appoint 1 of the Directors to act as the Chairman.

4.2.3 If the Secretary cannot attend the meeting, the Executive Committees will appoint someone to act as the representative.

4.3 Voting

4.3.1 The meeting resolution depends on the majority vote. If the votes are equal, the Chairman of the meeting shall have a final vote.

4.3.2 The directors who have conflict of interests in any agenda have no rights to vote.

4.4 The Meeting Record

4.4.1 The secretary of Executive Committee or any assigned persons must record the minutes of meeting.

5. Report

5.1 The executive committees have to consider the proposal and report the results of the policy or operations in any matters which are important and affect business in line with the authority of the executive committees reporting or request approval at the Board of Directors' meeting.

5.2 The executive committees and the management must prepare an analysis and explanation from MD&A about the operation of the past year to shareholders by disclosing in the annual report and the annual registration statement (form 56-1).

6. Performance Evaluation

The executive committees must evaluate their own performance and report the result as well as the problem and obstacle (if any) to the Board of Directors for acknowledgement.

7. The Remuneration

The executive committees shall receive the proper rate of remuneration in compliance with position, duties and responsibility in work and also the resolution of shareholders' meeting.

2.7 Executives

The definition of executives in accordance with the notification of the Capital Market Supervisory Board No. TorChor. 23/2551 defines to "manager or persons who are in the fourth level of management under the managing director including persons who are management of accounting and finance and in higher position of division manager or equivalent." As of December 31, 2018 the executives of the company according to the definition of the notification of the Capital Market Supervisory Board consist of 7 members as follows:

Name	Position
1. Mr. Anant Tangtongwechakit	Managing Director
2. Mrs. Jirawan Pongpichitkul	Senior Deputy Managing Director in Domestic Investment of Agricultural Business
3. Miss Chittima Tangtrongwechakit	Senior Deputy Managing Director in Domestic Investment of Domestic Sales
4. Mr. Adisak Tangtrongweachakit	Senior Deputy Managing Director in Domestic Investment of Energy Business
5. Mr. Sarit Tangtrongwechakij	Senior Deputy Managing Director in International Investment
6. Mr. Pitak Chaosoun	Deputy Managing Director in Finance and Operation (CFO)
7. Mr. Pattarapong Pongsawasdi	Deputy Managing Director in Investor Relations, International Affair and Industrial Policy

In addition, managing director (CEO) possesses the composition, appointment and scope of duties as follows:

Composition and appointment of the Managing Director (CEO)

In the nomination of the Managing Director (CEO), the Nomination and Compensation Committee will find the candidate with the required qualifications, knowledge, skills and experience to benefit the operations and achieve the objective of the company, well understanding of the company's type of business, and lead the business operations to the company's objectives and goals specified by the Board of Directors, and present or report the operations to the Board of Directors for approval.

The scope of duty

1. Responsible for business operations and/or day-to-day operation and supervise the overall operation in line with objectives, articles of associations as well as vision, mission, policies, business strategies, goals and operating plan, financial goals and budget approved by the Board of Directors.
2. Consider, negotiate and approve any acquisition of a legal contract and/or any actions related to the operation and/or business operations on a regular basis. The expenses of each transaction do not exceed 20 Million Baht. The expenses must not exceed the annual budget approved by the Board of Directors.
3. Consider and provide a suggestion of a legal contract or any actions related to the operation and/or business daily routines of the company with the expenses exceeding the specified budget attached

with opinions and present to the Board of Directors and/or Executive Committee for consideration and conclusion.

4. Study the feasibility of investing in the new project and consider approving the investment with person or entity with other business organizations as the Executive Committees deem appropriate in order to achieve the objective of the company as well as consider and approval the investment amount, encounter a legal contract and/or any related actions to be completed. The budget of each transaction does not exceed 20 Million Baht.
5. Consider and approve financial transaction with financial institutions to open a loan account, loan, mortgage, pledge, guarantee and other related transaction including trading and registration of title to land in the company's objectives for the benefit of the company as well as encounter any contracts and/or any related matters to be completed. The budget for each transaction does not exceed 20 Million Baht.
6. Create the term of trade such as payment period, credit limit and trading contract, amendment of trading terms and conditions and so on. The budget of each contract does not exceed 20 Million Baht. The expenses must not exceed the annual budget approved by the Board of Directors.
7. Consider the employment, appointment, transfer, dismissal, duty and proper compensation of employees with positions of department manager or lower in line with the policies specified by the Executive Committees.
8. Appoint the advisor that necessary to the business operation and/or daily routines of the company.
9. Appoint and/or assign any person to be in charge in any actions under the Managing Director's authority as the Managing Director seems appropriate. The Managing Director may cancel, dismiss or change the assigned authority of such person.
10. Have the authority and responsibility according to the policy or assigned by the Board of Directors and/or Executive Committee.
11. Establish the effective anti-corruption system in order to prevent the corruption activities in the organization in compliance with anti-corruption policy, good corporate governance handbook, and code of conduct as well as act as a model for employees in such matter.

Thus, the authority of the Managing Director or authorized persons who have conflict of interest with company and/or subsidiaries and/or related companies do not have the right to approve such transactions, except such transactions are in accordance with policies and criteria considered and approved by the Board of Directors and/or shareholders' meeting (as the case maybe) under the laws, objectives and articles of association.

2.8 Company Secretary

According to Board of Directors' meeting No.8/2015 which was held on November 12, 2015, the resolution was to approve to appoint Miss Patcharee Kosanam as Company Secretary in accordance with Section 89/15 of Securities and Exchange Act B.E. 2535 (as amended). In addition, Miss Patcharee Kosanam was trained from the Thai Institute of Directors (IOD) on following courses.

- Company Secretary Program (CSP), Class 50/2013
- Effective Minute Taking (EMT), Class 25/2013
- Board Reporting Program (BRP), Class 10/2013
- Company Reporting Program (CRP), Class 5/2013
- Advances for Corporate Secretaries, Class 2/2016 from Thai Listed Companies Association

Thus, the Board of Directors specifies appointment, roles, duties and responsibility of the company secretary as follows;

- The Appointment, Scope of Duties and Responsibility of Company Secretary

The Board of Directors appointed the company secretary in order to support the work of the Board of Directors in various ways such as the Board of Directors' meeting, shareholders' meeting, minutes of meetings, gathering and arranging important document according to laws, annual report preparation as well as good corporate governance, and giving the suggestions relating to basis of laws, rules and regulations to the Board of Directors. The company secretary is a Director Office Manager. Thus, the company determines the qualifications and responsibilities of the company secretary as follows:

1. Education and Training

- Graduated with a Bachelor's degree or Master's degree in law, accounting, finance and related fields or,
- Attend the training course about the company secretary in particular from Thai Institute of Directors (IOD) such as Company Secretary Program (CSP), Effective Minute Taking (EMT), Board Reporting Program (BRP) and Company Reporting Program (CRP) and so on.

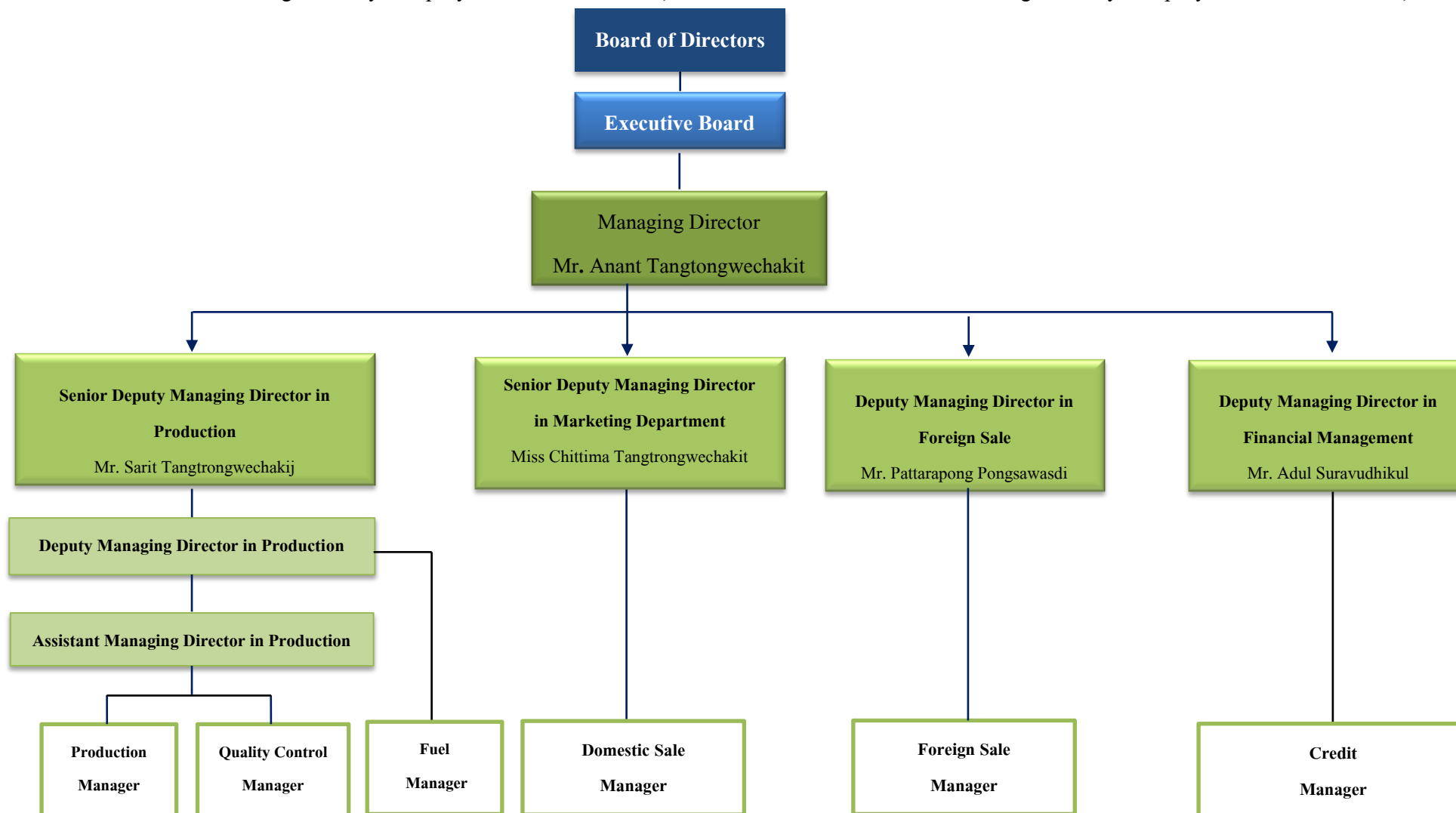
2. The Responsibility

- Provide basic advice to the Board of Directors and management department about laws, rules and regulations of the company, and supervise the operations of the Board of Directors in a good condition and in an effective manner according to applicable laws and related regulations.
- Responsible for managing the shareholders' and the Board of Directors' meeting according to the laws and regulations of the company.

- Record the shareholders' and the Board of Directors' minutes of meeting as well as supervise the compliance of the resolution of shareholders' and the Board of Directors' meeting.
- Prepare and keep registration, the annual report, invitation letter of shareholders' and the Board of Directors' meeting, the shareholders' and the Board of Directors' minutes of meeting.
- Keeping the reports of the interest that received from the Board of Directors or executives, and deliver the copy of the report to the Chairman of the Board of Directors and Chairman of Audit Committee within 7 days from the date receiving such report.
- Perform any other duties as specified in the notification of the Capital Market Supervisory Board.
- Perform any other duties as assigned by the Board of the Directors.

(3) Details of the Directors and Executives of the Subsidiaries

Names of directors in each subsidiary, only the significant subsidiary that generates more than 10% of the total revenue in the latest fiscal year on profit and loss statements is Buriram Sugar Factory Company Limited (BSF). Hence, the details of the directors of Buriram Sugar Factory Company Limited are as follows;



Board of Directors of Buriram Sugar Factory Company Limited (BSF) (Core Business)
Board of Directors

As of 31 December 2018, Board of Directors consisted of 5 members as follows;

Name	Position
1. Mr. Anant Tangtongwechakit	Chairman of the Board of Directors
2. Mrs. Jirawan Pongpichitkul	Director
3. Miss Chittima Tangtrongwechakit	Director
4. Mr. Sarit Tangtrongwechakij	Director
5. Mr. Adisak Tangtrongweachakit	Director

Executive Committee

As of 31 December 2018, the Executive Committee consisted of 5 members as follows;

Name	Position
1. Mr. Anant Tangtongwechakit	Chairman of the Executive Committee, Managing Director
2. Mrs. Jirawan Pongpichitkul	Executive Committee Member
3. Miss Chittima Tangtrongwechakit	Executive Committee Member
4. Mr. Sarit Tangtrongwechakij	Executive Committee Member
5. Mr. Adisak Tangtrongweachakit	Executive Committee Member

Executives

As of 31 December 2018, there are 7 executives as follows;

Name	Position
1. Mr. Anant Tangtongwechakit	Managing Director
2. Miss Chittima Tangtrongwechakit	Senior Deputy Managing Director in Marketing (Domesic Sale Department)
3. Mr. Sarit Tangtrongwechakij	Senior Deputy Managing Director in Production
4. Mr. Yanyong Kittithatphongphon	Deputy Managing Director in Production
5. Mr. Pattarapong Pongsawasdi	Deputy Managing Director in Foreign Sale Department
6. Mr. Adul Suravudhikul	Deputy Managing Director in Financial Manament (Credit)
7. Mr. Nopanant Phoolsap	Assistant Managing Director in Production

(4) The Scope of Duties of Board of Directors in Subsidiaries

According to the Board of Directors Meeting No.6/2014 on 22 August 2014, the resolution was to determine the scope of duties of Board of Directors in subsidiaries as follows:

1. Manage the subsidiaries' business operation for the best interest of shareholders, which the Board of Directors of subsidiaries must act with responsibility, carefulness, honesty and in accordance with laws, subsidiaries' objectives and articles of association as well as shareholders' and the Board of Directors' resolution.
2. Supervise the subsidiary operation, and monitor management to perform in line with vision, mission, policies, business strategies, goals, operating plans, financial goals, and budget of the parent company.
3. Provide accounting system, financial reporting and auditing including internal control, internal audit, and risk management system in order to prevent any corruption, and define measures to monitor the operating performance of subsidiaries in an effective and sufficient manner.
4. Supervise and provide a mechanism for good corporate governance in order to avoid the conflict of interest.
5. Appoint one of the Directors to act as the Chairman of the Board of the Directors and one or more to act as the Vice President as appropriate.
6. Define and/or change the Directors authorized signature of subsidiaries.
7. Consider and determine the criteria for the remuneration of Directors and senior executives.
8. Recruit and appoint of person who has knowledge, ability, experience and qualified according to laws and related regulations, and present to shareholders' meeting for approval to be nominated as a director.
9. Consider the amount of the remuneration of the directors according to the criteria of remuneration specified by the Board of Directors. Then, the Board of Directors present such remuneration to the shareholders' meeting for consideration and approval.
10. Evaluate the Managing Director and senior executives' performance and consider the remuneration amount according to the remuneration criteria specified by the Board of Directors.
11. Appoint and/or authorize directors or other persons to take any actions under the Board of Directors' authority as the Board of Directors deems appropriate, the Board of Directors may cancel, dismiss or change such assigned authorization.

12. Disclose the financial status and the operation results on subsidiaries' related transactions, acquisition and disposition of assets and/or significant matter to the parent company completely, correctly, and in due time as specified by the parent company.
13. Disclose and deliver information about the interested information of their own and related persons to the subsidiaries' Board of Directors in order to reveal the relationship and transactions with subsidiary or parent company to avoid the conflict of interest in due time as specified by the parent company.
14. Report business plan, expansions, large investment projects, joint ventures with other entrepreneurs as approved by the parent company to the parent company by disclosing in monthly report with explanation and/or sending related document for consideration in case required by the parent company.
15. Explain and/or deliver data or documents associated with the operation to the company as requested by the parent company.
16. Explain and/or deliver data or documents associated with the operation to the company if the parent company finds any significant matter.
17. Have authority, roles and responsibility in any matter according to the laws and regulations, and shareholders' resolution.

Thus, the authority of the Board of Directors or authorized persons who have conflict of interest with company, and/or related companies do not have the right to approve such transactions, except such transactions are in accordance with policies and criteria considered and approved by the parent company's Board of Directors and/or the parent company's meeting of shareholders (as the case maybe) under the laws, objectives and articles of association of subsidiaries.

(5) Supervision of Operations in Subsidiaries

Buriram Sugar Public Company Limited has a mechanism to manage the subsidiaries as well as supervise the subsidiaries operations in line with measures and policies as the same practices the company monitors itself in order to protect interests of investment of the company for the subsidiaries in the best benefit for the company. The company supervises the business operations of the subsidiaries as follows;

1. The company will appoint or nominate the persons as the directors or executives of subsidiaries and/or associates depending on the shareholding proportion of the company in subsidiaries and associates. The nominated directors and executives have the right to vote in the Board of

Directors' meeting of subsidiaries and/or associates in the matter of general management and business operations of subsidiaries and/or associates, which is considered the best interest of the company. Thus, such directors and executives must have qualifications, roles, responsibility as well as have no qualifications or possession of prohibited characteristics as specified by the Securities and Exchange Commission.

2. The Board of Directors' or the shareholders' meeting of the parent company (as the case may be) must approve the following matters prior to Board of Directors' or the shareholders' meeting of the subsidiaries (as the case maybe)
 - (1) In case of the Board of Directors or the shareholders' meeting of the parent company (as the case maybe) must approve before the subsidiaries encounter transactions;
 - (A) The annual and interim (if any) dividend of subsidiaries
 - (B) The amendment of articles of association of subsidiaries
 - (C) The annual budget of the subsidiaries

Items (D) to (L) are the significant matters. If the subsidiaries encounter such matters, there is a significant impact on financial status and business operations of subsidiaries. The regulations specified by Notification of the Capital Market Supervisory Board, and notification of acquisition or disposition of assets by the Stock Exchange of Thailand and/or related transactions (as the case maybe) shall be applied mutatis mutandis. Thus, the subsidiaries' following cases with transaction size calculated in comparison to the companies under the above-mentioned regulations, consequently, these transactions must be approved by the Board of Directors' meeting of the parent company;

- (D) The subsidiaries encounter a related transaction or acquisition or disposition of assets of a subsidiary company.
- (E) Transfer or relinquish benefits including the renunciation of claim that cause the damage to subsidiaries.
- (F) The sale or transfer of all or significant part of subsidiary to another person.
- (G) The purchase or transfer of other companies as subsidiaries'.
- (H) To make, amend, or terminate contracts relating to the renting all or significant part of business of the subsidiaries.

The assignments to other persons to encounter the business management of subsidiaries or merge with other persons:

-
- (I) Renting or leasing of entire or material part of the business or asset of the subsidiary
 - (J) Borrowing, lending, granting credit, providing guarantee, undertaking any juristic act binding the Subsidiary to expose to greater financial burden, or to grant financial support in any form to other person, which are not in a normal cause of business of the subsidiary.
 - (K) Dissolution of subsidiaries.
 - (L) Any other matters that are not the usual business of the subsidiary, and significant impact to the subsidiary.
- (2) There are matters must be approved by the shareholders' meeting of the parent company before a subsidiary encounter such matters. Thus, the regulations specified by Notification of the Capital Market Supervisory Board, and notifications the Stock Exchange of Thailand shall be applied mutatis mutandis. The subsidiary's following cases with transaction size calculated in comparison to the parent company under the above-mentioned regulations, consequently, these transactions must be approved by the shareholders' meeting of the parent company;
- (A) In case of the subsidiary agreements on related transactions or the acquisition or disposition of assets of the core company.
 - (B) Capital increase by issuing new increased shares and the allocation of shares of the core company, including the reduction of registered capital of the core company, which is not in proportion to the former shareholding of the shareholders, which results in the collective voting rights of the parent company, direct and/or indirect, at the shareholders meeting of the subsidiary, decreasing more than 10% of the total votes of the subsidiary; or results in collective voting rights of the company, direct and/or indirect, at the shareholders meeting of the core company, dropping below 50% of the total votes of the core company;
 - (C) Other transaction which results in the collective voting rights of the parent company, direct and/or indirect, at the shareholders meeting of the core company, decreasing more than 10% of the total votes of the core company; or results in collective voting rights of the parent company, direct and or indirect, at the shareholders meeting of the subsidiary, dropping below 50% of the total votes of the subsidiary, for the entering into any transaction which is not the normal business transaction of the core company.
 - (D) Dissolution of the core company

- (E) Transaction which is not a normal business transaction of the core company, and which could cause significant impact on the core company.
- (F) Amendment to the Articles of Association of the subsidiary, which may cause significant impact on the financial status or the operation performance of the core company, including but not limited to the amendment to the Articles of Association of the subsidiary that will affect the right of the parent company to nominate or elect any person as the director or executive of the subsidiary, in proportion to the shareholding of the parent company in the core company; the voting of the director elected or nominated by the parent company in the Board of Directors' meeting of the core company; the voting of the parent company in the shareholders' meeting of the core company and/or the dividend payment of the core company, etc.
3. All directors, executives and management have responsibility as follows:
- (A) Disclose the information about the financial status and the operation results on related transactions of the company they serve, as well as acquisition or disposition of assets and/or significant matter to the parent company completely, correctly, and in due time as specified by the parent company. The Board of Directors of the subsidiary considers the related transactions, acquisition or disposition of assets significantly, thus, the regulations specified by Notification of the Capital Market Supervisory Board, and notifications the Stock Exchange of Thailand shall be applied mutatis mutandis.
- (B) Disclose and deliver information about the interested information of their own and related persons to the Board of Directors of the company they serve in order to reveal the relationship and transactions with the company or parent company to avoid the conflict of interest. The Board of Directors of the subsidiary has to report such information to the Board of Directors of parent company in due time as specified by the parent company for consideration or approval taking into account of the overall benefit of the subsidiary and parent company.

However, the director of the subsidiary who has conflict of interests in any matter does not have the right to approve in such matter both directly and indirectly.

In addition, the matters that may cause directors, executives, management or related persons to the subsidiary receive financial benefit other than the normal practices, or have a negative impact to the

subsidiary or the parent company, which is assumed a conflict of interest of the subsidiary in a significant manner;

- (A) The transactions between the subsidiary and the directors, executives and management or other related persons not complying with the regulations on related transaction.
- (B) Using non-public information of their own company or parent company, except such information is disclosed in public.
- (C) Using the property or the business opportunities of their own company or the parent company in the same manner the parent company encounter, and wrongdoing against the regulations or general practices specified by Notification of the Capital Market Supervisory Board.
- (D) Report business plan, expansions, large investment projects, joint ventures with other entrepreneurs as approved by the parent company to the parent company by disclosing in monthly report with explanation and/or sending related document for consideration in case required by the parent company.
- (E) Explain and/or deliver data or documents associated with the operation to the parent company as requested.
- (F) Explain and/or deliver data or documents associated with the operation to the parent company if the parent company finds any significant matter.
- (G) Ensure the effective and appropriate internal control system, risk management system, corruption prevention system. In addition, there should be suitable and effective measures to monitor the core company's performance to assure its compliance with the parent company's policies, articles of association in this chapter, laws and good corporate governance principles for listed companies as well as relevant notifications, regulations of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. There should be a clear management framework to ensure that the core company has a sufficient system to disclose information, significant transactions according to the specified criteria on a consistent and reliable basis, and channels is to be set up for directors and executives of the parent company to acknowledge the core company's information concerning operating performance, related transactions between the company and director, executive committee, and management of the subsidiary, and encountering other transactions having a significant impact on the

subsidiary effectively. Moreover, it is supposed to have a systematic measure to audit the operating performance of the core company by assigning an internal auditor and independent directors of the parent company to directly access the information, and report the auditing results to the Board of Directors and executives of the parent company to ensure that the subsidiary complies with the systematic framework on a regular basis.

4. The directors, executive committees, management, employees, or other authorized persons of the core company as well as their spouse, and an underage offspring are prohibited to use internal information of the core company and parent company in any actions under the duties or other ways which may cause the significant impact on the company and /or parent company for their own interest or other person's, directly or indirectly, and no matter whether the return is involved or not.
5. The transactions involved with directors, executive committee, management, or other persons related to the subsidiary must be approved by the Board of Directors of their own company and/or the Board of Directors of the parent company and/or the shareholders' meeting of their own company and/ or the shareholders' meeting of the parent company (as the case maybe) according to the transaction size.

Thus, the regulations specified by Notification of the Capital Market Supervisory Board, and notification of acquisition or disposition of assets by the Stock Exchange of Thailand and/or related transactions (as the case maybe) shall be applied mutatis mutandis. However, the transactions are considered as a trade agreement in the same practices which a reasonable man would agree to with any partners in the same situations, without any influence as directors, executive committees, management, or relevant persons of the subsidiary on the bargaining power (as the case maybe). Such trade agreement must be approved by the Board of Directors' meeting of the parent company, or under the criteria approved by the parent company's Board of Directors.

(6) Authority for the Approval of Expenditure

Buriram Sugar Public Company Limited and its subsidiaries defined authority to approve limits for operating a normal transaction, as well as the receiving or giving of gratuities and any benefits that could influence business decisions. In addition, the Board of Directors shall assign any of directors to have power to perform any acts, such as, chairman of executive committees, executive committee members and

managing director, however, the directors shall assign any persons to have power to perform any acts as needed. Therefore, the details are as follows:

6.1 Authority to Approve Limits for Operating a Normal Transaction

Approval	Executive Committee	Managing Director	Senior Deputy Managing Director	Assistant Managing Director
1. Expenditures				
- Operational Expense and General Expense			Exceeding 100,000 Baht	20,000 – 100,000 Baht
2. Purchasing				
- Fixed Assets		Approve for out-of-Budget	Exceeding 100,000 Baht	Not Exceeding 100,000 Baht
- Purchasing Authorized		Exceeding 1,000,000 Baht	Not Exceeding 1,000,000 Baht	Not Exceeding 500,000 Baht
3. Finance				
- Advance Disbursement Per Time			Exceeding 100,000 Baht	20,000 – 100,000 Baht
4. General Terms				
- Sales of Other Assets	Exceeding 100,000 Baht	Not Exceeding 100,000 Baht	No Authority to Approve	No Authority to Approve
- Building Renovation	Exceeding 500,000 Baht	Not Exceeding 500,000 Baht	No Authority to Approve	No Authority to Approve

6.2 Authority to Approve Limits for Receiving or Giving of Gratuities and Any Benefits

■ The Criteria Concerning to Receiving of Gratuities and Any Benefits

- Any gift which is not in term of cash
- Any gift which is made for sale promotion which is affixed by the company's seal (i.e. pens, caps, shirts, books or fabric bags, etc.)
- Any gift which is made for complimentary distribution. (distributed to employees, shareholders, customers and partners)
- Any gift which is made or bought from other sources in order to distribute to partners in special occasions (i.e. calendars, books, umbrellas, snacks or gift baskets, etc.)
- Other privileges as deserved for sale promotion
- Any gift in which the price is not exceeding as determined in the following table.

Category	General Operation Authority	Authorized Person				
2	Business Expense	MD	SDMD	DMD	AMD	M
2.5	Receiving gifts per person/time - Not Exceeding 3,000 Baht	✓	✓	✓	✓	✓

● **The Regulation of Authority Assignment According to Limits for Giving of Gratuities and Any Benefits**

Category	General Operation Authority	Authorized Person				
2	Business Expense	MD	SDMD	DMD	AMD	M
2.4	Giving gifts per person/time					
	2.4.1 For private agencies	Value 20,000 baht upwards	Value not exceeding 20,000 Baht	Value not exceeding 15,000 baht	Value not exceeding 10,000 baht	Value not exceeding 5,000 baht
	2.4.2 For government agencies	Value not exceeding 3,000 baht				

Remark: The definition of abbreviation in above table is as follows.

MD	=	Managing Director	SDMD	=	Senior Deputy Managing Director
DMD	=	Deputy Managing Director	AMD	=	Assistant Managing Director
M	=	Division Manager			

(7) Remuneration of Directors and Executives

7.1 Remuneration of Board of Directors

● **Remuneration in Cash**

The 2018 Annual General Meeting of Shareholders on April 25, 2018 had the resolution to approve the 2018 remuneration for directors and sub-committees of the company which was considered from the financial results of the company including the operating performance and the responsibilities of directors, compared to the same types of business of other companies and referred to the remuneration of directors and executives of listed companies in 2012 which was prepared by the Stock Exchange of Thailand ("SET"). The total remuneration is 6,410,000 Baht as follows:

Position	2018	
	Remuneration (Baht/Month)	Annual Bonus (Baht)
Chairman of Board of Directors	15,000	400,000
Directors	10,000	150,000
Chairman of Audit Committee	15,000	150,000
Audit Committee Member	10,000	100,000
Chairman of Risk Management Committee	15,000	150,000
Risk Management Committee Member	10,000	100,000
Chairman of Executive Committee	15,000	150,000
Executive Committee Member	10,000	100,000

Remuneration for Corporate Governance Committee and the Nomination and Remuneration Committee for 2018, proposed to pay remuneration as meeting allowance per meeting

Position	2018
	Meeting Allowance (Baht/Time)
Chairman of Corporate Governance Committee	15,000
Corporate Governance Committee Member	10,000
Chairman of Nomination and Remuneration Committee	15,000
Nomination and Remuneration Committee Member	10,000

● **Other Remunerations and Benefits**

In addition to the remuneration in cash such as monthly remuneration, annual bonus and meeting allowance, the company does not pay other types of remuneration such as, welfares and other benefits to directors and sub-committees.

In 2017 and 2018, the remuneration of the directors and sub-committees was summarized as follows:

Name of Directors	Position	Remuneration (Baht)	
		2017	2018
Mr. Prachuab Chaiyasan	Chairman of the Board of Directors (Independent Director)/ Chairman of Audit Committee	910,000	910,000
Mr. Anant Tangtongwechakit	Director/ Chairman of Executive Committee/ Chairman of Risk Management Committee	930,000	930,000
Mrs. Wanphen Punyaniran	Director	270,000	270,000
Mrs. Jirawan Pongpichitkul	Director/ Member of Executive Committee/ Member of Risk Management Committee	710,000	710,000
Miss Chittima Tangtrongwechakit	Director/ Member of Executive Committee/ Member of Risk Management Committee/ Member of Nomination and Remuneration Committee/ Member of Corporate Governance Committee	710,000	750,000
Mr. Sarit Tangtrongwechakij	Director/ Member of Executive Committee/ Member of Risk Management Committee	710,000	710,000
Mr. Adisak Tangtrongweachakit	Director/ Member of Executive Committee/ Member of Risk Management Committee/ Member of Nomination and Remuneration Committee/ Member of Corporate Governance Committee	710,000	750,000
Mrs. Seenual Tasanapant	Director (Independent Director)/ Member of Audit Committee/ Chairman of Corporate Governance Committee/ Chairman of Nomination and Remuneration Committee	490,000	550,000
Mr. Sirichai Sombutsiri	Independent Director/ Member of Audit Committee	490,000	490,000
Assoc. Prof. Dr. Djitt Laowattana	Independent Director and Member of Corporate Governance Committee	-	170,000
Mr. Vichate Tantiwanich	Independent Director and Member of Nomination and Remuneration Committee	-	170,000
Total		5,930,000	6,410,000

Remark: 1. Remuneration for 2018 is higher than 2017 due to the increase in the number of directors and from meeting allowances fees to the Corporate Governance Committee and the Nomination and Remuneration Committee.

7.2 Remuneration for Directors of Buriram Sugar Factory Company Limited (BSF) (Core Business)

In 2017 - 2018, the remuneration for **Board of Directors** of BSF is as follows:

Name of Directors	Position	Remuneration (Baht)	
		2017	2018
Mr. Anant Tangtongwechakit	Chairman of the Board of Directors	580,000	580,000
Mrs. Jirawan Pongpichitkul	Director	270,000	270,000
Miss Chittima Tangtrongwechakit	Director	270,000	270,000
Mr. Sarit Tangtrongwechakit	Director	270,000	270,000
Mr. Adisak Tangtrongwechakit	Director	270,000	270,000
Total		1,660,000	1,660,000

In 2017 - 2018, the remuneration for **Executive Directors** of BSF is as follows:

Name of Directors	Position	Remuneration (Baht)	
		2017	2018
Mr. Anant Tangtongwechakit	Chairman of the Executive Committee	330,000	330,000
Mrs. Jirawan Pongpichitkul	Executive Committee Member	220,000	220,000
Miss Chittima Tangtrongwechakit	Executive Committee Member	220,000	220,000
Mr. Sarit Tangtrongwechakit	Executive Committee Member	220,000	220,000
Mr. Adisak Tangtrongwechakit	Executive Committee Member	220,000	220,000
Total		1,210,000	1,210,000

Remark: In 2017 and 2018, the monthly remuneration and annual bonus were the same amount provided to the Board of Directors and Executive Committee without other remuneration and other benefits other than the above mention.

7.3 Remuneration for Executives

The determination of salary structure for executives and employees of the company and its subsidiaries shall be compared with other companies in same types of industry, duties and responsibilities and other terms and conditions as specified by the company. In 2017 and 2018, the remuneration of the executives of the company and its subsidiary operating core business: BSF, included salary, bonus, provident fund and other welfares as follows:

	BRR		BSF	
	2017	2018	2017	2018
Number of Executives (Persons)	9	9	7	7
Remuneration (Baht)	31,053,852	30,370,789	18,695,845	17,469,958

Remark: The remuneration of the company's and BSF's executives as mentioned above included the remuneration of Mr. Anant Tangtongwechakit, managing director. In addition to the said remuneration, Mr. Anant Tangtongwechakit also received the remuneration as the director and member of sub-committees of the company and BSF as shown in no. 7.1 and 7.2.

(8) Human Resources

Human resource is the valuable asset that is very important to have the company developed and achieved the goals, therefore, the company had regulated the policies which support and develop skills and knowledge as well as the ability to work as a professional so that the employees can convey the knowledge to sugarcane farmers and generate the good service and reliability to customers including take the interests of stakeholders into account as well as participate in the activities of social responsibility.

8.1 Manpower and Compensation

As of 31 December 2018, the company and subsidiaries employed 790 full-time workers and 1,056 part-time workers.

Company	2017				2018			
	Full-Time Workers (Person)	Part-Time Workers (Person)	Manpower (Person)	Compensation (Million Baht)	Full-Time Workers (Person)	Part-Time Workers (Person)	Manpower (Person)	Compensation (Million Baht)
BRR	139	85	224	89.50	142	77	219	90.52
BSF	284	901	1,185	186.69	285	906	1,191	207.55
BEC	66	0	66	20.49	65	0	65	19.21
KBF	51	29	80	17.75	44	31	75	15.80
BRD	144	42	186	51.11	148	42	190	53.68
BPC	53	1	54	14.13	55	0	55	13.53
BPP	51	0	51	12.29	51	0	51	12.29
Total	788	1,058	1,846	391.96	790	1,056	1,846	412.58

Remark: The 2 subsidiaries: Buriram Sugar Capital Co., Ltd. (BSC) and Chamni Sugar Factory Co., Ltd. (CSF), have not been operated yet. Then, there are no employees hired and compensation paid. As well as, Sugarcane Ecoware Co., Ltd. (SEW) is under the process of recruitment and transferring some staff from BSG for working with SEW.

The compensation of employees as mentioned above is considered in the satisfactory level of the compensation rate compared to labor market. In 2017 and 2018 the compensation of employees includes salary, wage, shift, overtime, bonus, allowance and provident fund.

8.2 Provident Fund and Other Benefits

Provident Fund

The company and its subsidiaries established the provident fund on August 22, 2013 and appointed SCB Asset Management Company Limited (SCBAM) as the manager of provident fund in

order to support the long-term saving and create the guarantee to employees and their family in case of resignation, retirement, disability and decrease.

Additionally, the provident fund is the motivation for employees to work with the company and its subsidiaries in long term because of the long-term returns which generate the sustainability in term of human resource and human resource management for the company and its subsidiaries as well. Employees and the company shall pay the allowances in provident fund in the period of half-month or 15 days according to the term of salary payment. In 2018, BSG paid the allowance for provident fund totaling 5,414,135 Baht. In addition, the number of employees who are the member of provident fund for long-term saving is currently 583 workers of the entire number of 790 full-time workers.

The provident fund consists of 4 parts which are contribution from employees, contribution from employers, benefit of contribution from employees and contribution from employers. Nevertheless, the proportion of contribution from both employees and employers classified by the period of employment are as follows:

Period of Employment/Membership	Contribution from Employees (%)	Contribution from Company (%)
Less than 5 years	2	2
More than 5 years but less than 10 years	2,3	3
More than 10 years but less than 15 years	2,3,4	4
More than 15 years	2,3,4,5	5

According to the fiscal year on 31 December 2018, the company paid for contribution in amount of 5,414,135 Baht which was allocated to the contribution for senior executives (from the position of Assistant Managing Director up above) of the company and its subsidiaries in 2017 compared to 2018. The details are as follows:

Contribution for Senior Executives	2017		2018	
	Persons	Amount	Persons	Amount
BRR	9	894,944	9	909,803
BSF	7	817,231	7	856,867

Other Welfares and Benefits

Other welfares and benefits consist of child benefits, child tuition, medical fee, medical aid supplies, life insurance, accident and health insurance, annual health checkup and other facilities such as shuttle bus, transportation and house for workers.

■ Shuttle Bus and Transportation for Employees

The company provides the roundtrip shuttle bus for employees from factory to Buriram district therefore employees can take the bus according to route line set by the company.

■ The House for Workers

In order to provide the welfares for employees who have no permanent residents or no facilities to go for work, however, the necessary and the sufficiency of residents will be considered for employees.

■ Accident and Health Insurance

- The company will provide the accident insurance for full-time employees who pass the probation period. The type of insurance shall be classified by the level of the position.
- The company will provide the health insurance for full-time employees who pass the probation period and work in the position of manager and higher.

■ Medical Room and Nurse in Workplace

The company provides the medical room and nurse in workplace to look after employees who are injured in general cases and provide the first aid. In case of serious accidents, the company shall provide the van with medical equipment to send the patients to hospital respectively.

■ Scholarship

The company gives scholarships for employees to study in higher level in order to apply the knowledge and skills in work. Any employee who requires the scholarship shall have the qualifications as specified in the regulation of the company.

■ Sports Day and Party

The company supports the employees to play any sports to have a healthy mind and body therefore the sport day is organized to keep relationship closer. Furthermore, the company also organizes the annual party in order to keep relationship between executives and all level of employees get closer.

■ Employee Welfare Store

The company established the employee welfare store for employees to register a member in order to get privileges to buy products in special price and get the dividend in the end of every year. The committees of the store shall determine the amount of the stock for member registration each year.

8.3 Health Support and Safety

Health and safety of all stakeholders in the company is the most important issue. The company has operated the business according to laws concerning to health and safety strictly and aims to develop and enhance the quality performance of the company from the first process of production to the product distribution therefore the examination of production system and operation system in factory is provided constantly in order to build the trust in product quality to the customers and also the safety to employees respectively.

The company realizes and concerns about the safety on life quality of all employees that can be affected from the operation process. Therefore, the company reviewed and established the policy of occupational health and safety and environment in 2016 and prescribes in handbook of good corporate governance and code of conduct which was approved by the Board of Directors' meeting of Buriram Sugar Public Company Limited on 23 February 2017. The details about occupational health and safety are as follows:

■ **Policy of Occupational Health and Safety and Environment**

1. Determine to practically participate in employee and social responsibility in term of occupational health and safety constantly.
2. Cultivate the consciousness on the occupational health and safety in all level of employees practically and constantly.
3. Prevent the accident in workplace and control all the operations in the standard level.
4. Provide the terms and conditions concerning to life and property safety for employees in workplace including the sufficiency and quality of equipment and their appropriate maintenance.
5. Determine to practice in accordance with the rules of safety and wear the safety equipment individually as specified by the company.
6. Educate and train the employees about this issue and also create the environmental awareness as well.

7. Conduct business with care and consideration of impacts on the natural resources and environment.
8. Encourage the employees to participate in any activities to save the environment such as reduce, reuse and recycle campaign.

■ **Guidelines of Occupational Health, Safety and Environment toward employees**

1. Prior to starting work, employees are informed and trained about the knowledge on safety, and dangerous point of each department for careful awareness.
2. Assess the authentic workplace in order to find a proper safety equipment for employees.
3. Establish the occupational health, safety and environment committee to manage and monitor according to the annual safety plan.
4. Assess the safety measures together with a preventive and corrective plan.
5. Prepare and provide fire safety equipment for the safety of employees, and preventing any damage occurring to the property in the case of fire, as well as arranging trainings and fire drill.
6. Arrange a safety talk activity prior to starting work in each department.
7. Provide sufficiently hygienic drinking water for employees as needed.
8. Provide sufficiently sanitary toilet for employees as needed.
9. Provide annual health checkup for employees in case they are sick or injured

■ **Preventive Measures in Injured or Accident Case**

1. The medical room and nursing staffs operates 24 hours with fully medical equipment.
2. Emergency van is provided in case of accident in work hours and after hours.
3. Contact the hospital staffs and follow the treatment, the preferential treatment and provide the document delivery service to Social Security Office and also take care the patients until release from hospital. For example, provide the transportation to meet the doctor both in workplace and outside workplace, provide gifts for visiting the employees both admit in the hospital and stay a home for treatment.
4. Follow, investigate and report the accidents in order to find out the solutions, not to happen twice.

■ **Statistics of Accident/ Accidental Injury and Absenteeism**

In 2018, the statistics of accidents/accidental injuries and absenteeism was increased from 2017. However, in regards of the cause of accidents, the concerned departments have arranged the prevention measures to stop from happening again. They also promote the campaign for the employees to strictly follow the rules of safety and hygiene, as well as constantly arranging the seminar for passing the knowledge to the employees in respect of the safety. Moreover, the company also appointed the safety, occupational health and environment committee to conduct activity for safety, and constantly inspect the work site to check the safety for co-working.

Statistics of Accident/ Accidental Injury and Absenteeism

	2017 (%)	2018 (%)
Accident/ Accidental Injury	46.67	53.33
Absenteeism	33.33	66.67

Safety, occupational health and environment committee held meetings in every month and regularly inspect the work site to check the safety for co-working.



■ **2018 Annual Safety Activities**

BSG has organized the safety activities continuously to convey the academic and practical knowledge to employees as follows:

First Aid Training

On August 14, 2018 with 59 employees who participated in this event at training room, Buriram Sugarcane Research and Development Company Limited and lectured by lecturers from Khumuang Hospital.



Operation in Confined Spaces

On September 14-15, 2018 with 30 employees who participated in this event at human resources training room. The lecturers were invited from NSA Solution Company Limited.



Advance Fire Fighting

This training course was held for the staff of boiler, automotive, maintenance of electricity and fuel and energy divisions on August 31 - September 2, 2018 at the Klong Luang Phaeng Fire and Rescue Training Center by Chayawan Fire Service Limited Partnership.



After training at the training center, the advanced fire fighting team regularly reviews at the company to increase skills.



Basic Fire Fighting and Evacuation Fire Drill Training

This course was lectured by lecturers from NR Fine Safety Management Company Limited, organized on August 29, 2018 to 60 employees of Key Brand Fertilizer Company Limited, on September 28-29, 2018 to 60 employees of Buriram Sugar Factory Company Limited, and on October 18, 2018 to 60 employees of power plant business group at outdoor area and training room of each company.



2018 Annual Safety Activity Week/ Big Cleaning Day (November 26, 2018)

BSG has organized the activity to build the self-awareness on safety in workplace in order to decrease losses through edutainment activities and gave the rewards for any department that was no injured and accidents throughout 2018, rewards for division manager who wore the appropriate safety equipment individually or annual excellent 5S activity reward in 2018, and so on. This event was collaborated with governmental and private sections such as social security office.



2018 Annual Health Check Up



Crane Testing Training/ Safty of Crane Operator Traning



Besides, the company was achieved the winner award of provincial excellent workplace in occupational health, safety and environment in 2016, 2017 and 2018 from Ministry of Labour.

8.4 Human Resource Development

Human Resource Development is one of the sustainable and practical business goals of Buriram Sugar Group (“BSG”). The company decided to supervise the Human Resource Development Policy, which is included in the good cooperate governance handbook and the Code of Conduct that will be announced and endorsed in 2017. The details of the Human Resource development policy are specified in Part 1, item no.1: Policies, Overview and Goals of sustainable and practical business in this annual report and Form 56-1. More information can be found at the company’s website.

The guidelines on human resource development of BSG are described as follows:

- **Training to expand knowledge**

Each year, every department has budget for additional trainings for all staff members in order to expand their professional knowledge including the training within the company or having an external expert.

- **The Cooperation with external organizations for staff development**

With cooperation of Department of Skill Development, staffs are entitled to develop their skills in order to be above standard so that they receive the salary adjustment based on the minimum rates according to the Department of Skill Development.

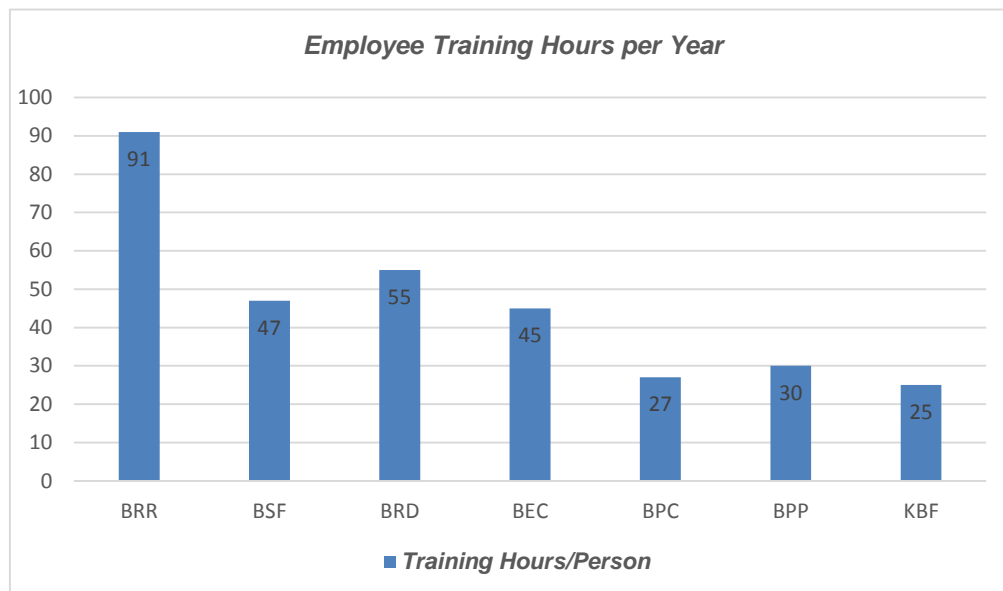
- **Scholarships**

The company will provide scholarships for staff members in higher education and graduate studies. Thus, the staff must use their knowledge to work for the company under the condition of tuition reimbursement.

Training since 2016 to present, Buriram Sugar Group (“BSG”) conducted training plans according to the principles of quality management of ISO 9001:2015 as the basic guideline for staff development. The plans will be specified for office, factory and various stakeholders to achieve constant improvement including arrange the training course within the organization. This can be done by improving skills of all level of employees, management, and operations in several fields of knowledge such as production, maintenance and the provision of technological knowledge on the sugar industry and other relevant energy business. The key of the training and development is to track and measure the results including the instruction for related people by the development guideline of 10/20/70. 10% of knowledge and skills are from training, 20% from mentors’ suggestion/teaching, and 70% learning from experience by applying the knowledge, exchanging that and new skills with others.

According to **the guidelines for the development of the organization**, BSG has always provided supports for staffs by providing scholarships in Bachelor's degree and Master's degree, encourage to do job shadows in leading organizations in the same industry according to the summary in Human Resource Development and relevant training courses which is expected to help improve proficiency of staffs.

Employee Training Hours/ Year (2018)



Types of Training Course, Number of Participants and Employee Training Hours of Buriram Sugar Group in 2018

Types of Training Course	Number of Participants	Training Hours	Total Training Hours
Environment	127	216	1,434
Occupational Health and Safety	541	221	4,363
Quality Control	614	348	7,770
Good Governance and Ethics/ Laws/ Anti-Corruption	1,057	115	7,076
Knowledge and Skill Development in Work/ Leadership Skill/ Communication Skill and Others	960	1,312	24,324
Total	3,299	2,212	44,967

Example of Internal and External Training Courses in 2018**Executive Level**

- Financial statements for directors (FSD)
- Drone pilot workshop
- Workshop process innovation management and industry transformation
- Food Innovation and new business opportunity
- Boardroom success through financing & investment
- Professional business management for executive
- Strategic CFO in capital markets

Management Level

- ISO 14001:2015 Internal audit
- FSSC 22000 Version 4.1 Requirement & Interpretation
- Preparation of the quality management system according to the international standard ISO / IEC 17025: 2017 for the crop year 2017/2018
- Preparation for starting of the crop year 2018/2019
- Control system for industrial waste and pollution management

Operation Level

- The Power of change
- SAP utilization
- Code of conduct and corporate governance
- GMP / HACCP system according to public health principles
- Microsoft Excel 2010 and 2013 Intermediate level
- Requirement and Interpretation of ISO 9001:2015
- Basic fire fighting and evacuation fire drill
- Water pollution treatment system

In term of activities in 2018, the company group has organized the “Internal Information Technology Operating System Development Project by using SAP B1 Program”. Then, the company encourages to develop the employees to have knowledge, understanding on the Information System SAP since the process of purchasing and hiring, sales process, inventory management, revenue and expense account

process and cost controlling and budget. Therefore, the employees in all department has been developed the knowledge and skills to perform in accordance with the change of the organization.



The Human Resource Development Plan for 2019

The Human Resource Development plan of BSG in 2019 aims for quality systematic development according to ISO 9001, ISO 14000, ISO 18000, GMP, and HACCP, the pest management and the security such as fire evacuation, fire drills, first aids, steam boiler control, occupational health and safety course, as well as group development plan, CFT (Cross Functional Team) in line with based project and policies. Moreover, the plan also includes the process to make awareness of working, organizational mindset, risk management, good corporate governance, code of conduct, skills development courses for each department as deem necessary, and in-house trainings and external trainings.

8.5 Human Rights and Labor

Buriram Sugar Group (“BSG”) prioritizes on human rights and labor issue by establishing the policy in 2016 which has been included in the Good Corporate Governance and Code of Conduct Handbook, detail about Human Rights and Labor are as follows:

Policy of Human Rights and Labour

- **Respect for Human Rights**

1. BSG does not support activities that violate human rights in all respect, instead, promoting the human rights.
2. Treated everyone equally with respect and honor without discrimination of race, nationality, religion, gender, language, age, skin tone, education, social status, physical description, etc.
3. All employees must not violate the other human rights either verbal or action.

4. Act with caution to avoid violated the human rights. If any suspicious activities are found, they have to inform the supervisor.
5. BSG will keep personal information of its employees. If necessary to disclose in public, such employees must be informed to approve first, unless required to do so by articles of association or laws.

● **Labor**

1. Treat the employees according to the labor laws and regulations with fairly and equally.
2. No discrimination, and equal employment practice in recruitment, compensation, welfare, working time, holiday, assignment, training, and performance assessment, etc.
3. Do not use child labor, illegal immigrant or labor from human trafficking.
4. Do not punish employees physically and mentally or other violent methods such as threats, detainment, or other violence.
5. There is a process of correct and transparent investigation about employees' wrongdoing before the termination.
6. Only hiring a contractor who operates legally according to the labour law, and relevant regulations, and avoid hiring a contractor violating labour law, related rules, or corruption.



The company in association with Buriram government sectors, and Buriram sugarcane farmers association have the commitment against the child labour in sugarcane plantations.

BRR says no to child labour in a sugarcane plantation

From 2016 until now, Buriram Sugar Group always inhibits child labor issues. On March 18, 2016, Buriram Sugar Public Company Limited signed a cooperation agreement on preventing and solving issues of child labor and forced labor with the government agencies and sugarcane farmers association in Buriram. This is to prevent and create an awareness of child labor issues to the agriculturist, society, and all sectors, and share effective prevention on such matter. The company has taken actions in the sugarcane

planting promotion zones to run the campaign against child labour. The campaign notices against child labour are attached in the extension of sugarcane cultivation, and around factory. Moreover, the company has also run a campaign and encouraged sugarcane farmers nearby the factory to prevent the child labor with support of the Labor Protection and Welfare Office of Buriram.

Presently, BSG has operated the campaign against the child labour continuously and asks for collaborations and agreements from sugarcane farmers. Besides, the sugarcane farmers association is the center to oversee and monitor the sugarcane farmers on such issue. BSG has communicated by means of attaching campaign notices on preventing child labour at sugarcane planting promotion areas where BSG's working group has the responsibility to monitor and coordinate as well as provide information to sugarcane farmers. Moreover, the company also brings this issue for an additional information in the event of other trainings are organized, including runs the campaign through activities with schools located in the sugarcane planting promotion areas. The Community Relations and Organizational Communication Department of the company puts this issue in the annual operational plan as well.

Besides, the company has monitored the performance to ensure the appropriate practices. The Community Relations and Organizational Communication Department have gathered information on child labour in the sugarcane plantations in association with Labor Protection and Welfare Office of Buriram. In addition, the company also has driven this issue and knowledge through various CSR activities to the schools in order to increase educational opportunities and provide the knowledge to local youth and student for equal access to education. So that, to see more CSR activities on topic 10. Corporate Social Responsibility .



The company went to the sugarcane planting promotion areas to inform and provide knowledge on the prevention against child labour in the sugarcane plantations to ensure well understandings instilled into sugarcane farmers.



The company has driven various CSR activities to the schools in order to increase educational opportunities and provide the knowledge to local youth and student.

9. Corporate Governance

9.1 Corporate Governance Policy

The Board of Directors recognizes the importance of corporate governance implementation within the company. An aim to run the Buriram Sugar Group's business with transparency, fairness and considering the stakeholders is the top priority in order to ensure the trustworthiness of shareholders, investors, and related parties. The Board of Directors acknowledged the Corporate Governance Code for Listed Companies 2017 : "CG Code"), which were issued by The Securities and Exchange Commission of Thailand ("SEC"), as well as recognizes the duty as a governing body to create sustainable value for the organization. In addition, the Board of Directors has the reviewing procedures of the implementation of CG Code to the business context suitably.

In 2018 and the early of 2019, the Good Corporate Governance Policy, Code of Conduct, Code of Ethics of director, executives and employees, as well as other policies have been reviewed and amended. The Board of Directors' Meeting No. 1/2019 held on February 27, 2019 has approved the publication of Good Corporate Governance and Code of Conduct Handbook 3rd Edition ("CG Handbook"), and it is disclosed on the company's website www.buriramsugar.com where employees, shareholders, stakeholders, and public can access to the information conveniently and equally. This review and amendment of the Good Corporate Governance Policy were created in line with the guidelines of CG Code which covers the 8 good corporate governance principles, however they were divided into 5 categories as below;

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

More details of each category can be found in the "CG Handbook" on the company website. The operations on good corporate governance in 2018 are described as follows;

1) Rights of Shareholders

Buriram Sugar Group ("BSG") recognizes and prioritizes about fundamental rights of shareholders such as trading or transferring of securities, receiving the proper information of the company and subsidiaries, and the right to vote in the shareholders' meeting about a significant change of the company and so on. The Board of Directors has set guidelines for various actions to preserve the rights of shareholders including promoting and facilitating, which is summarized in 2018 as follows;

- The company recognizes the importance of shareholders; therefore, the location and reception must be at their convenience. Thus, the 2018 Annual General Meeting of Shareholders was held on Wednesday 25 April, 2018 at 10.00 AM at Anoma Room 2-3, 3th floor, Anoma Grand Hotel, Bangkok which situated in the heart of Bangkok, Rajprasong area, where transportation is convenient for shareholders as there are many options for them to go by BTS, buses, taxi, or even ferries and so on. For those shareholders in the headquarters area, Buriram, two vans were provided to facilitate shareholders with the most convenient way of transportation.
- The Annual meeting calendar had been created a year in advance of that of the year after in which the Annual General Meeting of Shareholders was scheduled beforehand so that the Board of Directors were informed ahead, and notified the resolution of the Board of Directors to determine the 2018 Annual General Meeting of Shareholders two months prior to the meeting date. This would let shareholders plan and manage their time for attending at the meeting. Shareholders were notified about the meeting on 26 February 2018 via set portal system of the Stock Exchange of Thailand and the company's website: www.buriramsugar.com. List of shareholders entitled to have a right to attend the 2018 Annual General Meeting of Shareholders, to receive dividends (record date), and book closing date to gather the list of shareholders as well as dividend payout date. Such notification published on set portal system was on the same day of the Board of Director's resolution.
- If any shareholders could not attend the meeting, the company allowed them to authorize the independent directors or anyone as the proxy of attending the meeting by using the proxy form attached with the invitation notice. At the 2018 Annual General Meeting of Shareholders, the company authorized Mr. Prachuab Chaiyasan, Chairman of the Board of Director (independent director) and Chairman of the Audit Committee (holding 0.05% of the company's shares at the date of 2018 Annual General Meeting of Shareholders) and Mrs. Seenual Tasanapant Independent Director, Audit Committee Member, Chairman of Nomination and Remuneration Committee and Chairman of Corporate Governance Committee (No the company's shares at the date of 2018 Annual General Meeting of Shareholders) as the proxy, which included details such as name, surname, age, address experience, education, shareholding proportion, term of service, and no qualifications against laws and relevant regulations and so on.
- The Chairman shall allocate sufficient meeting time. At the 2018 Annual General Meeting of Shareholders, there were 10 agenda for consideration, and 1 agenda for acknowledgment,

which consumed about 2 hours from 10.00 am – 12.00 pm. The meeting, where the directors and relevant management attended, was managed and carried on transparently, and the shareholders were given an opportunity to share opinions and ask related issues thoroughly. If there is any question irrelevant to specified agenda, the chairman will let such questions or give answers to the agenda of others in order to take suitable time to consider each agenda, and it will not consume that time or intrude on other shareholders' right.

- Prior to the commencement of the meeting pursuant to the agenda, the company explained the voting right and vote-counting procedures clearly specified in the company's articles of association, casting votes in each agenda, using ballot papers for casting votes in each agenda and agenda of nominating directors. In order to cast votes on nominating directors individually, ballot papers are separate for each nominated directors. The Barcode System was used to count votes with a convenient, timely, and transparent way, as well as the company's auditor and lawyer acted as inspectors counting votes. All mentioned procedures were recorded in minutes of annual shareholders' meeting with voting results identifying the number of "agreed", "disagreed", "abstained" votes and voided ballot in each agenda required casting votes. In addition, the opportunity of being an inspector of counting votes was given to shareholders or proxies attending the meeting. In 2018, the company's auditors from PricewaterhouseCoopers ABAS Ltd. attended the meeting, and an independent lawyer from Kudan and Partners Limited was the inspector of vote counting in compliance with the transparency, laws, and relevant regulations.
- The resolutions of the shareholders' meeting were disclosed before 9 A.M. of the next day after the meeting date to shareholders, investors and the public equally via SET Portal of the Stock Exchange of Thailand. However, the resolutions of the 2018 Annual General Meeting of Shareholders was informed to shareholders at the meeting day, and the minutes of meeting was recorded correctly and completely, and published via the company's website within 14 days after the meeting date, so the shareholders can review the minutes of meeting as well as submit them to the Stock Exchange of Thailand, the Securities and Exchange Commission ("SEC"), and the Ministry of Commerce within the period required by laws.
- The information was disclosed to the shareholders completely, correctly and consistently via the company's website, the Stock Exchange of Thailand's channel, and SEC. In 2018, in addition the company disclosed of the shareholders' meeting date, dividend payment, and other issues in line with the disclosure criteria specified by the Stock Exchange of Thailand

and the principles of good corporate governance, the company also disclosed other information such as the related transactions with connected persons, the investment project and the subsidiary establishment, etc.

- In addition, all shareholders of the company can use their rights as owners to control the works of the company through the Board of Directors. Shareholders have the right to nominate a person to be elected as a director of the company, and can vote for selecting directors in the annual general meeting of shareholders according to the company's articles of association in item no.14 (1) specifies 1 vote per 1 share, and also have the right to make decisions on significant changes of the company.
- The company encourages shareholders to obtain the other basic rights that should have been, such as, equal treatment of shareholders, giving an opportunity to propose an agenda, and propose qualified person to be considered for the election as a director as well as questions and suggestions in advance for the annual general meeting of shareholders by publishing criteria and procedures to propose an agenda, and the name of the nominated person in advance on the company's website since October 30, 2017 until January 31, 2018 for a period of 3 months in order to provide shareholders with appropriated time to review and process the request to present at the meeting of the Board of Directors for considering before proposing in the shareholders' meeting. In 2018, no additional agenda item, candidate to be considered as a director, question, nor suggestion was proposed by a shareholder, which was notified to the Board of Directors and the shareholders at the meeting already.
- Shareholders have the right to suggest and question in the shareholders' meeting to have the consensus decision in order to propose to the Board of Directors or executives to answer or clarify the inquiries, for example, the consideration of any form of remuneration for the Board of Directors and sub-committees, the agenda to consider and approve the dividend distribution through notify the dividend policy and dividend payout compared to the previous year with facts and other related documents, the agenda to nominate the directors individually by considering the qualification namely education, training courses, working experiences in the Company and its subsidiaries, profile as the director or executives in other listed companies or organizations, terms and conditions of nomination, types of directors as required by the Company, for instance, directors or independent directors who have no illegal actions. In case of reappointment of directors, the information related to meeting attendance, appointment date and the period of tenure shall be provided to shareholders. Furthermore, the agenda to consider

and approve the remuneration shall provide terms and conditions concerning to the determination of remuneration for directors and sub-committees in each position, the agenda to appoint the auditors and determine their remuneration shall provide the name lists of 1 primary auditor and 2 secondary auditors totaling 3 auditors in order to perform the duties in case the primary auditor is unavailable to perform the duties to the Company therefore the information provided to shareholders is namely the opinions of auditor responsibility, non-related to directors, executives and relevant persons including remuneration compared year over year divided into audit fee and non-audit fee with description in case of the remuneration is increased. Nevertheless, the Company shall not add any agenda which has not informed shareholders in the invitation letter so that shareholders can acknowledge the information attributed to agenda before making decision.

- In addition, the Company also facilitates the institutional investors to attend the shareholder meeting. In the date of shareholder meeting, the Company provides the facilitation for shareholders and investors equally. For example, set up the document examination areas sufficiently registered by barcode system which is fast and convenient, shareholders shall register to attend the meeting before the meeting starts not less than 1 hour 30 minutes until the meeting shall be finished. In addition, the Company also provides the revenue stamp used for proxy form. Furthermore, the Company shall not ask for further document apart from the specified document, for example, the identification card of proxy (shareholder's) including the desserts provided to greet attendees appropriately.
- Furthermore, Chairman of the Board of Directors and directors prioritize the shareholders' meeting. According to the previous year (2018) at the Annual General Meeting on Wednesday 25 April 2018, Chairman of the Board of Directors and directors totaling 9 persons, equivalent to 100%, including all member of all sub-committee attended the meeting: Chairman of Audit Committee, Audit Directors, Chairman of Risk Management Committee, Risk Management Directors, Chairman of Executive Committee, Executive Directors, Chairman of Corporate Governance Committee, Corporate Governance Directors, Chairman of Nomination and Compensation Committee, and Nomination and Compensation Directors including managing director, senior executives of the Company, particularly senior executives in accounting and finance as well as the company secretary in order to meet and answer the inquiries of shareholders.

- An independent legal counsel from the outside from Kudan and Partners Limited will be invited by the company for being a witness in the meeting of shareholders to supervise the shareholders' meeting to run transparently and comply with the laws and the company, observing and checking the registration document, vote-counting procedures in line with the company's articles of association or relevant laws, auditing resolution results, disclosing vote-counting results at the meeting as well as considering any agenda on the right process.
- The consideration of agenda meeting has been proceeded according to the defined agenda in the invitation notice, so that the shareholders can consider in the part of their interest. For example, the shareholders can attend the meeting after it has been started, but attend the meeting only in the time of considering agenda requires votes.
- The shareholders can register for attending the meeting after it has been started. They have the right to vote for agenda which is on considering process and not be resolved yet.
- In order to make shareholders ensure that the company has an operational structure with transparency and accountability, the company clearly discloses the shareholding structure in subsidiaries on the company's website, and also in the annual report, including the annual registration statement (Form 56-1).

2) Equitable Treatments of Shareholders

Buriram Sugar Group treats all shareholders equally and fairly. Thus, the Board of Directors reviewed and approved the amendment of such policy on December 19, 2018 and the operations in 2018 on this chapter are described as follows;

- One or several shareholders holding at least 10,000 shares until the record date of the share register book for attending the meeting which is a period of not less than 12 months can propose additional agenda, nominate the director, as well as submit questions and suggestions prior to the annual general meeting of shareholders. The criteria and procedures for proposing agenda and nominating a qualified person to be a director via the company's website for a period of 3 months. Then, the nomination and compensation committee and/or the corporate governance committee will consider such proposed items first before presenting to the Board of Directors for consideration. Moreover, in case of proposing such agenda in the invitation notice, the agenda must be indicated that it is proposed by a shareholders, and if the proposed agenda rejected by the Board of Directors, the reason should be given at the meeting. In 2018, there was no shareholders proposing agenda, and nominating a person to be elected as a director of the company, as well as submitting questions and suggestions. In addition, the company complied with all above-

mentioned criteria and procedures to ensure the equitable treatment of both major and minor shareholders.

- The invitation notice together with all relevant documents in both Thai and English was sent to shareholders in advance in accordance with laws and company's articles of association in order to give the shareholders sufficient time to study the meeting documents. The invitation notice included the meeting date, time, venue, agenda details with the proposing objectives and Board of Directors' opinions, and relevant document for each agenda such as proxy form A, B and C as prescribed by the Department of Business Development, the Ministry of Commerce, guidelines for granting a proxy, articles of association on shareholders' meeting, criteria and practices for attending the meeting, granting a proxy, voting, attached document for consideration in each agenda, meeting map, and so on. Such advertisement was also placed in daily newspapers for a period of 3 consecutive days from April 2-4, 2018 prior to the meeting date not less than 3 days according to the company's articles of association. The same information in both Thai and English language was published on the company's website: www.buriramsugar.com on March 22, 2018. Thus, the same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders in document format (English version for foreigner shareholders) on April 4, 2018 prior to the meeting date.
- At the 2018 Annual General Meeting of Shareholders, the company considered and casing votes without changing significant information or adding agenda without notifying the shareholders in advance unnecessarily in order to notify the shareholders in advance to study the information before making a decision. (more information stated in item no. 1: Rights of Shareholders)
- If any shareholders could not attend the meeting, they can grant a proxy to a person or at least 1 independent director to attend and vote in the meeting on their behalf by indicating the independent director's name in the invitation notice. (more information stated in item no. 1: Rights of Shareholders)
- The company has a guideline to supervise the internal information use, which is informed to all employees the Buriram Sugar Group to comply with. In addition, all directors and executives must report their securities holdings as specified by laws, and submit the report to the Board of Directors for acknowledgment. Such guideline and procedure are indicated in part 3 code of ethics: no. 2 conflict of interest and information confidentiality. In 2018, Mr. Anant Tangtongwechakit, Director and Managing Director and Mrs. Wanphen Punyaniran, Director and subsidiary executive, they traded some of the company's securities. Thus, the executive already

reported the changes in securities holding of the company (Form 59-2) to the Board of Directors for acknowledgment and submitted such report to the Securities and Exchange Commission.

- The company proceeded and coordinated the document and evidence for attending and voting at the shareholders' meeting needed from the institutional investors or foreign shareholders by appointing a custodian who holds customers' securities for safekeeping in order to ensure the complete and correct document to be presented to the registration desk, and ensure that registration process is proceeded smoothly and timely.
- The invitation notice and the annual report were prepared in both Thai and English language, as well as an employee who was able to speak English welcomed and translated the information at the meeting to foreign shareholders (if any) to acknowledge, understand and correctly vote.
- There were ballot papers in each agenda especially the agenda of nominating directors which ballot papers were separated for voting individual director. Moreover, there were barcode system used for registration prior to attending the meeting, recording and notifying the vote-counting results, providing independent law advisor from the outside, giving shareholders an opportunity to act as an inspector of counting votes, disclosing the notification of resolution, granting the right to shareholders for voting equally by 1 share per 1 vote (more information and the operations in 2018 on such issue stated in item no. 1: Rights of Shareholders).

The summary of voting in each agenda on the 2018 Annual General Meeting of Shareholders held on Wednesday 25 April, 2018

Agenda No.	Agree		Disagree		Abstention		Voided Ballot	
	Votes	%	Votes	%	Votes	%	Votes	%
1	621,722,172	100.0000	0	0.0000	0	0.0000	800	-
3	621,758,529	100.0000	0	0.0000	0	-	800	-
4	620,498,529	99.7973	1,260,000	0.2027	0	-	800	-
5	620,498,529	99.7973	0	0.0000	1,260,000	0.2027	800	-
6	621,758,559	100.0000	0	0.0000	0	0.0000	800	-
7.1	621,350,319	100.0000	0	0.0000	0	-	4,040	-
7.2	588,866,319	100.0000	0	0.0000	0	-	4,040	-
7.3	588,866,319	100.0000	0	0.0000	0	-	4,040	-
8.1	621,749,320	100.0000	0	0.0000	6,000	-	4,040	-
8.2	621,749,320	100.0000	0	0.0000	6,000	-	4,040	-
9	621,756,561	99.9997	0	0.0000	2,000	0.0003	800	-
10	621,756,561	100.0000	0	0.0000	2,000	-	800	-
11	621,756,561	99.9997	0	0.0000	2,000	0.0003	800	-

Remark: Agenda item no. 2 was the acknowledgement agenda, so there was no counting vote.

3) Role of Stakeholders

BSG recognizes and prioritizes on the right of all stakeholders both internal stakeholders such as shareholders, employees, and external stakeholders such as customers, business partners, competitors, creditor, nearby communities, and environment as well as government agencies, and other related organizations. Thus, BSG follows the laws, and relevant regulations to provide the right of stakeholders with good care. The Board of Directors has the policies for stakeholders as follows;

Shareholders	Treat all shareholders with honesty and fairness, and also disclose the important information including financial and other relevant information correctly and timely. Consider the basic right of the shareholders such as right to attend and vote in the meeting, and other right according to the laws or company's articles of association, etc.
Employees	Treat all employees with fairness by providing proper compensation and welfare. Define the policies on environment and workplace safety as well as encourage the employees to improve their ability and skills for readiness to work and develop the organization.
Customers	Prioritize in production, distribution, and service with quality standards, safety, and reasonable price on a fair basis. Secure and protect customers' confidential business information, which is not to be disclosed or taken advantage illegally. Provide the communication channel for customers to receive suggestion and complaint.
Business partners	Comply with the trade agreements with fairness, business ethics as well as applicable laws and relevant regulations. Provide a secure workplace environment and a proper payoff to business partners.
Business competitors	Support the free trade with fair competition in line with competition regulations. Avoid using the competitors' confidential information with unlawful or inaccurate methods, and do not damage the competitors' reputation without evidence or fairness.
Creditors	Treat all creditors with under a commitment of contracts, agreements and other conditions strictly, equally and fairly. Assure the creditors about the financial status and financial solvency as well as preparing accurate and timely financial information.

Community, society and environment	Emphasize the responsibility for community and environment, and support activities with communities where the Buriram Sugar Group operates business. Comply with applicable laws and other regulations related to the environment strictly, and define the guidelines to control and protect environment on a regular basis. Instill knowledge and training skills into employees. Conduct business with carefulness and consideration for the impacts on natural resources and environment, and encourage employees to participate in community activities and environmental conservation activities.
Government sectors and other related organizations	Cooperate with the government sectors and other related organizations in academic or other activities beneficial to the community and society, or CSR activities. Define the anti-corruption policy in order to conduct and perform properly and appropriately.

In 2018, as a guideline for all directors, executives and employees to treat the stakeholders properly, transparently and fairly, as well as to comply with for the actual consequences, BSG has created code of conduct toward stakeholders which was specified in the CG handbook which is published on the company's website and announce to all employees to acknowledge, comply with and apply to consider the right of stakeholders in many ways of business operations. In addition, the company has prepared the Sustainability Report since 2015 to present, which can be found in the Sustainability Report 2018 in the Investor Relations section of the company's website.

For Annual Report and Annual Registration Statement (Form 56-1) in 2018, the company disclosed information and details on the stakeholder responsibility as follows;

1. The policies and guidelines on workplace health promotion and safety for employees includes policy of occupational health and safety and environment, guidelines of safety and occupational health toward employees, preventive measures in injured or accident cases, and safety activities in 2018 (more details stated in Part 2, item no. 8: Management Structure, Heading: 8 Human Resources).

2. Human Resource Development

This discloses human resource development policy, guidelines for human resource development in many ways such as training for enhancing skills, cooperating with outside organizations for employee development, providing scholarship, organizational development guidance, training course, Buriram Sugar Group's amount of employees attending trainings and hours of trainings in 2018, examples of in-house and external training courses in 2018,

activities of human resource development in 2018, human resource development plan (more details stated in Part 2, item no. 8: Management Structure, Heading: 8 Human Resources, and in Part 1, item no. 1: Policy, Overview and Goal of Business Operation, Heading: Sustainable Goal).

3. Human Rights and Labor

This discloses policy and guidelines for human rights and labor, details of activities which the Buriram Sugar Group emphasizes such as the enforcement of anti-child labor in sugarcane plantations on a consistent basis by cooperating with the Buriram government sector and sugarcane farmers association (more details stated in Part 2, item no. 8: Management Structure, Heading: 8 Human Resources).

4. Policy and guidelines on intellectual property (more details stated in Part 2, items no. 9: Corporate Government, policy and guidelines on intellectual property).
5. Employee training about policy and guidelines on anti-corruption (more details stated in Part 2, items no. 9: Corporate Government , Heading: Anti-Corruption Policy).
6. Environment policy and employee training about environment are disclosed in Part 2, item no. 8: Management Structure, Heading: 8 Human Resources, and environmental practices and management stated in the Sustainability Report 2018 which published on the company's website.
7. The company provides whistleblowing channel with contact details for all stakeholders to give a suggestion or complaint about problems to the Chairman of Corporate Governance Committee (independent director) directly or the internal audit office, which is stated in Part 2, item no. 9: Corporate Governance, and in Part 1, item no. 6: General Information and Other Important Information. Consequently, there was no any whistleblowing issue or suggestion received from shareholders in 2018, which was already reported to the Board of Directors for acknowledgement.
8. The company discloses the procedures of whistle-blowing management in Part 2, item no. 9: Corporate Governance.

Thus, the code of conduct toward stakeholders as follows;

Code of conduct toward stakeholders

3.1 Corporate Social Responsibility

According to BSG Corporate Social Responsibility (CSR) Policy, it is committed to creating a sustainable growth along with enhancing quality of life for sugarcane farmers and the nearby community.

Thus, more details on this issue are disclosed in Part 2, item no. 10: Corporate Social Responsibility in this Annual Report and Form 56-1 in 2018.

Mission

BSG prioritizes to create a business growth along with sustainable community and society. The company determines procedures of raw materials management, and promotes academic excellence of growing sugarcane. This will lead to crop yield stability, and good living of sugarcane farmers. Consequently, sugar production and renewable energy distribution are in line with standard, quality, safety and eco-friendly measures specified by laws and relevant regulations. Moreover, the by-products can be managed and maximized the benefit. To achieve the goals, BSG has a mission as follows;

1. Instill understanding mechanisms with all stakeholders.
2. Create and enhance good relationships with the stakeholders of the organization
3. Promote and support cultural traditions with the community.
4. Promote and support the education.
5. Develop and promote the environmental management without negative impact to the stakeholders.
6. Information must be published to notify the stakeholders on a regular basis.
7. Monitor and rectify the human rights violations and child labor.

3.2 Policy on the treatment of shareholders

BSG has the intention to conduct business in line with the CG Code 2560 honesty, transparency and fairness in order to give good returns to shareholders or owners in a stable and sustainable manner. Thus, the policy on the treatment of shareholders is specified to inform directors, executives and employees to comply with as follow;

1. Perform a duty and conduct business with honesty, consider any matter with integrity and fairness toward major and minor shareholders to ensure the benefits of shareholders taken into account.
2. Make any decision based on sufficient, accurate information without direct and indirect interest involved, take actions with honesty and avoid conducting business causing the conflict of interest with the Buriram Sugar Group as well as operations proceeded in line with scope of duties for the best interest of shareholders
3. Steer the business operations towards stability and sustainability based on good corporate governance principles.
4. Perform duties with ability and carefulness as an experienced and expert person.

5. Manage and monitor the Buriram Sugar Group's properties without useless and illegal loss or damage, as well as provide the effective internal control system and risk management.
6. Notify and report true news, information and operating results completely, sufficient and timely on a regular basis, as well as report positive and negative tendency of the Sugar Buriram Group based on reasonableness, credibility, and have sufficient details to support such reports to all shareholders in an equal treatment.
7. Do not reveal the confidential information of the Buriram Sugar Group to the other persons especially the business competitors.
8. Provide information and description for the person who performs duties as the auditor.
9. Do not use or disclose the internal information that has a significant effect on the price of the securities and that is not disclosed in public to general investors for the benefit of their own or others.
10. Facilitate and treat all shareholders who come to contact with the Buriram Sugar Group in time and with equality and welcome.
11. Give an equal opportunity to all shareholders to participate in the company's management as well as even give comments or suggestions.
12. Provide various and convenient communication channels for shareholders to acknowledge the information, and to express opinions and suggestions toward business management, agenda proposal of the shareholders' meeting and proposal for nominating a person to be selected as a company director.
13. Provide the whistle-blowing channel for shareholders and persons both in the internal and external organization to report any suspicious actions about corruption, fraud and other complaints. Determine the procedures on receiving and replying a complainant, whistleblower protection measures, and reporting the investigation results and treating a complainant in a systematic and fair manner.

In 2018, the company has respected the basic rights of all shareholders in compliance with laws, the company's articles of association and code of conduct by treating all shareholders with equality. The company has an effective mechanism to ensure all shareholders that they shall receive only accurate information and appropriate and fair returns in accordance with the company's dividend payment policy. In addition, there is the control of related transactions, the measure on prevention of conflict of interests, the prevention on exploitation of inside information which is confidential, and the stipulation that directors, executives, and those who have an access to inside information exploit the information for their

advantages by prohibiting them to buy or sell the company's securities within 1 month prior to the disclosure of the financial statements to the public. Besides, the company also reports the business performance at every quarter, and discloses the transactions done with related persons in the same condition as that done with external persons via the news system of the Stock Exchange of Thailand and the company's website for their acknowledgement.

3.3 Policy on the treatment of employees

BSG employees are the key factor that will lead the organization to success. The company aims to develop and enhance a good working atmosphere including promote teamwork to encourage all employees without discrimination. All employees are treated with courtesy and respect for human value as well as providing proper compensation and welfare, and equip the up-to-date innovations and technologies for working efficiency as follows;

1. BSG has a protection measure for employees who report an illegal activity or any violations against the Securities and Exchange Act. BSG cannot treat such employees with unfairness such as changing their positions, job descriptions and workplace, suspension of work, threat, disturbance, and termination (Section 89/2) in case of the whistleblowing on illegal or unethical actions.
2. BSG will treat all employees equally without discrimination of race, nationality, gender, age, skin tone, religion and education.
3. BSG has recognized that employees are the key factor for producing a quality product. Thus, all employees are treated with fairness and equality in employment, compensation, promotion, rotation, and development of their potentials and morality in order to ensure that the employees are competent and good persons for the society, which is determined the guidelines as follow;
 - 3.1 Follow the laws and regulations related to the employees strictly.
 - 3.2 Treat the employees with politeness and respect the individuality and dignity of humanity, according to the global human right principles.
 - 3.3 The Board of Directors and executives will support and promote all employees to express their potentials by managing an appropriate compensation and encouraging the working motivation such as salary, bonus and welfare as appropriate based on BSG regulations. In addition, the employees are given educations and trainings on a consistent basis.
 - 3.4 The employees are treated fairly in relation to the conditions of employment and the appropriate compensation based on their potentials.

- 3.5 The appointment, transfer, reward and punishment must be done with fairness and honesty based on the knowledge, competence and appropriateness as well as any actions or performing duties of an employee.
- 3.6 Conserve the environment and organize a working system for the employees' safety, properties, and good health.
- 3.7 Give priority to employees's skill and potential development by training and educating them thoroughly and consistently.
- 3.8 BSG provides a provident fund for employees.
- 3.9 Notify the current operations and status of BSG to employees regularly.
- 3.10 Instill a good conscience to employees to be a giver and a good citizen in society.
- 3.11 Provide a whistle-blowing channel for employees in case of unfair treatment or reporting a suspicious issue on illegal actions. The systematic solutions and whistle-blower protection measures are all settled appropriately and fairly.
- 3.12 BSG and organizational representatives must support the political right of employees with neutrality.
- 3.13 Encourage the participation of employees to give suggestions and guidance for working procedures and/or any agreement for the benefit of all parties, and build the good relationship and harmony in the workplace as a strong organizational culture.
- 3.14 Encourage employees to participate in internal and external activities beneficial to the organization and society in order to drive the mutual participation and organizational commitment as the supervisors deem appropriate.
- 3.15 Give an opportunity to receive all employees' comments and suggestions equally and fairly.
- 3.16 Provide a whistle-blowing channel for employees to report about illegal or violating issues together with the whistle-blower protection.

Human resources management is one of the most important issue for the achievement of business operation and sustainable growth. So that, to define a direction of development and management the organization's personnel from policy to action, therefore BSG has undertaken various activities in 2018 as described in Part 2, item no. 8: Management Structure, Heading: 8: Human Resources.

3.4 Policy on the treatment of customers

1. Comply with contracts, agreements and other conditions of the customers strictly. In case of an inability to comply with a particular term, the customers will be forthwith notified in advance in order to enable a joint solution and protection for remedy and loss prevention.

2. Meet the customer satisfaction and needs in the intention to manufacture products and services with excellent quality, standard and safety at a reasonable price in order to match the customer needs as well as enhance the standard to the next level consistently and strictly.
3. Protect health and ensure the safety of the customers or consumers as well as take care of a group of them in a special case by producing qualified and safe products.
4. Promote the sustainable consumption with a production and service beneficial to, or minimizing impact on the environment and society such as using eco-friendly and easily decayed materials, etc.
5. Manage the marketing plan with fairness, and disclose the information about products and services completely, correctly, timely, without distorting the facts to customers. Proceed any actions in line with the agreements fairly such as not be involved in any actions causing deception, misunderstanding, or unfairness as well as hiding significant information.
6. Intend to be honest, upright and fair to the customers including not call for, receive from, or offer any interests to customers with a fraudulent intent.
7. Organize the protection system in advance of the customers or consumers' complaints occurring, including the communication system to listen to the comments, suggestions, complaints from the customers, and respond to customer needs. Such solutions must be done in line with the global standards in order to notify the customers of such information timely and correctly.
8. Customers can return a product if they find any faults in the product quality.
9. Prioritize the confidential information protection and safeguarding of customers or consumers strictly and consistently, and not disclose such information for the interest of their own or other related persons.
10. Seek the ways to increase benefits to customers on a consistent basis such as developing and enhancing the product quality.

In 2018, there was no significant complaint from customers. The other complaints were analyzed to seek the cause in order to rectify, prevent, monitor and adjust to the organization to ensure that such defects might not happen again. Moreover, the company also assessed the customer satisfactions as below detail;

Customer satisfaction survey in the production year 2017/2018, the company submitted an evaluation form to 34 customers in total. It was determined the evaluation aspect in; 1. Products, 2. Service of domestic sales department, and 3. Service of any other related departments. In addition, the measurement criteria was divided into 3 levels of satisfaction; 1. Very satisfied 2. Moderately satisfied and 3. No comment.

Summary of results:

- Products, it was in criteria of Very satisfied 52.94%. The main score is from the quality with no contaminant 85.30%.
- Service of domestic sales department was in criteria of Very satisfied 88.00%. The main score is from the service which responded directly to the customer needs, politeness in communication and the integrity of sales documentation 79.41%.
- Service of other related departments was criteria in Very satisfied 50%. The main score is from the service of employees in weighing room and warehouse 52.94%.

3.5 Policy on the treatment of business partners

1. Treat business partners with equality and fairness based on the fair joint returns. Avoid any actions causing the conflict of interests. Comply with the contracts, agreements or other conditions of the business partners strictly. In case of an inability to comply with a particular term, the business partners will be forthwith notified in advance in order to enable a joint solution and protection for remedy and loss prevention.
2. Conduct business with the partners with fairness by disclosing facts and consider selecting the business partners based on the equality and integrity.
3. Do not call for, receive from, or offer any interests to business partners with a fraudulent intent including being neutral without causing the influence on business decisions.

In 2018, the company has adhered to the conditions of trade, provided the accurate information with good relationship and mutual understanding, including exchanged knowledge, cooperated in the development of products to add more value, no requesting, receiving, or agreeing to receive any gift or benefit considered out of scope of the trading agreement. Consequently, there was no violation of contract between the company and any business partner, including the cooperation in complying with the anti-corruption policy of the company in 2018.

3.6 Policy on the treatment of creditors

1. Treat creditors with equality and fairness based on the fair mutual returns. Comply with the contracts, agreements or other conditions of the creditors strictly. In case of an inability to comply with a particular term, the creditors will be forthwith notified in advance in order to enable a joint solution and protection for remedy and loss prevention.
2. Conduct business to assure the creditors about the financial status and solvency.
3. Report the financial information completely, accurately and consistently.

In 2018, the company has strictly adhered to the agreement with the creditors. The company has settled the payment to creditors in time according to credit terms stipulated in the contract, and has never received any default notice from the creditors. Moreover, the company has never disputed with business creditors throughout the years.

3.7 Policy on the treatment of business competitors

BSG conducts business with integrity, fairness, competition under the fair criteria, avoids using the competitors' confidential information with unlawful or inaccurate methods. The information of the business competitors will be searched from the public sources, internet, or inquiry not against the laws and will not damage the business competitors' reputation without evidence or fairness.

In 2018, the company has strictly run the business under the criteria of trading competition honestly and fairly in accordance with the laws. Throughout the years, there was no any dispute on trading competition.

3.8 Safety, occupational health and environment

BSG realizes and concerns about the safety on life quality of all employees that can be affected from the operation process as well as focuses on the environmental conservation, as guidelines prescribed as follows;

1. Determine to practically participate in employee and social responsibility in term of occupational health and safety constantly.
2. Cultivate the consciousness on the occupational health and safety in all level of employees practically and constantly.
3. Prevent the accident in workplace and control all the operations in the standard level.
4. Provide the terms and conditions concerning to life and property safety for employees in workplace including the sufficiency and quality of equipment and their appropriate maintenance.
5. Determine to practice in accordance with the rules of safety and wear the safety equipment individually as specified by Buriram Sugar Group.
6. Educate and train the employees about this issue and also create the environmental awareness as well.
7. Conduct business with careness and consideration of impacts on the natural resources and environment.
8. Encourage the employees to participate in any activities to save the environment such as reduce, reuse and recycle campaign.

In 2018, the company determined the occupational safety guidelines and arranged safety activities for employees, as well as disclosed the statistics of accident which decreased from the previous year in Part 2, item no. 8: Management Structure, Heading 8.3: Health Support and Safety.

Moreover, the company has promoted the effective resource consumption and the energy conservation among employees on a consistent basis to instill awareness on maximizing energy with the most benefit for all departments within the organization, covering all the energy sectors of power, water, paper and other exhaustible items; for example, air-conditioning system and lighting should be turned off during the lunch breaks or unoccupied office space, re-using paper must be promoted etc. Although these activities do not give much quantitative result, but help instill the recycling mindset and behaviors among the employees who would treat the same at their home and society.

The company enhances consciousness on responsibilities to community and society among people as a whole on a regular basis, never causes any harm to environment, which is disclosed in topic 10. Corporate Social Responsibility and the Sustainability Report of 2018.

3.9 Corporate social responsibility

BSG operates the corporate social responsibility, which has started from the internal organization and expanded to the nearby communities and domestic society. There are 4 strategies to drive these issues as follows;

1. Instill and enhance a sense of public consciousness among employees, and encourage the participation in various volunteer projects.
2. Organize CSR activities or projects with the community.
3. Engage in CSR projects with private or governmental sectors, non-profit organizations, and nearby communities as a leader of social awareness.
4. By-products of producing sugar should be used to support CSR projects for the benefit of BSG and society.

In 2014 to present, BSG has the intention to engage in developing the society in a sustainable way in order to ensure the creditability, acceptance and reliability received from the communities and society. BSG aims to carry on promoting sustainable value creation for communities and society under the fundamental concept “Business Development Adhered to Environmental Conservation & Enhancing Sustainable Communities”. On account of the intention to conduct a sustainable business along with the life enhancement of sugarcane farmers and nearby communities, BSG has carried out projects and activities in association with the external organizations and governmental sectors as a leader of social awareness, which is beneficial to communities, private sectors, governmental sectors as well as BSG

directly and indirectly. Moreover, BSG has received good cooperation from such sectors and organizations.

4) Disclosure of Information and Transparency

BSG prioritizes the information which must be notified to the Stock Exchange of Thailand, the Securities and Exchange Commission (“SEC”), shareholders and related agencies. BSG has a policy on disclosure of information and transparency as follows;

- Disclose significant data on financial and non-financial information related to business, operating results on facts, completely, sufficiently and timely. The financial statements must be reviewed and audited by the auditor to ensure that the financial statements are accurate in line with the accounting standard which is generally accepted, and approved by the Audit Committee and the Board of Directors prior to disclosing to the SEC, SET, shareholders, and related agencies.
- Disclose the information via various channels such as the company’s website, SET’s, SEC’s channel in order to inform shareholders and related persons about BSG information thoroughly.
- Disclose the roles and duties of the Boards of Directors and sub-committees including the information on the number of times that each director attended the meetings, remuneration criteria, and types of remuneration of the Board of Directors and executives in the Annual Registration Statement (Form 56-1) and this Annual Report.

Regarding the investor relations, the company has established a specific unit to communicate and provide the information to the shareholders, institutional investors, analysts and relevant sectors. In addition, the disclosure of significant information appears in Heading: Code of Conduct, Article: Conflict of Interests and Confidential Information Safeguarding.

- In terms of providing information to investors in 2018, the investor relations of the company communicated with investors, institutional investors, individual investors, shareholders and securities analysts both inside and outside the country about the significant information by providing the information in both Thai and English for presenting to investors to acknowledge. The disclosure of information must be done correctly, completely, clearly and transparently. Thus, the company has notified the investor relations’ contact detail on the company's website and in Part 1, item no. 6: General Information and Other Important Information. Moreover, the activities that the investor relations organized for the investors are as follows;

Activities in 2018	Number of Time/ Year
- Company Visit	- Foreign investors 8 times
- Shareholders	-
- Analysts	- Analysts: 10 times
Conference Call / Telephone Call	80 - 100 calls
Information Inquiries via E-mail	40 emails
Analyst Briefing	10 times
International Roadshow	-
Domestic Roadshow	-

- Furthermore, the company also discloses the goal of business operations with both in short-term and long-term, and sustainable objectives in this Annual Report and Form 56-1 to ensure the shareholders, investors, and all stakeholders acknowledge the company's business direction and goal in Part 1: Company's Business, item no 1: Policy, Overview and Goal of Business Operation.
- The details of securities holding of the directors and executives in 2017 are disclosed in Attachment 1: Details of the Board of Directors, Executive Members, Controlling Persons and Company Secretary.

9.2 Board of Director and Subsidiary Committee

5) Board of Directors' Responsibilities

The Board of Directors has responsibility for the shareholders about business operations of BSG monitoring the corporate governance in compliance with laws, objectives, articles of association, and resolution of the shareholders' meeting with honesty, carefulness, and consideration on the benefit of BSG as the first priority. Thus, the details of the Board of Directors, sub-committees, executives, and company secretary such as names, numbers of directors, and charter's details: composition, qualifications, appointment, tenure, retirement, and scope of duties are stated in Part 2, item no. 8: Management Structure. Regarding this chapter, the responsibilities of the Board of Directors in compliance with the good corporate governance are described as follows;

- **The Meeting of the Board of Directors**

The Board of Directors has to arrange the meeting at least 4 times a year to consider and approve the annual financial statements and quarterly reports including other important issues, and additional specific meetings as appropriate and necessary. Thus, the annual meeting calendar of

the next year is all set in advance at the end of the year for the meetings of the Board of Directors and sub-committees with the submission of documents at least 7 days prior to the meeting date in order to make the Board of Directors, sub-committees, and executives define the schedules, attend the meetings, and give an opinion or approval in any significant matter. Regarding the meeting dates of the Board of Directors, it is scheduled before submitting the financial statements in each quarter such as February 26, May 15, August 14, and November 13 in 2018. Besides, the meeting dates of sub-committees are also scheduled in line with the Board of Directors'. In addition, the meetings of the Executive Committee and the Organizational Management Committee are set in 3rd Wednesday and Friday of every month. The shareholders' and its subsidiaries' meetings are scheduled in advance as well.

● **The Minimum Quorum Policy**

Such policy specifies that the resolution required at the Board of Directors' meeting must consist of the directors who present at the meeting at least 2/3 of the total number of directors. Thus, the Board of Directors has determined such policy stating that "At the Board of Directors' meeting, the minimum quorum requirement for a resolution is subject to the amount of directors at least 2/3 of the entire board".

The Meeting Attendance of Each Director in 2018

Name	Number of Meeting Attendance													
	2018													
	AGM		Board of Directors		Audit Committee		Risk Management		Corporate Governance		Nomination and Remuneration		Executive Committee	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1. Mr. Anant Tangtongwechakit	1/1	100	7/7	100			4/4	100					12/14	86
2. Mrs. Wanphen Punyaniran	1/1	100	7/7	100										
3. Mrs. Jirawan Pongpichitkul	1/1	100	7/7	100			3/4	75					13/14	93
4. Miss Chittima Tangtrongwechakit	1/1	100	6/7	86			4/4	100	2/2	100	2/2	100	12/14	86
5. Mr. Sarit Tangtrongwechakij	1/1	100	7/7	100			4/4	100					13/14	93
6. Mr. Adisak Tangtrongweachakit	1/1	100	7/7	100			4/4	100	2/2	100	2/2	100	14/14	100
7. Mr. Prachuab Chaiyasan	1/1	100	7/7	100	5/6	100								
8. Mr. Sirichai Sombutsiri	1/1	100	7/7	100	5/6	100								
9. Mrs. Seenual Tasanapant	1/1	100	7/7	100	6/6	100			2/2	100	2/2	100		
10. Assoc. Prof. Dr. Djitt Laowattana*	0/0	-	5/5	100					0/0	-				
11. Mr. Vichate Tantiwanich*	0/0	-	4/5	80							0/0	-		

Remarks: * Appointed as a director at the AGM on April 25, 2018

Thus, the company has provided an opportunity to organize a meeting of non-executive directors in absence of the management. In 2018 there was 1 meeting.

- **The Board of Directors' Report**

In 2018, the Board of Directors prepared the report on the Board of Directors' Responsibility for the Financial Statements to ensure the confidence and reliability of the shareholders and investors, which is disclosed in Attachment 5: Report on the Board of Directors' Responsibility for the Financial Statements, and the sub-committees' report on 2018 operating performance: Audit Committee, Risk Management Committee, Nomination and Compensation Committee, Corporate Governance Committee are disclosed in Attachment 6-9 respectively.

- **Performance Evaluation of the Board of Directors, sub-committees, and managing director**

The Board of Directors must provide an annual assessment of the performance of the company at the end of the year divided into As a Whole and Self-Assessment according to guidelines for good corporate governance. In order to review the work, problems and obstacles encountered and to assess their performance in the past year and find ways to improve the efficiency in the next year.

The criteria for the self-assessment of the Board of Directors, sub-committees and the individual directors have reference according to the example of the Stock Exchange of Thailand in February, 2015 and additional adjusted according to CG Code 2017 which was applied according to the company and subsidiaries' businesses. The details are as follows:

The Criteria of Performance Evaluation As a Whole is as follows;

1. The structure and qualification of the Board of Directors.
2. Duty and responsibility of the Board of Directors.
3. The Board of Directors' meeting.
4. Duty of the Directors.
5. Relationship with the management.
6. Self-development of the Board of Directors and Executives.

The Criteria of Individual Performance Evaluation is as follows;

1. The structure and qualification of the Board of Directors.
2. The Board of Directors' meeting.
3. Duty and responsibility of the Board of Directors.

For the process of evaluation, the office of directors or company secretary will send both questionnaire with descriptions and scoring to each of the individual company directors in early December and bring returns within mid-December of the year. After that the office of directors/ company secretary will seek the result of both evaluation and report to the Board of Directors in the meeting in order to analyze the causes and find a way to develop in the future. The score rating is as follows;

Scoring:

- 0 = Completely disagree or no action on the matter.
- 1 = Disagree or have little action in the matter.
- 2 = Agree or have moderate action in the matter.
- 3 = Agree quite a lot or have many action in the matter.
- 4 = Completely Agree or have approve all action in the matter.

Assessment Scoring Criteria

Average Score (%)	Remarks
0 - 20	Very Poor
21 - 40	Poor
41 - 60	Fair
61 - 80	Good
81 - 100	Excellent

In 2018, the self-assessment results of the Board of Directors are summarized as follows;

- **The self-assessment of the Board of Directors as a whole** was considered at the “**excellent level**”, or equivalent to 91.88%.
- **The self-assessment of the Board of Directors on an individual basis** was considered at the “**excellent level**”, or equivalent to 94.24%

The self-assessment of the sub-committees is applied based on the following criteria;

1. Structure and qualifications of sub-committees.
2. Meeting of sub-committees.
3. Roles, duties and responsibilities of sub-committees

In 2018, the self -assessment of all sub-committees is concluded as follows;

Sub-Committees	Assessment Results (%)
Audit Committee	83.53
Risk Management Committee	85.00
Corporate Governance Committee	85.29
Nomination and Remuneration Committee	85.96
Executive Committee	88.33

For the 2018 assessment of the Managing Director, the criteria and results are as follows;

- 1: Leadership 95.50% (Excellent)
- 2: Determination of Strategy and Performance 94.25% (Excellent)
- 3: Planning and Financial Operating Performance 96.67% (Excellent)
- 4: Relationship with the Board of Directors and External Parties 95.45% (Excellent)
- 5: Management and Relationship with Personnel 93.75% (Excellent)
- 6: Succession Plan 86.25% (Excellent)
- 7: Expertise in the Company's Business, Products and Service 96.88% (Excellent)
- 8: Personal Characteristics 95.50% (Excellent)

Assessment Scoring Criteria:

0 - 20%	= Very Poor	21 – 40%	= Poor
41 – 60%	= Fair	61 – 80%	= Good
81 – 100%	= Excellent		

● **Appointment of sub-committees**

The company discloses such details in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 8: Management Structure, Heading 12: Sub-committees.

● **Succession plan**

The company discloses such details in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 9: Corporate Governance, Heading: Succession plan and the policy on the nomination of directors and executives.

● **The number of listed companies that the directors and managing director hold office**

The company discloses such details in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 8: Management Structure, Heading 11: The number of listed companies that the directors and managing director hold office. Thus, the details of holding office of the Board of Directors and Managing Director in 2018 is still in compliance with the above-mentioned criteria, which can be found in Attachment 1: Details of the Boards of Directors, Executive Members, Controlling Persons and Company Secretary in this Annual Report and Form 56-1 in 2018.

● **The orientation of new directors**

The company discloses such details in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 8: Management Structure, Heading 9: The orientation of new directors. Nonetheless, in 2018, the company has restructured the company's Board from 9 persons to 11 persons by appointing 2 additional persons which are; Assoc. Prof. Dr. Djitt Laowattana, independent

director and Mr. Vichet Tantiwanich, independent director due to the company's business expansion and in order to have improvement of efficiency and diversity in the structure of the company's Board of Director. Therefore, the company has arranged the orientation for both directors to understand the business features, and the goal of the company, including the regulations and the corporate governance, etc.

● **Development of the directors and senior executives**

The Board of Directors has policies to promote and facilitate training and educating directors and those involved in corporate governance systems of Buriram Sugar Group. More details are disclosed in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 8: Management Structure, Heading 8: Development of the directors and senior executives.

Director and Sub-committee Director's Training Course Attendance in 2018

Name	Position	Training Course	Date	Venue
Mr. Prachuab Chaiyasan	Chairman of the Board of Director (Independent Director) and Chairman of the Audit Committee	Boardroom Success through Financing and Investment (BFI)	June 19-20	Thai Institute Of Directors (IOD)
Mr. Anant Tangtongwechakit	Director/ Chairman of Executive Committee/ Chairman of Risk Management Committee	1. Professional Strategic Management 2. Professional business management for executive	April 18 June 1	Lecturer: Dr. Tanai Charinsarn
Mrs. Wanphen Punyaniran	Director	1. Professional Strategic Management 2. Professional business management for executive	April 18 June 1	Lecturer: Dr. Tanai Charinsarn
Mrs. Jirawan Pongpichitkul	Director/ Executive Committee Member/ Risk Management Committee Member	1. Professional Strategic Management 2. Professional business management for executive	April 18 June 1	Lecturer: Dr. Tanai Charinsarn
Miss Chittima Tangtrongwechakit	Director/ Executive Committee Member/ Risk Management Committee Member/ Nomination and Remuneration Committee Member / Corporate Governance Committee Member	1. Professional Strategic Management 2. Professional business management for executive 3. Board Nomination & Compensation Program (BNCP)	April 18 June 1 March 6-7	Lecturer: Dr. Tanai Charinsarn Thai Institute Of Directors (IOD)

Name	Position	Training Course	Date	Venue
Mr. Sarit Tangtrongwechakij	Director/ Executive	1. Professional Strategic Management	April 18	Lecturer: Dr. Tanai Charinsarn
	Committee Member/ Risk Management Committee Member	2. Professional business management for executive	June 1	
		3. 2morrow scaler	June 12 – August 29	2morrow group Co., Ltd.
Mr. Adisak Tangtrongweachakit	Director/ Executive	1. Professional Strategic Management	April 18	Lecturer: Dr. Tanai Charinsarn
	Committee Member/ Risk Management Committee Member/ Nomination and Remuneration Committee Member/ Corporate Governance Committee Member	2. Professional business management for executive	June 1	
		3. Board Nomination & Compensation Program (BNCP)	March 6-7	Thai Institute Of Directors (IOD)
Mrs. Seenuat Tasanapnat	Independent Director/ Audit Committee Member/ Chairman of Nomination and Remuneration Committee/ Chairman of Corporate Governance Committee	1. Board Nomination & Compensation Program (BNCP)	March 6-7	Thai Institute Of Directors (IOD)

The Company Directors' Attendance at Training Sessions Conducted by the Thai Institute of Directors (IOD)

Name	Courses	Director Certification Program (DCP)	Director Accreditation Program (DAP)	Audit Committee Program (ACP)	Risk Management Program for Corporate Leaders (RCL)	Anti-Corruption: The Practical Guide (ACPG)	Board Nomination & Compensation Program (BNCP)	Boardroom Success through Financing and Investment (BFI)	Finance for Non-Finance Director (FN)	Monitoring Fraud Risk Management (MFM)	Monitoring Internal Audit Function, MIA	Understanding the Fundamental of Finance Statement (UFS)	Roles of Chairman Program	Monitoring the System of Internal and Risk Management (MIR)	Monitoring Financial Reporting (MFR)	Financial Institutions Governance Program (FGP)
1. Mr. Prachuab Chaiyasarn		83/2007	54/2006					4/2018								
2. Mrs. Seenual Tasanapant		79/2007	55/2006	17/2007			3/2018									
3. Mr. Sirichai Sombutsiri		-	25//2004													
4. Mr. Djitt Laowattana		93/2007		29/2009					2008	1/2009	7/2009	2008	19/2008	7/2009	9/2009	3/2011
5. Mr. Vichate Tantiwanich		2/2000														
6. Mr. Anant Tangtongwechakit		239/2017	99/2012													
7. Mrs. Wanphen Punyaniran		242/2017	98/2012													
8. Mrs. Jirawan Pongpichitkul		239/2017	98/2012													
9. Miss.Chittima Tangtrongwechakit		243/2017	98/2012			30/2016	3/2018									
10. Mr.Sarit Tangtrongwechakit		242/2017	98/2012													
11. Mr.Adisak Tangtrongwechakit		246/2017	98/2012		4/2016		3/2018									

2018 Training Plan for the Board of Directors and Sub-Committees

TRAINING LIST 2561					
No.	Course	Institute	Project Matched	Date	Recommendation
1	Board Nomination & Compensation Program (BNCP)	IOD	Nomination & Remuneration Directors	6-7 Mar 2018	Mrs.Seenual / Ms.Chittima / Mr.Adisak
2	Risk Management Program for Corporate Leaders (RCL)	IOD	Risk Management Directors	20-21 Feb 2018	Mr.Anant / Mrs.Jirawan / Ms.Chittima / Mr.Sarit
3	Successful Formulation and Execution of Strategy (SFE)	IOD	Directors, MD	3 Days (Mar)	Mr.Anant/ Mrs.Jirawan / Mr.Adisak
4	Financial Statements for Directors (FSD)	IOD	Directors	15-16 Mar 2018	Mrs. Wanpen/ Mrs.Jirawan / Ms.Chittima / Mr.Sarit / Mr.Adisak
5	Ethical Leadership Program (ELP)	IOD	CAC, Corporate Governance Directors	TBC	Ms.Chittima
6	Corporate Governance for Executives (CGE)	IOD	Corporate Governance Directors, MD	19-20 Apr 2018	Mrs.Seenual / Mr.Anant / Ms.Chittima / Mr.Adisak
7	How to Develop a Risk Management Plan (HRP)	IOD	Risk Management Directors	29-30 Jan 2018	Mr.Adisak

2019 Training Plan for the Board of Directors and Sub-Committees

TRAINING LIST 2562						
No.	Course	No. of Course	Institute	Project Matched	Date	Recommendation
1	Board Nomination & Compensation Program (BNCP)	TBC	IOD	Nomination & Remuneration Directors	TBC	In case of appointment new NR director
2	Risk Management Program for Corporate Leaders (RCL)	15/2019	IOD	Risk Management Directors	11-12 Feb 2019	Mr.Anant / Mrs.Jirawan / Ms.Chittima / Mr.Sarit
3	Successful Formulation and Execution of Strategy (SFE)	TBC	IOD	Directors, MD	TBC	Mr.Anant/ Mrs.Jirawan / Mr.Adisak
4	Financial Statements for Directors (FSD)	38/2019	IOD	Directors	28-29 Mar 2019	Mrs. Wanpen/ Mrs.Jirawan / Ms.Chittima / Mr.Sarit / Mr.Adisak
5	Ethical Leadership Program (ELP)	15/2019	IOD	CAC, Corporate Governance Directors	15 Mar 2019	Ms.Chittima
6	Corporate Governance for Executives (CGE)	TBC	IOD	Corporate Governance Directors, MD	TBC	Mrs.Seenual / Mr.Anant / Ms.Chittima / Mr.Adisak/ Dr.Djit
7	How to Develop a Risk Management Plan (HRP)	21/2019	IOD	Risk Management Directors	24-25 Jan 2019	Mr.Adisak

● The independence of the Board of Directors and definition of independent directors

The company discloses such details in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 8: Management Structure, Heading 10: The Independence of the Board of Directors and Definition of Independent Directors. Thus, in the past accounting period, the independent directors of the company had neither business relationship nor professional services. Also, the appointed independent directors never have or had business relationship or professional services exceeded than the rules stipulated in the notification of the Capital Market Supervisory Board regarding the Application for and Approval of Offer for Sale of Newly Issued Shares, and any amendments thereto.

The Management

Composition and appointment of the Managing Director

The company discloses the details of the composition and appointment of the managing director, and the scope of duties of the managing director in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 8: Management Structure, Heading 2.7: Executives.

Performance Evaluation of Managing Director

For the evaluation of the Managing Director, the Board of Directors considered evaluating in every year. The criteria and procedures of such evaluation are disclosed in the Annual Report and Form 56-1 in 2018 in Part 2, item no. 8: Management Structure, Heading 6: Performance Evaluation of the Board of Directors, sub-committees, and managing director. The assessment results are disclosed in the above-mentioned Heading: "Performance Evaluation of the Board of Directors, Sub-Committees, and Managing Director".

9.3 Nomination of Directors and Executives

Succession plan and the policy on the nomination of directors and executives

BSG realizes the preparation in succession of personnel in the organizations to ensure the readiness for the replacement of a vacant position in order to manage and operate BSG businesses smoothly and consistently. Thus, the Board of Directors has appointed the Nomination and Compensation Committee to determine policy, criteria, format, and procedures to select and nominate directors and senior executives, as well as sub-committees in order to further present to the Board of Directors for approval. In addition, the Nomination and Compensation Committee is assigned to define and review the succession plan of senior executives to ensure the availability of experienced nominated persons that are prepared to replace a vacant position.

■ **Succession Plan**

BSG has a plan to recruit personnel who will be responsible for important administrative positions. The nomination of the managing director (CEO) and senior executives is in accordance with the nomination procedures from both inside and outside the organization.

Thus, the procedures in nominating the managing director (CEO) and senior executives are in consideration of qualifications, expertise, skills, knowledge, moral personality, and experience of type of business related to BSG. Such procedures will be systematically organized in all levels of positions appropriately and transparently in order to ensure that BSG is empowered by qualified, professional, and moral manpower to drive the achievement and sustainability.

For selecting a person in the organization, this will consider the most appropriate personnel from the succession source or successors who are assessed as potential. Such person will receive skill development to be available to serve an importance position in case of vacancy, end of service term, or others.

■ **Nomination for Directors and Senior Executives**

Regarding nominating directors and senior executives, this will be considered by nominating and selecting a qualified and expert person from various professions including honest and moral personality and transparent working experience by using the Board Skill Matrix as a reference to identify the directors' qualifications as needed. In addition, the important knowledge and competence which the Board of Directors lacks of are also considered an additional qualification to ensure the effectiveness of the Board of Directors' component

9.4 Supervision of Operations in Subsidiary and Associate Company

Supervision of Operations in Subsidiaries

Buriram Sugar Public Company Limited (“the Company”) has a mechanism to manage the subsidiaries as well as supervise the subsidiaries operations in line with measures and policies as the same practices the company monitors itself in order to protect interests of investment of the company for the subsidiaries in the best benefit for the company as a whole. Thus, the company supervises the business operations of the subsidiaries as disclosed with more details in Part 2, item no. 8: Management Structure, Heading (5) Supervision of Operations in Subsidiaries.

The Scope of Duties of the Board of Directors in Subsidiaries

According to the Board of Directors’ meeting No.6/2014 on August 22, 2014, the resolution was to determine the scope of duties of the Board of Directors in subsidiaries as disclosed with more details in Part 2, item no. 8: Management Structure, Heading (4) The Scope of Duties of Board of Directors in Subsidiaries.

The Policy of Human Resource Development

BSG provides the process to support the development of knowledge, skills and capabilities for directors, executives and employees as needed in work both in the present and in the future since BSG realizes that human resources are the most valuable assets in business operation therefore the concept of human resource development is suitable for long-term investment. More details of such issue are disclosed in Part 1, item no. 1: Policy, Overview and Goal of Business Operation, Heading: Sustainable Goal, Sub-Heading: 1. Human Resources Development.

Throughout the years, the Board of Directors plays a vital role in providing the directions of the company’s business, monitoring the operating performance of the management, issuing the policy of good corporate governance, code of conduct, anti-corruption policy, as well as the legal obligations and relevant regulations for the best benefits of the company and shareholders. Additionally, the Board of Directors has supervised the activities to be legally implemented.

In 2018, the company **did not commit** any following violations;

- Severe violation against stipulations of the Securities and Exchange Commission and the Stock Exchange of Thailand
- Corrupt actions or violation of ethics.
- Resignation of a non-executive director due to any issues of governance-related concerns.
- Loss of creditability due to the Board of Director’s failure in monitoring the business.

Business Ethics

Business Practices

Buriram Sugar Group (“BSG”) has realized the importance of the business ethics. The Board of Directors has the intention to comply with the good corporate governance policy, business ethics, and anti-corruption policy as well as laws and relevant regulations. BSG has a commitment to conduct business with transparency, fairness and the benefits of the stakeholders as the first priority to ensure the sustainability and confidence of shareholders, investors and all stakeholders. Then, BSG has determined the business ethics as a guideline to the Board of Directors, executives and employees, which will lead to the sustainable, ethical and zero-corruption organization. There are 7 guidelines as follows;

1. Consider the stakeholders’ benefits and treat the stakeholders with fairness

BSG conduct business in consideration of the benefits, and treat all stakeholders such as customers, business partners, shareholders or owners, employees, creditors, government, and society with fairness. Moreover, the treatment must be served to all shareholders or owners equally, even major or minor shareholders or other nationalities because all of them are very important to BSG.

2. Disclosure of information and transparency which can be audited

In order to maintain the reliability of investors, creditors and related persons, BSG must conduct business with transparency which can be audited, disclose the information correctly, clearly and timely to the relevant persons. Such information must be disclosed on a consistent basis, prepared and recorded appropriately, completely, and standardly which can be compared with other different sources of information.

3. Risks Minimization

Although BSG has a clear objective, action plan as well as control system on the operations, there must be procedures of risk management which should be monitored on a regular basis by analyzing risks on business operations, prioritizing risks, control procedures, and strict guideline in order to minimize such risks to the lowest level.

4. Promote the guidelines of the organization, develop the products, and enhance the standard on the top of sugarcane quality management and other by-products.

The encouragement of the guidelines to the excellent level used by many organizations are adapted and applied to match with BSG’s type of business. In addition, it is still to promote such guidelines to employees in every department by encouraging all departments to try to develop their skills consistently as well as setting goals for production development and enhancement of the standard to the top on sugarcane quality management. This always promotes sugarcane

plantation and expanding the crop area to ensure the strength and stability of sugarcane farmers, effective and sustainable crop yield. Moreover, BSG always researches and develops to further business, by-products and value creation.

5. Provide sustainable returns for the owners or shareholders

BSG has recognized the value creation of the organization in a long term, not just only focusing on the short term. Moreover, the management procedures are always developed and improved in an effective way in order to provide consistent and sustainable returns to the owners or shareholders.

6. Be responsible for society and nation

BSG believes in developing the business together with the society. As a part of the society and the nation, BSG should return some profit to society through activities, charities as appropriate, and save the environment and support other activities sustainably beneficial to the society and nation in a concrete way.

7. Anti-Corruption

The Board of Directors, executives, and all employees must comply with the good corporate governance policy, business ethics, and anti-corruption policy including laws, rules and other relevant laws. It is to prioritize the working procedures with strength, good awareness, and encourage all persons to participate in anti-corruption practices. Moreover, BSG must conduct business with responsibility for all stakeholders, and give them an opportunity to give a complaint and comment, together with define a whistle-blower protection in order to demolish any corruptions in the organization and to enhance the sustainable organization.

As the guidelines of responsibility for all stakeholders mentioned-above, the Board of Directors has responsibility to supervise the executives, or management to take the same actions to supervise their subordinates.

Anti-Corruption Policy

BSG has realized the importance of conducting business with honesty and responsibility for society and all stakeholders in line with the code of conduct, business ethics, and relevant regulations strictly. Then, BSG has determined the anti-corruption policy, and communicated with directors, executives and employees to instill the understanding about the importance of the anti-corruption policy for the mutual and cooperate actions.

The anti-corruption policy is a part of the CG handbook of BSG which are approved by the Board of Directors.

1. Objectives

- To show BSG intention to prevent all forms of corruption directly or indirectly.
- To specify the responsibility, guidelines, and other criteria for directors, executives, and all employees to acknowledge and comply with in combating and preventing all corruptive activities strictly.
- To build the reliability of customers, business partners or business alliances, and other related persons.

2. Definition

- Corruption means using power entrusted by duty to obtain benefit for oneself, or any fraudulent actions by using power entrusted by position, authority and influence to obtain benefit for oneself and others, or offering, giving, or promising for benefit, in form of money, things, and other returns, to persuade any persons to act illegally in contrary with good moral, or using money or things, which are authorized to operate in the governmental function, for the benefit of oneself, or other unrelated activities.

(Reference: Transparency International – TI, established since 1993)

3. Scope of work

- All employees covering directors, executives and employees must comply with this policy, including other policies related to CG handbook of BSG.
- BSG expects all customers, business partners or business alliances to cooperate with this compliance.

4. Role and Responsibility

- The Board of Directors are responsible for specifying the policy, and monitoring the compliance system on anti-corruption in an effective way to ensure that the management has recognized and prioritized the anti-corruption and cultivate it as an organizational culture.
- The Audit Committee has the duty of reviewing financial and accounting reports, internal control system, internal audit system, and risk management to ensure that such operations are concise, appropriate, and efficient in compliance with the generally accepted accounting standards. Moreover, the policy and measures on anti-corruption must be supervised to ensure that BSG performs duties in line with laws, CG handbook.
- The Chairman of the Board of Directors, the Board of Directors, and executives have to determine the system to encourage and support the anti-corruption policy to communicate

with employees and other related persons, and review the suitability of the system and other measures in accordance with the change of business, regulations, articles of association, and applicable laws.

- The internal audit office has the responsibility and duty to examine and audit the operations to be correct, in line with the policies, notifications, guidelines, regulations to ensure the control system is appropriate and sufficient to the corruption risks which are likely to occur, and report such results to the Audit Committee and the Board of Directors to acknowledge.
- All employees have to comply with the policy and guidelines of anti-corruption strictly. They have to sign an acknowledgement letter and comply with this policy, and send to Human Resources and Administration Department as evidence to ensure that all employees are notified, understand and ready to follow this policy. In case of any suspicious actions or any violations against this policy, this must be reported to their supervisors, or other whistle-blowing channels of Buriram Sugar Group. Thus, the whistle-blowing unit will keep this information secretly, and carefully send to the related department.

5. Operations

- Any operations according to the anti-corruption policy must comply with BSG CG handbook of all stakeholders, rules, related handbooks, and further guidelines.
- This anti-corruption policy covers all relevant activities of BSG by assigning supervisors at all levels to communicate with the employees to comply with the policy in any business activities entrusted by the responsibility, and supervise such operations efficiently.
- It is to assess the corruption risks of the entire organization on a yearly basis.
- In order to ensure the effective practices on this matter, directors, executives, and employees must act with carefulness upon the following issues;

1. Gifts, gratuity, feast and additional expenses

Granting, offering, or receiving gratuity, feast must be in compliance as specified in the CG handbook of BSG.

2. Donation, charity or sponsorship

Granting, receiving donations or sponsorship must be done with transparency and legality, and make sure that such donation or sponsorship is not used for any excuses to accept a bribe. This issue must be in compliance as specified in the CG handbook.

3. Business relations and procurement

It is prohibited to give or receive a bribe in any business operations with all customers, business partners, governmental sectors, or other organizations dealing business with BSG which should be done with transparency, honesty and legality.

In 2018, BSG has implemented activities to encourage good governance and anti-corruption as follows:

- BSG has organized the seminar on the anti-corruption for existing employees and new employees on a regular basis under the seminar topic “Ethics, Corporate Governance and Anti-Corruption” in order to instill moral and ethical consciousness.
- Regarding activities promoting the ethical practices in 2018, there were almshouse activity during the Buddhist Lent and the end of Buddhist Lent, and the ceremonial presentation of new robes and gifts to Buddhist monks, etc.
- During 2018, the company had strictly followed the mentioned practice guidelines, and did not come across any irregularity as the result. Besides, there was no any complaint about receiving or giving gifts leading to the influence on business decision or corruptive and fraud actions.

Whistle-blowing procedures (potential misconduct)

Regarding the Declaration of Intent-Collective Action Coalition Against Corruption (CAC), the company has the commitment to conduct business with honesty, integrity, transparency, and fairness. The corporate social responsivity and stakeholder treatment are in compliance with the good corporate governance and code of conduct in order to operate business as determined and pave the way for employees of BSG to be aware of ethical and good conduct, as well as enhance the consciousness and value against any corruption among the employees. Moreover, the Board of Directors has considered and decided to appoint the investigation committee by assigning to perform investigation procedures, assess the facts, and scrutinize the evidence and other related matters for further appropriate process and management.

Thus, the investigation committee has been established and consists of senior executives, finance and accounting manager, procurement department, law department, risk management office and internal audit office.

The investigation committee must conduct investigation, gather facts, laws, and relevant witness and evidence, and pass such concerns and conclude the evidence given to the accused person for acknowledgment. Then, the committee must be informed the explanation of the accused person, gather such information as

an inquiry, and submit the inquiry form and investigation report with opinions to a person who appoints such investigation committee or the Chairman of the Board of Directors. This process must be completed within 60 days from the date of notifying the Chairman.

The investigation committee is responsible for investigating, considering in line with the criteria, methods, and due time in order to identify the facts of the whistle-blowing issues, and monitor the investigation procedures based on fairness as a whole. Such committee gathers the records of the accused persons as necessary for additional consideration, and records in every process of the investigation details. In addition, the investigation process must not allow other person to be involved except for the interrogative approach.

1. The chairman calls for the first meeting of the investigation committee within 7 days from the date that the chairman is notified such concerns. In the event that the meeting cannot be arranged within the due time, the reasons and necessity must be indicated to the person who appoints such committee.
2. At the investigation committees' meeting, such members determine issues and investigation methods, and gather all evidence. Then, the investigation committee conduct the following procedures;
 - 2.1 Gather all facts, laws, and relevant witness and evidence, not only adhere to the excuses or evidence of the accuser or the accused person.
 - 2.2 Notify the concerns and conclude all supporting evidence given to the accused person for acknowledgement.
 - 2.3 Provide an opportunity to the accused person to explain and defend himself or herself.
 - 2.4 Scrutinize and provide opinions about the investigation.
 - 2.5 Prepare the investigation report with opinions to the person who appoints the investigation committee.
3. Interrogate the accused person or witness individually. Such process must include investigation directors at least half of the total number of the investigation committee. In case of the half of such committee more than 3 directors, this can be not at least 3 directors for investigating the accused person or witness.
4. Regarding the interrogation, it is to record the words in the specified form, and read such words to the deponent, or the deponent reads them to ensure the correctness. Then, the deponent, recorder, and investigation directors sign in the form as the evidence. If many pages, the deponent and one of the investigation directors sign together at every single page. Such records must not be rubbed, deleted, or written over the words. If any words need to be corrected or added, it is to strikethrough such words and add new words with the signatures of

the deponent and one of the investigation directors. If the deponent does not want to sign, the reasons must be stated.

5. Interrogation process must not allow other person to be involved, except for the investigation directors for the advantage of the investigation or except for a lawyer or consultant of the accused person as the investigation directors deem appropriate to invite in the interrogation process.
6. The investigation directors are prohibited to conduct or order any actions indicating promises, threats, cheats, forces, or any wrongdoings to persuade the accused person or witness give any words required by the directors.
7. The accusation and supporting evidence summary must be recorded in facts and actions of the accused person: wrongdoing, day and time, how, type of misconduct. Then, such supporting evidence is concluded, with or without the witness' name, as well as the investigation committee notifies the rights of the accused person to explain or defend himself or herself in the letter, the rights of showing the evidence or claim for other evidence to be identified and inform the accused person, by preparing 2 letters with the same words adhered by the signatures of the chairman and at least 1 director.
8. The investigation directors send the calling letter to the accused person to meet at the date and time specified by the investigation committee to inform the accused person about the accusation and the supporting evidence. When the accused person meets the investigation committee, such committee indicates such accusation and evidence. Then, the accused person signs the acknowledgement letter with date indicated, and give the letter to the accused person, and another to be filed in the inquiry form.

In addition, the company has conducted businesses in accordance with the policy and measures on anti-corruption continuously, as well as informed and communicated such matter to business partners and related parties, including organized in-house seminars and campaigns for the personnel in the organization. Furthermore, the company has opened the channel for receiving the complaint and suggestion (Whistleblowing) for the complaint from stakeholders through the suggestions box and postage which will be sent directly to the Chairman of Corporate Governance Committee. However, there was no any whistleblowing issue or suggestion received from stakeholders in the previous year.

Code of conduct of the Board of Directors and persons in the organization**Compliance with laws, articles of association, relevant regulations, and human rights and labor.**

BSG has emphasized and defined that directors, executives, and all employees must comply with laws, articles of association, and other relevant regulations specified by governmental sectors, and other relevant governing body, as well as work regulations (“Regulations”) strictly. BSG must avoid participating in, or supporting any activities against the laws, or violating the society’s peace, or good morality. Using power entrusted by authority, position, or using BSG’s properties with the illegal purpose is exactly prohibited. Such details are as follows;

1. Comply with the laws, articles of association, regulations and other principles related to business operation of BSG as follows;
 - 1.1. Directors, executives, and employees have to follow the laws, articles of association, regulations, and regulations of the Stock Exchange of Thailand, and the Securities and Exchange Commission.
 - 1.2. Directors, executives, and employees must not disobey the laws, articles of association, regulations, and relevant principles.
 - 1.3. Directors, executives, and employees have to cooperate with the legal, human resources and administration departments, internal audit office, and director office specified by BSG. They must report the information about deliberate refusal to follow the laws, articles of association, regulations, and other related principles, including fraudulent acts, to the mentioned departments or office.
2. Refusal to comply with the laws, resolution of shareholders’ meeting, resolution of the Board of Directors’ meeting, articles of association, regulations, BSG’s orders by excusing that such acts are to increase the benefits for BSG, or other reasons, is not an acceptable reason.
3. Employees must perform their duties with honesty by considering the moral benefit of BSG despite the loophole or gap in the law, or articles of association, regulations, BSG’s order, or other principles.
4. BSG’s information must be safeguarded confidentially, not disclosed to the unrelated persons which may cause damage to BSG, or stakeholders, except as otherwise required or permitted by law.
5. Acquisition or disposition of the listed securities held by directors, executives, including their spouse or de facto partner, underage child, and juristic persons must follow the notifications of the Securities and Exchange Commission in relation to the acquisition or disposition of securities of directors and employees in 2004.

6. Employees must understand the laws, articles of association, BSG's regulations, including other relevant criteria of the governing body, as well as understand their role and responsibility deliberately, must comply with strictly. In case of any unsure matter, they should consult with the legal department, or other relevant agencies. This must not be done by themselves without any suggestions.

7. Respect for Human Rights

- 7.1 BSG does not support activities that violate human rights in all respect, instead, promoting the human rights.
- 7.2 Treated everyone equally with respect and honor without discrimination of race, nationality, religion, gender, language, age, skin tone, education, social status, physical description, etc.
- 7.3 All employees must not violate the other human rights either verbal or action.
- 7.4 Act with caution to avoid violated the human rights. If found any suspicious activities they have to inform the supervisor.
- 7.5 BSG will keep personal information of its employees. If necessary to disclose in public, such employees must be informed to approve first, unless required to do so by articles of association or laws.

8. Labor

- 8.1 Treat the employees according to the labor laws and regulations with fairly and equally.
- 8.2 No discrimination, and equal employment practice in recruitment, compensation, welfare, working time, holiday, assignment, training, and performance assessment, etc.
- 8.3 Do not use child labor, illegal immigrant or labor from human trafficking.
- 8.4 Do not punish employees physically and mentally or other violent methods such as threats, detainment, or other violence.
- 8.5 There is a process of correct and transparent investigation about employees' wrongdoing before the termination.
- 8.6 Only hiring a contractor who operates legally according to the labour law, and relevant regulations, and avoid hiring a contractor violating labour law, related rules, or corruption.

9.5 Use of Internal Information**Conflict of interest and confidentiality of information****Conflict of interest**

In order to ensure that directors, executives, and employees of BSG have a guideline to perform duties with honesty, not obtaining benefit for themselves and/or related persons, the policy and guideline has been determined in relation to the conflict of interest as follow;

1. Disclose and deliver the interested information of their own and related persons to the Board of Directors in order to acknowledge the relationship and related transactions with BSG, which may cause the conflict of interest when related transactions are carried out. In order to ensure BSG monitors and audits such matter on a yearly basis. The company secretary is assigned to survey the interested information at every end of the year. Such interested information of all directors, executives and/or related persons including department managers, and relevant employees are surveyed and presented to the Corporate Governance Committee, Audit Committee, and the Board of Directors to acknowledge at least once a year.
2. Avoid doing the related transactions with oneself and/or related persons, which may cause a conflict of interest with BSG, and do not act in any manner against the benefit of BSG, or seek benefit for oneself and/or related persons.
3. The Board of Directors must not be involved with any approval relating to their related transaction or conflict of interest both direct and indirect ways.
4. The following matters that may cause directors, executives, or related persons to obtain financial benefit other than the normal practices, or have a negative impact to BSG, which is assumed a conflict of interest of BSG in a significant manner;
 - (A) The transaction made between BSG, directors, executives or related persons which is not in line with the criteria of the related transactions.
 - (B) Using non-public information of BSG, except such information is disclosed in public.
 - (C) Using the property or the business opportunities of BSG against the regulations or general practices specified by Notification of the Capital Market Supervisory Board.
5. In case of a normal transaction such as a list of trading goods, raw materials, services, or give supporting money for sugarcane plantation, etc., BSG is able to do such transaction with a person which may cause a conflict of interest if such transaction is considered as a trade agreement in the same practices which a reasonable man would agree to with any partners in the same situations, without any influence entrusted by position as directors, executives, or

- relevant persons. The benefit of BSG must be considered importantly. Such transactions have to be summarized and reported to the audit committee and the Board of Directors so they can acknowledge, and make a comment every quarter.
6. In case of any transactions considered other than a normal transaction, the Audit Committee is assigned to consider and give opinion toward the necessity in doing such transaction, and the appropriateness of a price. This should be considered various conditions that are in line with a normal business in a market, which can be compared with the actual price with a person from the outside, and considered a reasonable price, and on an arms' length basis. Thus, other transactions done by BSG with a person who may have a conflict of interest, the audit committee has to consider it first, and then such transaction will be approved by the Board of Directors' or shareholders' meeting respectively. It depends on the size of a transaction in line with the criteria specified by the Notification of the Capital Market Supervisory Board, and the Stock Exchange of Thailand. The interested directors cannot attend the meeting and vote for the agenda on such transaction. In case the Audit Committee is not expertise for the consideration of such matter, BSG will invite an independent expert to give opinion on such transaction in order to make the Board of Directors or shareholders (as the case maybe) have sufficient information to come to the decision and approval.
 7. Monitor and take responsibility for having a proper, effective, and sufficient internal control system, risk management system, corruption and fraud prevention system in order to assure BSG's compliance with policies, articles of association, laws, good corporate governance principles for listed companies, as well as relevant notifications, regulations of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand accurately.
 8. The Board of Directors must monitor BSG to comply with the laws relating to the securities and exchange, rules, notifications, orders, or criteria of the Stock Exchange of Thailand, Securities and Exchange Commission, Notification of the Capital Market Supervisory Board. In addition, Group must disclose the related transactions in line with the regulations of the Stock Exchange of Thailand and other relevant governing body.
 9. Provide a well-organized operating system for the subsidiaries to have a sufficient system to disclose information of a significant transaction in line with the specified regulations consistently and reliably. In addition, there must be a channel for directors and executives of Buriram Sugar Public Company Limited ("BRR") to access the subsidiaries' information in order to monitor the operating results, financial status, related transactions between a

subsidiary and a director and executive, significant transactions in an effective way. Moreover, the auditing system must be established to supervise and check such subsidiaries' operating system by assigning independent directors, Audit Committee, and internal auditor of BRR to be able to access such information directly, and report the audit results to the Board of Directors, Audit Committee, and executives of BRR to acknowledge to ensure that the subsidiaries comply with the systematic operation on a regular basis.

10. A guarantee of a loan contract between BSG and a person who may have a conflict of interest still exists because of the necessity of obtaining credit from financial institutions to purchase raw materials, and support farmers to grow sugarcane, a working capital to operate business. This is a normal condition of a commercial bank to give a business loan. Thus, BSG has no expense on such guarantee.
11. A loan borrowed from a person who may have a conflict of interest will occur due to the necessity of business operation which BSG makes a loan contract, specifies clearly conditions in the consideration of the benefit of BSG as the first priority. In addition, BSG does not have a policy on giving a loan and/or guarantee except a support money for growing sugarcane to a person who may have a conflict of interest.
12. In case of the related transactions which may occur a conflict of interest in the future, the Board of Directors must comply with the laws on securities and exchange, regulations, orders, or criteria of the Stock Exchange of Thailand and The Capital Market Supervisory Board, as well as the criteria on the disclosure of information relating to the related transactions, and acquisition or disposition of assets of BSG.
13. It is to be avoided that shareholding, being a director, executive, or consultant in the same type of business of BSG, or competitive with BSG's business. Thus, it is able to hold shares, be a director, executive, or consultant of other organization which is considered not against the benefit of BSG, and is considered a direct duty to perform in BSG.

In 2018, the directors and executives had conducted the related transactions are considered as acquisition of assets according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions (and its amendment) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (and its amendment). The details were disclosed in Section 12, the topic of related transactions and notifications which were disclosed on the Stock Exchange of Thailand's website.

Use of internal information

BSG has a policy and measure to monitor directors, executives, and employees to use internal information of BSG for the benefit of oneself and other as follows;

1. It prohibits directors, executives, employees, and workers of BSG to use secrets and/or internal information of BSG to disclose or seek benefit for oneself or others, whether directly and indirectly, and no matter whether a benefit earned or not.
2. It is prohibited to disclose internal information, with an intent or a purpose to distort the actual information of BSG in order to make any persons to misunderstand such as pushing up stock market prices by an intention to increase the stock prices for obtaining a benefit from selling high-priced stocks.
3. Provide knowledge and understanding to directors, executives, as well as persons whose position in the executive level of accounting or financial department which is higher or equivalent to, to be aware of their duties, and to report securities holding of their own, spouse or de facto partner, and underage child to the Securities and Exchange Commission according to Section 59 and the penalty under Section 275 of the Securities and Exchange Act in 1992 (including the amendments).
4. It prohibits directors, executives, persons whose position in the executive level of accounting or financial department which is higher or equivalent to, as well as relevant persons or employees who know the internal information, to engage in the Buriram Sugar Public Company Limited (“BRR”)’s securities trading within 1 month prior to BRR disclosing the operating results, and financial status, or significant information which may impact the stock market prices, until BRR discloses such information in public.
5. Directors, executives, as well as persons whose position in the executive level of accounting or financial department which is higher or equivalent to, are determined to prepare and report securities holding, changes in securities holding, and derivatives of BRR. Such specified persons also cover spouse or de facto partner, underage child, as well as juristic persons holding over 30% of the total amount of voting rights by collectively counting the voting rights of spouse or de facto partner, and underage child. Such reports should be sent to the company secretary within 30 working days after the appointment to serve the company. In addition, they must report the changes in securities holding, and derivatives of BRR to the Securities and Exchange Commission within 3 working days from the date of trading, transferring, or obtaining such securities under the Securities and Exchange Act in 1992 (including the amendments). Thus, the company secretary must be notified at least 1 day prior

to trading, transferring, or obtaining such securities, and receive the copied report of changes in securities holding and derivatives on the same day of sending such report to the Securities and Exchange Commission. Then, the Board of Directors must acknowledge such report on a quarterly basis.

6. Do not disclose the confidential information of BSG to other persons even if they are out of term service as a director, executive, and employee of BSG.
7. The executives, investor relations and company secretary are determined to be a representative of BSG to provide useful information to shareholders, securities analysts, fund managers, and financial institutions. Thus, such information must be approved by the shareholders' meeting, or the Board of Directors' meeting, as the case maybe, and disclosed to the public to acknowledge equally.

Directors, executives, and employees who violate the policy on the use of internal information will be disciplined and/or punished by a law, as the case maybe, on the consideration of intentional act, and the level of seriousness of misconduct.

At the same time, the company has also developed the internal control system regarding inside information, by applying information technology system to classify inside information access level for each position rankings, through the code for accessing such information. In 2018, no shares trading, transferring, or obtaining securities with the internal data use by directors and executives of the company was found.

Responsibilities for information and assets of Buriram Sugar Group and intellectual properties

BSG assets mean movable properties, immovable properties, technology, academic knowledge, data, rights, patents, petty patents, copyrights, trademarks, business confidentiality, or confidential business operations, as well as resources which BSG owns or has the right of, including works or masterpieces occurred by performing duty, except BSG clearly authorizes the ownership given to a person who creates, invents, and researches such works or masterpieces, or to other persons as follows;

1. Employees have a duty and responsibility to use BSG's properties to maximize the benefit to BSG, and supervise such properties not to be damaged and lost. In addition, it is prohibited to use any property of BSG to obtain a benefit for oneself, or others, or disseminate any property information without permission.
2. Business information and document are an important property of BSG. Each department must determine the period of time to keep the document, confidentiality of document, as well as safeguard such document correctly and auditable. The document must not be hacked, and disclosed to any person except authorized in writing by the directors.

3. Employees must prepare a document of business, accounting and finance, other reports sent to the governmental sectors, relevant agencies, and other persons with carefulness and honesty. Such document is to be recorded according to the accounting procedures of BSG which is in line with the accounting standards.
4. Supervise and monitor BSG's assets not to be devalued or lost illegally.
5. Use of computers and information technology
 - 5.1 Computer components, information technology system, and other information system are the properties of BSG. Thus, directors, executives and employees must not use for the benefit of oneself.
 - 5.2 Do not modify, copy, delete or destroy the information of BSG without permission.
 - 5.3 Do not use illegal software, and copy the copyrighted software, licenses without authorization received from the manufacturing company.
 - 5.4 Do not install any equipment aside from the standard equipment that BSG has provided, and do not modify the hardware equipment without permission.
 - 5.5 Do not disclose the business information of BSG, or copy information into a personal recording device without permission.
 - 5.6 Do not use BSG's e-mail to send messages in order to blame or discredit other persons, including using rude, dirty, intimidating, disturbing, or annoying words to other persons.
 - 5.7 Use the internet to search a useful information and knowledge for working, and avoid illegal or immoral websites.
 - 5.8 Use BSG's information technology system and communication equipment with responsibility and carefulness by considering the benefit of BSG as the first priority.
 - 5.9 Do not log in, or access the unauthorized data, or know the data prevention procedures and computer systems which are not authorized for oneself.
 - 5.10 BSG or authorized unit reserves the right to audit the property use relating to BSG's information technology system as appropriate.
6. BSG has a political neutrality policy. Employees must not use BSG's resources to support any political affairs of a political party, political group, or politician.
7. Employees have a duty to cooperate and assist a political right, or obtain the protection of intellectual property that BSG owns.
8. Using other persons' information as a reference for BSG, such persons have the right to check the information in order to minimize a risk on piracy.

9. Employees must report to their supervisor, if they find any act that violates, or pirates the intellectual property, as well as other acts that may cause intellectual property disputes.

10. Employees must respect, and not violate the intellectual property of others. In addition, they must not use BSG's properties such as researches, or other innovations to copy, modify, or other actions for the benefit of oneself or others without BSG's permission.

The company has regulations of computer uses in compliance with the relevant laws, and non-infringement of intellectual property, which all employees must follow strictly. If they violate the regulations, they will receive punishment according to the seriousness of the crime. Thus, the company was not engaged in any actions infringing upon the patents or intellectual properties in 2018.

Internal control system, internal audit, risk management, accounting and financial reporting

BSG has an intent to create a sustainable and stable business in accordance with the CG Code 2560 in order to achieve the goal. Thus, the control system and internal audit system are established in an efficient and effective manner, which is in line with the international standards. The risk management is controlled in an appropriate level to ensure the acceptable level of significant risks without any impact on BSG's objectives. Moreover, BSG has a well-installed monitor system, assessment system, and examination system under the supervision of the internal auditors on a regular basis, as well as a review of the audit committee, and prepares the accounting and financial report accurately, completely, timely, and reliably, both of quarterly and yearly financial statements. Such accounting and financial report must be in compliance with the generally acceptable accounting principles, and applicable laws, which is the important factor to enhance and maintain BSG's trustworthiness among the shareholders and investors.

In 2018, the operations regarding to the internal control system, internal audit, risk management, and accounting and financial reporting are disclosed with more details in Part 2, item no. 11: Internal Control and Risk Management in this Annual Report and Form 56-1 in 2018.

Employees's code of conduct

1. Guidelines to treat oneself

- 1.1 Work with honesty, and report the truth.
- 1.2 Comply with the laws, regulations, BSG articles of association strictly.
- 1.3 Operate with carefulness, honesty, and do not use a position to seek a benefit illegally.
- 1.4 Perform a duty with responsibility, caution, and dedication of physical and intellectual abilities by considering the benefit of the BSG as the first priority.
- 1.5 Perform a duty with diligence as well as seek a way to consistently develop and improve works in an efficient manner.
- 1.6 Maintain the dignity to be acceptable in the society.

2. Guidelines to treat customers or related persons

- 2.1 Perform a duty with honesty and fairness toward customers, and do not call for, receive, or giving any benefit fraudulently to customers.
- 2.2 Facilitate and treat visitors with good manner, willingness, and all one's ability.
- 2.3 Open to all comments, suggestions and recommendations from others, and give a correct explanation under a responsibility of one's position.
- 2.4 Respect others' human values, and treat others with equality and honor.
- 2.5 Participate in the society's creation and development for the prosperity without causing any damage to works and the organization's image.
- 2.6 Emphasize to protect and keep the confidential information of customers, business partners and the organization strictly.
- 2.7 Care and conserve the environment of the workplace to be clean, safe, and pleasant.

3. Guidelines to treat each other among employees

- 3.1 Do not persuade, or lead a colleague's decision on a political right.
- 3.2 Be generous with colleagues, and assist their works appropriately.
- 3.3 Use the right to comment with proper and polite manner.
- 3.4 Encourage to work as a team by cooperating and helping each other for the Buriram Sugar Group's benefit of operations as a whole.
- 3.5 Supervisors must behave themselves to be respectful by being as a good example to their subordinates.
- 3.6 Treat their supervisors with respect, treat their colleagues with kindness, and respect others' honor.

4. Guidelines to treat the organization

- 4.1 Perform a duty with full responsibility.
- 4.2 Use the organization's properties and welfares with saving consciousness, and awareness of value according to the BSG working regulations.
- 4.3 In case of any fraudulent, illegal, corrupt actions found, or any events that may cause damages to the organization, these must be immediately reported via provided whistle-blowing channels.
- 4.4 Intend to learn to develop oneself for the enhancement.
- 4.5 Keep oneself updated about news to use as a reason in the conversation.

- 4.6 Follow the safety rules and wear protective equipment to individually prevent an accident specified by BSG.

5. Granting or receiving presents, gifts or other benefits

BSG has a policy to prohibit directors, executives, and employees to receive, or give any illegal or corrupt benefits to customers, business partners, or business alliances of BSG as well as to be neutral, not a too-close personal relationship to influence decision-making.

- 5.1 Do not request or beg any presents, gifts or other benefits such as a feast, service, financial support, or reward from customers, business partners, or business alliances.
- 5.2 Do not receive any presents, gifts or other benefits from customers, business partners, or business alliances illegally to influentially operate, or ignore to perform a duty, except the general occasions or traditions that many people grant gifts to others normally and legally. The prices or values of presents, gifts, or other benefits must be shown in each occasion, which is stated in the below table. Such receivers must fill the details in “Receiving/Giving Presents, Gifts or Other Benefits Form” (“the form”), and send to their supervisors or authorized approvers. Both the form and presents, gifts or other benefits are sent to the directors office or human resources and administration department to gather the forms, and submit to the internal audit office to further examine. Thus, receiving such things must not be an influence on decision-making which is unfair to perform a duty.
- 5.3 Receiving any presents, gifts or other benefits that is not in line with the criteria stated at no. 5.2, the receivers must return such things immediately. If such things cannot be returned because of maintaining the good relationship between a person or company, the receiver must fill the details in “Receiving/Giving Presents, Gifts or Other Benefits Form” (“the form”), and send to their supervisors or authorized approvers. Both the form and presents, gifts or other benefits are sent to the directors office or human resources and administration department within 3 working days from the receiving date. Thus, such things are considered as the right and a property of Buriram Sugar Group, as well as presents and gifts given to a representative of BSG, and also have value to commemorate the significant events of BSG such as receiving an honorable award, a souvenir from an activity to help the society and others. After that, the directors office or human resources and administration department submit such forms to the internal audit office to further examine.

The Criteria Concerning to Receiving of Gratuities and any Benefits

- 1) Non-monetary gifts.
- 2) Any gift which is made for sale promotion which is affixed by a company's seal (i.e. pens, caps, shirts, books, and fabric bags, etc.).
- 3) Any gift which is made for complimentary distribution. (distributed to employees, shareholders, business partners' customers).
- 4) Any gift which is made or bought from other sources in order to distribute to business partners in special occasions (i.e. calendars, books, umbrellas, snacks or gift baskets, etc.).
- 5) Other privileges as deserved for sale promotion from business partners.
- 6) Any gift of which the price is not exceeding as determined in the following table;

Category	General Operation Authority	Authorized Person				
2	Business Expense	MD	SDMD	DMD	AMD	M
2.5	Receiving gifts per person/times - Not Exceeding 3,000 Baht	✓	✓	✓	✓	✓

Remark: The definition of abbreviation in the above table is as follows;

MD	=	Managing Director	SDMD	=	Senior Deputy Managing Director
DMD	=	Deputy Managing Director	AMD	=	Assistant Managing Director
M	=	Division Manager			

- 5.4 Do not offer any gifts, other benefits, or any forms of inducement to external persons as an influence on illegal operations, and conflicts, except the general occasions or traditions that many people grant gifts to others normally and legally. Such presents, gifts, or other benefits must be approved by a supervisor or an authorized approver under the regulation of authority assignment procedures. Then, such givers must fill the details in "Receiving/Giving Presents, Gifts or Other Benefits Form" ("the form"), and send to their supervisors or authorized approvers. The form is sent to the directors office or human resources and administration department to gather the forms, and then submit to the internal audit office to further examine.

The Regulation of Authority Assignment According to Limits for Giving of Gratuities and Any Benefits

Category	General Operation Authority	Authorized Person				
2	Business Expense	MD	SDMD	DMD	AMD	M
2.4	Giving gifts per person/time					
	2.4.1 For private agencies	Value 20,000 baht upwards	Value not exceeding 20,000 Baht	Value not exceeding 15,000 baht	Value not exceeding 10,000 baht	Value not exceeding 5,000 baht
	2.4.2 For government agencies	Value not exceeding 3,000 baht				

Remark: The definition of abbreviation in above table is as follows:

MD	=	Managing Director	SDMD	=	Senior Deputy Managing Director
DMD	=	Deputy Managing Director	AMD	=	Assistant Managing Director
M	=	Division Manager			

6. Political rights

- 6.1 Use one's right as a good citizen under the constitutional law, and relevant applicable laws.
- 6.2 Do not have a position to serve as a director in a political party, or a representative of any public activity which may cause an understanding that Buriram Sugar Group is involved with, or supporting one of political parties, or one of political groups.
- 6.3 Do not use BSG names, and any properties to support any political affairs of a political party, political group, or politician.
- 6.4 Do not use a power entrusted by a position to persuade, push, or force a colleague including subordinate to support any political affairs of a political party, political group, or politician.

7. Charity and monetary donation

BSG has a policy to donate money for a charity, or monetary support as deemed appropriate, transparent, legitimate, and not involved in any affairs causing damage to the society at large.

Directors, executives, and employees must be careful to donate something for a charity because there may be a risk to be used as an excuse for corruption, or bribery. Thus, BSG has determined a policy and criteria on the charity and monetary donation as follows;

7.1 Charitable contributions

- Any charitable activities must be proved, and operated to support a project's objectives to meet the achievement, and bring a benefit to the society truly, or to be in line with the objectives of CSR operations.

- Any charitable activities must be proved that nothing is involved with two-sided benefits with a person or an agency, except an honorary award which is carried out under a normal business practices such as logo branding, award nomination organized at a venue or by an activity, or in media for public relations, etc.

The Regulations of Authority Assignment According to Limits for Charitable contributions

Category	General Operation	Authorized Person				
	Authority					
2	Business Expense	MD	SDMD	DMD	AMD	M
2.2	Charitable contributions per activity	Value 20,000 baht upwards	Value not exceeding 20,000 Baht	Value not exceeding 15,000 Baht	Value not exceeding 10,000 Baht	Value not exceeding 5,000 Baht

Remark: The definition of abbreviation in above table is as follows:

MD	=	Managing Director	SDMD	=	Senior Deputy Managing Director
DMD	=	Deputy Managing Director	AMD	=	Assistant Managing Director
M	=	Division Manager			

7.2 Monetary support

- Any monetary support activities must be proved, and operated to support a project's objectives to meet the achievement, and bring a benefit to the society truly, or to be in line with the objectives of CSR operations.
- All monetary support must be proved that such money or other benefits can be calculated in the amount of money such as accommodations and food, etc. In addition, this support must be proved that nothing is involved with two-sided benefits with a person or an agency, except an honorary award which is carried out under a normal business practices.
- A giver must record the details in a request form by specifying a receiver's name, and an objective of giving monetary support, which is attached with all relevant document to be sent to an authorized approver of BSG for approval.

Whistle-blowing and suggestions

The Board of Directors has given an opportunity for employees and stakeholders to give a complaint, express an opinion, report any act of wrongdoing or behavior which may be considered violation against, or non-compliance with CG handbook. Thus, the internal audit office is assigned to perform duties as the whistle-blowing unit of BSG corporate governance, and code of conduct as follows;

1. Whistle-blowing and suggestion channels

- 1.1 By post: The Chairman of the Corporate Governance Committee,
Buriram Sugar Public Company Limited
128/77-78, 7th floor, Phayathai Plaza Building, Phayathai Road,
Thung Phayathai Sub-district, Ratchathewi District, Bangkok 10400
- Or The Internal Audit Office, Buriram Sugar Public Company Limited,
128/77-78, 7th floor, Phayathai Plaza Building, Phayathai Road,
Thung Phayathai Sub-district, Ratchathewi District, Bangkok 10400

1.2 Suggestion box

2. Whistle-blowing procedures

- 2.1 The recipient will gather the facts about violation against, or non-compliance with the CG handbook.
- 2.2 The recipient will report the facts to the investigation committee, appointed by the Board of Directors, which is assigned to investigate, assess, and scrutinize such facts in order to consider an appropriate process and measure for each issue.
- 2.3 The recipient will present the examination of facts to the investigation committee, and define a measure to cease such violation against or non-compliance with the CG handbook by considering damages at large.
- 2.4 The recipient has to report the investigating result to the whistle-blower in case of identifying himself or herself. Regarding significant issues, such investigating result must be reported to the audit committee, and the Board of Directors.

3. Protective measures for whistleblowers or collaborators of investigation

BSG has defined the protective measures for whistleblowers or collaborators of investigation as follows;

- 3.1 The whistleblowers or collaborators have the right to be anonymous as they deem unsafe to identify himself or herself. In case of their identification, BSG is able to report such progress and explain the facts.
- 3.2 BSG will not reveal the personal information, or other information indicating the whistleblowers or collaborators, and will investigate the facts.
- 3.3 The recipient must keep the related information confidentially, and disclose only as much as necessary by considering the safety, trouble and damage of the whistleblowers or collaborators, information sources, or related persons.

3.4 If the whistleblowers or collaborators consider that they may be unsafe, or affected by any trouble or damage, they can request BSG to provide such protective measures as appropriate, or may define such protective measures as it seems potential to occur unsafety, or any trouble and damage.

3.5 If the whistleblowers or collaborators are affected by any trouble or damage, they will receive mitigation of damages with appropriateness and fairness.

In 2018, the company had never faced any sanctions by the regulators for failure to make an announcement within the requisite time period for material events, and violations of any laws pertaining to labor, employment, consumers, business competition, and environment issues. There also had never been complaints issued by shareholders and stakeholders.

Discipline

BSG considers CG handbook as a discipline which directors, executives, and employees must conform to with understanding, acceptance, carefulness, and avoidance of any misconduct. Thus, directors and executives behave themselves as a good model, and comply with the CG handbook strictly. If any violations or non-compliances of such handbook, articles of association, and other regulations of BSG are found, they will be punished under “the work regulations”.

Guidance on Good Corporate Governance and Code of Conduct Handbook 3rd Edition (“CG Handbook”)

1. Understand the content of this handbook.
2. Study the content related to one’s duties and responsibilities.
3. Review the content of this handbook on a regular basis.
4. Provide knowledge and understanding to others who perform a duty related to BSG business operations, or which may cause an impact on BSG.
5. If any doubt or inquiry about the compliance with the handbook, consult with a supervisor and/or Human Resources and Administration Department and/or other persons assigned by BSG to have a responsibility of this compliance.
6. Report to a supervisor or a person in charge in case of any violations or non-compliance of the handbook occurred.
7. Cooperate in the investigation with an agency or a person assigned by BSG.
8. Supervisors in all levels must behave themselves as a good model for their subordinates about such compliance of this handbook. In addition, they should enhance the work environment to make employees and related persons acknowledge that the compliance of

this handbook is a must. There must have no any excuse for not knowing the specified guidelines of this handbook.

All employees must follow the CG handbook and encourage other persons to do the same. Thus, the following actions are considered violations against the regulations specified in the CG handbook;

1. Do not follow the handbook's guidelines.
2. Encourage or support other persons not to follow the handbook's guidelines.
3. Ignore in case of an occurrence of any violation or non-compliance of such handbook which one knows or have to know due to his or her related duties and responsibilities.
4. Do not cooperate with, or obstruct the investigation of such violations or non-compliance.
5. Unfairly treat other persons who report the violation or non-compliance of such handbook.

Thus, one who breaks a regulation of such handbook will be punished under the rules specified by BSG. Moreover, he or she may get a penalty according to the applicable laws.

Persons who have duties and responsibilities to monitor and encourage the compliance with the CG handbook;

1. Directors have responsibilities to specify, review, and amend the handbook as appropriate on a yearly basis, as well as assess such compliance.
2. Executives at all levels have the following responsibilities;
 - 2.1 Promote the compliance with the handbook, and act as a good model.
 - 2.2 Pass on policies and procedures to employees, as well as open to all opinions on the compliance with the handbook.
 - 2.3 Provide trainings and seminars for employees to understand the handbook's guidelines, and a management system in line with laws, BSG rules, and CG handbook.
 - 2.4 Supervise the operations in line with the related regulations.
3. Human Resources and Administration Department or other department responsible for human resources is responsible for informing employees about a duty in compliance with the handbook.
4. The Internal Audit Office is responsible for reviewing the fundamental information in case of an occurrence of any violations against the rules and handbook's regulations. Then, such report will be sent to the Audit Committee.

5. All employees have to follow the handbook's regulations, and encourage other persons to comply with the same as they do. In addition, they can give opinions and obstacles on such compliance to the executives or Internal Audit Office in order to further present at the Board of Directors' meeting.

In 2018, from the results of supervision, monitoring and evaluation of the compliance in line with the code of conduct and the good corporate governance policy of the company, the directors and the executives, as well as all employee followed and did not violate against the regulations specified in the CG handbook.

9.6 Remuneration for Auditors

Since 2011 to present, Buriram Sugar Group has hired PricewaterhouseCooper ABAS Ltd. for auditing and consulting continuously. In 2018, Buriram Sugar Group paid for the audit fee and non-audit fee to PricewaterhouseCooper ABAS Ltd. 6,302,789 Baht. In this amount was separated into the examination fee for auditing of the company 1,500,000 Baht, the examination fee for auditing of 9 subsidiaries 3,910,000 Baht. In addition, the actual out-of-pocket expenses included transportation and hotel fee for auditing the accounting and financial operations at the head office in Buriram province, copied documents and audit fee for the project of investment promotion of BOI of the subsidiaries were accounted for 892,789 Baht. Moreover, the mentioned fees, there was no any service fee paid for the auditors, audit firm where the auditors were attached to, and related parties of the auditors.

Comparison of Audit and Non-Audit Fee in 2017 and 2018

List	2017	2018 (Starting to operate by SAP)
Audit Fee		
- BRR	1,190,000	1,500,000
- Subsidiaries	*3,408,000	*3,910,000
*In 2017 there were 8 subsidiaries and in 2018, there were 9 Subsidiaries		
Non-Audit Fee	1,429,428	892,789
Such as the actual out-of-pocket expenses and audit fee for reviewing BEC and BPC's financial statements in quarter 1/2017 for the project of the Buriram Sugar Group Power Plant Infrastructure Fund (BRRGIF) and the financial statement of the investment promotion project of BOI in 2018.		
รวมทั้งสิ้น	6,027,428	6,302,789

9.7 Compliance and Applying of the Corporate Governance Code for Listed Companies 2017**Compliance and review monitoring**

BSG has determined all directors, executives, and employees to have roles and responsibilities to understand, and comply with the policies specified in the CG handbook strictly, which is not optional, and cannot be referred for not knowing the specified guidelines. All of them must sign an acknowledgement letter to ensure that they read the CG handbook of BSG and accept to comply with the specified regulations.

Executives in all levels have to supervise and monitor, taking it as a serious matter, their subordinates at each department to acknowledge, understand, and follow the CG handbook strictly. If a director, executive, or employee violates such handbook, or agrees with their subordinates to break any regulations specified in the handbook, they will be disciplined, notified the termination of employment, pay a compensation for damages, and be punished by applicable laws.

The Board of Directors, and the Corporate Governance Committee have determined and reviewed the CG handbook on a yearly basis.

Therefore, in 2018 and the early of 2019 the Board of Directors and the Corporate Governance Committee had reviewed the implementation of CG Code 2017 to the business operation suitably as follows:

- The Board of Directors acknowledged the practice of CG Code 2017 which issued by SEC and also recognized the duty as a governing body to create sustainable value for the organization.
- The Board of Directors had studied, as well as 2 directors had received the lecture of the CG Code 2017 and clearly understood the benefits and practices which can be applied to create sustainable values for the business.
- The Board of Directors assigned the Corporate Governance Committee to evaluate the compliance in line with the CG Code 2017 in each principle to ensure that there are proper procedures or development plan for the business. In addition, they specified the reviewing procedures of the implementation of CG Code 2017 to the business context suitably at least 1 time per annum. In 2018, the Corporate Governance Committee had evaluated the overall implementation of CG Code, which currently it is under process to make CG Code Gap Analysis plan.

9.8 Compliance with Other Aspects of Good Corporate Governance Practices

The company has realized and focused on compliance with the good corporate governance principles which are trusted to drive its business with sustainability. Thus, the company has applied and followed the Corporate Governance Code for Listed Companies 2017, which was issued by the Securities and Exchange Commission. In 2018, the company performed in accordance with such principles, and specified in CG Handbook. However, there are some issues which still have not implemented.

Implemented Principles in 2018

- Added two more criteria of selection and nomination for consideration as a director as follows;
 - The director of the company should have qualifications that are consistent with the strategies and business goals of the company.
 - The director nomination is required to use a professional search firm or Director Pool database of Thai Institute of Directors (IOD) for consideration as well.

Not Implemented Principles in 2018

- **The cumulative voting for the election of company directors**, according to the articles of association no. 14, each shareholder shall elect a company director, which is made by majority votes as a resolution. In addition, no. 14(1) specifies that each shareholder shall have a number of votes equal to one share for one vote. Thus, the cumulative voting is not be applied at the shareholders' meeting of the company. However, the company has determined measures to treat the right and participation of minority shareholders such as proposing agenda items in advance of the shareholders' meeting, and nominating a person as a candidate for a company director, etc.
- **The Nomination and Remuneration Committee should be composed of a majority of independent directors (more than 50%).** The Chairman of the Nomination and Compensation Committee is an independent director and also audit director and in 2018, the Board of Director was appointed another one of independent director as a nomination and remuneration committee member. Therefore, the amount of independent director of this committee is equivalent to 50%. Both independent director whose qualifications are sufficient and proper to make a consideration, express opinions independently, check and balance among the nomination and compensation directors. Besides, all of them are qualified with knowledge and work experience to serve the position. They have performed duties with responsibilities and honesty, and never voted any agenda in which they have a conflict of interests.

- **The Board of Directors should be consisted of more than 66% of non-executive directors, and the company should appoint a high percentage of independent directors (more than 50 %) on the Board of Directors.** The company's Board of Directors consists of 6 executive directors or 54.54%, and 5 non-executive directors who are also independent directors or 45.46% of the entire board. This is in compliance with the composition of the Board of Directors and independent directors regarding the regulations specified by the Securities and Exchange Commission which states that the Board of Directors must consist of at least 1/3 of the entire board, but must not less than 3 independent directors.
- **Integrated report preparation,** the intergrated report is a report which is integrated the annual report and sustainability report together. The report pattern is according to IIRC (International Integrated Reporting Council); the report must have coherent context and also coherent to the company's strategy. Nonetheless, the making of such report shall require an expert and time to prepare. As of which, the company still not have sufficient manpower for preparing such report. However, the company still dedicate, focus and willing to prepare other kind of reports, such as Annual report, Annual registration statement (Form 56-1), Sustainability Report, and the other to have quality, integrity, and sufficient information disclosure for the benefits of shareholders, investors, and all stakeholders.

10. Corporate Social Responsibility

Policy of Corporate Social Responsibility (CSR)

Buriram Sugar Group (“BSG”) has the commitment to being a part of the sustainable social development in order to build the reliability, acceptance and trustworthiness together with the cumulative supports and value additions to the community, society and company based on the following concept and guidance: **“Business Development Adhered to Environmental Conservation & Enhancing Sustainable Communities”**. The company has a strong intention to sustainably create business with continuous growth in a way that is capable to develop life conditions of sugarcane farmers, nearby communities and employees. Consequently, a number of projects and activities have been created with great participations and supports from the government sector and private agencies.

Since the beginning of the company’s establishment in 1964, BSG has determined the policies concerning to the corporate social responsibility under the following concepts:

The aspiration of “GCECS: Governance, Commitment, Environment, Community and Sustainability”

G - Governance	“Transparency in business conduction”.
C - Commitment	“Commitment and responsibility”
E - Environment	“Environmental conservation”
C - Community	“Path to the goal with the community”
S - Sustainable	“Sustainable ways of living together”

Furthermore, BSG has cooperated with the relevant persons in order to proceed for the social in many aspects continuously which are; Corporate Social Responsibility in Production Process (CSR In-Process) and the projects for social and environment beside from the regular business operation (CSR After-Process), in order to build the good relationship between the organization and the community and lead to creating the value added on the community and social upon the idea of ‘Sugar Made in the Field’ by covering the activities as below;

1. Corporate Social Responsibility in Production Process (CSR In-Process)

Starting from the upstream is developing the quality of the sugarcane which is the primary material to be in good quality, in order to transfer it to the production process by supporting the factors of production for sugarcane plantation, in order to collect the sugarcane with both quantity and quality. To be the instructor who shares the knowledge of production technology, and helps the sugarcane farmer carry out the sugarcane plantation with the correct method and proper timing. This will make the farmer earns

the worthy profits from sugarcane farming, and they will have better quality of life; and sustainably do the sugarcane farming. Moreover, there is the personnel development in the process of materials survey to be efficient for taking care of the sugarcane; and provide suggestions on sugarcane plantations including the problem solving and assist the sugarcane farmer effectively.

Besides from developing the sugarcane farmers to acquire better knowledge as the professional and making a living sustainably and happily; BSG also studied and developed the new plan for sugarcane plantation pattern, sugarcane's seed seeking, and proper production elements for the sugarcane farmers in each promotion area of sugarcane plantation under the BSG, in order to help the sugarcane farmers be able to reduce the cost of production and increase sugarcane production, including maintaining the original sugarcane plantation area without changing to other kind of plantation – by making the sugarcane farmers earning the worthy profits from increasing the products and reducing the cost of production, and doing the precise faming achieving the products as per the target, including managing the important elements for the sugarcane production, using the equipment and technology for improving the efficiency.

Moreover, BSG has also arranged the “Specialist Increases Production” who supports the sugarcane plantation in order to pass on the knowledge to the sugarcane farmer to understand the production process of the sugarcane and granulated sugar. Therefore, in order to create the mindset and participation, the setup will require system of tracking the sugarcane farm according to the work instance and activities which the sugarcane requires, by using the geographical information in management system (Smart Farm System) – adjusting the cultivation with chemical organic fertilizer and dolomite in order to adjust the pH for enhancing the use of fertilizer, and improve the condition of the cultivation to be suitable for growth of the plants. There will be research on using the fertilizer in based on the analyzed soil's condition; in order to make each area suitable for the proper fertilizer, earned more products and reduce the cost of production, including modifying the sugarcane seed to be suitable for the harvesting period and the factory's production capacity in order to achieve the best materials for producing the best quality of sugar with the most efficiency, there will be testing plots for the sugarcane seeds in order to select the sugarcane seeds which is most suitable in the plantation area of the farmers and use the Biological Control for preventing and exterminate the sugarcane pests.



Besides from the activities, BSG also have the campaign for fresh sugarcane harvesting since burning the sugarcane has a lot of flaws such as; burning the sugarcane destroy more sugarcane stumps, the sugarcane will sprout slower than usual or never sprout at all, sugarcane will grow slowly and cannot endure the arid weather condition, and it will also eliminate the useful insects – insects that exterminate the pests, and it can cause the pandemic of sugarcane pests such as the sugarcane borer. Therefore, burning the sugarcane is very destructive to the environment, and it also cause bad health to both humans and animals, including the possible damages to the properties and against the laws, and it can also be the excuse for the sugar importing nation to refuse buying the sugar from Thailand because it causes the global warming by burning the sugarcane which is very serious excuse.

In term of developing the water sources, BSG has developed and supported using the water in the sugarcane farm in all aspects because the sugarcane plantation in Buriram province is the plantation area that does not have the irrigation system and depends upon the water from the rain only. As of which, it was unable to develop the products to achieve the required target. Hence, there should be the support and development of the water usage for the farmers to be suitable for the location and current water source, including providing low-interests loan source of the Office of Cane and Sugar Board – Ministry of Industry, in order to provide more options and helps in aspect of production elements both equipment for water system and the artesian well excavation for having the groundwater to be used in the event where the farmers do not have natural water source or their own farm-pond. Therefore, in order to achieve the resolution for drought weather issue and the improvement of the products increase without waiting for the rain only, and it will also increase the sugar products of the company every year as per the target; whereas, the usage of water by sugarcane farmers for improving the productions increases every year which requires the water source around 8% in year 2017/2018.



In addition, there is also intervention of the conscience of social responsibility in the production process (CSR In-Process) under the idea of Zero Waste Management in all productions process; with the awareness of the value of resources, and using the resources for the most benefits, prioritizing the eco-friendly process, and converting the waste of production process into value added products which is making the most efficiency and effectiveness out of the resources, and it would also raise the price of the agricultural product as well.

The social responsibilities in the production process by the adding values to by-products are as below;

- **Molasses**

It is the byproduct from the sugar cane's boiling process which is the liquid left after it was separated from the sugar crystals. It is thick with dark-brown color and most of its elements are un-crystalized sucrose. In the process of making the granulated sugar, it will leave the molasses around 40-45 kilograms per 1 ton of the extracted sugar cane. The molasses can be used as the ingredients of foods and drinks such as; alcoholic beverages, yeast, Monosodium Glutamate, animal food, vinegar, soil sauce and dressing sauce; and the company group sells the molasses to the food and beverage industry.

- **Bagasse**

It is the product left after the process of sugarcane extraction – it consists of Carbon, Hydrogen, Oxygen, and Nitrogen which is very good qualification of fuel – after drying the bagasse, it can be used as fuel for electricity producing. Nowadays, the sugar factory sells the bagasse to the power plant in the company group, and buying the outstanding electricity after distribution to the Provincial Electricity Authority (PEA) to be used in the sugar factory afterwards.

The biomass power plant business is operated by Buriram Energy Co., Ltd. ("BEC"), Buriram Power Co., Ltd. ("BPC") and Buriram Power Plus Co., Ltd. ("BPP") with the concept of "Electricity for Community and Society" and it has always been held onto. Besides from producing the efficient electricity energy, maintaining the environment and considering on the community including stakeholder are also the significant obligation in respect of Buriram Sugar's power plant business; which can be seen from the awards or certificates that the power plants achieved such as; Best Governance Award in Province of 2016, Certificate of Green Industry Level 2 – Green Activity and Level 3 – Green System.

Moreover, BSG also has the investment plan in 2018, by establishing Sugarcane Ecoware Co., Ltd. (“SEW”) for producing the packaging made of the bagasse in respect of healthy consumer and environment; which is continuous business by using the sugarcane without any leftover, in order to maintain the environment and develop the quality sugarcane products that will raise the sugarcane farmers’ income, and be able to improve their quality of life and rely on themselves.

- **Filter Cake**

Key Brand Fertilizer Co., Ltd. (“KBF”) has started its business of producing and selling the organic fertilizer in December 2012. It uses the Filter Cake which is the byproduct from sugar refining process, as the material for making the organic fertilizer; and, it has started producing and selling for fulfilling the needs of the sugarcane farmers for maintaining the sugarcane in good condition. The fertilizer factory is located nearby the sugar factory for the convenience of transporting the filter cake which is the primary material, and it will also help saving the cost of the material’s transportation. Prior the product’s distribution, KBF has done the research and tested it with the demonstrated plots, in order to study the reactions and growth rate of the sugarcane. Once it is found to be effective, it will be recommended to the sugarcane farmers to use. Throughout the past until the present, products of KBF have always been influencing the growth of sugarcane positively and reached the standards in accordance with the Fertilizer Act B.E. 2518; also, it has low cost and it is accepted by the sugarcane farmers.

- **Steam**

It is the byproduct from the production process which has benefits in propelling the machine including producing the steam. Buriram Sugar Factory Co., Ltd. has total electricity production capacity from steam of 18.5 Mega Watts. Currently, the company’s actually produces the electricity 14.5-15 Mega Watts in average, for using inside the sugar factory, in order to save cost of the electricity supply, it is the method of managing the resources for the most benefits of the company.

2. The Project for society and environment besides from the regular business operation (CSR After-process)

In Term of Social

Sharing the opportunity among the people in community is obligation that the BSG prioritize in all communities around the establishment and the sugarcane plantation supporting areas; especially

providing opportunity of education through the project of returning knowledge to the youth, banning children labor inside the sugarcane farm, support on providing funds and budget for education to the schools in the business area of the Company group. In addition, it also provides access of public health service to the community. Last year, it has arranged the 4th Mobilized Health Unit Project collaborated with Hin Lek Fai Sub-District Health Promoting Hospital, Elders' Dental Health Promoting Project collaborating with the Public Health Department of Hin Lek Fai Municipality. Moreover, there is the housing project for the underprivileged people in the community around the establishment, in order to provide better hygiene and quality of life to the people in community.



Educational Support

The public and community relations department collaborated with BSG's volunteer staffs to organize the project named "The 4th Knowledge Return for Youth" to the schools located in the areas of 5-kilometer around the workplace such as Ban Sao-e School, Ban Hin Lek Fai School, Ban Kooborn School, and Ban Saprakam Tarworn School. The purpose of this project is to provide them knowledge about environment, drugs, resistance campaign against children employment in sugarcane farms as well as ice-breaking activities between BSG's employees and students, and scholarship provided to primary and secondary students in some special occasions such as National Children's Day and other occasions. The alms canteen activity was also provided in that day.

In addition, the educational support activity named "BRR Cuts in Classroom Hours and Rises in Being Knowledgeable Time on the Way to Sustainability" for Ban Nongkwang School which school has been a representative of the Northeast Region to participate in 67th and receipt of the winner award have been implemented for 4 consecutive years. As well as BSG initiated the promotion area of its sugarcane plantation such as creating integrated organic farming to prepare lunch for the students in the promotion area of sugarcane plantation, constructing homes for poor students in the promotion area of sugarcane plantation in the belief that "qualified social foundation based on the education".



Health Promoting

In the previous year, BSG led by Buriram Sugar Public Company Limited, organized the annual health check-up for all employees of BSG with their good collaboration of taking a health check-up service. Additionally, the 4th mobile health unit activities upon health check-up service were provided for people who live in 5-kilometer-distance workplace area. Furthermore, the Public Relations and Communication Department was created the health promoting media to publish in the schools, Sub-District Health Promoting Hospitals, and local government office. As well as, to survey the living conditions of people around the nearby workplace in order to create the strong relationship with the communities.

Occupations Promotion

The company group is aware of the responsibility to the community around the nearby workplace since the beginning of the business; by promoting the supplementary occupations besides from the farmer career as below;

- Agricultural Occupation Promotion Project – Organic Composed Fertilizer by Non Tao Thong Community
- Organic Agricultural Occupation Promotion Project – Non Klang Community (Non-toxic Jasmine)
- Organic Agricultural Occupation Promotion Project Sao Ae Community (Non-Toxic Crown Flower)
- Agricultural Occupation Promotion Project – Handmade Red-striped Bottom Sarong by Khoo Bon Community
- Occupation Promotion Project – Handmade Reed Mat (Suea Kok) by Baan Sao Ae School

Promoting the occupations as mentioned above and including other occupations to the communities nearby the workplace and the promotion area of sugarcane plantation of the company group, can built the strength among the people in the communities, and it also create the confidence, acceptance, and reliability of the community towards the company group as well.



The Inheritance of Cultures and Traditions

BSG has participated in the local activities according to the several religious and traditional occasions around the workplace. Our activities emphasized the teamwork working system from planning procedure to activities performance, in which BSG and the community are engaged such as water-pouring ceremony with a blessing from the respected elder during the annual Songkran Festival, Buddhist Lent activity in which BSG has annually been involved with the arrangement of candle procession, the almshouse activity during the Buddhist Lent, Loy Kratong Festival activity with the gratuity support for Kratong Parade Contest and Beauty Contest in Hin Lek Fai Municipal District, the almshouse activity during the end of Buddhist Lent, the ceremony of presenting yellow robes to the Buddhist Monks in purpose of monastery construction for Sao Ae temple which is a temple in the community, the annual activities of Songkran Festival and the Elderly Day at Silareung temple, Ban Hin Lek Fai. All of these activities showed the great collaboration outcomes from both BSG's employees and the communities.

In Term of Environment

The company group has participated in returning the Eastern Sarus Crane population back to the wild collaborating with the Zoological Park Organization of Thailand and competent authorities. As of which, participating this project is the whole new history of work in term of wild animals conservation of Thailand which is attempting to recover the population of the wild animals that used to be extinct from the nature to return once again. Moreover, it is also the connection to the habitats and the map of the expanding of the Eastern Sarus Crane population in South East Asia that was lost; it also prevented the

loss of biodiversity and genetic diversity which provide benefits to the Sarus Crane Population in the future. Furthermore, since the Sarus Crane was extinct by nature and has its habitats limited in South East Asia only, it became one kind of the birds that the bird watchers around the world including in Thailand pay attentions to it.

Due to the awareness of the significance of biodiversity and environment conservation, collaborating with the Zoological Park Organization of Thailand, Department of Irrigation, and Buriram Provincial Authorities, have established the Wetlands and Eastern Sarus Crane Conservation Center in the Non-Hunting Area of Huay Jorakhe Mak – Buriram Province which is under construction; in order to pass on the knowledge to the locals and those who are interested and the bird watchers from around the world that having Eastern Sarus Crane living in the nature can be extended to conservative tourism. It will improve the tourism in the way of environmental caring, and promote the local community to participate in conservation, increasing the income and develop the community's economy, including the opportunity that Thai's descendent will be able to see Eastern Sarus Crane in the wild as well.



According to the Corporate Social Responsibility works stated above; since, Buriram Sugar Company group believes that Social Responsibility is one of the significant key that would bring the organization to grow with sustainability, along with developing the society, economy and the culture of the nation afterwards. The collections of the details of the activities and Corporate Social Responsibility works throughout the year 2018 are gathered in the Sustainability Report which will be published on www.buriramsugar.com in “Sustainability – CSR Report” topic.

11. Internal Control and Risk Management

1. Internal Control

1.1 Assessment of internal control system by the Board of Directors

Regarding the Board of Directors' meeting No. 1/2019 was held on February 27, 2019 in presence of the audit committee, the internal control system was assessed by inquiring the management about the 5 following elements of the assessment of internal control system;

- 1) Organization and Environment
- 2) Risk Management
- 3) Control activities of the management
- 4) Information and communication
- 5) Monitoring

According to the assessment, the Board of Directors considered that the company had the internal control system on the transactions with majority shareholders, directors, executives, or relevant persons sufficiently. In addition, the 5 elements of the internal control system were appropriate and sufficient to prevent assets from being misused by executives, as well as the internal audit system was independently monitored and assessed. The company also has had a well-organized system to keep important document which directors, auditors, and legally authorized persons can examine at the appropriate time.

1.2 Operations on the internal control system of the company

The company and its subsidiaries place importance on the appropriate and sufficient internal control system to ensure effective business operations. Thus, the company and its subsidiaries have determined policies, regulations, and handbooks covering all processes of important operations, as well as clearly specified scope of works and responsibilities in line with the check-and-balance system.

In 2018, the internal audit office examined and supervised the internal control system of the company and its subsidiaries, monitored the results of internal control procedures by external auditors, examined policies and other significant procedures related to the anti-corruption measures. Then, the audit results were reported together with observations, comments, and suggestions, and presented to the audit committee, and submitted such copy to the executives. During the previous year, the executives had emphasized the internal control system and rectified such deficiencies in each department as the internal auditor suggested.

1.3 Observations of the internal auditor

In 2018, the internal audit office examined the sufficiency and effectiveness of the internal control and presented to the audit committee. Such extermination was in accordance with the degree of impacts on business operations. Such a period of time, the internal auditor assessed the internal control system of key procedures as follows;

- 1) The manufacturing procedure of Buriram Energy Co., Ltd., Buriram Power Co., Ltd. and Buriram Power Plus Co., Ltd.
- 2) The manufacturing procedure of Buriram Sugar Factory Co., Ltd.
- 3) Monitoring the audit result of the manufacturing procedure of Buriram Sugar Factory Co., Ltd.
- 4) Monitoring the audit result of the manufacturing procedure of Key Brand Fertilizer Co., Ltd.
- 5) Monitoring the audit result of human resource management and payroll procedure
- 6) Monitoring the audit result of the manufacturing procedure of Buriram Energy Co., Ltd. and Buriram Power Co., Ltd.
- 7) Monitoring the audit result of the procurement and payment procedure
- 8) Monitoring the audit result of the financial statement closing and financial reports preparing procedure
- 9) Monitoring the audit result of the advance credit and financial support procedure to sugarcane farmers
- 10) Monitoring the audit result of the anti-corruption measures

These above-mentioned procedures were operated by observations, interviews, comparison of information, audit of working processes and auditing other relevant information. The internal auditor summarized such issues and consulted with the company's officers to consider problems and rectification, and came to the mutually acceptable conclusion. Thus, the observations of the internal auditor, business operations, and monitoring results as follows;

Observation/Suggestion	Auditing/ Monitoring Results
1. Overview of determining and establishing the internal control system in the organizational level	<p>1.The company has communicated the policies related to important business operational procedures such as anti-corruption policy, receiving and giving gifts policy, whistle-blowing policy, and so on.</p> <p>2. The company has launched the SAP system in July 2018 to support the organization's operations, to prepare a financial report and to examine the information efficiently.</p>

Observation/Suggestion	Auditing/ Monitoring Results
2. Monitoring the development and improvement of the internal control system in each business procedure	For the audit findings of 10 business procedures, the company has already rectified, improved, and took actions as summarized as follows;
2.1 The manufacturing procedure of Buriram Energy Co., Ltd., Buriram Power Co., Ltd. and Buriram Power Plus Co., Ltd. (“the power plant group”)	1. Waste management (Scrap/Waste), the power plant group should provide sufficient storage space and guidelines of waste control and management. 2. The machinery list and maintenance and repairing should be reviewed with completeness and appropriateness.
2.2 The manufacturing procedure of Buriram Sugar Factory Co., Ltd. (“BSF”)	1. Production planning and reporting are recorded and approved by the authority in writing and appropriately. 2. Fuel management should plan and manage sufficiently and appropriately. 3. Waste management (Scrap/Waste), BSF should provide sufficient storage space and guidelines of waste control and management. 4. Calibration of measuring instrument and collection of calibration certificates, including consideration period of all equipment calibration was provided. 5. The maintenance of equipment and machinery should be reviewed with completeness and appropriateness.
2.3 Monitoring the audit result of the manufacturing procedure of Buriram Sugar Factory Co., Ltd. (“BSF”)	1. The machine data was corrected according to the list of machine and the maintenance was recorded in writing. 2. A property management team is under the process of establishment.
2.4 Monitoring the audit result of the manufacturing procedure of Key Brand Fertilizer Co., Ltd. (“KBF”)	1. The temperature of fertilizer rotary drum oven was recorded regularly. 2. The quality control practice was determined to ensure quality by testing the fertilizers with the

Observation/Suggestion	Auditing/ Monitoring Results
	<p>external agency once a month.</p> <p>3. The warehouse layout was provided instead of signs due to a large number of raw materials which are inconvenient to move.</p>
2.5 Monitoring the audit result of human resource management and payroll procedure	<p>1. The layout of the location of fire extinguisher was improved and the fire extinguishers were inspected on a monthly basis.</p> <p>2. The company has campaigned for the workers to realize the importance of wearing personal protective equipment by creating “Safety Take” activities, preparing a “Morning Take” plan and meeting to report the results regularly.</p> <p>3. The company provided the employee handbook to specify the working regulations and employee welfare, including communication to employees for acknowledgement.</p>
2.6 Monitoring the audit result of the manufacturing procedure of Buriram Energy Co., Ltd. (“BEC”) and Buriram Power Co., Ltd. (“BPC”)	<p>1. The maintenance of equipment and machinery should be provided with completeness and appropriateness.</p> <p>2. A criteria of performance evaluation of the maintenance department should be provided.</p> <p>3. The environmental policy as a guideline of waste management and control was provided.</p>
2.7 Monitoring the audit result of the procurement and payment procedure	The company regularly evaluate the quality of suppliers.
2.8 Monitoring the audit result of the financial statement closing and financial reports preparing procedure	The company collected the individual receivables data on the SAP system instead of manual data collection that the new system supports the recording of individual receivables data card.
2.9 Monitoring the audit result of the advance credit and financial support procedure to sugarcane farmers	<p>1. The credit evaluation and approval procedure was determined in writing.</p> <p>2. The company provided data entry system about guarantee agreement to allow each agriculturist to</p>

Observation/Suggestion	Auditing/ Monitoring Results
	guarantee not exceeding 4 borrowers in each crop year.
2.10 Monitoring the audit result of the anti-corruption measures	Auditing and monitoring other significant procedures as follows; <ul style="list-style-type: none"> ● Sales and marketing procedures ● Procurement and contract procedures ● Human resources management procedures ● Risk assessment procedures of anti-corruption measures

2. Risk Management

The company's Risk Management Committee has established the risk management policy and procedures for the risk management office to execute that is responsible for defining and designing work system including identification of risk factors. To plan business operations or performance by considering the risk factors which will make the office can design a system with a control point that will enable it to manage and control risks at an acceptable level as detailed in the risk factors section. The risk management principles will be in compliance with the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) as defined.

The Risk Management Committee is aware of risk management, therefore to appoint the risk management office in order to monitor risk management based on the risk management framework, which was called Three Line of Defence as well as to provide awareness to all employees across the organization on risk management by organizing in-house training. In 2018, Buriram Sugar Group focused on the management of occupational health and safety of employees.

In addition, the company regularly organized training to educate employees for corporate risk management basis for the operational level to understand the risk management process especially the risk response planning based on the 4T's Strategic Approach, and the Control Activities consisting of 4 control elements, that is; 1. Preventive Control, 2. Detective Control, 3. Corrective Control, and 4. Directive Control. This will enhance the well understanding among the operational level to ensure the achievement as targeted by the organization and in the same direction.

12. Related Transactions

Persons who may cause a conflict of interests include director, shareholders and/or executives of the company or their relevant persons and companies; that is: the companies that may cause a conflict of interests adhered to directors, executives and/or shareholders of such companies as described follows;

No.	Persons with Conflict of Interest	Nature of Relationship
1.	Mr. Anant Tangtongwechakit	A director of the company and holds 4.08% of the company's shares.
2.	Miss Chittima Tangtrongwechakit	A director of the company and holds 4.05% of the company's shares.
3.	Mr. Sarit Tangtrongwechakij	A director of the company and holds 4.05% of the company's shares.
4.	Mr. Adisak Tangtrongweachakit	A director of the company and holds 4.05% of the company's shares
5.	Mrs. Jirawan Pongpichitkul	A director of the company and holds 4.05% of the company's shares.
6.	Mrs. Wanphen Punyaniran	A director of the company and holds 4.06% of the company's shares.
7.	Police Colonel Charnchai Pongpichitkul	A spouse of Mrs. Jirawan Pongpichitkul
8.	Mr. Pond Rattanapunsak	A spouse of Miss Chittima Tangtrongwechakit
9.	Mr. Phakphoom Pongpichitkul	A son of Mrs. Jirawan Pongpichitkul
10.	B.R.S Train Terminal Logistics Co., Ltd.	There are people no. 1-6 as shareholders, and 2 co-directors with the company: that is; Mr. Anant Tangtongwechakit and Mr. Adisak Tangtrongweachakit and Ms. Kornkanok Punyaniran (Mrs. Wanphen Punyaniran's daughter and the subsidiary's executive) also is a director.
11.	The Thai Sugar Trading Co., Ltd.	There is a no. 1 co-director with the company: that is; Mr. Anant Tangtongwechakit, and BSF is a subsidiary of the company holds 4.26% of the shares.
12.	Buriram Capital Co., Ltd.	There are 6 co-directors with the company: that are; people no. 1-6 and Buriram Capital Co., Ltd. holds 50.49% of the company's shares.

Related Transaction with Potential Conflict Parties

Parties with Conflict of Interest	Nature of Transactions	Amount (Baht)	Reason and Necessity of Transactions
1. The Thai Sugar Trading Co., Ltd. ("TSTC")	<u>Transactions with the Company</u> - Revenue from sales - Other revenues - Selling and administrative expenses (export agent charge, financial instruments trading agent charge, transportation at sea port fee, export documents and customs procedures) - Trade receivables/ Other receivables - Trade payables	3,207,490,010 7,913,988 5,148,973 95,196,868 9,618,895	- The company appoints TSTC which is authorized by the Cane and Sugar Board to export sugar under the Cane and Sugar Act, as the company's agent for the sugar export. - The TSTC is founded by the collaboration of 22 sugar factories. Each sugar company holds TSTC's shares in proportion according to their export quantity. Moreover, the TSTC's directors consist of 1 representative from each company for maintaining their benefits. - In sugar export, the company contacts customers itself. The TSTC provides service in product administration and export document operation only. - Product administration and export service expenses that the company pays to the TSTC is at the standard rate which the TSTC equally charged to other companies. - The TSTC has signed a loan contract for the export with a commercial bank to the company on behalf of the TSTC for the financial support. The TSTC shall transfer amount of money received from export loan with the commercial bank to the company. Then, the company shall issue the promissory note to the TSTC for money receipt. The interest rate that the company pays to the TSTC in the promissory note is same as the interest rate that the TSTC pays to the commercial bank. <u>Opinions of the Audit Committee</u> - To appoint the TSTC as an export agent, and to receive the support loan for the export from a commercial bank through the TSTC is necessary for business operations according to related laws. - Export service expenses and related interest rate are reasonable.

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Parties with Conflict of Interest	Nature of Transactions	Amount (Baht)	Reason and Necessity of Transactions
2. The 6 directors are Mr. Anant Tangtongwechakit, Mr. Adisak Tangtrongweachakit, Mr. Sarit Tangtrongwechakit, Mrs. Jirawan Pongpichitkul, Miss Chittima Tangtrongwechakit, and Mrs. Wanphen Punyaniran	As of December 31, 2018, 6 directors are loan guarantors of 20 cars and 2 machines used for moving materials of the company group with commercial banks and leasing companies for totaling 22 machines of the total guarantee amount of 43,161,941 Baht, and 11 photocopy machines totaling 654,840 Baht.		<ul style="list-style-type: none"> - The hire purchase was conducted for business administrations and operations of the company. <p>Opinions of the Audit Committee</p> <ul style="list-style-type: none"> - The loan guarantee is a regular condition of the hire purchase. It is necessary for normal business operations. Moreover, no fee is charged for the guarantee, so that the company and its subsidiaries do not lose any benefit from such operations.
3. The 6 directors are Mr. Anant Tangtongwechakit, Mr. Adisak Tangtrongweachakit, Mr. Sarit Tangtrongwechakit, Mrs. Jirawan Pongpichitkul Miss Chittima Tangtrongwechakit and Mrs. Wanphen Punyaniran	As of December 31, 2018, 6 directors are loan guarantors of the company and its subsidiaries with a commercial bank for the value of such guarantee by 320 Million Baht.		<ul style="list-style-type: none"> - The loan limit is used for working capital in manufacturing, and as a loan to purchase property in the operations of its subsidiaries. No fee is charged for the guarantee. <p>Opinions of the Audit Committee</p> <ul style="list-style-type: none"> - The loan guarantee is a regular condition of the commercial bank. It is necessary for normal business operations. Moreover, no fee is charged for the guarantee, so that the company and its subsidiaries do not lose any benefit from such operations.
4. The 4 directors are Mr. Anant Tangtongwechakit, Mr. Adisak Tangtrongweachakit, Mrs. Jirawan Pongpichitkul and Miss Chittima Tangtrongwechakit and 3 close relatives of the directors: Police Colonel Charnchai Pongpichitkul, Mr. Pond Rattanapunsak, and Mr. Phakphoom Pongpichitkul	<p>Farmer receivables – advance credit</p> <p>In production year 2017/2018, Buriram Sugar Factory Co., Ltd. (“BSF”) provided advance credit to the directors and such close relatives under the due time when delivering sugarcane to the factory as detailed below:</p> <ul style="list-style-type: none"> - Principal - Loans during the period - Total loan - Paid during the period - Accounts receivable balances 	40,388,370 8,892,966 49,281,336 21,085,535 28,195,801	<ul style="list-style-type: none"> - To provide advance credit to sugarcane farmers for their working capital of sugarcane growing to ensure sugarcane procurement for the sugar factory, considered as a normal operation of general sugar factories. The advance credit condition applied to the directors and their close relatives is the same conditions as done with other farmers. - Sugarcane procurement is a normal business practice of the company. The sugarcane purchase price from the directors and their close relatives are the same price rate as done with other farmers. <p>Opinions of the Audit Committee</p> <ul style="list-style-type: none"> - To give advance credit and sugarcane procurement are considered as normal operations of sugar factory business, including the price and condition are conducted the same as other persons.

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Parties with Conflict of Interest	Nature of Transactions	Amount (Baht)	Reason and Necessity of Transactions
	<ul style="list-style-type: none"> - Trade receivables - Value of sugarcanes purchased - Value of fertilizers and factors of production sold - Other payables 	<ul style="list-style-type: none"> 639,589 18,302,564 6,683,349 33,614 	
5. BRS Train Terminal Logistics Co., Ltd. ("BRS")	<p>The company has hired BRS Train Terminal Logistics Co., Ltd. to transport products of the company.</p> <p>BRS Train Terminal Logistics Co., Ltd. has rented the company's area as its office</p> <ul style="list-style-type: none"> - Transportation fee - Warehouse rental fee - Revenue of lost sugar fines /office rental fee - Trade receivables at the end of period - Trade payables at the end of period 	<ul style="list-style-type: none"> 57,545,081 1,287,374 577,009 180,000 10,636,372 	<ul style="list-style-type: none"> - The company needs to deliver the product to customers, therefore the company has hired BRS for delivery service. - For the convenience of monitoring the shipping, the company allows BRS to rent a part of the company's area as the BRS's office, and the rental fee is charged at a similar rate with the rental rate of other area in the same building. - Revenue of lost sugar fines will be accounted from lost sugar during transportation in the price rate of 20 Baht per kilogram by recording 19 Baht per kilogram for sugar retail price, and the remaining 1 Baht per kilogram for the estimated cost to compensate for document operations. - Since BRS operates the railway transportation and warehouse business, which is at the high risk due to short-term lease contracts. If the contract is terminated, all assets will become property of the State Railway of Thailand. Moreover, BRR and its subsidiaries also hire other transportation and warehouse service companies, not only BRS. In addition, BRS is able to perform their transport and storage facilities business independence of BRR, so the executives do not affiliate BRS into the business group of BRR. - For hiring BRS in the future, there will be not less than 4 contractors to offer service prices. After that the company will compare their prices and inform such result to the Audit Committee for acknowledgement. Moreover, BRS will not be hired to transport sugar exceeding 30 percent of sugar quantity for export. <p>Opinions of the Audit Committee</p> <ul style="list-style-type: none"> - The company does not affiliate BRS into its business group due to unnecessary business toward the company's business operations. Moreover, BRS's business is considered as a high uncertainty, so such excluded business helps reduce the operational risk.

Parties with Conflict of Interest	Nature of Transactions	Amount (Baht)	Reason and Necessity of Transactions
			<ul style="list-style-type: none"> - To hire other companies for transportation is normal business operations and business necessity of the company. Moreover, BRS's service price is compared as a similar rate with other transportation companies'. - The office rental fee is to support its business operations with the rental rate comparable to other rental rate of nearby areas.
6. The 1 director is Mr. Adisak Tangtrongweachakit	<u>Leased Assets</u> 1. Buriram Energy Co., Ltd. ("BEC") has contracted for renting the land of 6 Rai, -Ngan, 69 square wa from the director with the rental fee of 24,690 Baht/Year. 2. BEC has contracted for renting the land of 13 Rai, 3 Ngan, 42 square wa from the director with the rental fee of 55,420 Baht/Year. 3. BEC has contracted for renting the land of 10 Rai, - Ngan, 26 square wa from the director with the rental fee of 40,260 Baht/Year.	120,370	<ul style="list-style-type: none"> - BEC has the land lease agreement for the period of 25 years in order to build the power plant using bagasse, by-product from sugar production, with the rental fee at 10 Baht per square wa per year under the payment term of 2 times per year. In 2015, the company paid the rental fee in January, and recorded as the rental fee of the second half of the year for the advance payment done in June considered as the expenses in the first half of the year 2015 already. <p><u>Opinions of the Audit Committee</u></p> <ul style="list-style-type: none"> - The long-term land rental is used for building the power plant and considered as a part of business operations with the rental rate similar to other rental rate of nearby areas.

Measures of the related transactions

In case of a normal transaction such as a list of trading goods, raw materials, services, or give financial support for sugarcane plantation, etc., the company and its subsidiaries are able to do such transaction with a person which may cause a conflict of interests if such transaction is considered as a trade agreement in the same practices which a reasonable man would agree to with any partners in the same situations, without any influence entrusted by position as directors, executives, or relevant persons. Such transactions have to be summarized and reported to the Audit Committee to acknowledge in every quarter.

Thus, the company has established a policy to monitor the transactions of the financial support with a person who may have a conflict of interest as follows;

1. The scope of authority
2. The review of transactions

The Scope of Authority

The financial support is given to sugarcane farmers for production such as plantation, plant species, fertilizers, agricultural chemicals, land rental, sugarcanes, drip irrigation system, sugarcane land, agricultural machines, tractor, sugarcane harvester, truck and so on.

The executives have no authority to approve the financial support that is not for supporting sugarcane plantation. Purchasing sugarcanes is not considered the plantation support. The financial support other than expenses or plantation support must be reported to the Audit Committee to consider and approve prior to proposing to the Board of Directors or shareholders for further approval, which depends on a transaction size in line with the regulations specified by Notification of the Capital Market Supervisory Board, and announcements of the Stock Exchange of Thailand to be applied mutatis mutandis.

The Review of Transactions

The internal auditor examines and reviews the transactions as follows;

1. Check the completeness of the transactions by listing persons who may have a conflict of interests to be compared with the individual financial support account.
2. Such list will be verified whether the financial support is proceeded in compliance with the transaction nature, additional document, price, conditions, and procedures of the specified policy or not.
3. Summarize the results and report to the Audit Committee on a quarterly basis.

The hiring process for sugar transportation with B.R.S. Trainterminal Logistics Co., Ltd. which may has a conflict of interests. The actions required are as follows:

1. Need to provide for bids from at least 4 providers.
2. Need obvious scope of services, such as origin and destination location, year of production or other additional services and so on.
3. Arrange a contract that specifies the obvious price and relevant conditions.
4. Summarize the conclusion for choosing the service providers compared with those who are not selected in order to report to the Audit Committee.

In case of other related transactions aside from normal business transactions must be reviewed and approved by the Audit Committee which will provide opinion about necessity of such transactions and appropriateness of price to be ensured that transactions will be carried out in conformance with normal market practices at fair and reasonable price. For entering other transactions between the company or its subsidiaries and potentially conflicted persons, the transactions must be considered by the Audit Committee and must be approved by the Board of Directors before undertaking. The directors who involve in such potential conflict of interests shall not attend the meeting in those agendas. In case that the Audit Committee has no expertise in any of the related transaction, the company shall appoint independent expert to provide opinions on such transaction for the Board of Directors or shareholders as appropriate.

Thus, the Board of Directors must supervise the company to act in accordance with laws on securities and exchange, regulations, announcements, orders, or rules of the Stock Exchange of Thailand, or the Securities and Exchange Commission or the Capital Market Supervisory Board. Additionally, the company shall disclose related transactions in each information channel in conformance to regulations of the Stock Exchange of Thailand and related organizations.

Policy on Related Transactions

The company or its subsidiaries will continue to have recurrent related transactions in the future that are conducted as part of the normal business practices, for example, sugarcane procurement and financial support for sugarcane growing, etc. The pricing policy will be clearly set in the agreement and in line with the market prices, and conditions with no special favors, and no transfer of benefits that reasonable man would conduct and the conditions of transactions are without any special bargaining power that occurred from influence of being a director, an executive, or any related persons. The transactions will be primarily based on the company's benefits and always reviewed by the Audit Committee.

Loan contract guarantee that happens between the company or its subsidiaries with a person who may cause potential conflict of interests shall exist because of the necessity of loan request from a financial institute to procure raw materials, provide financial support for sugarcane plantation, as well as a working capital, which is normal conditions of a commercial bank to provide commercial loan. The company or its subsidiaries shall not have expense from the guarantee.

Loan to persons that may cause a conflict of interests shall occur for business operations in respect of the necessity and appropriateness of such transactions. The company shall provide loan contract and set clear conditions mainly concerning about the benefits of the company. Additionally, the company or its subsidiaries do not have any policy on loan providing and/or debt guarantee, aside from the financial support for sugarcane plantation to persons that may cause a conflict of interests.

For any related transaction that may cause a conflict of interests in the future, the Board of Directors shall govern the company's operations to ensure the compliance with the law on securities and exchange, regulations, orders, or rules of the Stock Exchange of Thailand and the Capital Market Supervisory Board, including regulations with regard to the information disclosure of the related transactions, and the acquisition or disposition of assets of the company and its subsidiaries.