

Internal Controls and Risk Management

The Company underlines the importance of a well-organized internal control system and compliance with the good corporate governance for ensuring the safe and soundness of the company's operation for the best benefit to shareholders, employees, partners, community and every concerned sector. As of September 30, 2017, the Company's audit committee consists of 3 directors who are responsible for monitoring efficiency and effectiveness of the Company's internal audit system as well as ensuring the Company's operations align to laws and regulations of the SEC and SET.

The Board meeting no. 1/2017 on February 28, 2017 attended by all audit members, the Board approved the assessment of the internal control system complying with 5 components of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) as follows;

1. Control Environment

We support an efficient and effective internal control environment. The management structure is established, with broad oversight, structures, reporting lines and appropriate authorities and responsibilities in the pursuit of objectives. Each executive is independent to approve and improve policy to be in line with the internal and external changes. We also emphasize human resource provision and administration in alignment with the standards and culture.

2. Risk Management

We are ready to encounter with any changes that affect the Company's businesses and enable assessment of related risks and analyze risks to determine how the risks should be managed. We also identify and assess changes that could impact the system of internal control;

3. Control Activities

- We develop control activities that help mitigate risks to the achievement of objectives in an acceptable level;
- We select and develop general control activities over technology to support the achievement of the objectives;
- We deploy control activities through policies that establish what is expected and procedures that put policies into action.

4. Information & Communication

- We obtain and use relevant and quality information to support the functioning of internal control;
- We internally communicate information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control;
- We communicate with external parties regarding matters affecting the functioning of internal control.

5. Monitoring Activities

We perform monitoring activities in the executive and operating levels, by chiefs and executives of each line to ascertain whether the components of internal control are present and functioning. The results of monitoring activities are reported to the Board of Directors, the Audit Committee, the Chief Executive Officer and the executive directors regularly.