

9. Corporate Governance

9.1 Policy Governance

Compliance with the principles of good corporate governance.

The Board of Directors of General Engineering Co., Ltd. (the Company) has recognized the importance of good corporate governance. This is the most critical to the business for sustainable growth. To create confidence among our shareholders. Investors and all parties concerned to allow the administration to be transparent. Can be checked and good governance. It can be recognized by the public. The Board of Directors is essential to help encourage good corporate governance policy to adopt in practice. The Supervisory Board has appointed a working group on good governance and on May 13, 2015 the Board of Directors Meeting No. 3/2015. A major force that contributes to the policy of good governance. To be consistent with the principles of good corporate governance, the Stock Exchange of Thailand. And the Securities and Exchange. The Board of Directors has adopted corporate governance guidelines that exploration survey on corporate governance of listed companies in Thailand. Thailand Institute of Directors (IOD) This has been recognized by the SET and the SEC. The prototype operating system to create good governance.

The Company has realized of the importance of good governance to benefit its business to build confidence for the shareholders, investors and all the involved parties so the management can be transparent, accountable and equitable. It has considered the right and equity of the shareholders, The responsibility of the stakeholders as the important factors in increasing long-term value and promotes its sustainable growth.

The good governance policy is consistent with the good governance principle of the SET and the regulations of the SEC, which the Company has practiced continuously as follows:

- 1) Right of the shareholders.
- 2) Equitable treatment of the shareholders.
- 3) Role of the stakeholders.
- 4) Revelation of information and transparency.
- 5) Responsibility of the board of directors.

Chapter 1 Right of the shareholders

The Company gives priority to the right of the shareholders with the realization that the shareholders have the right of ownership by controlling the company through the appointment of the board of directors to act on their behalf, and the right to make the decision relating the important changes to the Company.

The basic rights of the shareholders are participating to appoint and remove the directors; appointment of the auditor and the matters that affect the Company, e.g. a revision of the rules and the articles of association, a reduction or increase of capital, allocation of dividends, and approval of the related items. The shareholders are also given the right to transact or transfer their shares, profit-sharing, or dividends, including receiving information from the Company

continuously. The Company shall not do anything to violate or derogate the right of the shareholders with the good guidelines toward them as follows:

1. The Company has appointed Thailand Securities Depository Co., Ltd. as its registrar to send a meeting invitation to the shareholders and the supplemental documents to all the shareholders before a meeting date a minimum of 7 days in advance. The meeting invitation shall contain complete information and opinions of the board of directors on each item clearly.
2. The Company shall bring the meeting invitation with the supplemental documents to announce to the shareholders via the channel of the SET and on its Web site 20 days in advance before the meeting date to open the opportunity for the shareholders to study the information before the meeting date.
3. The Company has arranged the meeting venue of the shareholders at a convenient location, provided convenience for the shareholders exercise their right to attend the meetings, and vote fully without limiting the opportunity to attend the meeting. It is to promote the right of the shareholders and opens an opportunity for the shareholders to inquire and talk informally with the board of directors.
4. The chairman of the board, chairman of the committees, the president, and everyone attends the shareholders' meetings, as well as the auditor to attend the annual general meeting (AGM) with the directors to answer the involved issues.
5. The Company has notified the method of voting and counting using the ballots to the shareholders in advance before the meeting, which is not complicated. There are minutes of the meeting clearly recording the accepted and rejected votes, and the absence on each voting item.

The company has a policy to encourage and facilitate its shareholders, including institutional investors in attendance. The company selected the venue, which has a mass transit system and adequate access for shareholders to attend easily. The company invites shareholders to send documents to register prior to the meeting. To shorten the time to examine the documents on the company and the Channel Register. As a meeting place for individual shareholders and institutional investors The Company uses the bar code used in the registration and voting to allow the registration and processing of the ballot is very fast and has provided duty stamps provided. shareholders in the proxy, In order to facilitate the shareholders.

Chapter 2 Equitable Treatment of the Shareholders

For building confidence to the shareholders, the board of directors and the management shall supervise the spending of the shareholders' money, suitably as the important factor toward confidence in the investment with the Company. Therefore, the board of directors has supervised the shareholders to be treated and protected of their basic rights equitably.

1. The board of directors manages the process of the shareholders' meetings in terms of supporting by sending a proxy form to all shareholders, in case the shareholder is not convenient to attend the meeting in person it can appoint someone to attend by proxy. The format of the proxy form makes the shareholder can vote by proxy by agreeing, disagreeing, or abstaining. Also the Company shall arrange for its Chairman and the three Audit committees as the alternative for the proxy, supplemented by the qualified four directors.

2. Giving the right to the minority shareholders to present in the agenda of the shareholders' meeting, or present the name of the people to be elected as a board director before the meeting date of the shareholders' meeting. There were no headings stated on the website officially, but the shareholders can send information asking to increase the agenda, or present a name of the directors with his qualification to the Company's website. However, in the past, there did not have any information sent in.

3. Giving the right to the shareholders to vote, with one share one vote.

4. Establishing a measure to prevent from using the inside information to find interesting to himself or other people dishonestly by the board directors. It has to disseminate the measure to the executives for acknowledgement, while the board directors and the executives of the Company have to report a change of its holding of securities to the SEC on each time. The Company's employees shall not disclose the publicly undisclosed information to other people. A disclosure of information may have an impact on the business and the price of the Company's securities; it requires approval from the executives first. It is prohibited the board directors and the executives from utilizing the inside information, which can cause damage to the overall shareholders.

The Company has submitted the documents on utilizing inside information and the offenses occurred to the board directors and the Company's employees on each new regulation issued by the SEC. If there is a director or employee that takes the opportunity to seek the undue benefit, he shall be disciplined by the Company.

In the past, at no time there was a director or executive alleged abuse the inside information.

5. A revelation of the related items and the opinions of the board of directors on the aforesaid items of the shareholders. There was no making of a related item that was in violation or non-compliance with the guidelines of the SEC.

6. In the annual general meeting of the shareholders on the appointment of the directors, the shareholders shall vote to elect the directors on an individual basis.

Chapter 3 Role of Stakeholders

The Company gives priority on the supervision and consideration of the stakeholders in all groups inside and outside the Company are the shareholders, directors, employees, customers, trading partners, creditors, competitors, and other agencies that the Company has implemented internal and external activities. It includes a responsibility towards the society and the environment, as well as the public sectors with the guidelines on the stakeholders are as follows:

1. The shareholders.

The Company shall perform the duty with loyalty, honesty, and equity. It has determined to create growth for the shareholders to receive sustainable returns from the results of its operations. The Company has treated the shareholders equitably according to the good governance principle on the chapter of the rights of the shareholders and their equitable treatment. The Company has provided its website: www.gel.co.th as a channel for the shareholders or the vested interests can contact or complain about the matter that can cause damage to it.

The investors can study more information about the company from annual registration statement 2015 (Form 56-1) shown on or the Company's website

2. Employees

The company realizes the importance of the staff. Because employees are the key success factors for achieving the goals of the company. The company has a clear policy on the development of the company. Training has developed a thorough knowledge of at least six hours each per year for employees who have been trained. To improve the ability of employees constantly. Provide opportunities for advancement. In 2015, a training program developed to educate employees on average each at least 7.5 hours.

The Company has set up the Organizational Safety, Health and Environment Committee by providing training to the committees to supervise and notify the information concerning the working safety and the environment, including preventing from accidents while working, so the employees can implement correctly. It has provided safety equipment that is suitable to the job characteristics together with good fringe benefits and the employment conditions that are suitable to the market situation for the employees to have good ethics.

The Company's policy is clear and concrete information about the compensation and benefits, employee health insurance plan. The disclosure to employees via the company's website.

The company established a fund for employees in order to show that the company has taken care of all the employees in the long term as a noun.

The Company's policy is to respect human rights. Having regard to the principle of equality before the law. Rights and personal freedoms. And do not discriminate unjustly against employees because of differences in race, language, national origin, sex, age, physical disability or health condition. State party Economic or social Religious belief, education or political opinion.

The company held a cabinet feedback from employees. If employees have not seen anything unusual or anything. Which is sent directly to the Managing Director. For a clue to the independent directors. The company was named Independent E-mail address You want to be able to report without contacting the company. For the test to find out the facts straight.

3. Customers

The Company recognizes the importance of creating and ensuring customer satisfaction. To get product and service quality. Fair prices The Company has received comments and suggestions from customers to be reviewed and improved. Moreover, the company conducted a survey of customer satisfaction regularly. The company has developed products and system administration. ISO 9001-2008 certified quality system standard certification from ISO.

The company is committed to customer satisfaction and confidence to our customers. With an emphasis on caring and responsibility. It affects business success. By improving the quality and style of our products and services to meet the needs of customers at a fairly constant and consistent. To maintain a good relationship in the long term. The company has a customer satisfaction survey to receive feedback or complaints. And taken as a guide to improve services and better management. It also has a development staff to service customers. The trained and knowledgeable staff, both before and develop practical skills and knowledge to the employees continued. So that customers get the most out of the service and care offered to all customers equally. Whether clients are large, medium or small.

4. Partners

The Company recognizes the importance of partners as the people who are important in assisting the business

operations of the Group. The Company adheres to the principle of equitable practices and competition that is fair to all business partners of the Company. Treat partners to adhere to the terms of the contract and the code of ethics of the company.

The company focuses on transparency and frankly, in business negotiations and enter into contracts with suppliers. The rewards are fair to both parties. Located on the rules, the decision by comparing terms of price, quality and services are transparent and verifiable. The aim is to develop and maintain a sustainable relationship.

5. Rival

Policies and practices relating to its competitors.

The company has a policy against commercial competitors under the rules of competition. Focus on conducting business in an ethical, transparent and fair competition. The company will match the quality of our products and reliable service to the competition. Honestly compete with rivals. The company will maintain a good relationship as a co- trader in the same industry. The Company has no disputes. In regards to competitors.

6. Creditor

The Company has committed to the agreement on trade creditors and financial institutions with responsibility for the liabilities of the Company. The Company treats creditors fairly. Throughout the course of its business, the Company and its creditors have always had a good relationship with each other.

7. Social / Community and Environment

The Company takes into account the social / community. and environment The laws and regulations in various fields, so it is not a disadvantage to society. The Company recognizes a responsibility to avoid noise pollution, dust on neighboring communities. A specialized agency for the environment closely. The eco-friendly

The company recognizes the value and the importance of contributing to society. And around the plant to improve classroom School toilets nearby Supporting sports goods Scholarships Children's Day activities and measuring the activity of a nearby major religious festival. Employees have donated blood to the Red Cross, two times a year every year.

ethics

The company has been in business for over 53 years, with an established reputation of the business. The Company is focused on the subject of business ethics. That represents honesty, credibility towards stakeholders. The company has activities. By managing to communicate on the subject of business ethics. Ethics and employees should have the Company's employees, suppliers, competitors together. Employees receive regular in addition, the company has a policy prohibiting bribery and anti-corruption to the business interests of the Company. And let staff know in orientation of new employees into the company. The Board of Directors of the Company No. 3/2015 held on May 13, 2015. Passed a resolution to form a unified private practice in Thailand to fight corruption. The intention of the policy and defense have been involved in corrupt.

Conflict of Interest

The Company has set up a policy so that its directors, the management and employees cannot take the opportunity from the employment to seek personal interest. It was approved by the board of directors in principle relating the trade agreements with the general trade conditions in dealing with the Company or its subsidiaries and the directors, the

management or the involved persons. In case of qualifying as a related item under the notification of the SET, it has to comply with the guidelines strictly and disclose the information on it.

The Company has set up a prohibition to prevent from using an opportunity or information from being a director, the management or employee to seek a personal gain, or does business that competes with the Company or the related business. This includes preventing from using the inside information for personal benefit to transact the shares of the Company or give information to other people.

Intellectual property rights

The Company recognizes the importance of intellectual property and copyright. The Company's policy not to infringe on the copyright or intellectual property rights of others. And let employees know the company. It will not copy, modify, or publicly. The intellectual property rights of others and constitutes a violation of the provisions of the law is strictly prohibited.

Chapter 4 Revelation of Information and Transparency

The Company gives priority to a disclosure of information sufficiently and transparently by defining it as the role and duty of the board of directors. In the disclosure of the information, it must be correct, complete, in time, and transparent on the finance, and other involved information so the shareholders and the vested interests can receive the information equitably via the information channel and communication by dissemination from the SET, the SEC, and the Company's Web site at www.gel.co.th.

Moreover, it has set up a unit to be responsible for supervising the job on the investor relations and secretarial job as its representative in communicating useful information to the shareholders, investors, securities analysts, and the involved persons. They can contact to inquire about the Company conveniently by the phone number 02-501-2020 and by fax at 02-501-2468, 02-963-9814

Measures to identify and trace the whistleblower protection mechanisms.

The company provides a channel for complaints both from third parties and employees. When a complaint is received, processed again . It also has taken measures to protect the confidentiality of the complainant.

1. A clue

The Company provides a way to identify or complaints in case of doubt to have committed unethical business of the Company. The offense includes behaviors that corruption poses to the very unequal through the following channels.

(1) Managers or supervisors that they trust at all levels.

(2) Good Corporate Governance Committee .

(3) correspondence

Chief Executive Officer or Chairman of the Audit Committee.

Company General Engineering Co., Ltd. (Thailand)

44/2 Moo 2, Tivanon Road, Tambon Bangkadee, Aumpoe Muang, Pathumthani Province 12000

(4) Email gel@gel.co.th

(5) Website www.gel.co.th