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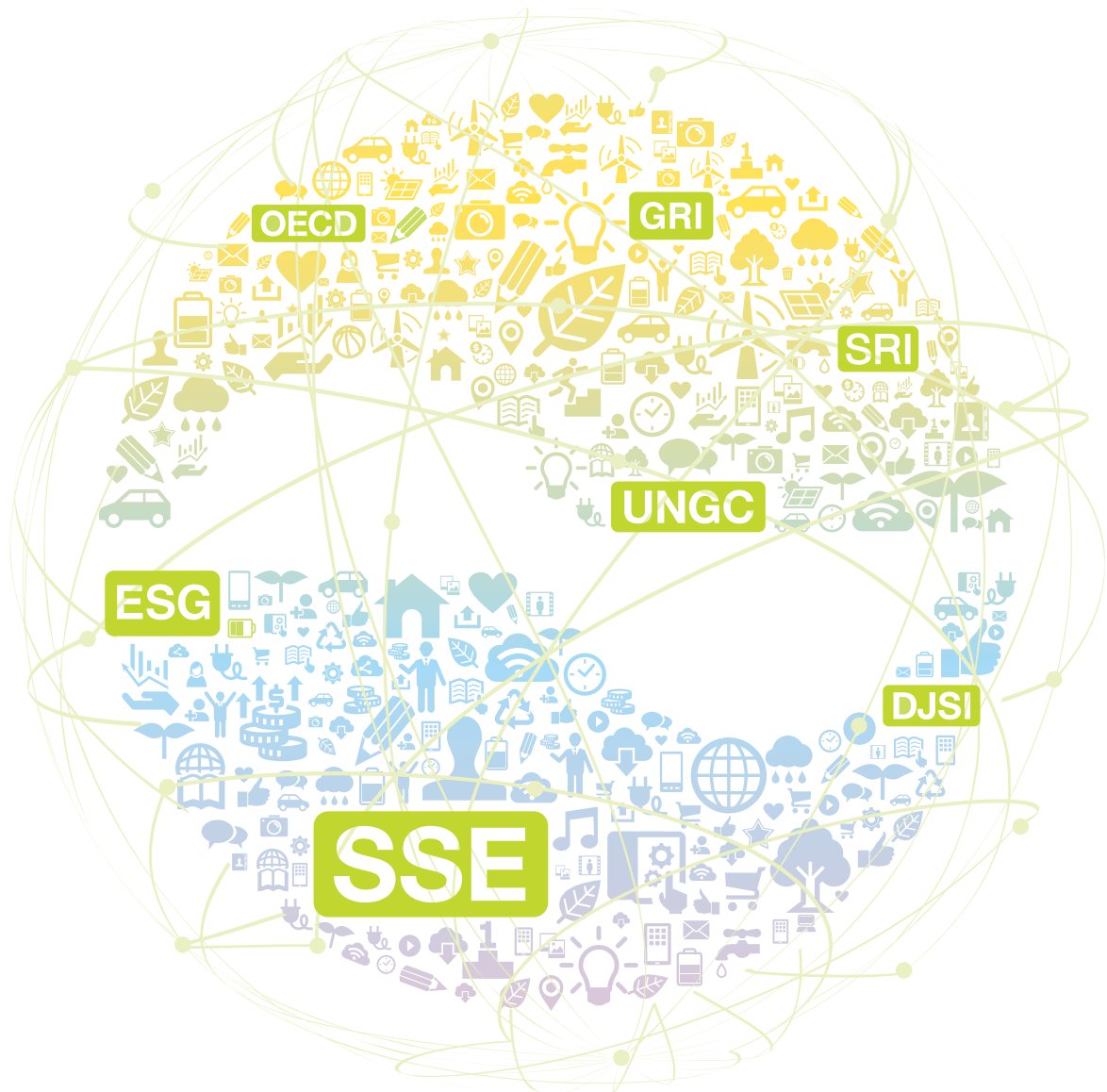




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Direction of the Capital Market towards Sustainable Development

In 2014, The Stock Exchange of Thailand (SET) participated in the United Nations Sustainable Stock Exchanges Initiative (SSE Initiative) which was co-organized by the United Nations Conference on Trade and Development (UNCTAD), United Nations Environment Programme Finance Initiative (UNEP FI), United Nations Global Compact and UN-supported Principles for Responsible Investment (PRI). SSE initiative is aimed at exploring how exchanges can work together with investors, regulators and companies to enhance corporate transparency, and ultimately performance on ESG issues, as well as promoting the responsible and long-term approaches to investment. The UN Sustainable Stock Exchanges Global Dialogue 2014 conference in Geneva, Switzerland reaffirmed three significant aspects to advance capital market in a sustainable manner:

SUSTAINABLE STOCK EXCHANGE

FINANCIAL EDUCATION

Promotion of financial education about finance and investment





ESG INFORMATION DISCLOSURE

Encouraging the listed companies to disclose their ESG performance



RESPONSIBLE INVESTMENT

Promotion of responsible investment

Such direction is consistent with SET's vision and operating guidelines, which take into consideration not only economic growth and efficient internal development process, but also the development of industry's fundamentals which will contribute to the expansion of the Thai capital market in the long run. In addition, these efforts will strengthen confidence among investors via greater awareness on corporate governance, social and environmental responsibility hence driving Thailand's economy and the society forward.

SET and Sustainable Development

SET has played a pivotal role in developing the Thai economy in the past 40 years since its inception in 1975. The bourse provides the fund-mobilizing mechanism and channels for businesses to access alternative sources of capital, whilst providing savings and investment alternatives. The Thai bourse also serves as a knowledge center on finance and investment for investors, the younger generation and the general public.

The Thai capital market has continuously expanded. As of the end of 2014, the market capitalization totaled over THB 14.2 trillion, or 120 % of the country's GDP, an increase by 41 % from the end of 2010. The growth reflects the exchange's strength and steady expansion rate both in terms of operating result and financial liquidity. When listed companies enjoy long-term expansion, they can stimulate the employment rate. To-date, listed companies have created jobs for more than one million people. In addition, SET has seen an increasing number of investors of approximately a million accounts. They have realized the benefits from financial planning and capital market investment, and this reflects economic stability in the long run.

SET is also aware of the situation where business operators worldwide are pressured by fierce competition and economic volatility. In the changing world today if businesses focus on only financial benefit, they will be likely to face economic, social and environmental risks. These changes have great impact on business longevity and the capital markets worldwide.

Therefore, SET is determined to develop its operation by taking into account corporate governance as well as social and environmental impacts, in parallel with economic development. This is to make the Thai bourse the center for securities trading with quality, liquidity, transparency and fairness for all, making it capable of coping with changes and risks in all circumstances. Such development requires cooperation from every stakeholder group of to jointly drive the capital market and the Thai economy to prosperity with strength and sustainability. This synergy will contribute to higher quality of life and well-being of the Thai people in the future.







Message from the Chairman

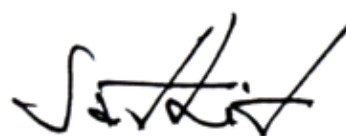
During the past 40 years, SET has served as Thailand's center for investment and fund mobilization. The exchange has played a key role in driving the economy, promoting the expansion of the Thai capital market as well as serving as a source of financial returns for shareholders. SET has increasingly achieved remarkable success. Amid the volatility of global economy and social changes, SET has laid out the vision to solidify the Thai capital market to grow in a sustainable manner, in line with the global trend.

In 2014, the SET Board of Governors continued the mission to develop the Thai capital market sustainably by initiating policies to long-term growth in both quantity and quality, with good corporate governance practices and agility to cope with economic, social and environmental conditions. The long term strategy towards the year 2020 called "Towards Sustainable Growth" has been set up to integrate business operations with sustainable development, while encouraging stakeholders to join hands to advance together. It is significant that SET's sustainability development framework has firmly been established as a guideline for implementation to ensure long-term sustainability of the listed firms, investors and the capital market as a whole.

It is significant that, SET has become the first exchange in the Association of Southeast Asian nations (ASEAN) to participate in the UN Sustainable Stock Exchanges Initiative. This marked the exchange's position on sustainability of the business sector through the network of leading international financial and capital markets, consequently attracting foreign investors' interest in Thai listed companies. More importantly the forum has been designed to facilitate

the sharing of experiences among exchanges on sustainability development by encouraging businesses to disclose their performance regarding environment, social and corporate governance. The enhancement of financial education and commitment on investment with social and environmental conscience are vital to strengthening the stock exchange and today's capital market operation for tomorrow's sustainable growth.

In accordance with the SET's five-dimensional sustainable development framework, in 2015 SET will further enhance the market sustainability and clearly determine the targets, the commitments and execution period. The five dimensions are: value creation for **market growth, sustainability management, employee, social and environmental**. SET is committed to this policy and will drive strategies to support sustainability development of the entire Thai capital market. To achieve this, SET has partnered with stakeholders to further expand the market and promote the country's economic growth towards sustainability.



Dr. Sathit Limpongpan



Message from the President

The year 2014 was a vibrant year for The Stock Exchange of Thailand (SET). Our efforts to promote the **corporate governance** and **sustainability development** of listed firms, and by extension, the quality of securities and the competitiveness of Thai capital markets in the region, continue to bear fruit. For example, Thai listed companies achieved the highest marks in the ASEAN CG Scorecard assessment, attaining the highest score in the ASEAN region for the second consecutive year. In addition, ten Thai listed companies, the highest number among ASEAN members, were selected for the Dow Jones Sustainability Indices. At the macroeconomic level, SET contributed to Thailand and the region's economic growth with the highest value of daily securities transaction in ASEAN for the third consecutive year. The Thai bourse also recorded the highest value of new listed companies in ASEAN. In addition, the daily transaction volume in the futures market more than doubled from 2013. These outstanding achievements reflect capital market development that strikes the right balance between quality and quantity.

Another achievement in 2014 was the development of business operations catering to the demand of all stakeholders. A clear example is SET's advanced information technology infrastructure to streamline securities transactions which boosted the confidence of investors and stakeholders in the global capital markets by offering transparency, reliable as well as modern and prompt execution. As a result, we feel proud to be named Outstanding Data Provider for 2014 by The Financial Information Services Division (FISD) of the Software and Information Industry Association (SIIA). This prestigious award is given in recognition of the exchange or data provider with excellence in guidelines for communications and notifications sent to their customers and downstream distribution partners for events such as system upgrades, administrative and policy changes, new product introductions and unplanned interruptions.

For the year 2015, SET continues to move towards becoming a sustainable stock exchange. A sustainable stock exchange serves to strengthen the foundation of Thai capital market and continuously enhance the quality of listed companies and securities trading intermediaries. A sustainable stock exchange grows together with other stakeholders, society and the environment under good corporate governance.

SET is committed to building financial literacy and providing investment education to investors, now numbering more than one million, via training, seminars and online media which are fast and easily accessible anytime and anywhere.

SET's five-year vision (2015-2020) includes becoming a sustainable stock exchange. To this end, SET will strengthen the capabilities of each and every personnel for future business expansion and operate as a 'digital exchange' while being a good citizen of the society. Furthermore, SET will continue to implement advanced technology to enhance its products and services as well as to increase operational efficiency in order to become a digital exchange. Lastly, the Thai bourse will continue to foster cooperation among stakeholders in the Thai capital market, the exchanges in GMS countries and overseas to create a united force to drive the Thai economy to grow with society in a sustainable manner.



Kesara Manthusree

About this report

SET began publishing the Sustainability Report for the first time in 2012 under the name “Corporate Social Responsibility Report”. In 2013, the report was re-titled as “Sustainability Report”, in line with international standards and reporting methods of the Global Reporting Initiatives Guideline (GRI G3.1)* . SET is committed to disclosing information on developments and operating results as well as continuously updating both direct and indirect impact on stakeholders.

Scope of Report

This report presents the exchange’s performance in promoting sustainability annually. The content is based on the performance from January 1 to December 31, 2014. The contents of the report are selected from the aspects relating to the capital market’s long-term targets and strategy towards 2020 and sustainability development framework, including the 4th GRI framework indicators. Please note that this report does not cover corporate material aspects and commitments which are currently being carried out. Such information will be further disclosed in the 2015 report.

Data Collection

The data collection was carried out by using both qualitative and quantitative methodologies. Qualitative data were collected by interviewing stakeholders as well as SET staff in contact directly or indirectly with stakeholders. Quantitative data were collected from reliable sources with professional calculation method, reviewed by those sources and presented to the SET President before being publicized.

This report is produced in the Thai and English languages in printed materials, CD and electronic media on website. For more information, please contact:

Social Responsibility Center

The Stock Exchange of Thailand building

Ratchadapisek Road, Klongtoey, Bangkok 10110.

tel: 66(0) 2229 2000 ext. 2609, 2612, 2632

fax: 66(0) 2654 5414

email: SRcenter@set.or.th



* GRI stands for Global Reporting Initiatives. More information is available at www.globalreporting.org.



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มือที่ผิดคือ มือที่ไม่ถูกสอน

สีเทา

ศาสตราจารย์สังเวียน อินทรวิชัย
ปรมาจารย์แห่งวงการการศึกษา
ผู้มีบทบาทสำคัญยิ่งในการพัฒนาตลาดทุนไทย
ประธานกรรมการตลาดหลักทรัพย์แห่งประเทศไทย พ.ศ. ๒๕๓๕-๒๕๓๘

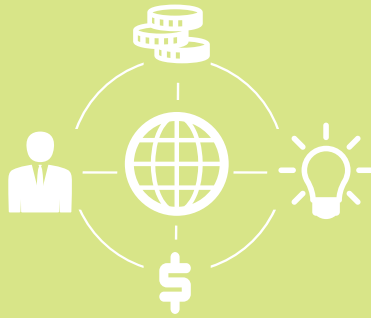
About SET

The Stock Exchange of Thailand (SET)

was established under the Securities Exchange of Thailand Act, B.E. 2517 (1974) to provide a fund-raising platform for business sector's expansion. The exchange has mechanism that plays a key role in the country's economic development. Currently, the Thai bourse operates under the Securities and Exchange Act, B.E. 2535 (1992). SET is governed by the Board of Governors that sets policies and oversees operations.

Business structure

Divide into two groups:
Exchange Function
and Capital Market
Development Function



Type of organization

Juristic entity as a
self-regulatory
organization



First trading day

30.04.1975



Number of employees

728





Office

SET has only one office:

62 Ratchadaphisek Road, Klongtoey,
Bangkok 10110, Thailand.



Daily average trading value
THB 45,466 billion

Market capitalization

THB 14.2 trillion

Number of member companies



38

Number of listed companies

613



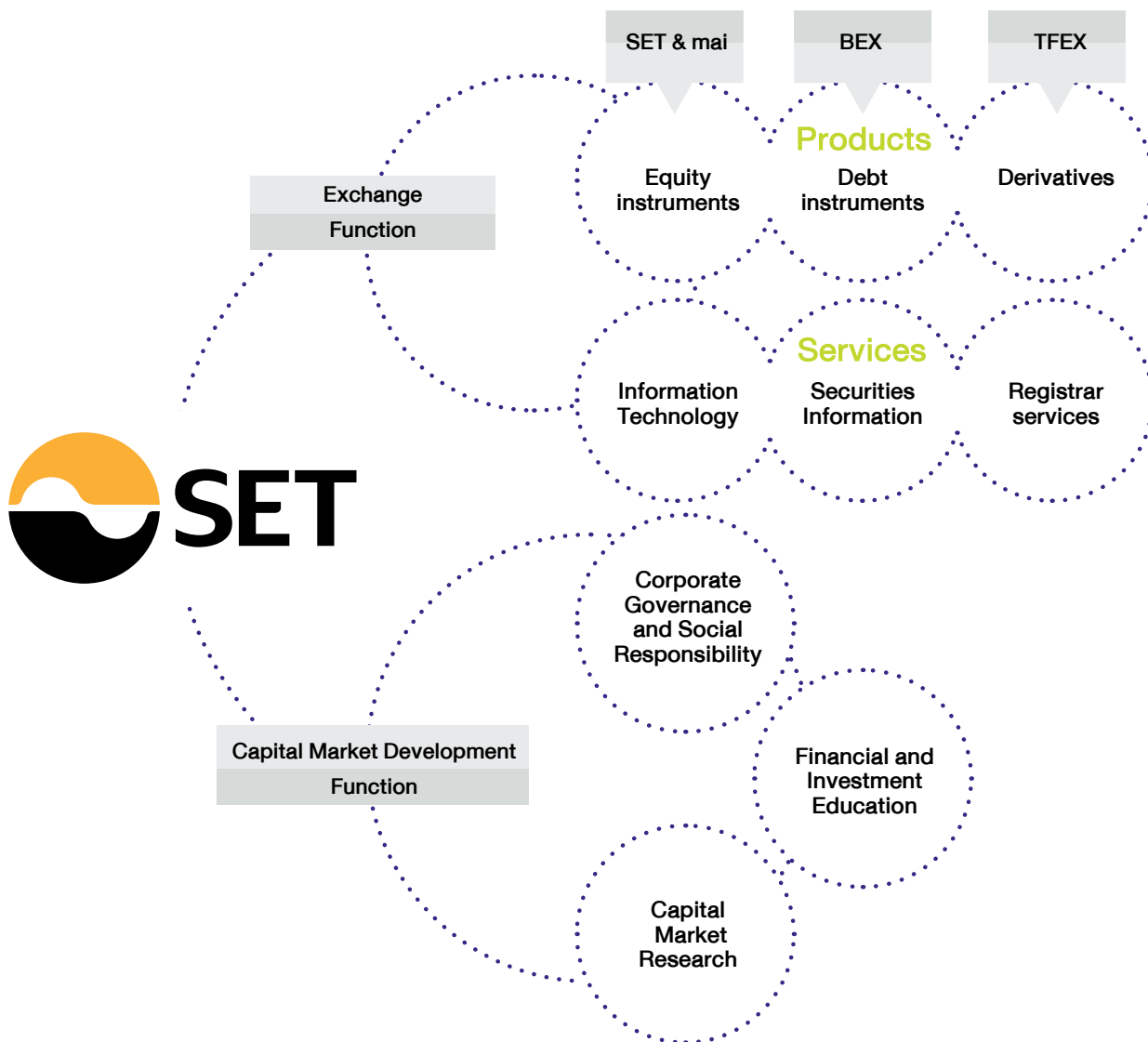
Contact

tel: 66(0) 2229 2000

fax: 66(0) 2654 5414

website: www.set.or.th

SET Businesses



Exchange Function

The Stock Exchange of Thailand (SET) acts as a center for securities exchange, while ensuring the market has a good standard, timely, accurate and transparent monitoring system. The Exchange also introduces other forms of products in addition to equity instruments such as bonds and warrants. SET provides real-time trading platform, clearing and settlement, securities depository service as well as information technology system to facilitate and meet the needs of stakeholders.



1 Products

Equity instruments

Equities traded on the stock market are common stocks, preferred stocks, warrants, unit trusts, non-voting depository receipts (NVDR) issued by Thai NVDR, as well as the products on Market for Alternative Investment (mai) such as securities, warrants, unit trusts and NVDR issued by Thai NVDR.

Debt instruments

SET launched the debt instrument services on November 26, 2003 offering the trading of corporate bonds and government bonds of which bondholders are creditors.

Derivatives

Thailand Futures Exchange PCL (TFEX) operates the derivatives market that trades derivatives products of which the underlying futures contracts include securities, bonds and consumer products in addition to commodities. Traded derivatives, governed by the Derivatives Act B.E. 2546 (2003) are futures, options and options on futures.

The transactions of the previously mentioned equity instruments, debt instruments and derivatives are carried out via advanced real-time information technology system with transparency, including effective clearing & settlement system to ensure customer service excellence, reliability and confidence.

2 Services

Information technology service

SET provides trading services consisting of Front Office Service Bureau (FSB), Back Office Service Bureau (BSB), and internet trading system for member companies. These services help each member to save operating cost and manpower not having to set up their own system, while saving costs for the capital market as a whole.

Securities information services

On top of the disclosed information available on the SET website, SET also provides services on securities information. The information such as Data Feed, SETSMART, etc. is reliable, accurate, up-to-date, easy to use in a number of ways, making it convenient for users while saving cost and time.

Registrar services

SET offers registrar service for both securities and provident fund, as well as managing the information on the shareholders' rights and privileges related to the securities depository system. In addition, the exchange provides secure storage service to keep securities certificates and rights for listed companies and securities holders.

Capital Market Development Function

One of significant missions of SET is to develop the sustainable capital market by strengthening the stakeholders for further economic, social and environment development. Listed companies are encouraged to operate in a transparent and accountable manner so that they will be equipped with good risk management. Moreover, SET helps nurture quality investors so that they invest responsibly. Both listed companies and investors are deemed the key stakeholders who could contribute positive impacts towards the economy, society and environment.



1 Corporate Governance and Social Responsibility

SET has encouraged stakeholders to be conscious about corporate governance and social responsibility. The listed companies should conduct business with transparency and social responsibility in every step of the operation process. The investors should consider environmental, social and corporate governance factors in their investment decisions, in addition to financial performance.

SET strives to instill stakeholders' realization in values and benefits of corporate governance and social responsibility development. To achieve this, SET has promoted knowledge, understanding and practical implementation via training, seminars, group sharing, in-depth consulting, as well as providing manuals, handbooks and educational tools, etc.

2 Financial and Investment Education

SET has continuously developed financial and investment knowledge programs for various groups of stakeholders. For professionals in the capital market such as investment consultants and analysts, SET focuses on enhancing capabilities and effective investment skills, as such lifting intermediaries' quality.

For policy makers, potential investors, students and the public, the exchange provides know-how in investment, savings and finance, while expanding the knowledge base to neighboring countries in the Greater Mekong Subregion (GMS)*.

3 Capital Market Research

SET supports the value chain of developing and disseminating capital market-related research studies and the country's leading indicators**. These have brought benefits to the capital markets' personnel, the media and the general public for using as reference and further development. The research studies on vital topics and hot issues, conducted by researchers or entrepreneurs, have been further applied among the SET network. This includes the Thai capital market development plan, the research fund for the Thai capital market development, etc.



* Greater Mekong Sub-Region (GMS) is the economic cooperation in the Mekong River Subregion.

** Leading indicators are used as instrument to predict future economic activities. Generally, it is used to forecast GDP growth.

SET Sustainability Approaches

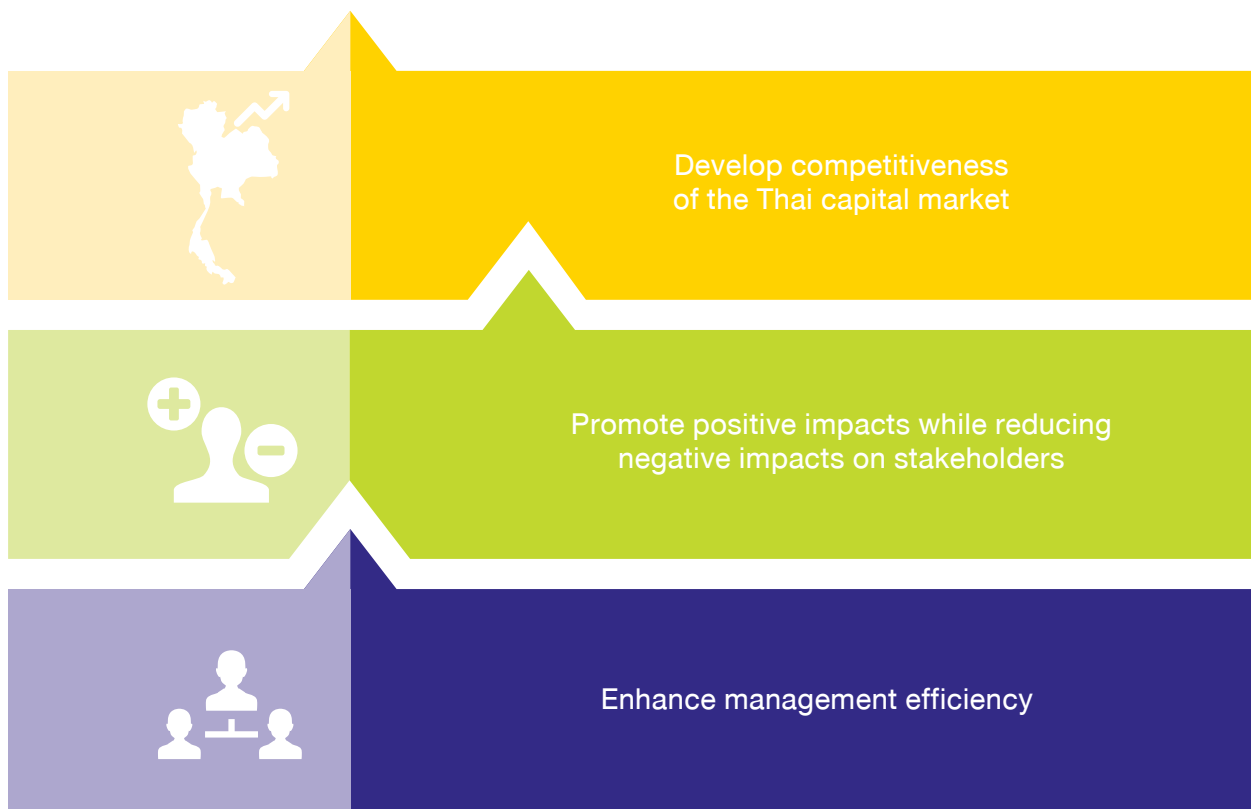
SET's ultimate goal towards sustainability development is to strengthen the Thai capital market and promote continued growth of the Thai economy. The goal can be achieved by the collaboration of stakeholders in various ways. The stock market's potential is a key factor in driving the market forward for optimum economic, social and environmental benefits. Therefore, for the context of sustainable development, SET does not focus only on economic growth but also on other factors affecting the society and the environment.

Sustainability Development Objectives

- 1 To develop the potential of the Thai capital market to be competitive in the world's capital markets, while being responsible for stakeholders with effective corporate governance
- 2 To develop sustainable business model for the Thai capital market.

Sustainability Development Scope

Drawing the scope of sustainability development helps clearly define the direction and framework, based on the following factors:



SET Stakeholders

SET promotes participation of each group of stakeholders fairly and equally. To achieve this, SET categorizes the importance of stakeholders by analyzing the impact on the exchange and their expectations.



Listed companies



Investors



Member companies



Governing body
of capital market



Employees



Business partners
and alliances



Society

Relationship

Impact on SET

Expectations

Issuers of listed securities which are SET's main products

- Impact on quality of securities
- Impact on investors' confidence
- Impact on securities trading process

- To receive convenient, fast and effective services
- To receive supports so as to be recognized and trustworthy among investors
- To continuously receive knowledge enhancement
- To be provided with financial instruments to enhance business operations

Persons who allocate their capital to buy and sell SET's securities and investment products

- Impact on liquidity and transaction volume
- Impact on business growth

- Satisfactory investment returns
- Reasonable and fair transaction fees
- Diversification of attractive investment products
- Adequate, reliable and accessible information for investment decisions

Securities companies acting as intermediaries for investors to place transaction orders directly to SET

- Impact on securities trading process

- To provide services to facilitate securities transaction process
- To provide diversity of quality investment products
- To be able to participate in regulating criteria and regulations

Governing body overseeing SET's operation in compliance with the Securities and Exchange Act

- Impact on business operation policy
- Impact on trading regulations

- The implementation of mission, duties and operation to be in line with the Securities and Exchange Act
- Cooperation to develop the Thai capital market

Operators or personnel who work for SET

- Impact on business operation
- Impact on business growth

- Appropriate and fair remuneration and welfare
- Job security and career path
- Knowledge, advice and capacity development
- Available transparent data and information
- Participation and inputs on various issues

Individuals, companies, or corporations in SET's supply chain including sales of products and services and cooperation in various matters

- Impact on business operation efficiency
- Impact on supply chain

- Transparent and fair procurement procedure
- Fair practice on business contracts
- Knowledge & potential enhancement with advice towards sustainability

General public, communities, including associations such as Thai Listed Companies Association, Association of Listed Companies on mai, Association of Thai Securities Companies, Thai Investors Association and Securities Analyst Association, etc.

- Impact on volatility of the capital market
- Impact on the continuity of business operation
- Impact on the environment and energy management costs

- Expansion of the capital market to enable overall economic growth
- Enhancement of living conditions for communities and society via sufficient financial and investment literacy
- Efficient use of resources and environment management by the capital market sector

Communication channels

Effective communication is an important element to promote stakeholders' participation. Therefore, SET has developed channels to reach stakeholders comprehensively and promptly, responding to the need of each group, as such contributing to sustainable cooperation.



Stakeholders Engagement

1 Listed companies



Capital markets benefit greatly from quality of listed companies. SET is therefore committed to continuously developing the listed companies in economic, social and environmental aspects, such as streamlining criteria, fund-raising through financial instruments, etc. In addition, SET has promoted the corporate governance and social responsibility by getting them involved in the areas that benefit them most by means of meetings, counseling training, seminars, etc., and always welcoming inputs.

2 Investors



Investors are keen to embrace new information and technology. To cater to this attribute and the trendy lifestyle, SET has developed the latest channel of digital communications via mobile phone applications such as Streaming, Money Channel TV station live, online video views and such social media as Facebook, YouTube and Twitter, while enhancing investors' knowledge in various formats and programs such as roadshows, SET in the City event, Mobile SET program, Your 1st Stock project, Investors' Classroom and SET Investment Center (SET IC), placing highest priority on investors' benefits.

3 Member companies



Member companies play a vital role both as members of the exchange and as intermediaries for securities transactions. Participatory process therefore focuses on creating thorough and continuous understanding through activities such as the annual general shareholders' meeting and the conference for the management of member companies. To further strengthen the cooperation, the Thai bourse regularly organizes member relations meetings to provide opportunities for them to share their views. The endeavor aims at enhancing business, operational and relevant processes of securities business to optimize their benefits.



4 Governing body of the capital market



SET cooperates with the capital market’s governing body to further develop the capital market by organizing quarterly meetings with the Securities and Exchange Commission (SEC). The Thai bourse frequently meets with the SEC to exchange views to jointly enhance the exchange.

5 Business partners and alliances



Business partners and alliances are keys to business development. SET has placed high importance on joint efforts to ensure that their performances prosper together with SET’s. Therefore, participating process always focuses on talks or discussions to create mutual understanding such as meeting on terms of reference, presentation or site visit so as to use the information to fairly and transparently determine the criteria in selecting trade partners.

6 Employees



It is evident that the internal information that employees receive each day has influence on their attitude and participation. As such, SET focuses on interactive communication tools which are easily accessible and advanced such as in-house radio, and intranet’s Q&A forum. The exchange also organizes activities to constructively reach out and effectively cascade to employees such as SET Employees Club, Town Hall meeting, etc. Furthermore, the annual engagement survey is conducted to listen to employees’ concerns, opinions and suggestions.

7 Society



SET works with agencies and associations in the Thai capital market, as well as capital markets worldwide by focusing on sustainability development process through activities, projects, training, seminars including the dissemination of capital market-related knowledge via various channels and tools.

SET is committed to social and environment development by networking with public and private sectors as well as non-profit organizations so that the results can multiply and motivate all the stakeholders to join. All these activities are under the management of the SET Foundation. The media coverage has been made possible courtesy of various media that publicize and present the information accurately, reliably and transparently.

The Capital Market's Goals and Strategy towards 2020

Towards Sustainable Growth



For four decades, SET has been committed to developing the strategies to enhance competitiveness through effective business process and management while being equipped to cope with economic, social and environmental volatility.

In 2014, SET integrated business process with sustainability development by setting “Towards Sustainable Growth 2020” long-term goals and strategy, focusing on creating the balance of economy, society and environment through two dimensions of capital market development as follows:

1 Broadening

SET will focus on the development of capital market products and services that could serve diverse demands of both investors and fund raisers. SET plans to expand its business to (1) diversify its products to cover non-equity instruments (multi-asset class), (2) introduce products denominated in currencies other than Thai Baht (multi-currency), (3) expand cooperation with the Greater Mekong Subregion (GMS) partners, and (4) expand the number of listed companies and investor base.

2 Deepening

SET will emphasize the collaboration with stakeholders to meet future trends that will lead to quality and value creation, as well as enhancing business standard and stability of the Thai capital market in the long run. SET will focus on (1) educating both institutional and retail investors to promote quality and responsible investments, and (2) encouraging listed companies to conduct businesses that produce not only financial but also social returns that will create positive impact on both the society and the environment for all of us today and the future generations.

Towards Sustainable Growth

Target	Integrity	Prosperity	Sustainability
Strategy	<p>Risk management</p> <ul style="list-style-type: none"> • Improve efficiency of market surveillance and balance between business opportunity and investor protection • Assess a feasibility of shortening clearing and settlement cycle from T+3 to T+2 • Adopt world class risk management standards that follow PFMI and EMIR <p>Digitalization</p> <ul style="list-style-type: none"> • Launch new equity clearing system • Incorporate digital technologies to enhance efficiency of services for key stakeholders: <ol style="list-style-type: none"> 1) Listed companies (Digital IPO) 2) Retail investors (SET Sawasdee and social and digital media enhancement) 	<p>Business expansion</p> <p>Supply</p> <ul style="list-style-type: none"> • Increase market cap from IPO and secondary offering by listed companies • Create new investment platforms for Small and Medium Businesses <p>Demand</p> <ul style="list-style-type: none"> • Expand investor based of retail and institutional investors (mutual fund/ employee's choice) • Increase liquidity in the stock market and derivatives market <ol style="list-style-type: none"> 1) Support market makers' activities 2) roadshow activities (Inbound/ outbound/ knock door) to encourage foreign investors to increase their investment • Support asset management companies to market the Thai mutual funds to foreign investors <p>Diversification</p> <ul style="list-style-type: none"> • Multi-asset class/ currency: agricultural products, gold and fixed income and non-Baht product • Post-trade service: Enhance quality of services and introduce new services <p>Internationalization</p> <ul style="list-style-type: none"> • Promote SET's products through collaboration with international exchanges • Increase the opportunity of doing businesses in GMS <ol style="list-style-type: none"> 1) GMS-linked product (DR/ GMS stocks listing) 2) Exchange partnership 3) CMA-GMS 4) Cooperate with GMS exchanges in creating an education standard for equity investment consultants 	<p>Listed companies</p> <ul style="list-style-type: none"> • Enhance the quality of listed companies towards sustainable growth (ESG/DJSI) • Enhance the quality of listed companies' personnel and help to develop the personnel to support Investor Relations and financial officer in listed companies <p>Brokers</p> <ul style="list-style-type: none"> • Increase investment professionals (Investment Consultant/ analyst) and develop knowledge and capacity by segment <p>Investor</p> <ul style="list-style-type: none"> • Strengthen investment knowledge and skills of investors to foster sustainable investment mindset for investors and public <p>SET</p> <ul style="list-style-type: none"> • Become a sustainable stock exchange • Re-align human resources • Strengthen SET's branding

From the previously mentioned two dimensional (Broadening and Deepening) value creation processes to move towards sustainable growth, SET's direction will gear towards the following four themes:



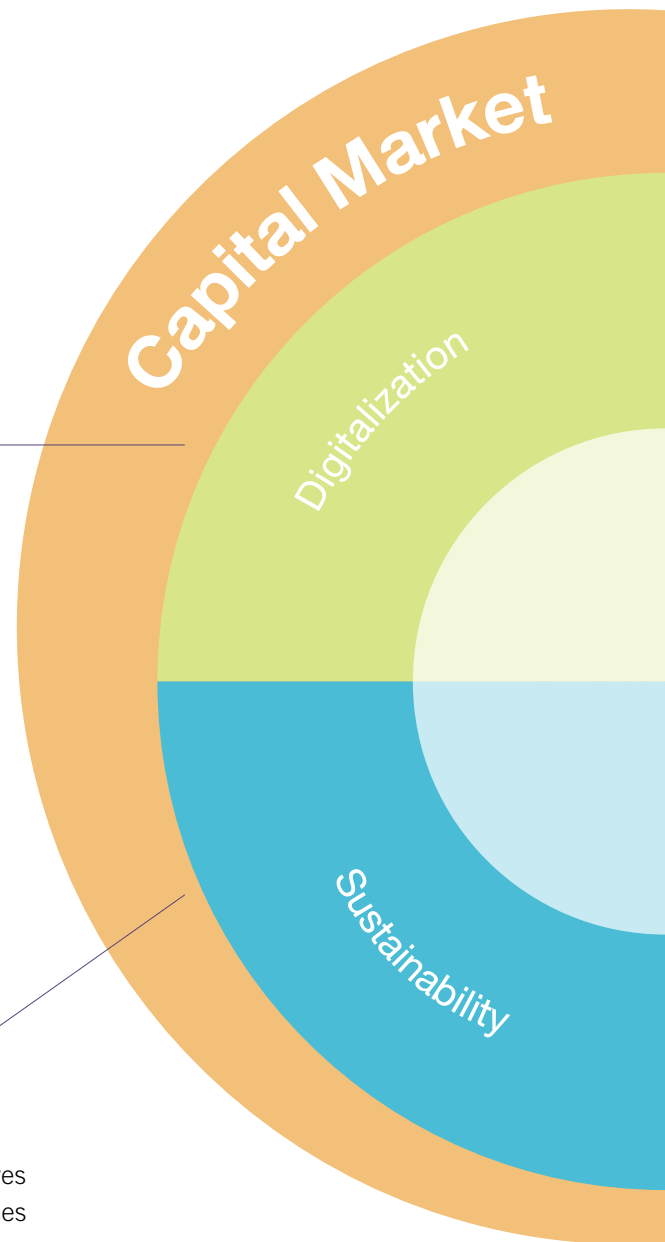
Digitalization

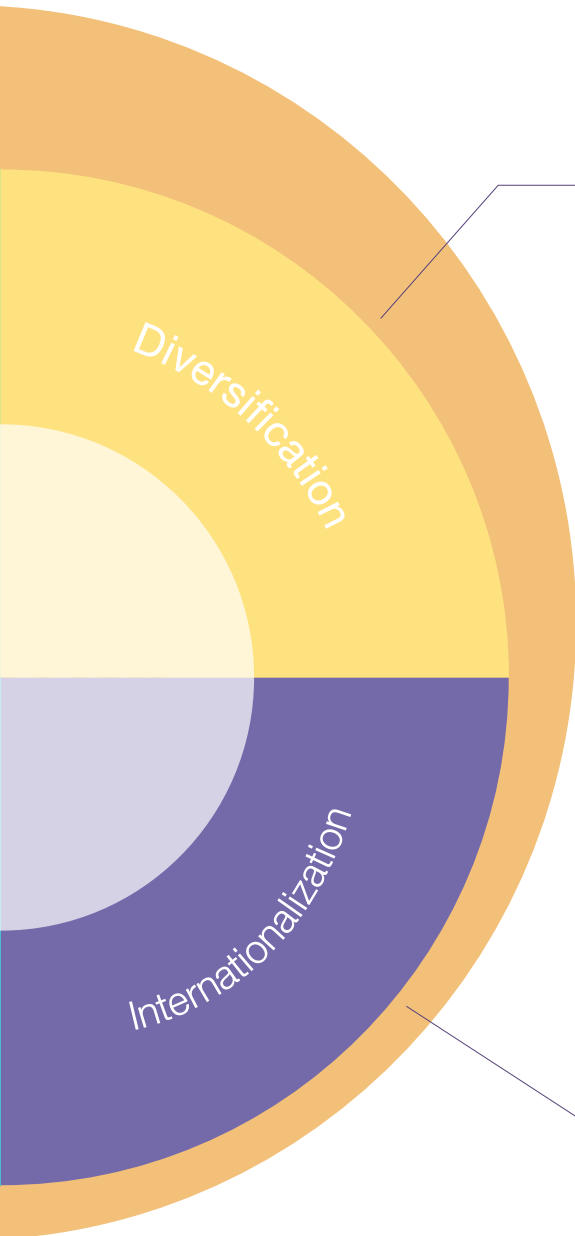
Utilize technologies and innovations for both operations and service developments to extensively facilitate all clients, reduce complexity and enhance efficiency. This will help SET to reduce its operating cost, as well as facilitating faster and broader information access.



Sustainability

Grow the size and liquidity of both equity and derivatives markets by providing quality products, quality services and quality investors. SET will enhance listed companies to be able to adapt and lead towards sustainable growth. At the same time, SET will provide investors and general public with financial and investment knowledge, as well as encouraging them to make responsible investments by investing principle in companies that incorporate Environment, Social and Governance (ESG) in conducting their business.





Diversification

Offer diversified products and services that suit investors' growing demands, such as offering products from foreign markets and asset classes apart from stocks, offering products that are denominated in foreign currencies, and supporting various methods of international listing. These will provide additional alternatives for investors and help them to diversify their portfolio and manage risks more efficiently and effectively.



Internationalization

Develop quality products, services and systems that meet international standards, as well as improving quality in terms of corporate governance and sustainability of listed companies. In addition, SET seeks to collaborate with GMS exchanges and global major exchanges to increase competitiveness and to connect with global capital markets.



Sustainability Development Framework

In 2014, the SET Board of Governors approved the Sustainability Development Framework, involving “Sustainable Growth 2020” long-term goals and strategy, in line with stakeholders’ expectations. The Sustainability Development Framework was designed by analyzing the case studies and conducting comparative analysis of sustainability development of leading stock exchanges in foreign markets, especially the stock markets that are members of the Dow Jones Sustainability Indices (DJSI), as well as the stock exchanges participating in the SSE Initiative. The framework also focused on sustainability standards and principles, notably the UN Global Compact, ISO 26000, sustainability reporting framework under the Global Reporting Initiative (GRI), among others. All the data and information have been examined, discussed and finalized as Sustainability Development Framework in SET’s context, so as to meet the stakeholders’ expectations, which will be used as a guideline to determine material aspects and Sustainability Development Roadmap in 2015.



Market Growth

Driving sustainability, by creating goodwill, as well as economic, social and environmental value to the Thai capital market

Sustainability Management

Integrating corporate governance, risk management into day-to-day business activities. This includes creating value and improving business processes to ensure that the business is conducted to strengthen confidence among stakeholders in the capital market



Employees

Developing employees' potential, building happiness and sustainable organizational culture as motivation in response to organizational and social expectations.

Social

Promoting community and society empowerment via self-sufficiency towards sustainability

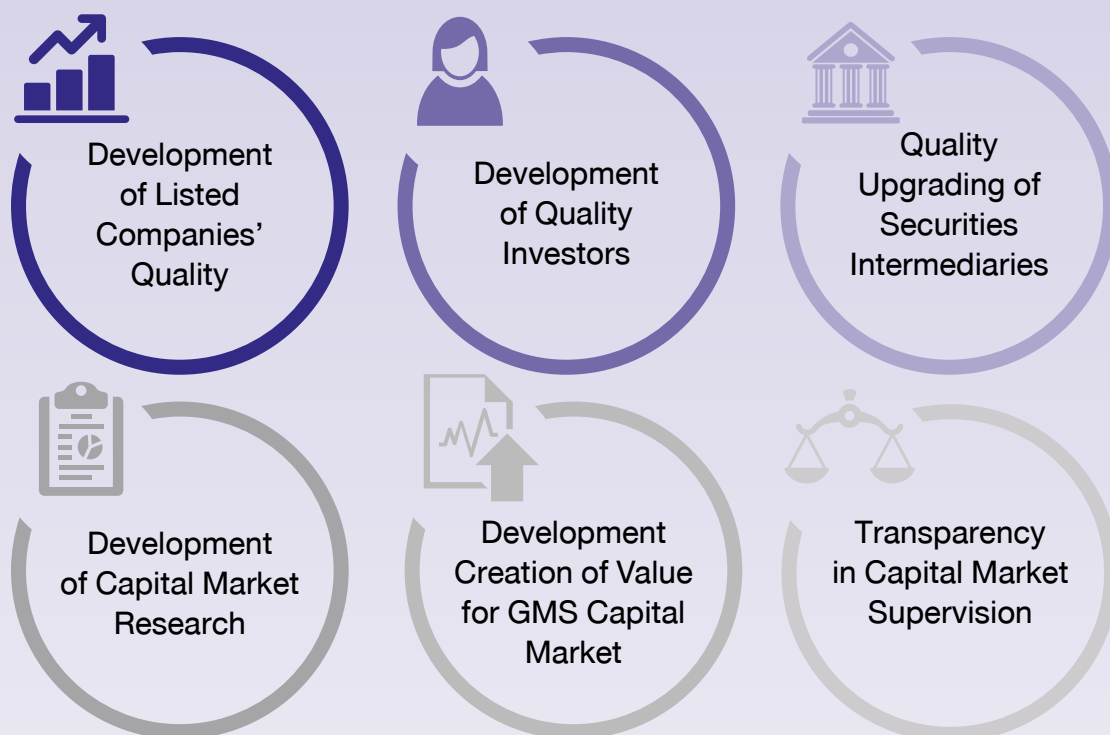


Environmental

Optimizing efficiency of in-house allocation and use of resources, taking into account the environmental impact resulted from business procedures.



Market Growth



SET realizes that the capital market value does not count on growth in trading value only but also involves the creation of solid foundation for stakeholders. Throughout the last 40 years, SET has gradually nurtured and developed the quality of listed companies in terms of operating performance and business undertaking with corporate social responsibility. These include the incubation of quality investors, the development of securities trading intermediaries and capital market research, as well as the development and value creation of the Greater Mekong Sub-region (GMS) capital markets to enhance confidence among investors in the region, including the transparent, reliable and fair regulatory process.

Development of Listed Companies' Quality

SET helps develop the quality and potential of listed companies to grow and continuously expand their performances in order to strengthen their financial stability. In addition, they should run businesses with attention to responsibility for the society and the environment, under corporate governance, in order to ascertain that they can drive their operations in a sustainable manner. Sustainability is the basic factor to create value to the capital market and confidence among investors in the long run. By the end of 2014, there were 613 companies listed on SET, with total market capitalization of THB 14.24 trillion, increasing 21.97% from 2013. SET therefore continues to promote the development of quality and literacy among listed companies for growth and investment opportunities in both local and foreign markets.



1 Development of listed companies' financial stability

SET aims at creating financial and liquidity stability for listed companies so that they can competitively develop their businesses continuously through financial instruments. They will have more funding alternatives to raise capital for business development and acquisition, without relying solely on loans from financial institutions, and will, in turn, increase the number of shareholders. SET has consequently cooperated with Investment Banking Club of the Association of Thai Securities Companies to promote knowledge and understanding of financial instruments among executives of listed companies, through the Financial Instruments for Directors project which covers, for example, issuance and offering of ordinary shares for capital increase, warrants and dividend shares, etc.

SET has also visited listed companies in order to recommend appropriate financial instruments and closely participated in the analysis of funding opportunities and the use of financial instruments. These included the dissemination of financial instruments data on SET's website for easier access to information among listed companies. In 2014, listed companies reported total capital mobilization of THB 166.88 billion, and issued 156 financial instruments, mainly warrants and dividend shares.

SET has also encouraged listed companies to disclose their quarterly operating performance to investors, analysts and the media, by organizing the Opportunity Day continuously. Investors and interested parties can participate in the activities through different channels, such as participation in person at SET headquarters, watch live broadcast or online videos via the SET website, or through Opp Day application on both iOS and Android. In 2014, there were 461 listed companies joined and talked to investors at the Opportunity Day events, with over 21,715 persons participating in the activities at SET headquarters, and over 387,674 page views through Opp Day application by viewers in 148 countries.



2 Development of listed companies' corporate governance

In addition to financial stability development, another factor to create confidence among shareholders, investors and stakeholders in both local and foreign capital markets is the promotion of listed companies to realize the importance of ESG issues and impact on their business undertakings. SET has continuously developed and promoted literacy and understanding on this matter among listed companies.

Development of Corporate Governance in the Thai Capital Market

SET has initiated and developed corporate governance among listed companies in Thailand since 1994, emphasizing the development of corporate governance policy and practices, as such lifting Corporate Governance standards among Thai listed firms in line with international standards to be, well-recognized both at the regional and global levels.

1994

SET required listed companies to have at least two independent directors.

1999

SET cooperated with the Securities and Exchange Commission (SEC), the Bank of Thailand, Foundation for Capital Market Development Fund and the World Bank to establish the Thai Institute of Directors (IOD).

2001

SET sponsored IOD to publish the Corporate Governance Report Assessment of Thai Listed Companies (CGR) for the first time.



1996

SET promoted the concept and encouraged listed companies to establish audit committee.

2000

SET launched Corporate Governance Report (40 principles) and required the listed companies to establish an audit committee.

2002

SET issued 15 corporate governance principles and established the Corporate Governance Center to provide advice, organize activities and serve as a corporate governance resource center/ established Corporate Governance Advisory Committee to recommend the 15 corporate governance principles to individual listed companies.



2004

SET presented the Best Corporate Governance Report Awards and Best Investor Relations Awards for the first time.



2006

SET issued the Principles of Good Corporate Governance for Listed Companies 2006.

2012

SET revised the Corporate Governance Principles in consistence with the ASEAN CG Scorecard.

2005

SET encouraged listed companies to practice corporate governance principles in line with the international standard: Organization for Economic Co-operation and Development (OECD).

2007

SET launched a corporate governance checklist.

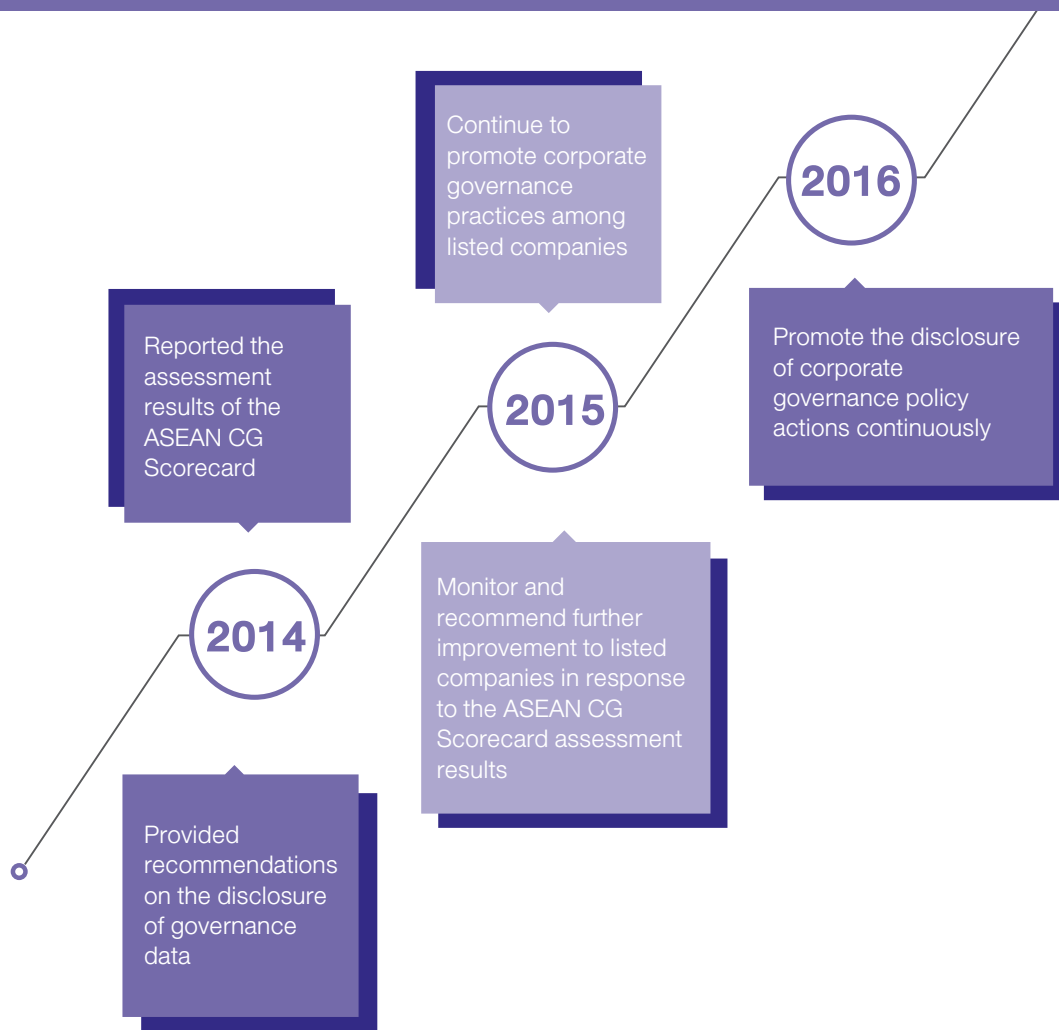
2014

SET supported IOD to revise the CGR assessment criteria in consistence with the ASEAN CG Scorecard.

Value creation of listed companies through corporate governance

Corporate governance is an influential factor for investment confidence and decision making among investors, which will lead to higher value for listed companies and sustainable growth of the capital market at large. SET established the Corporate Governance Development Center in 2002 to advise corporate governance practices and activity arrangement, to serve as a corporate governance resource center and to ensure concrete actions under corporate governance principles, in line with international standards. In 2014, SET formulated the 3-year Thai Listed Company Corporate Governance Development Plan.

Thai Listed Company Corporate Governance Development Plan 2014-2016



SET has continuously promoted the best practices and created knowledge and understanding about corporate governance development among the board of directors, executives and officers involved in corporate governance among listed companies. These will lead to a policy shift towards corporate governance as well as effective and concrete actions, such as provision of knowledge about the roles of the board of directors in ensuring sustainability of a business, knowledge about risk oversight and management of an organization, including performance assessment of the board of directors. These have been communicated and disseminated via different media channels.



1 CEO CG Talk

A forum to transfer knowledge and exchange views from experienced directors in order to encourage listed companies to realize the significance of performance assessment of the board of directors, which will lift corporate governance efficiency and increase value of each business as a result. In 2014, SET organized CEO CG Talk, under the concept of Creation of Value to Business with corporate governance, totaling five occasions, in which 87 representatives from 70 companies participated.

2 CG Advisory Program

A program that provided in-depth advice on corporate governance to the board of directors and executives of the newly listed companies, including other listed companies showing their intent on participating in the forum on a case by case basis. In 2014, SET organized a small group CG Advisory forum to exchange opinions under the topic of “SD Talk: The Road towards Corporate Sustainability”, in which representatives from 36 listed companies participated. SET also visited executives of two companies to provide them with guidance on corporate governance

3 CG Forum

The CG forum aims at lifting standards for operational potential to ensure effective implementation of corporate governance. In 2014, SET organized four forums. The first one was under the topic of “Effectiveness in Boardroom: Route to Success & Best Practices”. The second forum’s topic was “Corporate Governance in the Perspective of Investors. The third one was “Challenging as Expectations for Board Engagement on Strategic Risk Management Oversight” and the fourth topic was “Performance Assessment for the Board of Directors and Director of Remuneration”. There were 750 representatives from 485 companies participated in these forums.

Dissemination of corporate governance knowledge

SET disseminated corporate governance knowledge to listed companies, investors and interested parties, covering 20 areas in 2014, including Report on Directors' and Executives' Remuneration Survey of Listed Companies, and Guideline for Remuneration Committee, etc. In addition, SET sponsored two training courses on corporate governance for the Investment Banking Club and Company Secretary Club with 160 attendees.

Effectiveness of corporate governance development

Following the ongoing efforts to promote concrete actions of corporate governance, SET has encouraged listed companies to reveal their actions in accordance with the Corporate Governance Principles in the annual reports. SET will use the operational results for corporate governance development among listed companies in accordance with the international criteria and standards.

Corporate Governance Report (CGR) of Thai listed companies

SET, in cooperation with the Thai Institute of Directors (IOD), has started the assessment of Corporate Governance Report (CGR) by Thai listed companies since 2011, focusing on surveying and assessing information disclosed by listed companies in different channels, such as the annual reports and annual 56-1 reporting form of the SEC, AGM meeting notices and websites, etc. Listed companies can also use the survey results and feedback to improve and develop their corporate governance activities.

During 2012-2013, the CGR results showed listed companies reported average scores of corporate governance development at 77% and 78% respectively. These average scores decreased from 2013 scores. The lower CGR scores were due largely to the revision of existing criteria and addition of the new ones in 2014, in accordance with the ASEAN CG Scorecard. The score implied the level of corporate governance development among the Thai listed companies. The average CGR scores among 550 listed companies in 2014 were at 72%, or at the "good" level.

ASEAN CG Scorecard Assessment

At the ASEAN Capital Market Forum (ACMF), the capital market regulators of the ASEAN member nations set a goal to lift corporate governance standard of listed companies in ASEAN to international scales. They agreed to enforce the ASEAN CG Scorecard for assessment in 5 areas, which are the Rights of Shareholders, Equitable Treatments of Shareholders, Role of Stakeholders, Disclosure and Transparency, and Responsibility of the Board. The survey results in 2013/2014 selected the top 100 listed companies with the highest market capitalization, and the Thai listed companies reported the highest average scores at 75.39 % among the six participating nations for two consecutive years, up 8 scores from the 2012/2013 survey. They also marked the highest scores for Equitable Treatments of Shareholders area.



CG Watch Assessment and Rating

The report on Corporate Governance Assessment of Capital Markets in Asia has been conducted every two years, by the Asian Corporate Governance Association (ACGA), a non-profit organization, in cooperation with Cr dit Lyonnais Securities Asia (CLSA) Asian-Pacific Markets. The assessment focused on five areas: 1) CG Rules & Practices 2) Enforcement 3) Political/Regulatory Environment 4) International Generally Accepted Accounting Principles (IGAAP) and 5) CG Culture. There were 11 nations participating in the CG Watch survey in 2014 and Thailand ranked 4th.

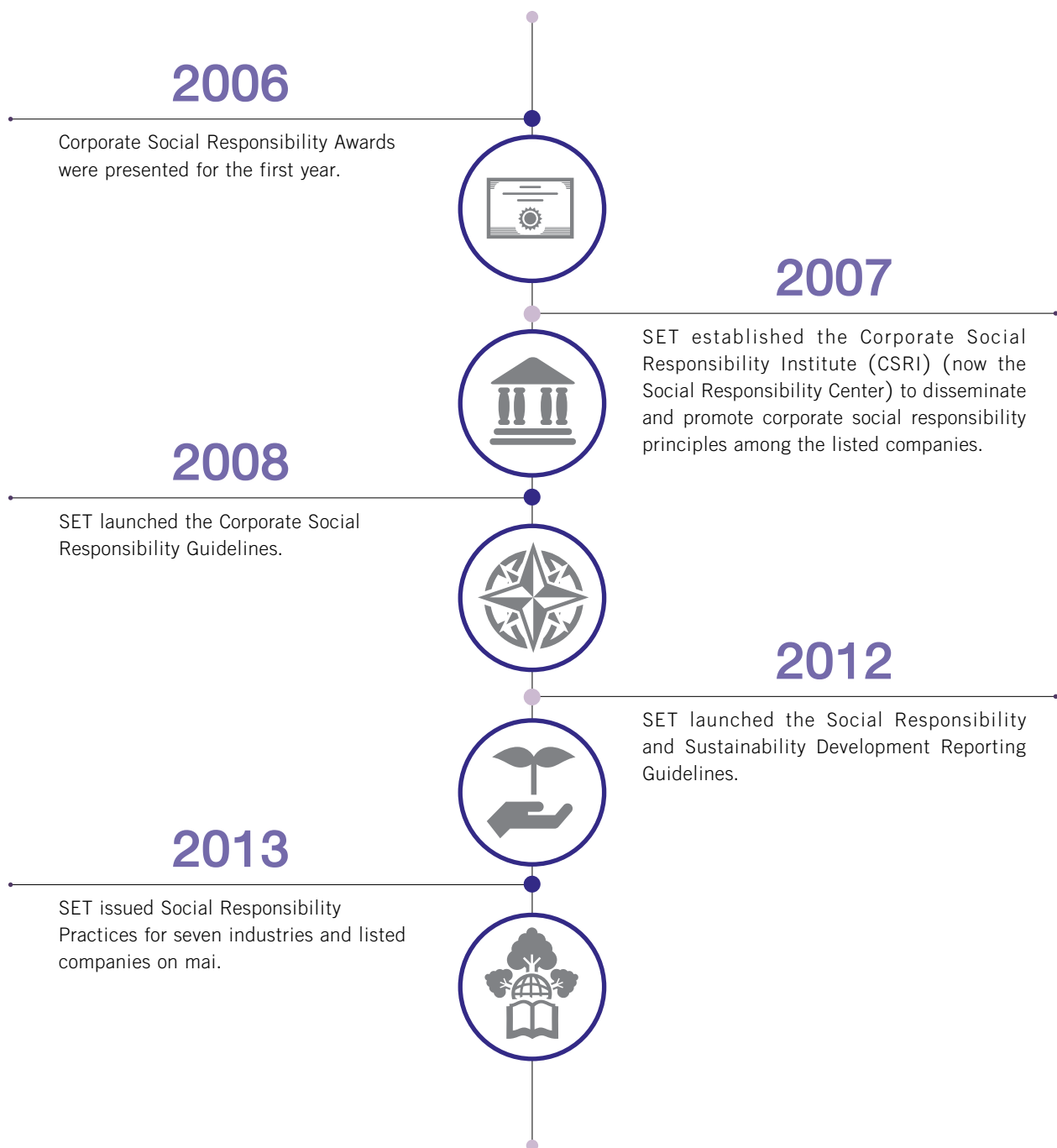
Corporate Governance-Report on the Observance of Standards and Codes (CG-ROSC)

CG-ROSC is a corporate governance assessment standard, initiated by the World Bank, taking into account, the corporate governance status, regulatory requirements and capital market criteria in countries participating in the assessment, according to OECD principles. The latest assessment, in which 11 nations in Asia and 51 countries worldwide participated. in 2013 showed that Thailand was number one with total score of 82.83%

3 Developing social responsibility for listed companies' sustainability

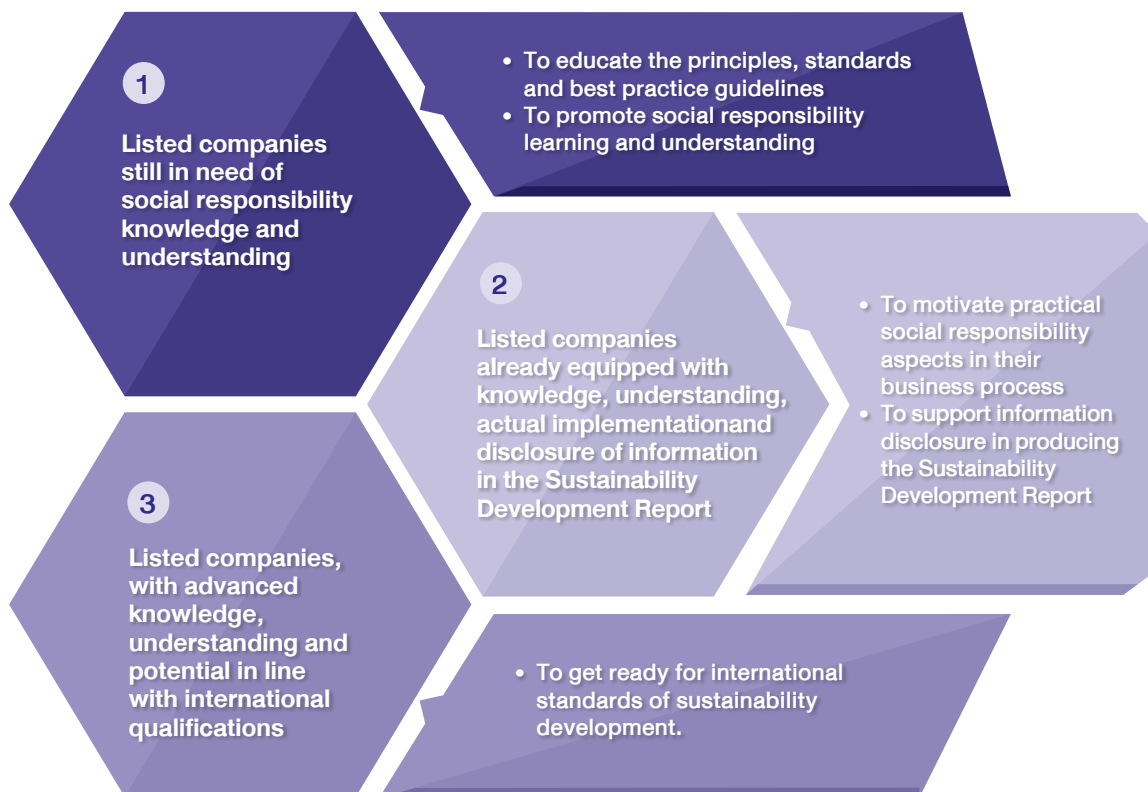
Social Responsibility has been currently linked to Sustainability Development of an organization and has become a major tool for managing anticipation of stakeholders. Recognizing the importance of such development, SET established the Corporate Social Responsibility Institute (CSRI) in 2007, tasked with a mission to raise awareness among listed companies to realize the significance of balancing the economy, society and environment, under corporate governance principles, which could lead to business sustainability.

Development of Social Responsibility in the Capital Market



Promotion of Knowledge and Understanding about Social Responsibility

SET's SR Center enhances basic knowledge and understanding about social responsibility in business undertaking among listed companies, both executives and operating staff, based on fundamental capability and appropriateness of learners, so that they gain maximum benefits in their implementation. Knowledge promotion was conducted, through training, seminars and in-depth consultation services. Listed companies are encouraged to intensively implement social responsibility knowledge and integrate it in business process and management. The SR Center is instrumental in setting the strategy and goals for listed companies, categorized into three groups as follows:



In addition to these three target groups, the educational development process has been classified in two levels, according to the understanding and implementation progress of listed companies:

Preliminary Level: Fundamental knowledge in Social Responsibility

This training course is aimed at creating basic knowledge about social responsibility. In 2014, there were 8 classes, attended by 323 representatives from 177 companies.

Advanced Level: Promotion of SR practices

This workshop focuses on eight major topics to enhance working skills. All attendees must pass the basic social responsibility courses. In 2014, a total of 232 representatives from 128 companies attended the workshop.

In addition, SET disseminates social responsibility knowledge, development approach and current social trend among listed companies as well as investors in general. This is a key to creating awareness and participation in a continuous and sustainable move towards developing the corporate social responsibility in the Thai capital market. SET has organized the Sustainability Development Forum (known as SD Forum) continuously, in cooperation with both public and private sectors, and civil society, both in Thailand and overseas, in order to share social responsibility experience and expertise vital to the development of corporate social responsibility in the Thai market. There were five seminars on SD Forum with more than 1,000 participants in 2014.

Issues	Topics
Social Responsibility	<ul style="list-style-type: none"> • SR Trend 2014: Corporate Citizenship • Unlocking Corporate Value through Sustainability Reporting
Responsible Investment	<ul style="list-style-type: none"> • Asian Social Investment Forum 2014 • New Opportunities for Sustainable Growth • Investing for Sustainability : Pursuing Impact + Profit in Globally Diversified Portfolios

SET has encouraged listed companies to adopt the social responsibility concept for concrete actions, through in-depth consultation under the Corporate Sustainability Advisory Program, so that they could further develop a corporate social responsibility model. SET has sponsored an advisory team to consult social responsibility framework in consistence with the strategy of business and organizational cultures of listed companies. In 2014, five listed companies on mai participated in the program.

In addition, SET regularly meets with directors and executives of listed companies through the CEO Forum aiming at inspiring and exchanging views on social responsibility and social impact investment. In 2014, SET organized CEO Forum twice, participated by 38 companies.

SET has produced and disseminated social responsibility guidelines continuously, such as the Corporate Social Responsibility Guidelines and Social Responsibility Practices for seven industries and listed companies on mai, as well as terms and definitions of sustainability.

Disclosure of ESG Performance

SET encourages listed companies to disclose information on their social responsibility performance in order to create trust in their sustainability potential, and as a tool to monitor ESG performance in line with business policy and strategy. In 2012, SET published the Sustainability Development Reporting Guidelines for listed companies and there have been ongoing efforts in providing knowledge and training courses for SD reporting. In 2014, there were training sessions for ESG performance disclosure and SD reporting, classified in two levels, i.e. :

- Basic training course for SD reporting focusing on the provision of knowledge and practices for information disclosure and report preparation, totaling 8 classes, in which 363 representatives from 218 companies participated
- A training course on SD reporting under GRI reporting framework, totaling two classes, with 58 attendees from 41 companies



Recognition and Incentives for Social Responsibility Actions

SET has granted the Corporate Social Responsibility awards continuously since 2006 and the CSR Recognition awards since 2012, to motivate social responsibility actions among listed companies. In 2014, the total of 21 listed companies were granted the CSR Awards, and 5 of them received SET CSR Awards of Honor for, showing outstanding corporate social responsibility performance for three consecutive years. There were four companies receiving Excellence CSR Awards, and 12 companies receiving the Best CSR Awards. As for CSR Recognition Awards, 3 companies received the Most Improved Awards, and 5 companies received the Rising Star Awards.

4 Enhancement of Thai listed companies towards the Global Standard

In 2012, SET encouraged the Thai listed companies to enter corporate sustainability assessments scheme under the Dow Jones Sustainability Indices (DJSI), which has been developed and well-accepted globally for more than 15 years, by S&P Dow Jones Indices. They screen and evaluate leading listed companies around the world that are committed to ESG. Participation in the DJSI assessment scheme will draw attention and create trust among responsible investors who prefer investing in companies with good economic returns and sustainable growth. In 2014, a total of 31 listed companies in Thailand were invited to participate in the DJSI assessment and 10 of them were selected as DJSI members.



The Thai Listed Company of DJSI Members 2014

Symbol	Company Name	Industry	DJSJ World	DJSI Emerging Markets
PTT	PTT Public Company Limited.	OIX Oil & Gas	√	√
PTTEP	PTT Exploration and Production Public Company Limited.	OIX Oil & Gas	√	√
PTTGC	PTT Global Chemical Public Company Limited.	CHM Chemicals	√	√
SCC	The Siam Cement Public Company Limited.	COM Construction Materials	√	√
BANPU	Banpu Public Company Limited.	COL Coal & Consumable Fuels		√
CPN	Central Pattana Public Company Limited.	REA Real Estate		√
IRPC	IRPC Public Company Limited.	OIX Oil & Gas		√
MINT	Minor International Public Company Limited.	TRT Hotels, Resorts & Cruise Lines		√
TOP	Thai Oil Public Company Limited.	OIX Oil & Gas		√
TUF	Thai Union Frozen Products Public Company Limited.	FOA Food Products		√

Of those listed companies invited to participate in the sustainability assessment by DJSI, 32.26% of them successfully became the DJSI members, the highest proportion in ASEAN. This reflected the quality of the listed companies at the global scale, both in terms of economic returns and positively sustainable effects on society and the environment.



SET took part in the promotion of the eligible listed companies for sustainability assessment by DJSI. SET organized a DJSI Exclusive Training, by inviting speakers from RobecoSAM to provide knowledge and methodology of the assessment to those listed companies invited by DJSI in 2014. SET also encouraged the 10 listed companies already become the DJSI members in 2014 to share their experiences for listed companies invited to DJSI assessment. There were 74 representatives from 24 companies participating in the knowledge-sharing session.

5 Opportunity of SMEs in the capital market

It is significant that the Thai entrepreneurs are small and medium-sized enterprises (SMEs), and have become a major growth engine for the Thai economy. Many SMEs show sound potential for continuous growth, but lack capital and expertise in marketing, business management and production technology. Realizing the importance of involvement in the development of potential, skills and capabilities of entrepreneurs, together with the provision of access to the solid funding source to increase their competitiveness, SET has cooperated with the National Science and Technology Development Agency (NSTDA), Thai Venture Capital Association, and the Office of the SEC to launch the InnoBiz Matching program. It aims to link businesses with funding sources, by urging SME entrepreneurs to

propose their strategic concepts and business plans to interested investors and attend a one-on-one coaching session. During 2009–2014, there were 146 SME entrepreneurs participating the one-on-one coaching session.

The 8th InnoBiz Matching was organized in 2014, under the concept of “Entrepreneurs Groom Entrepreneurs”, in which 25 companies participated and 15 of them were selected for the one-on-one coaching. Six companies were selected to present their businesses in the InnoBiz Matching Day 2014. One of them runs business under social enterprise model. SME entrepreneurs and interested parties can get InnoBiz Matching information at www.innobizmatching.org.

6 Promotion of Socially Responsible Investment (SRI)



SET realizes the importance of raising listed companies' awareness in socially responsible investment (SRI) that cares about impact on the economy, society and environment. SRI is fundamental to the capital market's sustainable development. As such, SET promotes the UN Principles for Responsible Investment (UN PRI) through different activities.

SET has initiated social impact investment literacy for listed companies in various ways. Initially, SET encouraged listed companies to allocate their annual budget to invest in social enterprises (SEs) so as to access SE source of funds. In 2014, SET cooperated with the Thai Social Enterprise Office, British Council, Change Fusion Institute as well as social investment network both in Thailand and overseas to organize a special seminar for listed companies' executives, investors, media and general public under

the "Asian Social Investment" theme. The seminar, which was attended by over 200 participants, aimed at sharing experiences of efficient and sustainable SEs, tackling the social problems in Thailand and across Asia. Another seminar on "New Opportunities for Sustainable Growth" was shared by institutional investors highlighting effective SRI and SEs models and practical ideas, attended by 170 investors, media and general public. At present, SET is in the process of carefully studying and developing a sustainability index. SET provides financial instruments and will encourage investors to invest in quality securities, minimize risks and create opportunities for higher returns. Mean while, the listed companies will adjust themselves accordingly in the commitment to be more concerned about ESG issues as well as offering sustainable returns.

7 Development of investor relations

SET initiated the investor relations development as a mechanism to help promote listed companies' corporate governance. If they can run businesses with transparency and clear disclosure, investors will have more confidence in their decision making.

Investor Relations Development Strategies

Recognizing the importance of investor relations development, SET encourages the establishment of the Investor Relations Club (IR Club), operated under the Thai Listed Companies Association, as a venue for knowledge and experience sharing. IR Club speakers, representing listed companies, are highly qualified. Supported by SET, the IR Club has key strategy to create knowledge, understanding and public awareness about the value and significance of IR function as follows:

1 Creation of common understanding among executives

The creation of common understanding among executives is a major step to drive the IR. In 2014, SET organized a workshop entitled "CEO Workshop: IR as a Value-Creation Strategy", to prepare companies for listing on SET, participated by representatives from 33 companies. SET also organized small group seminars for opinion sharing among the newly listed companies, under the "SD Talk" session on "How CEO can Utilize IR to Maximize Corporate Value" participated by representatives from 19 companies. These included visiting six listed companies to provide IR function consultancy.

3 IR advisory program

Having implemented this program since 2011, SET cooperated with IR specialists to provide close and in-depth consultations on the development of IR among listed companies. The program aims to ensure that listed companies can run the IR function efficiently and continuously. During 2011-2014, there were 61 listed companies participating in this program.

5 Effectiveness of IR development

SET's development of IR literacy has made a mark among listed companies to realize the benefits and see greater opportunities from IR. Evidences can be seen from the higher records of candidates for the Best IR Awards each year. In 2014, there were over 177 candidates for the awards, up from the year before by 20%.

2 IR development and training

SET has continuously developed IR literacy among listed companies through training courses since 2013, available in seven curricula, with participation by over 213 companies. In 2014, eight curricula were arranged, classified as basic, intermediate and advanced levels, and participated by representatives from 223 listed companies.

4 Development of IR guidelines and best practices

SET has developed and disseminated the IR guidelines for listed companies. The Guidelines for First Step in IR Function – the basic IR concept, was launched in 2012, and the IR Code of Conduct was published in 2014, as a guide to perform IR duties in accordance with Corporate Governance Principles.

An increasing percentage of listed companies that participated in IR Awards

20%

Development of Quality Investors

Investors are considered a major group of stakeholders in the capital market. In 2014, there were more than 1.1 million investors in the Thai capital market. SET is therefore committed to providing accurate and appropriate information and knowledge for all groups and levels of investors aiming to create quality and socially responsible investors. SET focuses on the development of investment knowledge and skills to strengthen the solid foundation for the Thai capital market in the long run.



1 Educational marketing

SET's marketing promotion has an educational approach combined with practical tools. In doing this, SET has organized "Your 1st Stock" project, to provide first stock selection knowledge, how-to workshop and seminars on a monthly basis. Successful investors and leading analysts were invited to share their experience about stock trading tips for starters, professional analysis for stock trading, stock investment techniques and financial statement analysis, including Guidebook collections and the project's website are at: www.set.or.th/yourfirststock. In 2014, there were 25 securities companies participating in the project, bringing in more than 110,000 new securities accounts.

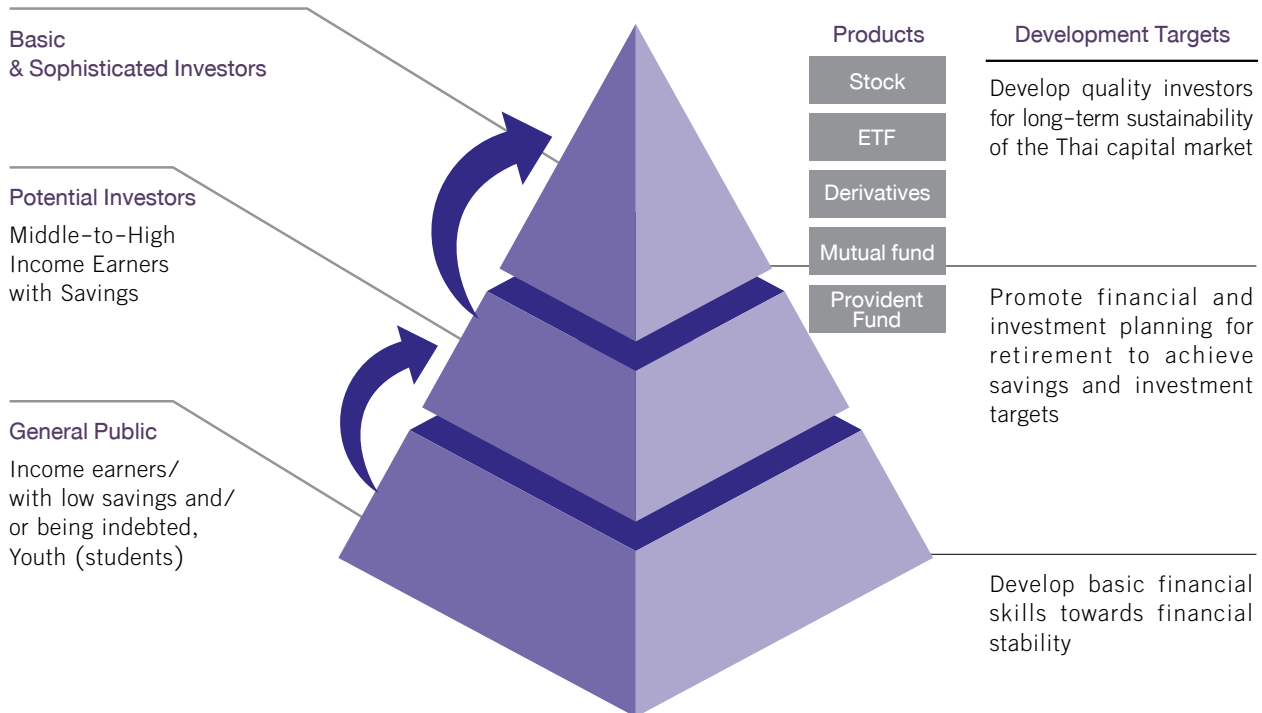
In addition, SET initiated "SET in the City Expo" in 2004 to serve as a meeting venue between investors and capital market players to share investment knowledge. This long-running project has created greater confidence and favorable atmosphere for investment. In 2014, there were more than 120,000 participants attended the event, attracting new investors of over 60%, many of them were the new up-and-coming younger generation. There were more than 21,873 transactions recorded during the expo, mostly stock investment, totaling 8,216 transactions, up 40% from previous year, followed by investment in mutual funds totaling 8,225 transactions, and investment in derivatives, totaling 1,174 transactions.

SET also organizes roadshows to disseminate investment knowledge for investors in various provinces nationwide, emphasizing "Expansion in all dimensions" strategy: expansion of allies, extension of time and expansion of knowledge coverage. In 2014, SET cooperated with the Thai Financial Planners Association (TFPA) in organizing seven roadshows in certain 5 provinces: Songkhla, Udon Thani, Chiang Rai, Nakhon Ratchasima and Chiang Mai, showing promising growth in economic development and investment potential, acquiring more than 10,000 new securities accounts.



2 Investment and financial education

SET established Thailand Securities Institute (TSI) in 2000 to serve as a center for the development of financial and investment literacy for investors, general public and youth, while developing professional skills and ethics in the capital market towards long-term financial stability. TSI creates a broad range of courses for investment planning for all target groups across the board in such a way as to help strengthen the national economic foundation and develop quality investors for the Thai capital market.



Promotion of financial planning

SET promotes financial planning to the public through various learning channels, aiming to enable the people to conduct their financial planning towards quality and stability in each life span.

Revolutionary Thinking for Wealthier Life project

Initiated since 2013, the project aims at encouraging working people, aged between 21–45 years, to learn about systematic financial planning, being able to use their savings to gain fruitful benefits from investment. The project also promotes reasonable spending, under the concept of “Clearing all debts, planning to save and invest more before retirement” in order to assure their future wealth. In 2014 the key messages and contents were promoted above the line and below the line, offline and online

channels to suit consumers among the new generation with trendy lifestyle, mainly out-of-home media, such as BTS Skytrain and MRT subway stations, as well as roadshows to 16 office buildings in greater Bangkok area. There were also TV programs entitled “365-day Investment” and “Necessity in Financial Planning” that featured the perspectives and inspiration in financial planning.

In addition, in 2011 SET launched the “Employee’s Choice @ Workplaces” project for employees with an aim to increase awareness on financial planning for retirement. It catered to provident fund members with selection of investment policies according to their choices, including savings via RMF and LTF. The project has been going on each year. In 2014, there were 136,797 participants from 28 organizations attended the training courses and other learning channels.

Creation of investment potential

To enhance quality investors, SET has continuously developed different projects which can strategically strengthen the Thai capital market. It promotes investment knowledge for savers to ensure continuing growth in their savings via various investment tools in the capital market, as well as the in-depth investment knowledge and skills to ensure sustainable financial returns.

Investor training courses



1 Investor classes

The training courses and seminars for investors feature a wide variety of contents, both financial and investment planning, in response to the needs of new investors and those investors willing to further enhance their investment know-how. Certain types of knowledge include financial planning, increase of wealth through value stocks, regular earnings through dividend stocks, techniques for accumulating premium stocks (dollar cost average: DCA), particularly equity stocks, derivative warrants and exchange traded fund (ETF). In 2014, participants totaled 12,521.

3 Online investor classes

SET has developed a website: www.tsi-thailand.org as a portal of financial and investment resource, available 24 hours daily. There were more than 10 million page views in 2014.

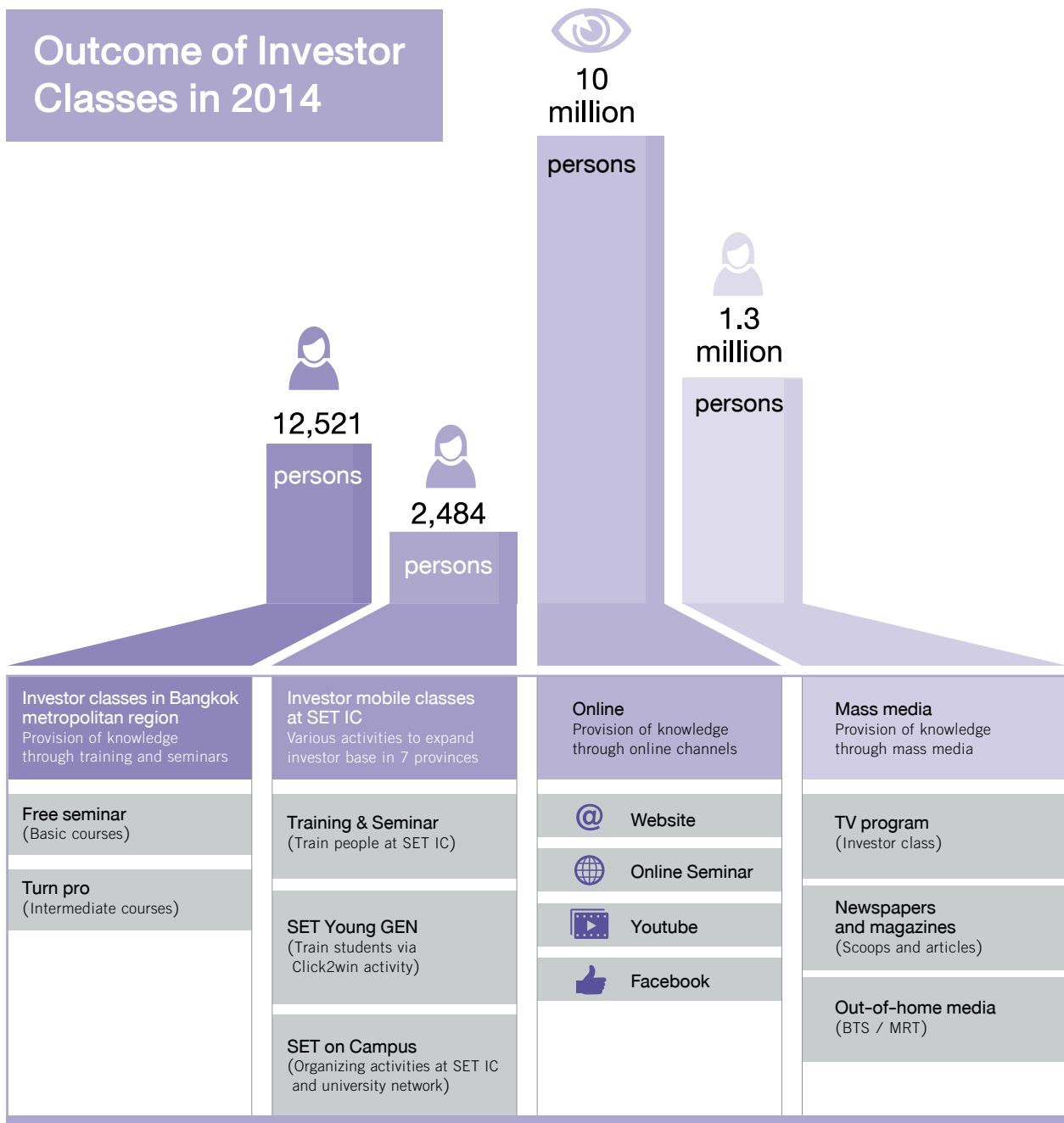
2 Investor mobile classes

These were seminars for investors in provinces, through seven SET Investment Centers (SET IC) nationwide: Chiang Mai, Phitsanulok, Khon Kaen, Songkhla, Surat Thani, Ubon Ratchathani and Chonburi, so as to extensively develop the quality of investors. In 2014, participants totaled 2,484.

4 Investor class in mass media

SET has produced an “Investor Class season 1” and “Investor Class season 2” TV programs, broadcast via Money Channel, and a “365-day Investment” via Royal Thai Army TV Channel 5. These include coverage via newspapers, magazines, as well as out-of-home media at BTS and MRT stations, accessible to more than 1.3 million audiences.

Outcome of Investor Classes in 2014



Publication on saving and investment education

SET continues to produce educational media on savings and investment for four target groups: 1) the youth and general public 2) investors 3) listed companies and companies preparing for listing and 4) professionals. In 2014, SET developed the learning media in line with the launch of the ASEAN Economic Community (AEC). These are “Know more about M&A: Opportunity for Thai Business” and “Professional M&A Strategies”, including a translation of “Global Technology Audit Guide (GTAG)”.

There are also the 2-book series of “Fraud Audit” and “Supervision of IT Data Security” accompanied by seminars. As for investor guidebook, SET published “Selection of Valuable Stocks with Fundamental Factors”, “Bible for Financial Statement Analysis” and “Catching Investment Rhythm with Technical Factors”. Other books were “Knowledge for Futures and Option Analysis” and SET e-book application.

SET Investment Center (SET IC)

SET has effectively disseminated investment knowledge across the nation with quick and easy access. In so doing, SET promoted its seven **SET Investment Centers (SET IC)** at various universities, to serve as a modern and complete resource center for investment, under the concept of “Your Investment Center with Access for All”. The seven ICs are at Chiang Mai University, Naresuan University, Khon Kaen University, Ubon Ratchathani University, Prince of Songkla University (Hat Yai Campus), Suratthani Rajabhat University and Kasetsart University (Si Racha Campus). These ICs provide information on financial and investment planning for students and the public with educational media, available in more than 150 topics. These include online investment information, such as SETSMART program, live and online video programs of the Opportunity Day activities, Aspen Program and “Click2win” competition program.

Furthermore, SET serves as an activity center of the stock market for its stakeholders, in order to help promote financial and investment knowledge, including knowledge development for capital market professionals. Interested persons please visit www.tsi-thailand.org/SETIC to find out more about activities information. In 2014, there were 22,141 persons using SET IC information and participating in SET IC training courses.



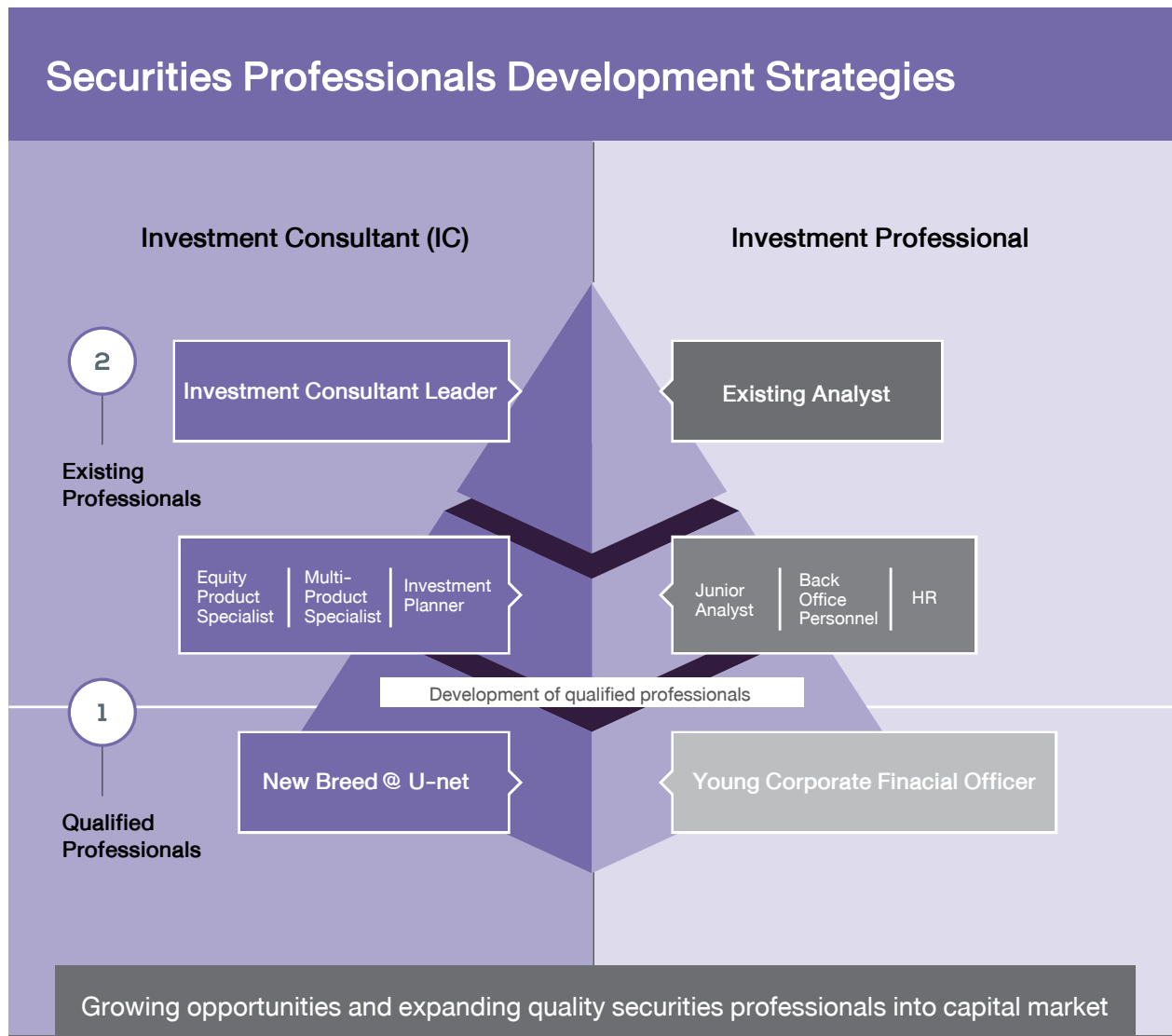
Quality Upgrading of Securities Intermediaries

Intermediaries are a major composition of sustainability development in the capital market as they are the forefront to deal closely with investors. Professionals at the intermediaries are at the key point to disseminate and enhance knowledge among investors to generate efficient decisions. Consequently, the enhancement of intermediaries' expertise is a vital task, which should be implemented continuously and thoroughly.



1 Securities Professionals' Quality

The quality development of securities professionals will efficiently strengthen quality of intermediaries and create trust among investors as a result. SET has designed two training programs: one on development of university students to become qualified professionals, and the other one on upgrading existing professionals.



Development of qualified professionals

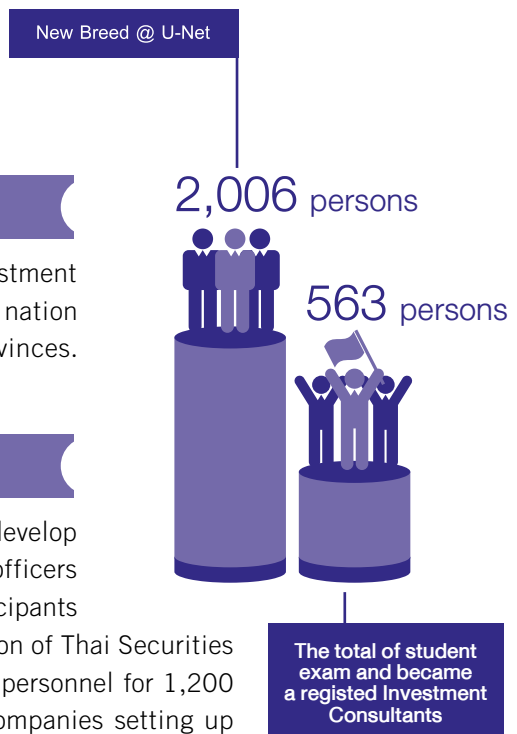
The activities and programs, launched in 2014, that provided opportunities and could attract a number of qualified professionals in the industry can be summarized, as follows:

New Breed @U-Net Program

By providing scholarships for training and testing to become investment consultants to 2,006 students of 23 universities across the nation (12 universities in Bangkok and 11 universities in the provinces. The total of 563 students passed the test.)

Young Corporate Financial Officer Program

By cooperating with the Thai Listed Companies Association to develop the new generation of financial officers and investor relations officers to meet the requirements of listed companies. There were 55 participants in the first training class. SET also cooperated with the Association of Thai Securities Companies in organizing a securities industry job fair to recruit personnel for 1,200 positions in securities companies. There were 26 securities companies setting up recruitment booths, with more than 3,000 applications.



Development of qualified professionals

This aims at upgrading the quality of professionals in securities business. In 2014, there were a number of personnel in securities companies and other professional groups participating in skill enhancement courses, as shown below:

Investment consultants of securities companies

Investment consultants of securities companies are classified into 3 groups, according to their working experiences and responsibilities, comprising:

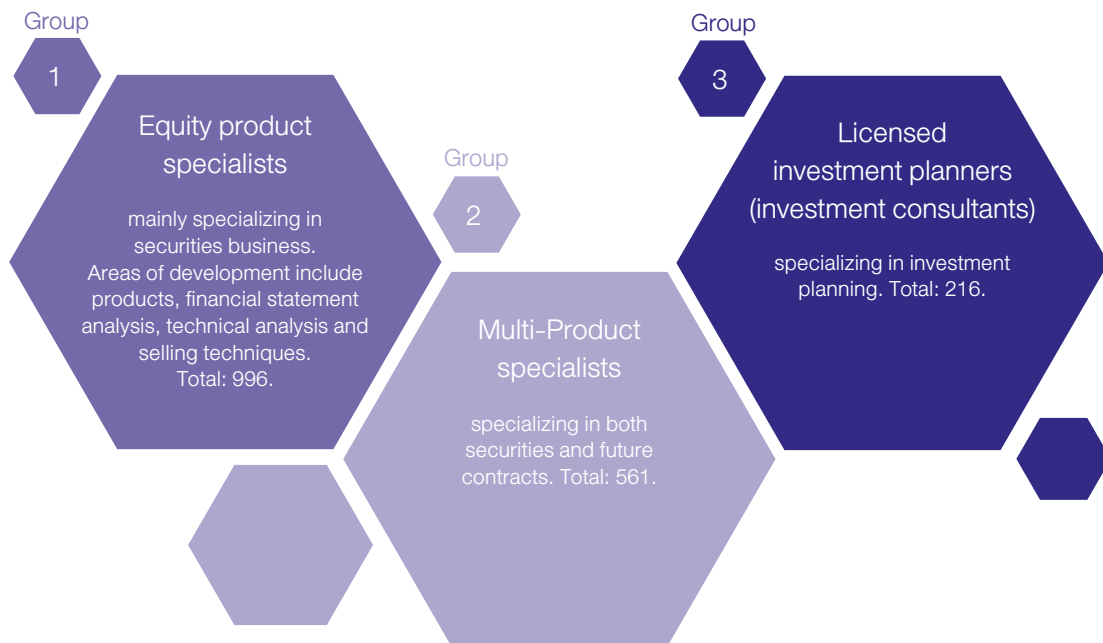


1 Junior Investment Consultants

Mostly with 1-2 years of working experience. In 2014, a total of 201 completed the training course.

2 Existing Investment Consultants

Mostly with more than 2 years of working experience. In 2014, a total of 1,773 completed the training course, classified into 3 groups:



3 Investment Consultant Leaders

Mostly executives, branch managers or team leaders. In 2014, a total of 104 completed the training course.

Other professional groups

Investment consultants of securities companies are classified into 3 groups, according to their working experiences and responsibilities, comprising:

1 Securities analysts

SET cooperated with the Investment Analysts Association to launch 2 training programs for junior analysts with less than 2 years of working experience and the analysts with over 2 years of working experience. In 2014, a total of 334 analysts completed the training program.

2 Back office personnel

SET cooperated with the Association of Thai Securities Companies in organizing training of securities trading process and risk management for securities operation officers. In 2014, a total of 425 officers completed the training program.

3 Human resource officer

SET cooperated with the Association of Thai Securities Companies in organizing an orientation session for human resource officers of securities on the overview of the capital market and financial instruments. This session was helpful in the recruitment of personnel in financial and securities businesses. In 2014, a total of 87 officers participated in this session.



4 Commercial bank personnel

In Thailand, commercial banks are intermediaries of investment products and advisory of stock investment. SET cooperated with them to provide investment knowledge to their personnel. These provide more opportunities for investors to invest through branches and electronic channels of commercial banks called “Banker to Broker” which has been implemented since 2010. In 2014, there were 9 commercial banks and 9 securities companies participating in the move, covering more than 5,847 branches of commercial banks nationwide. It successfully expanded the investor base among the saver group, and achieved more than 47,000 new securities accounts.

2 Licensing Standard Development

In addition to the development of knowledge and the capability upgrading of securities business professionals, SET has also developed the licensing standard, consisting of:

- Developing contents, including investment asset allocation program, and examination management for investment advisor. In 2014, there were 46,344 persons entering the tests. The two examination centers were also assessed twice and have been qualified according to the national quality standard.
- Managing the “Certified Investment and Securities Analyst Program (CISA)”, one of the primary qualifications for analysts and fund manager licenses. There were 2,538 persons attended the CISA test.

Development of Capital Market Research

The SET's Capital Market Research Institute (CMRI) has the primary missions to produce quality research to support the capital market development in Thailand, as well as to provide scholarships to other research units and educational institutions. It has supported a number of research studies in universities for graduate level since 2010, in order to make use of the research outcome for



the benefit of the capital market. In 2014, CMRI provided scholarships for 15 educational institutions which conducted research in 28 topics. The researchers would present and share their research findings through the Capital Market Research Forum, totaling six forums in 2014. CMRI also conducted its own market capital research in 12 topics in 2014.



Development and Creation of Value for GMS Capital Markets

Not only does SET link investment opportunities with the Greater Mekong Subregion (GMS) capital markets, but it also promotes cooperation and knowledge development for the GMS capital markets continuously, consequently creating trust among investors in the GMS. Major developments included:

1 Standardization of securities professionals

- SET cooperated with the SEC of Cambodia for first time in February 2014, to set up the criteria for securities professional licensing as well organizing a securities business training course in Cambodia.



- SET cooperated with the Stock Exchange of Lao in organizing the first “Train the Trainers” forum in Lao PDR in September 2014, in order to develop personnel of the capital market in Laos so that they could transfer the securities business knowledge to investors and relevant parties.
- SET hosted the GMS Capital Market Education Forum during November 7-8, 2014. They came up with a consensus to develop literacy of investors through cooperation with leading universities in each nation to serve as a center for dissemination of knowledge to investors, the general public and professionals.

Moreover, the GMS Professional Education Working Committee, established in 2013, had formulated the standard of securities professionals licensing procedures, and drafted the standard of licensing curriculum for equity instrument consultant. The GMS regulators found this procedure restructuring helpful and in line with the international standard.

2 Development of CG among GMS capital markets

SET shared its experience of CG development to executives of Lao Stock Exchange, under the topic “Thailand’s Experiences in CG Development” and “Enhance Corporate Governance in Organization” for executives of companies in Laos. These included a small group discussion for exchanging CG experiences.

Transparency in Capital Market Supervision

SET realizes the significance of market supervision with clear policy that covers listed companies and member companies, so as to ensure transparency and create trust among investors and stakeholders. Major actions included:

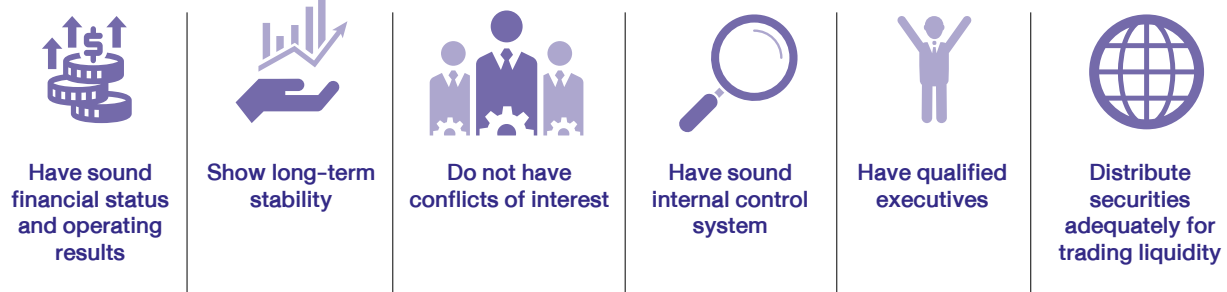
1 Supervision of listed companies

SET supervises listed companies with transparency and in accordance with the set rules and regulations, ranging from listing process, information disclosure, listing status retention, delisting process and internal control. SET will assign relevant signs of the significant data or news reports that affect the rights and benefits of investors. In 2014, SET assigned “Halt (H)” signs 29 times, “Suspension (SP)” 313 times, and “Notice Pending (NP)” 114 times.

2 Supervision of member companies

SET supervises member companies (brokerage houses) and their licensed officers of all trading markets, including those responsible for securities depository and clearing house. SET, in cooperation with the Association of Thai Securities Companies, has urged the member companies to act in accordance with the self-regulatory organization (SRO) and to help improve their corporate governance practices. In addition, SET has defined disciplinary measures and actions in cases where its member companies and licensed officers violate SET regulations. In 2014, six member companies and four licensed officers were subject to disciplinary actions.

Qualifications of Good Listed Companies



3 Supervision of trading procedures

SET has enforced measures to supervise and prevent irregular trading or inappropriate trading instructions, or those considered as offences, according to the securities trading regulations of SET or any applicable laws, which shall be considered as unfair practices. These are, for instance, the use of inside information, manipulation of securities prices, and releases of rumors or false information, etc. SET adopts a real-time securities trading supervision system, or Warning Abnormal Trading & Catching Hostile System (WATCHs). Should there be any irregular trading transaction, which can be considered as an offence, SET will take action, as follows:



Trading Alert List

A measure to handle cases where securities trading faces fluctuation during the day. There may be information that has not been realized by investors. SET will announce a list of securities subject to Trading Alert at day-end through SETSMART system and SET website for prudent attention among investors. SET enforced such measures in 148 cases, involving 73 securities in 2014.



False Market



A measure to prevent inappropriate trading transaction that may lead to manipulation of securities prices. There will be notification to member companies likely to submit inappropriate trading transaction for both equity and derivatives instruments. There were 460 False Market alerts in 2014.



Cash Balance

A measure to require the full upfront cash deposits for securities trading. This measure will be applied in cases where there is fluctuation in securities trading during the day and high manipulating efforts, likely to affect securities trading in general. In 2014, such a measure was enforced against 254 cases, involving 124 securities.



In 2014, SET improved supervision of irregular trading, by upgrading efficiency and risk prevention under the measures of trading alert list and cash balancing, including prohibition of net settlement.

As for securities subject to the turnover list* of the SEC, SET will require securities companies to place 100% cash deposit before securities trading, or trade through cash balance account for six consecutive weeks. Nonetheless, if the trading via cash balance still shows any irregularity, subject to the trading alert list, SET will enforce the trading alert list measure.

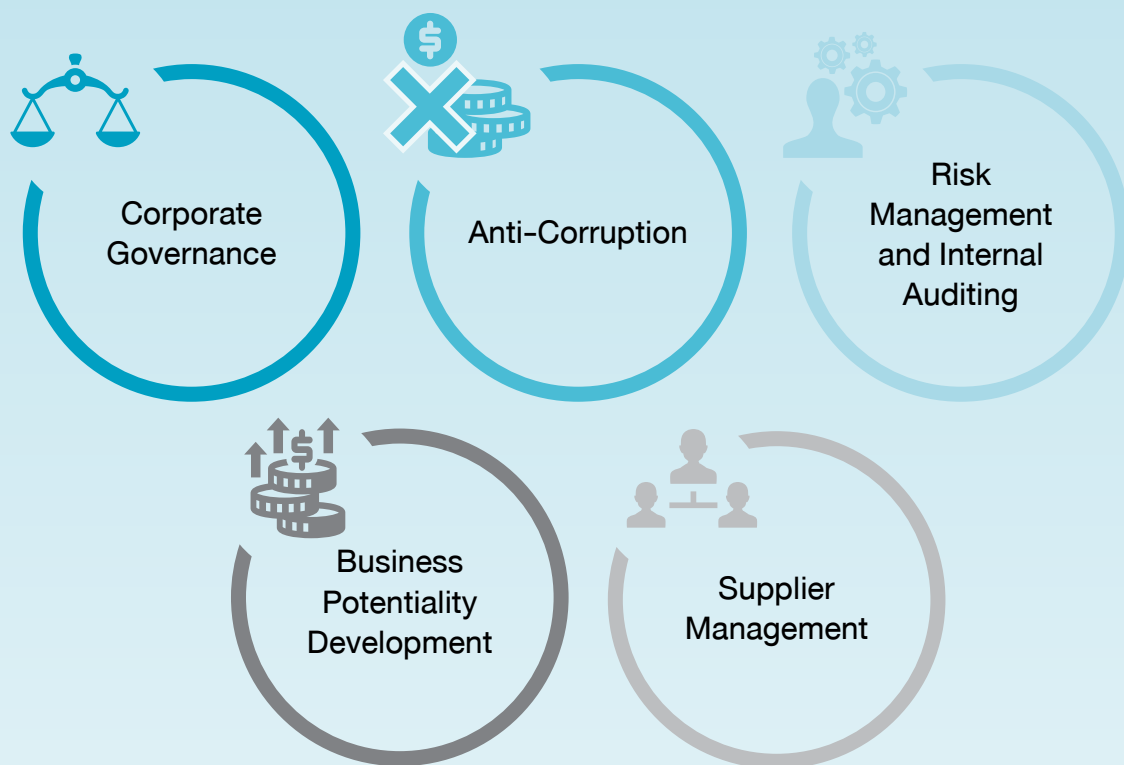


* Turnover list refers to any securities that show the daily trading turnover in excess of THB 100 million and the turnover ratio in excess of 20% in a particular weekly period.



Sustainability Management





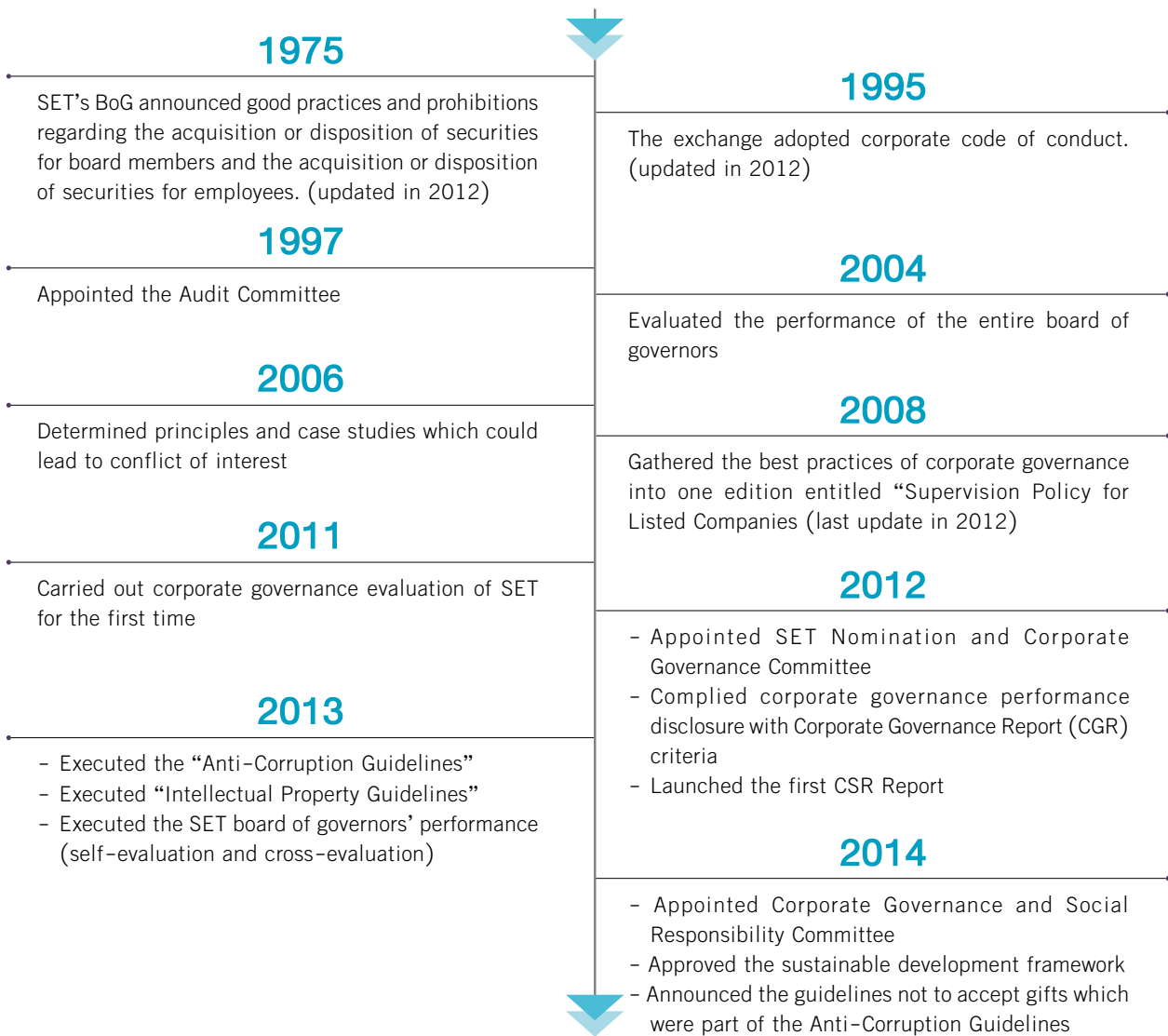
Efficient organizational management is significant to process SET's sustainable development which covers risk management, anti-corruption and transparent audit system in compliance with corporate governance. Moreover, SET has continuously enhanced competitive capabilities. Modern information technology, which is fast and efficient, has been integrated with the operation. SET has also helped suppliers improve their capacity in a sustainable manner and in line with international standard, by taking into account the interest of stakeholders to create opportunities together with business success.

Corporate Governance

1 Organizational management under corporate governance principle

SET is committed to corporate governance in the corporate supervision policy in accordance with the international corporate governance standard of the Organization for Economic Cooperation and Development (OECD) and Corporate Governance Principles for Listed Companies. The policy requires SET's board of governors (BoG), management and staff to strictly comply so that the business operation is transparent, earning confidence from all stakeholders.

2 Corporate governance development

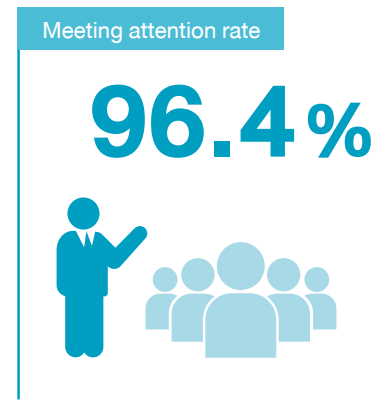
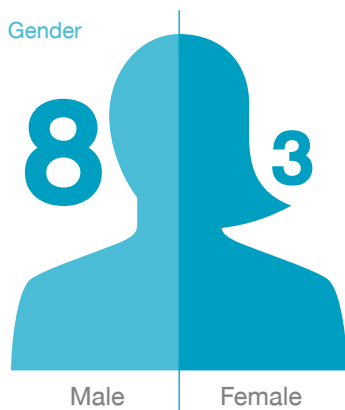


3 Corporate governance structure

The SET board of governors is responsible for approving the vision, policy, mission, goal, strategic plan and corporate indicators including supervising the operation to ensure that it proceeds as planned with efficiency. The SET board of governors consists of 11 persons, appointed and elected based on their knowledge, skill and expertise as follows:

- Five of whom are to be appointed by the Securities and Exchange Commission
- Five of whom are to be elected by SET member companies
- SET President is to be a board of member by position

The SET Board of Governors profile



Structure and operation of the board of governors			
Component	Appointed by the SEC (5)	Elected by SET member companies (5)	SET President by title (1)
The BoG's Roles and responsibilities	<ul style="list-style-type: none"> • Approve the vision, mission, goal, strategic plan and organizational indicators • Approve the work plan, budget and personnel matters • Appoint president and key executives • Ensure efficient, transparent and trustworthy operations • Assign and decentralize the authority to management levels 		<ul style="list-style-type: none"> • Conduct business according to SET policy and strategic goals • Report progress of performance to the board of governors • Represent SET in various missions
Annual evaluation of the BoG's performance	Annually evaluation of the BoG's performance		
	<ul style="list-style-type: none"> • The entire board's evaluation • Individual's evaluation (self-evaluation) • Individual performance evaluation by other board members (cross-evaluation) • Performance evaluation of the chairman • Evaluate skill, knowledge and capabilities of the BoG 		

4 Corporate governance and sustainability guidelines

To ensure effective supervision and monitoring of SET corporate governance and sustainable operations, the BoG has appointed four committees as follows:



Committees of Sustainability

Corporate Governance and Social Responsibilities Committee

To determine the entire SET's sustainable development policy

Risk Management Committee

To determine the policy and risk management framework of business units to ensure continuous and effective business operation

Audit Committee

To monitor and ensure transparency and efficiency of SET operations in accordance with risk management policy

Nomination and Remuneration Committee

To be responsible for recruitment and succession plan for the president and the key executives. The committee also determines the remuneration structure of the board of governors, the management and employees appropriately and fairly

The four committees report to the SET board of governors quarterly. Moreover, the board also names special experts to support and give opinions on issues relating to the sub-committees and the business unit.

5 Significant performance results of sustainability development in 2014

In 2014, SET achieved significant performance results of sustainability developments as follows:

- Determined the exchange's goal and long term strategy towards 2020 with the direction to drive business sustainability
- Determined SET sustainability development framework
- Joined as a partner exchange of the UN Sustainable Stock Exchanges Initiative (SSE Initiative) to create an opportunity to promote the Thai capital market's sustainability progress in the global capital markets and attract foreign investors' interest in Thai listed companies as well as sharing sustainable development experiences among exchange partners
- Announced the policy not to accept gifts as part of the Anti-Corruption Guidelines
- Appointed independent third party expert to review the process for the BoG's performance evaluation

6 SET's code of conduct

The SET's code of conduct is revised to be consistent with the corporate strategy annually. The implementation of the code of conduct is communicated together with engaging the stakeholders through various activities to ensure that it is subject to continuous supervision.

Securities transactions of the board members and employees

There is a reporting process on the acquisition and distribution of securities of the board members, employees including their spouses and children who are under age of majority. The requirement is specified in "Good practices and prohibitions of SET board and its employees regarding acquisition or distribution of listed companies for the board B.E. 2555 (2012)" to prevent abuse of power to ensure clarity and transparency. Committed to the good practices, SET has earned trust from investors and stakeholders in the market.

Prevention of conflict of interest

SET has placed high priority on the interest of the organization and stakeholders based on the legal and ethical standard. The exchange will not provide any unfair benefit or special preference to any particular group of individuals directly and indirectly. The exchange will not involve in any activity or business which may raise the conflict-of-interest questions. SET will not use or disclose the SET information to unfairly take advantage in any manner. As of the end of 2014, none of SET high-ranking executives assumed any other position except for their obligations at SET and other relevant organizations for the Thai capital market's development.

Internal communications of code of conduct

The exchange has communicated its ethical policy and code of conduct manual to the BoG and employees from their very first days in office by explaining and informing them of the essential information. Ethical practice has been embedded in the corporate culture. The employees have been updated and informed of how to implement the policy via various in-house channels and announcement, intranet, email, articles, exhibition board and annual CG Day activities. In 2014, CG Day was organized under “CG Refresh” theme to encourage the employees to realize that it is important to execute the code of ethics manual on a continuous basis.



Anti-Corruption

1 Anti-corruption policy

SET has the responsibility to observe the law and domestic anti-corruption standards including the laws of other countries which operate relevant businesses. In addition, SET supports the activities to combat graft and to promote anti-corruption guidelines.

2 Anti-corruption Guidelines

The exchange has placed high priority on fighting corruption. Therefore, it sets the Anti-corruption Guidelines in the SET code of conducts with four key elements as follows:

Anti-corruption	Presents or gifts	Political neutrality	Donation
<ul style="list-style-type: none"> • Fight all kinds of dishonesty, bribery and corruption • Support and join activities to combat corruption organized by other agencies 	<ul style="list-style-type: none"> • Employees must avoid and refuse to give or receive any gift as a mutual exchange for them or their friends. 	<ul style="list-style-type: none"> • Adhere to justice and political neutrality. • Have neither political affiliation nor policy to provide financial support to any political party or any individual party. 	<ul style="list-style-type: none"> • Charitable donation or financial support to any organization shall not be used for bribery or inappropriate business purposes or political related motives.

Anti-corruption guidelines are considered regulations that SET employees have to comply and strictly follow. Those who violate the regulations will be subject to disciplinary punishment as prescribed by human resource management regulations and subject to maximum penalty of employment termination. Or if corruption cases with trade partners or partnered agencies are found, SET will consider terminating the contract and suspending business dealings with such individuals and agencies.

3 Anti-corruption communications and campaign for employees

In 2014, the exchange announced the policy not to accept gifts in order to set a desirable standard for employees to perform their duty in a transparent manner. The exchange has communicated such policy to the third parties. Furthermore, a series of activities to promote anti-corruption cooperation were organized both internally and externally. For instance, SET invited and encouraged the executives and employees inside and outside the exchange to participate in the campaign organized by Anti-Corruption Organization of Thailand during the Anti-Corruption Day 2014. The exchange also participated in a conference organized by the Securities and Exchange Commission to share their views on how to materialize the corporate governance and anti-corruption policy to produce fruitful results.



3 Risk management supervision, examination and monitoring

The SET board of governors has placed importance on risk management by appointing the Risk Management Committee consisting of four SET governors (including the SET president) and at least two experts in finance, accounting or risk management on a one-year term. The Risk Management Committee has the duty in compliance with the Risk Management Committee Charter such as risk management supervision, examination and monitoring, providing opinion or recommendation for managing risk of the overall stock market. The Risk Management Committee will revise the charter to ensure its suitability, with an approval from SET BoG every year, to ensure that the charter contents are consistent with SET objectives and risk management strategy.

Risk management monitoring and reporting

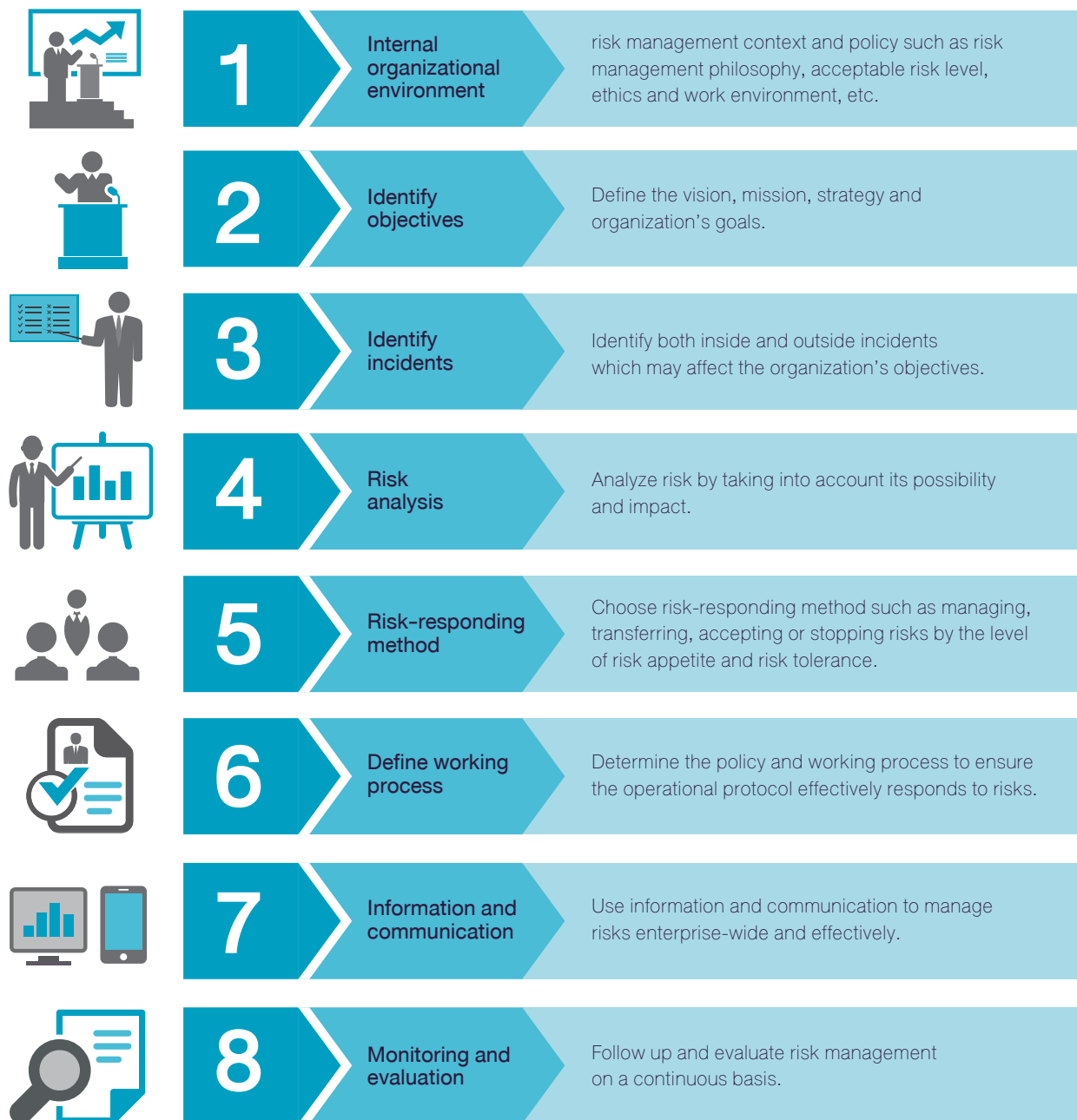
- The Risk Management Committee meets at least once every quarter to monitor the operation.
- The administrative unit tracks risk status and reports the findings to the Risk Management Committee on a monthly basis and to SET BoG regularly every quarter.
- The administrative unit reports the findings regarding risk management to the Audit Committee and the SET BoG every quarter.
- The Risk Management Committee meets the Audit Committee at least once a year.

Risk management unit provides supports on risk management in terms of the process and relevant tools which are Risk and Control Self-Assessment (RCSA) and Key Risk Indicators. This will ensure efficient risk management enterprise-wide.

4 Risk management process

SET determines the risk management framework according to Committee of Sponsoring Organizations of the Treadway Commission (COSO) and ISO31000: 2009 Risk Management–Principles and Guidelines. SET designs risk management procedure to keep the risk at acceptable level by identifying incidents that may happen and affect the organization and stakeholders. Risk management protocol consists of the following steps:

Risk management protocol of COSO



5 Risk classification

SET believes that risk management is a key factor to develop business sustainability. In 2014, SET continues to improve risk management by reviewing organization's policies and operational framework, carrying out the business in line with the corporate strategy and upgrading the risk management standard to the international level. Risks are classified as follows:

Risk from members of Thailand Clearing House Co., Ltd.'s failure to follow the obligations

Thailand Clearing House (TCH) is a subsidiary of The Stock Exchange of Thailand to provide service by acting as the intermediary between securities buyers and sellers. Being the securities clearing and settlement guarantor, TCH is exposed to counterparty risk when one or more clearing members fail their obligations. As such, the measures to control risk of member companies are in place such as the establishment of the Risk Compensation Fund to handle risks from clearing and securities delivery in order to build confidence of related parties and to minimize the risks that may incur. In 2014, rules and regulations were revised to be consistent with Principles for Financial Market Infrastructure (PFMI) prescribed by the International Organization of Securities Commissions: IOSCO and European Market Infrastructure Regulation (EMIR) to boost confidence in settlement and securities delivery system among domestic and international financial institutions.

Information technology systems risk

IT systems are the integral part of the business. The damage, if incurred, can cause widespread effects on the economic system and stakeholders. Therefore, SET has evaluated, monitored and managed risks that may incur to computer systems in accordance with ISO27001 IT security standards (ISO27001). A reporting process to analyze the causes and implementing guidelines, including Disaster Recovery Plan (DRP), is carried out annually to ensure continuous systems operation.

Corporate governance and corruption risks

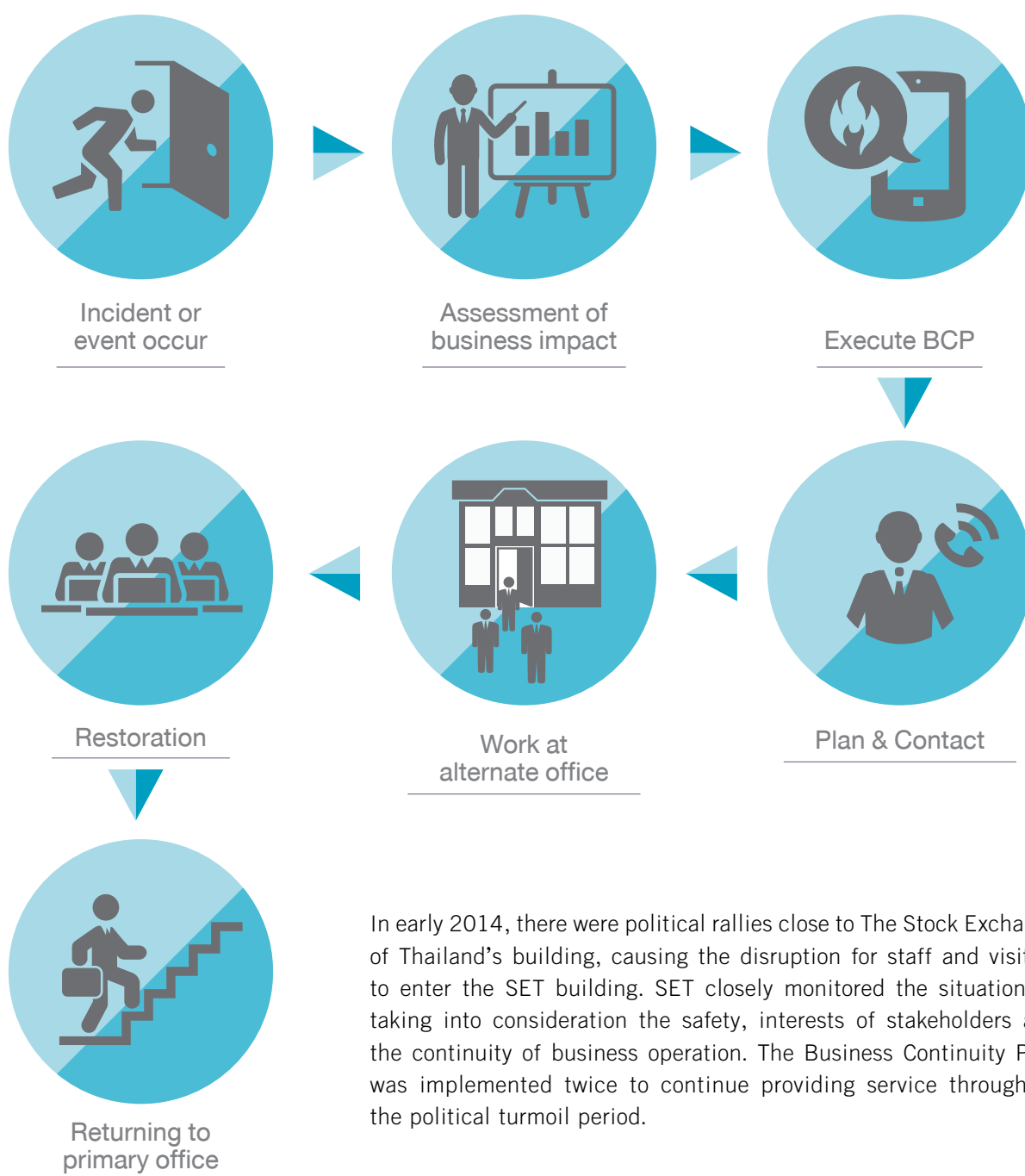
The exchange establishes the guidelines on corporate governance and corruption risk management by stipulating that corruption risk is one of the major risks of the organization. Thus, SET has identified effective measures of risk management and internal controls such as separation of duty and scope of authority, among others. The exchange also monitors and reports risk status continuously to ensure that it will be able to manage risks in a timely manner. These processes are supervised by the risk management and compliance unit, which reports to the senior management, as well as the Risk Management Committee and the SET board of governors regularly.

Investment risk

For risks arising from investment, SET BoG determines the policy and the proportion for investment under the supervision of an investment management working group. SET has introduced Value at Risk (VaR), the statistic analyzing tool, to monitor and control investment risks at generally acceptable levels. The status of investment risk is regularly reported by business unit to the investment management working group, Risk Management Committee and SET BoG.

Business interruption risk

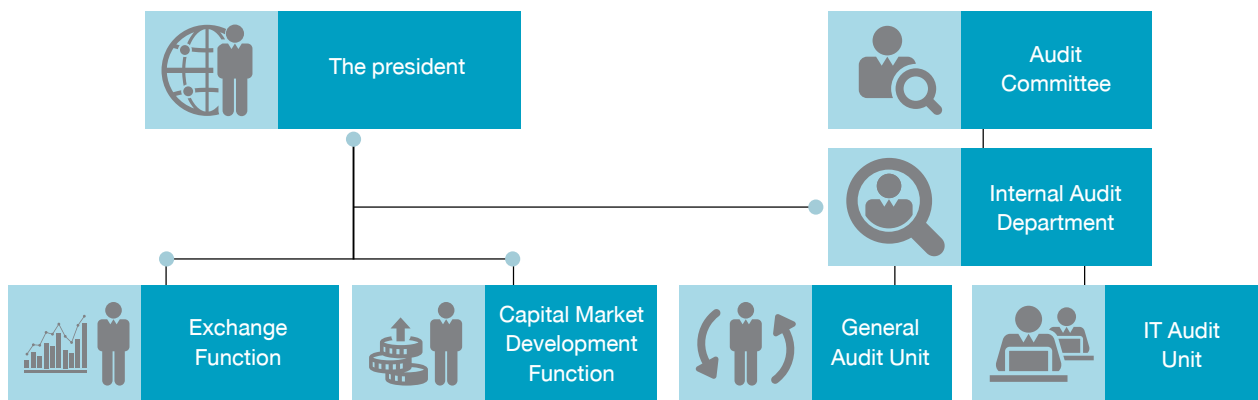
The exchange has implemented Business Continuity Plan (BCP) to prepare for traumatic incidents that could lead to damage or loss such as natural disaster, riot and unrest, etc. To ensure that the organization's business continuity plan is practical and effective for real situation, SET has established BCP working group consisting of high-level executives to consider the appropriateness of the plan, its implementing guidelines and necessary resources required during emergency. The working group also monitors the revision and testing of BCP plan continually to guarantee the suitability and continuous implementation of the plan. SET has also set up a BCP subgroup for each core business division.



In early 2014, there were political rallies close to The Stock Exchange of Thailand's building, causing the disruption for staff and visitors to enter the SET building. SET closely monitored the situation by taking into consideration the safety, interests of stakeholders and the continuity of business operation. The Business Continuity Plan was implemented twice to continue providing service throughout the political turmoil period.

6 Internal control system

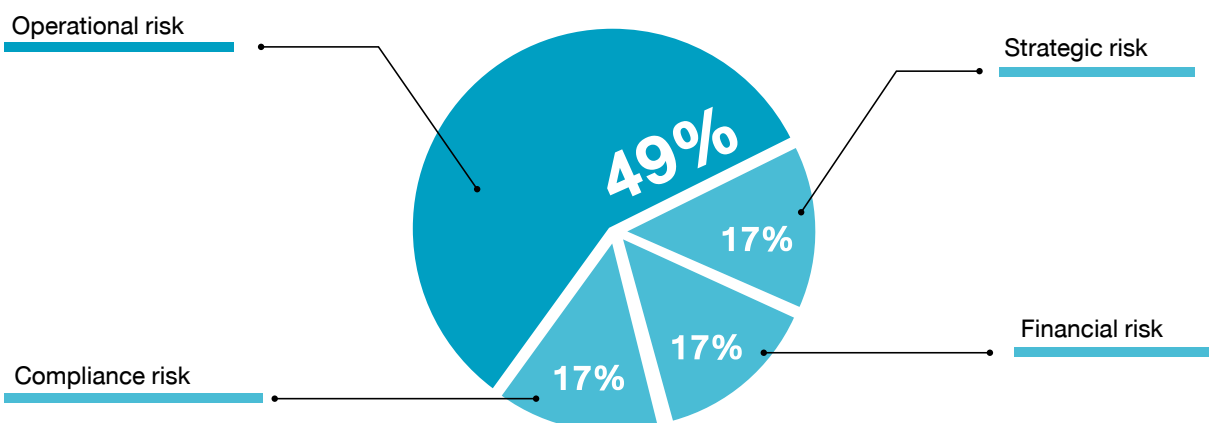
The SET board of governors has set up the Audit Committee to support the corporate governance system. The committee performs its duty as stated in the Charter of the Audit Committee by supporting the Internal Audit department assigned as an independent agency reporting directly to the Audit Committee. The department is assigned to monitor and evaluate the adequacy and appropriateness of internal control and risk management system of the exchange.



The operation of the Internal Audit Department

- Plan a risk-based audit
- Carry out audit work in accordance with International Standards for the Professional Practice of Internal Auditing (IIA Standards)
- Assess the quality of internal audit work via peer review annually and via external assessor once every five years (last time in 2011) to ensure the audit quality according to IIA Standards
- Evaluate the internal control and risk management of the business units according to COSO standards. In 2014, SET assessed newly-introduced strategic IT systems (pre-implementation review), including sustainability-related projects to ascertain that their actions were appropriate as reported and consistent with the international standards.

Internal Audit Plan 2014



7 Complaints and whistle blowing

The number of complaints in

2014

0

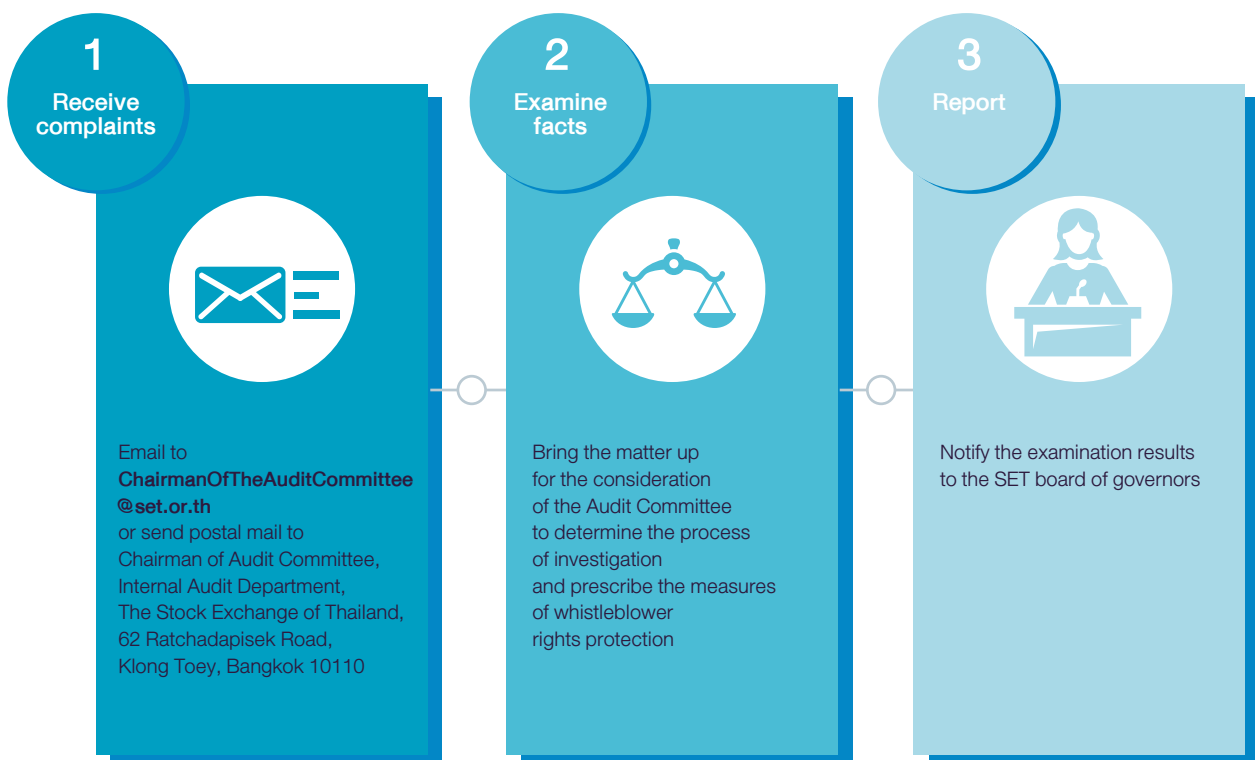
Case

Stakeholders can complain their concerns over inappropriate behavior and suspected wrongdoing as follows:

- Inappropriate action
- Legal violation or improper conduct
- Inaccurate financial reporting
- Defective internal control system of SET



Individuals can report the suspected wrongdoing directly to the chairman of the Audit Committee via easily accessible channel. Such information will be kept confidential and only disclosed as necessary to ensure safety and prevent harmful effect on the complainants. This policy has been clearly described in the SET's Corporate Governance Policy. SET clearly defines channels and process available via the SET website and its annual report to ensure that complaints are handled appropriately and effectively. SET establishes the platform to handle complaints as follows:



Business Potentiality Development

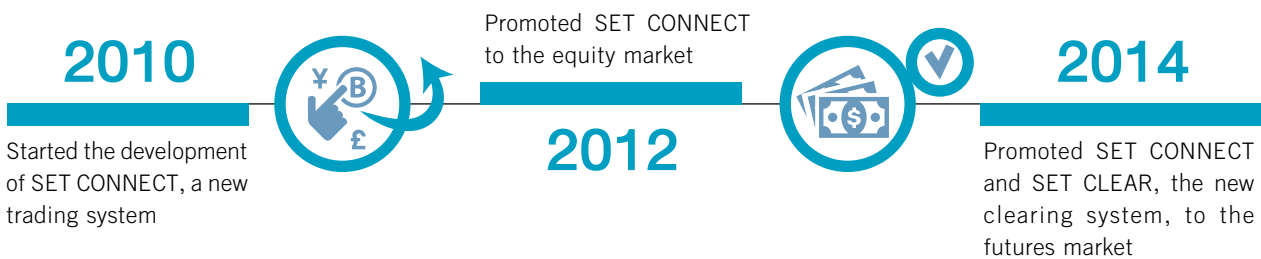
SET established IT Governance as a standard to manage and track the IT performance. The assessing unit oversees the IT operation process to ensure its transparency and information safety. This approach improves the cost efficiency and operational capacity in accordance with the following strategies:

- Software development**
 - To develop qualified and efficient software that can boost SET business transactions, based on the Capability Maturity Model Integration (CMMI) standard
- IT service management**
 - To efficiently manage IT services in accordance with the ISO/IEC 20000 international standard to ensure business development and requirements of the stakeholders in the long run
- Information Security Management System**
 - To study and carry out appropriate approaches to ensure the safety of the information technology and manage information risk in order to build confidence among stakeholders. The effort has already been certified by ISO/IEC 27001 international standard
- IT Strategic Management**
 - To appoint an agency in charge of IT strategic planning, managing projects and risks and efficiently utilizing the information technology resources in a transparent and cost effective manner

1 Corporate governance and sustainability guidelines

SET developed its IT systems to support an expansion of products and services by implementing the IT Master Plan 2010–2014. The trading system, post-trading system and information dissemination system have been developed. These systems are modern, secured and up to internationally-accepted

standard to enhance SET competitiveness on a par with leading capital markets worldwide. The implementation of the IT master plan is vital to the business development of SET and its stakeholders. SET has achieved significant developments as follows:



SET CONNECT

SET CONNECT offers the service via one single platform, which can handle new financial transactions as fast as the world's leading stock exchanges. In addition, it connects with international exchanges faster, enhancing the capacity and building confidence on the Thai exchange among international investors.

Moreover, SET FEED, the recently-developed transaction information dissemination system, provides more efficient services to member companies and users. SET WATCH detects possible irregularities in transactions faster and more thoroughly in line with the international standard.

In 2014, SET CONNECT was developed to be compatible with transaction system of the futures market. SET CLEAR was also developed to meet increasing demand of new businesses and products. SET CLEAR can also handle huge volume of transactions. The clearing and settlement system of equity securities is being developed and tested with member companies. The system is scheduled to be operational in the second quarter of 2015.

SET CONNECT's distinctive characteristics

- Compatible with diversity of products and multi-currency transactions
- Can promptly handle new-issued financial instruments domestically and internationally
- Capable of handling an increasing trading transactions by 10 times
- Able to connect with other exchanges worldwide
- Easily applicable via single platform to boost capacity and reduce operational cost in the long term

2 Technology efficiency improvement for business development

The exchange has begun developing Electronic Listing Platform or e-Listing system since 2012 to make it more convenient for listing application.

At the beginning, SET developed the listing system of derivatives warrants (DW). The system shortened the listing process to three from 15 working days. The e-listing system also prevents risks from human errors while DW application approval can be taken online as well as via mobile phone application. These help reduce the use of paper and enhancing efficiency in listing process.

Resulting from this effort, the e-Listing system received the top award at Thailand ICT Excellence Awards 2013, organized by Thailand Management Association (TMA) under Core Process Improvement Projects Category. In 2014, SET developed “SMART Listing” to improve the listing process of equity and warrants. There is also a monitoring system for e-listing to ensure its efficiency and security.

In 2015, SET will further develop e-listing to cover all products and optimize the use of trading information

by enabling new and modern technology. As a result, SET received Outstanding Data Provider Award 2014 from the Financial Information Service Division (FISD) organized by the Software & Information Industry Association (SIIA). The association named the winner by asking its members, who are data vendor of banks and financial institutions worldwide, to vote for the stock exchange with outstanding performance in dissemination of financial and investment information, such as transaction data and listing company information, via modern system to investors and related parties in the capital markets worldwide.

The mentioned implementation reflects the SET’s determination in internationalization to enable the data users worldwide to access to SET information conveniently and timely. In 2015, the exchange continues to develop the system in aiming to become the digital exchange by using IT in every operational process to cater to stakeholders’ demand and in line with rapidly-changing technology trend.

Outstanding characteristics of SMART listing

- Elimination of duplicating procedure in preparing and delivering documents
- Reduction of operational cost in preparing documents
- Shortcut of new listing duration
- Extension of service period (6.30 a.m. – 10.30 p.m.)
- Online status tracking

Supplier Management

Suppliers or business allies are individuals and organizations which play an important role in developing the business in order to grow together with the bourse. SET has set the supplier management and procurement management processes. The procurement guidelines have been launched in compliance with fair and transparent corporate governance principles.

1 Supplier management policy

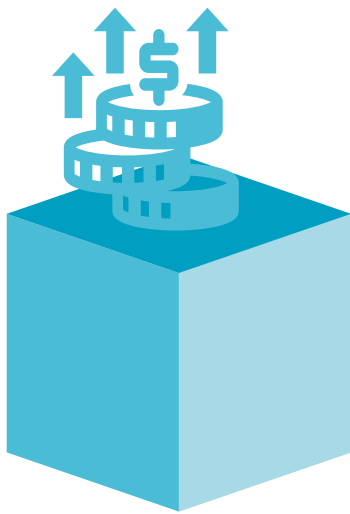
The exchange has the supplier policy that has taken into account efficiency, transparency and fairness. Supplier management process also appears in the SET code of conduct. In addition, the procurement procedure and its implementation effectively comply with the SET regulations.

2 Procurement process

SET prescribes the qualifications of eligible suppliers in every bid to offer according to the procurement procedure. The exchange notifies every supplier of the bidding information equally. The process to secure suppliers is based on best value and comparison of quality, bidding price and qualifications of supplier to ensure fair and transparent competition. In addition, the bourse also considers other key conditions such as trade suppliers' financial status, reference, reliability as well as encouraging suppliers to carry out their assignment with transparency and corruption-free aspect. These requirements are identified in the Terms of Reference (TOR). The procedure also clearly separates the responsibility of the procurement and inspection units.

3 Responsible procurement

SET is determined to develop the capacity of suppliers in the long term by encouraging them to improve the quality of products and services, taking into consideration social responsibility. The exchange is currently revising the sustainable procurement policy by considering sustainability dimensions of economy, society and environment. The sustainable procurement policy is scheduled to be completed in 2015.



Economy

SET encourages entrepreneurs, regardless of their size, to propose products and services with good quality and at reasonable price. In 2014, SET used a total of 8,356 suppliers, 98% of them were local entrepreneurs.

98%

Proportion of SET suppliers are Thai business

Society

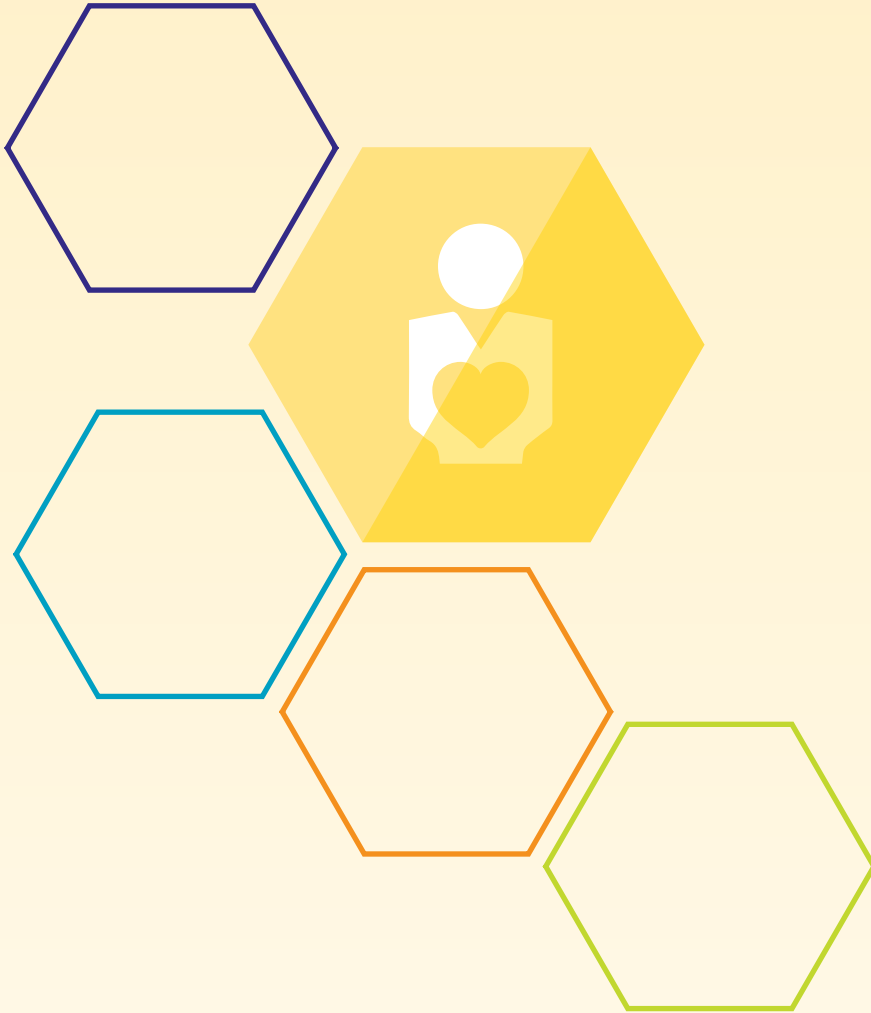


Human rights aspect is one of the factors for SET to screen suppliers. For instance, trade partners must avoid and must not support counterfeited products, nor engage in business which employs child labor, slavery or illegal foreign workers. In addition, SET has communicated the intention to combat corruption to raise awareness of the suppliers and encourage them to jointly carry out the business transparently and in compliance with the laws.



Environment

SET procures goods and services which are environmentally friendly such as green label items. SET selects quality products and services, and reuse things. If using disposable items, SET would prefer the items produced by green-technology with energy efficiency. SET also assesses the product cycle to ensure that the products and services will not cause pollution to the environment.



Employees

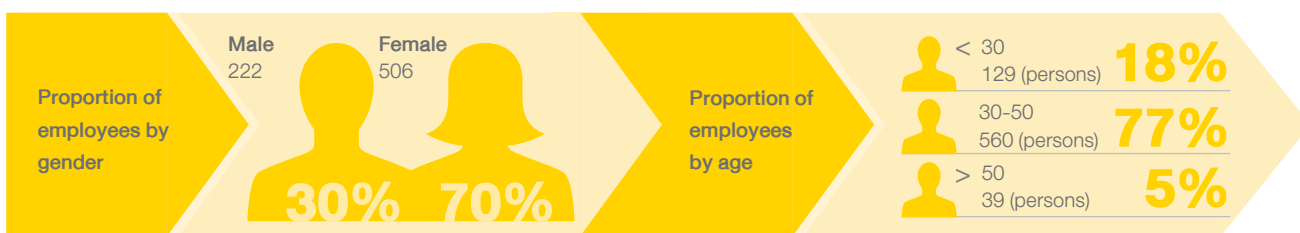
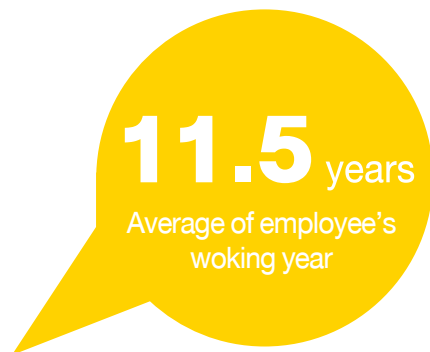




Employees are vital resources and roots for the organization's sustainability. They also have impact on growth generating and value creation for business and community. SET strongly believes that streamlining skill development and expertise for employees as well as enhancing employee engagement, understanding and harmony could increase employees' commitment to the exchange. Employees would therefore be the driving force for the capital market to sustainably move forward.

Equality

SET's human resources management policy indicates constructive process and steps for execution. It emphasizes on creating motivation for employees to be continuously dedicated to work and progress along the career path. The policy is based on providing equal opportunity and equality for employees, paving the way for a long-term growth with SET.



1 Recruitment

In search of a candidate for an available position, SET provides opportunity to existing employees first. SET always sends out an email to all employees, informing the available job vacancy. SET supports job rotation as it helps increase employees' potential, skill and capability.

SET has a clear recruitment process. The applications will undergo the set procedure step by step: qualifications screening, interview session by a committee, assessment, etc. to make sure the candidate meets the job requirements and fits the organization's needs, etc. The recruitment process is transparent and impartial regardless of gender, nationality, re-

ligion, educational institute, disability, personal relationship and any privilege. For the position from senior vice president level up, the employment must be approved by the recruitment and remuneration committee, followed by an approval from SET's board of governors.

employment rate in 2014



2 Performance and remunerations management

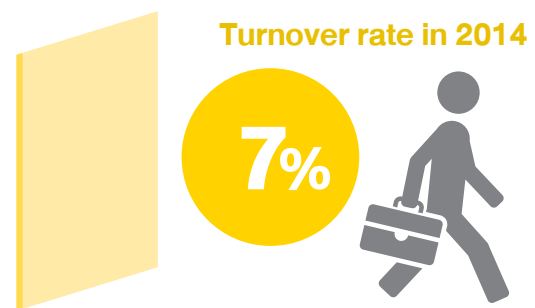
SET reviews the employee remunerations and welfare package on a yearly basis by comparing with relevant industries and revising the package to be competitive to the market. The compensation allocation is based on team and individual performance, consisting of two indicators: Key Performance Indicators (KPIs) and Core Competencies. These indicators are essential to driving the culture, values and attitude of the employees to be consistently in line with the exchange. The performance review is conducted once a year.

Retention

1 Employee welfare

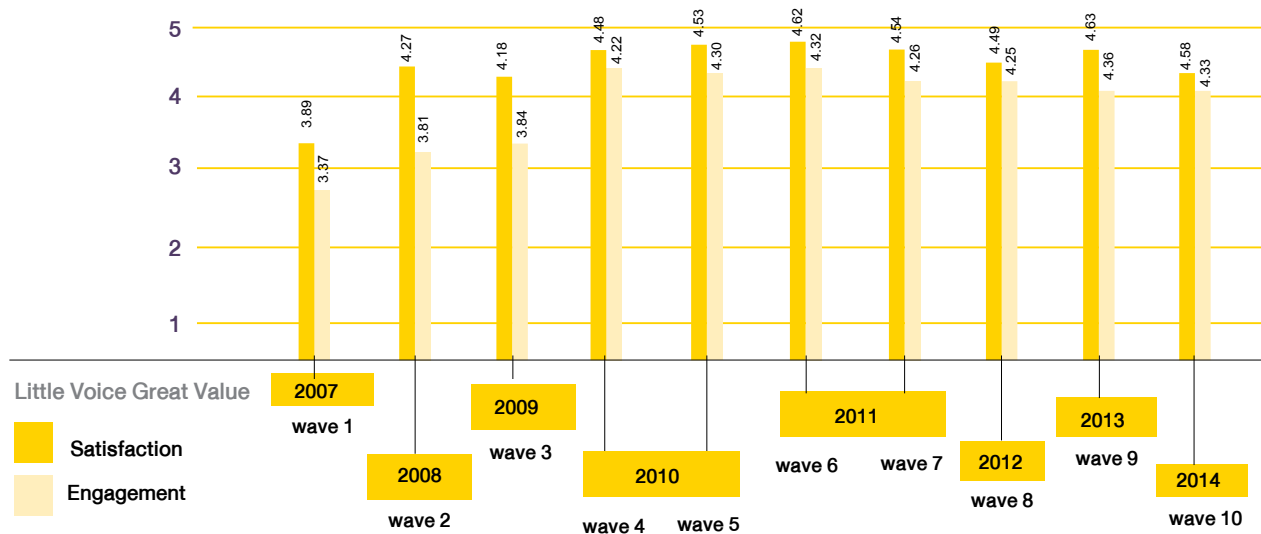
SET has placed importance on employee retention and building motivation for long-term commitment. The employee welfare and remuneration management was based on equality, impartiality and ultimate benefit for employees. The benefits included a 10% contribution of employees' salary from SET to their provident fund. Other benefits are personal loan assistance, housing loan, as well as life and accident insurance. SET has established the Savings Cooperative for employees and as of 2014 its share value was more than THB 301.53 million with 68.41% of total employees joining as members.

SET has allowed a number of leaves covering annual leave (more days than the minimum requirement by law), special leave, sick leave, leave for sterilization, leave for military service, leave for skill development training, religious leave and maternity leave. In 2014, a total of 14 employees took maternity leave and all of them returned to work.



2 Satisfaction survey and employee engagement

SET has conducted the Little Voice Great Value survey since 2007. The program's objective is to listen to employees' feedback. It has proved to improve the working environment substantially. The 2014 survey was the 10th survey and the average satisfaction score was 4.58 out of 5, while the score for employee engagement was 4.33 out of 5. The survey result was shared with the employees and would be instrumental for further improvement.

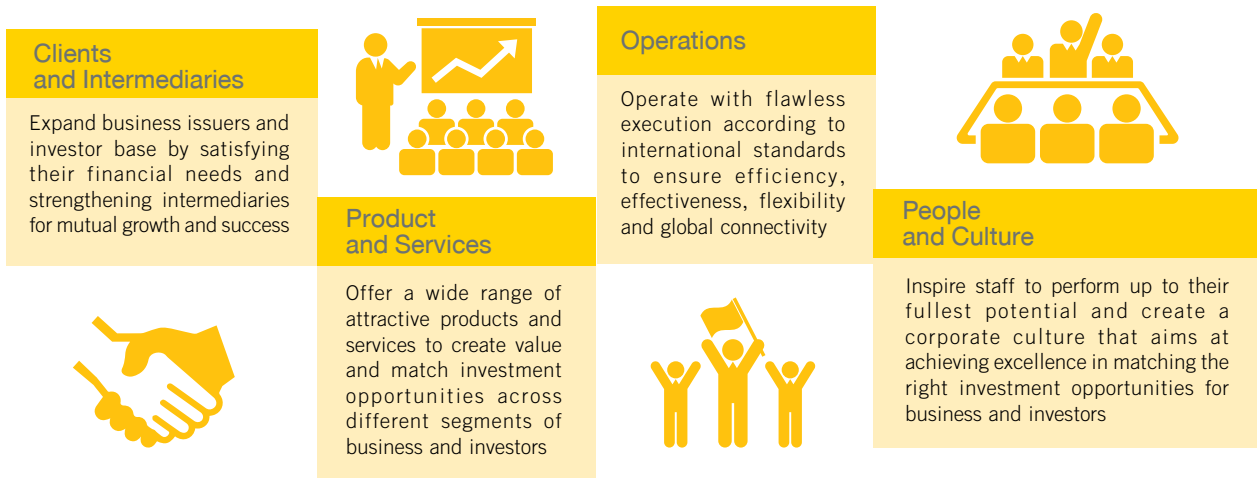


Employee Development

Our Vision

Empowering business and investors through our strengths to match the right financial opportunities

Our Mission



Be(e) Happy culture



Management competency	decision-making capability	inspiration capability to empower changes	vision and strategic thinking	business network expansion	coaching	delegation and execution authority
Work competency	flexibility and continuing self-enhancement	creative thinking	well-planning and successful deliverables	efficient communications	teamwork	customer care
Core values	client focused	proactive	integrity	teamwork		

1 Personnel development

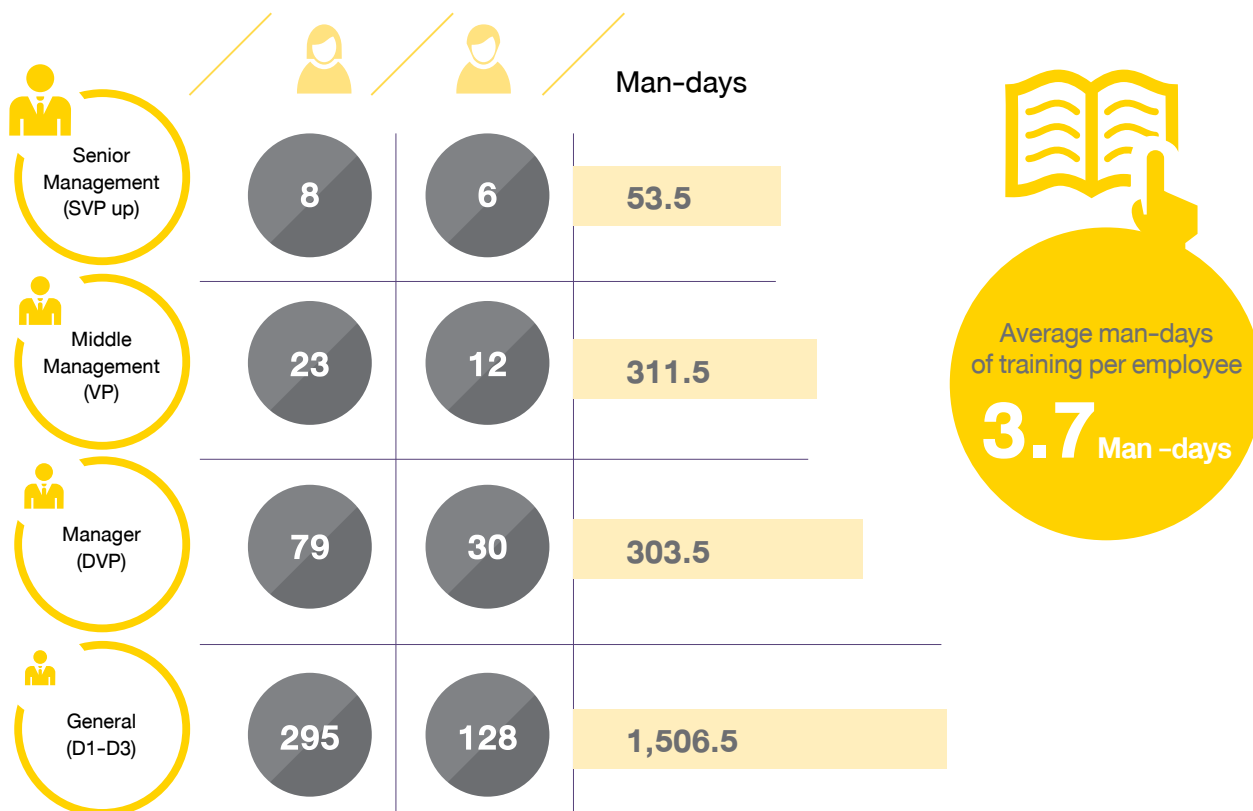
SET has continuously developed employees' potential as key to further drive business and growth opportunity. Employees are equally supported and encouraged to optimize their potential to benefit the organization and community. SET Development Model has been designed to enhance employees to be talented and good members of organization,

in line with SET's 4 Core Values: being client-focused, working proactively, performing with integrity and working together as a team. In addition, the succession plan was implemented during the transition period of certain management change in 2014. The "One Team One Goal" concept was applied in staff development program at all levels.



It aims to build a strong working team that focuses on developing teamwork skill while supporting the cross-function cooperation. It also aims to develop decision-making, problem-solving and leadership skills. The training programs include "Leading at Speed of Trust", "Situational Leadership" and "Leadership Challenging".

In 2014, SET provided 49 programs totaled 2,175 man-days, attended by 80% of all employees. The average satisfaction rate was 87.6%.



2 Performance and remunerations management

SET conducts an annual scholarship program to enhance employees' potential. The program grants scholarships for master's degrees in Business Administration, Financial Management, Economics and Computer Science and Information Technology in top universities in Thailand. The program also grants scholarships for master's degrees in Business Administration, Finance, Economics and Computer Science, Information Technology and Law in leading universities abroad. Applicants must apply for the course that will most benefit their areas of work. A panel of selection committee has been set up to consider the qualifications with impartiality and transparency. In 2014, SET granted four scholarships, two each for domestic and overseas studies. In addition, the exchange has also assisted employees with expenses involved in obtaining professional licenses and certificates beneficial to their areas of work, as follows:

- Single License, Derivatives License, Certified Investment and Securities Analyst (CISA) program and Chartered Financial Analyst (CFA)
- Certified Financial Planning (CFP) program, Chartered Financial Analyst (CFA), Chartered Market Technician (CMT), Certified Financial Technician (CFTe), Financial Risk Manager (FRM) and Certified Internal Auditor (CIA)
- Test of English for International Communication (TOEIC)

Employee Engagement

SET has supported activities that could enhance teamwork spirit, strengthen harmony and encourage creative idea sharing which will ultimately benefit the employees, the exchange and the society. The activities focused on interactive process and communications.



1 SET's employee club

Managed by 21 members of the club committee, elected and appointed to run the club with one-year term, the club has acted on behalf of the employees in driving activities that benefit employees and their families, community and society. In 2014, key activities were as follows:

- Blood donation for the Thai Red Cross Society, held three times in 2014, contributing an accumulated 359 units or 125,650cc (350cc per unit)
- “Im-boon Im-Chai Im-Thong” (a Thai name meaning: full blessings, full happiness, full stomach) activity, raising THB 160,860 from selling charity lucky draw tickets. The proceeds were used to buy table tennis table and sports equipment for 6 schools recently affected by the earthquakes in Chiang Rai province: Rong Than Wittaya, Charoenmuang Wittaya, Sanklang Wittaya, Pong Prae Wittaya and Baan Dong Mada schools.
- Fund-raising for Chalermratchakumaree Elderly Care Foundation of THB 20,800 from selling charity lucky draw tickets
- Offering food to the monks, a religious function held monthly at SET, engaging employees to participate in the activity.
- Special agricultural product fairs, held in a move to help selling seasonal oversupply fruits and produce for farmers such as longkong, mangosteen, etc. Products were from Doi Kham royal project and Lemon Farm supermarket.
- “Singha Broker Cup 2014”, held to support soccer competition and networking with brokers.
- A number of sports activities, held to promote health and fitness such as table tennis competition, basketball competition, aerobic, marathon and many others
- “SET's Got Talent 2014”, held to inspire employees' confidence and provide opportunity for employees to show their special talents
- A number of activities in line with the national holidays such as Songkran (Thai New Year / water festival), Mother's Day, Father's Day, New Year, etc., held to promote cultural heritage and Thai traditions.

2 Communications

SET keeps employees updated constantly on the organization’s movements, changes and values through a variety of formats and channels. Two-way communication is preferred while both formal and informal conversations are encouraged.



Meeting format

Townhall meetings	It is held three times a year to communicate and cascade the exchange’s direction such as policy, strategy, development, significant changes, progressive and success stories of the past performance.
Strategic meetings	Meetings among the management of the executive level or higher, held on a quarterly basis to track the progress of strategic planning. Structured as an open discussion format, the meeting could lead to a review of certain strategies in line with the current business environment.
Business Development Committee	Management team of the senior vice president level or higher meet twice a month to present the key development, plan and performance of each unit for the BoG’s consideration or approval.
Senior Management Talk	Management at the senior vice president level or higher meet four times a month in an informal format to update activities or projects that may require cooperation from other divisions.
Management Meeting	Management of the director level or higher meets once a month to update the exchange’s key performance status. This can bridge the gap between the top management and senior level management. The finalized message will later be communicated with the employees.
Line management meeting	Meeting for executive vice president level to staff level within each division, can be arranged occasionally. This is to follow-up, update and exchange views about work and general topics. It is an effort to foster relationships between management and staff.

Other formats

Chat & Share	The closed circuit television and public announcement provide an opportunity for staff at all levels to share their thoughts and communicate with the SET President, addressing key points that would be beneficial to organizational development and employee benefits.
SET Sawasdee	Every first Monday of each month, friendly message from the SET President will be emailed to greet each employee, indicating sharing good news, appreciation of the successful event with cooperation and synergy from staff, success stories, etc.
Public announcement	This program is broadcast on Mondays at 9 a.m., informing activities of the past week and upcoming events. The announcer integrates the corporate values and culture into the contents.
Announcement Board	Upcoming events and activities are updated on the internal announcement boards located at hot spots inside the building: lobby, common areas, foyer of each floor, etc.
Newsletter	This is one of the key communication channels with employees regarding news and activities.
Intranet	It is an up-to-the-minute source of information about the exchange's products and services, capital market development, knowledge sharing column and interesting tips for employees.
SMS	This channel is used for urgent or emergency matters.
Application on mobile	Official and unofficial chat group on LINE, WhatsApp, Facebook and Twitter are used where appropriate.

3 Employee complaints

SET has a systematic procedure to handle employee complaints. There are channels to deal with complaints and manage appeals so that the process is transparent and impartial. The procedures are also conducted confidentially and with respect for human rights, focusing on the effective understanding among employees themselves, and between employees and the organization. A committee was formed to consider and investigate case. The employees can make complaints to their direct supervisor. If the complaint is about the supervisor, the complaint can be sent to executives at higher level. In 2014, there was no report or any complaint from employees.

Care for Employees

1 Healthcare and quality of life

Health and safety of employees are among SET's priorities. Annual medical check-up has been provided. Health tips activities by specialists were held. In-house clinic was also available. Mom's room is equipped with comfortable chair, sink and refrigerator for keeping the breast milk. SET has also allocated space for well-equipped fitness center, table tennis area, basketball field and karaoke corner. SET has supported a number of clubs such as bicycle club, fitness club, yoga club, badminton club, table tennis club, golf club, basketball club, etc. SET maintains a safe and clean working environment as in 2014 the disinfecting work to kill germs was conducted four times while the exterminator's service to get rid of and prevent from unwanted insects

is provided monthly. In 2014, 641 management and staff or 81% of all employees joined the fire drill.





2 Work life balance

SET has incorporated Be(e) Happy concept to its culture. It aims to create good work place environment and provide a work life balance for happiness and good quality of life of employees. This practice is in line with the Thai Health Promotion Foundation's 8 steps to Happy Workplace, based on the "happiness starts from oneself" concept. This principle is applied in a number of the exchange's activities as follows:

- Employees are allowed to request for block leave. This is to encourage the employees to spend more time for themselves or with their families, travel or take some rest, and come back to work, fully recharged, nice and fresh.
- Birthday celebration luncheon is regularly held once a month for employees with the same birth month. Everyone will receive a birthday card with well wishes, signed by SET's directors and President.
- A prayer room is provided for Muslims. In addition, employees can attend spiritual or meditation retreat on special leave condition.



Social



The Stock Exchange of Thailand (SET) is determined to drive knowledge development and financial discipline of the society by providing financial literacy. To achieve this, SET has disseminated the learning sources and cooperated with the network and alliances to advance the social development sustainably. SET also recognizes and supports people who have contributed to the society as role models for others to follow, creating sustainable happiness for the society as a whole.

Develop Knowledge and Financial Discipline for the Society

Thailand Securities Institute is the center for developing and disseminating finance and investment knowledge. Its core mission is to create the strong foundation for quality investors and investment personnel and build basic knowledge for the young people and the general public about finance, investment, savings and personal finance management via activities and modern learning channels.

1 Financial literacy for young people

SET is committed to disseminating knowledge and understanding about financial literacy to youngsters, who are and will become the driving force for the country's economic growth via appropriate activities for each target group as follows:

The Diamond Crown Economics Competition: Ngern Tong Kong Mee Ka and the Sufficiency Economy Philosophy

SET has teamed up with Romchatra Foundation, the National Office of Buddhism, the Office of the Basic Education Commission, Education Ministry, Chulalongkorn University, Stri Witthaya School 2, the Thai Life Assurance Association, Foundation of Virtuous Youth and the Crown Property Bureau to organize the Diamond Crown Economics Competition. The contest is aimed at promoting awareness of the economic and financial literacy and personal finance among the young people, from elementary to higher education, to develop their skills in economics and finance. In 2014, the competition received strong interest from the educational institutions nationwide. A total of 4,008 elementary and secondary school students from 888 schools, as well as 489 college students from 38 universities participated in the competition. The contest for the elementary to secondary school students has been continually carried on from 2009 to 2014, drawing a total of 18,759 contestants. The competition at the college level was organized for the first time in 2013 with a total of 705 participants.

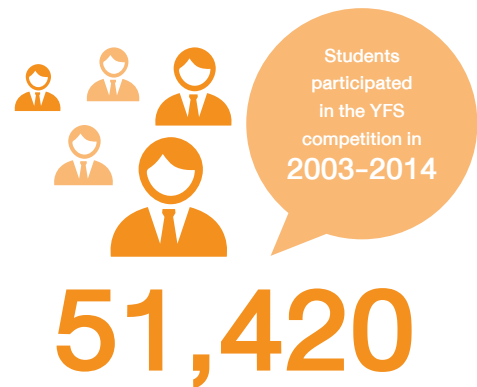


SET on campus

The project is aimed to promote personal finance for college students to prepare themselves for their career. The students should be equipped with the knowledge about their spending and savings plans. In 2014, SET organized the activities to promote the project via SET Investment Center (SET IC) in seven provinces. A total of 7,939 students participated in the activities.

Young Financial Star (YFS) competition

The exchange has initiated the YFS* project since 2003 by collaborating with Muang Thai Life Assurance Pcl (MTL), PTT Pcl, Kasikornbank Pcl, Thailand Futures Exchange Pcl (TFEX) and other business partners in the capital market. The project provides an opportunity for college students from junior year to master's degree level, aged under 25, to develop their skills in finance. SET has created the network of new responsible generation in finance and investment to ensure financial and capital market sustainable development. During the past 12 years, YFS has created and developed quality personnel for the capital market. More than 50,000 young people, who have participated in the project, have been recognized by the capital market as quality professionals who are equipped to work in various fields of business and ready for the marketplace. In 2014, a total of 5,792 students from 93 universities nationwide participated in the project. Fifty-five students who passed the final round of YFS were entitled to Certified Investment and Securities Analyst Program (CISA)'s training and testing for securities analysts and Certified Financial Planner Program (CFP)'s training and testing for financial planning professionals.



The test results of students who participated in YFS in 2014 showed that 210 students have passed the securities investment advisory program test or 73.43% of the total candidates. For derivatives investment advisory license, 166 students or 58.66% of the total candidates have passed the test. It was evident that YFS helps create quality personnel to the Thai capital market, as a major force to upgrade the quality standard in financial services for investors and the general public.



* More information about Young Financial Star Competition (YFS) is available at www.tsi-thailand.org/yfs.

2 Promote financial planning skills of the general public

The exchange believes that good foundation of the country's economy is the strong financial health of people. They should be equipped with the ability to earn income and knowledge on how to spend carefully and save. A strong foundation can lead to better quality of life of individuals, families, the society and the nation. The stock market has therefore initiated the projects to promote financial literacy of the general public since 2000 through training, seminars and various projects continuously. SET places priority on providing knowledge about financial planning suitable for each age group.

Happy Money

Happy Money is a program to promote financial planning skill of the general public. Started from 2009, the program is to help employees develop their financial planning skills and learn how to secure financial stability. In 2014, SET produced and distributed a manual called "Happy Money: Company creates financial well-being" and video clip as guidelines for companies to communicate with their employees how to save and plan their personal finance.



3 Maruey Knowledge and Resource Center

Maruey Knowledge and Resource Center, located at the SET building and Esplanade shopping mall is a learning center, providing a comprehensive collection of books, learning resources and various media channels particularly about the capital markets. Being the center for knowledge and information for students, scholars and the general public, the library is set up under the theme "Creating learning opportunities that lead to sustainability."

In 2014, Maruey Knowledge and Resource Center continued to create a society of financial literacy and investment knowledge. More than 400,000 consumers have used the services at its two locations, saving money on books for members for more than THB 22 million. The Thai bourse also carried out the project entitled "Give to get life-long learner" by delivering books both in Thai and English to more than 10 libraries, learning centers, financial and investment learning centers including SET IC nationwide and the online library via www.maruey.com website. The project helps increase the access to learning opportunity and financial information equally.



Patrons of Maruey Knowledge and Resource Center

400,000

Moreover, Maruey Knowledge and Resource Center has expanded the library network under the name "Ploen Library" to Klongtoey Witthaya School and provided consultation on how to manage the library and organize activities to promote reading. The library network offered the service through the media tools and IT to instill the love of reading constructively. The library is useful for students, teachers, school staff, parents and surrounding communities. More than 8,000 persons have used the service so far.

The SET Foundation

The exchange has carried out sustainable business while improving quality of life of the people in the community and society. Therefore, SET established the SET Foundation in 2006 by allocating THB 100 million from investment budget as the seed money. In addition, SET annually donates one-third of financial profits to the foundation. The foundation aims to support the activities and projects that help improve people's well-being and sustainable society. The operation framework covers three areas:



Goodness



Religion, Art & Culture



Sports and Society



1 Support “good” deeds for society

The SET Social Recognition Project

SET recognizes people who have made outstanding social contributions. Since 2007, SET has allocated THB 14 million annually from the SET Foundation to support social organization and praise people who have made outstanding benefits for the society in seven fields through seven organizations. The seven awards are in the fields of library development by Thai Library Association, education development by Professor Sangvien Indaravijaya Foundation, rural development by Population and Community Development Association, music promotion by Archan Sugree Charoensook Foundation, sports contribution by Football History Association of Thailand, urban development by Vimuttayalaya Foundation and narcotic drugs prevention by Duang Prateep Foundation. In 2014, SET recognized 10 organizations and individuals as follows:

Organizations	Honorees	Profile and Recognitions
1 Thai Library Association	<p>1) Miss Arom Choochoti, a librarian at the Ban Borpradoo Community School in Songkhla province</p> <hr/> <p>2) Ban..Porkla Wisdom for Library Development Club</p>	<p>Miss Arom Choochoti is an exemplary librarian who focuses on creating the opportunities and expanding reading space to encourage the communities and the society in Songkhla to read for more than 34 years by dedicating her time and personal money to supply books and learning materials for her campaign.</p> <hr/> <p>This is a group of the librarian volunteers to provide books, materials and library supplies for libraries under the royal projects since 1990, including rural schools, patrol police schools, temple libraries and libraries under Corrections Department.</p>
2 Professor Sangvien Indaravijaya Foundation	<p>Dr. Suthisak Kaewkamchan, the lecturer of the Faculty of Veterinary Science, Rajamangala University of Technology Isan, Surin Campus</p>	<p>Dr. Suthisak Kaewkamchan has shown his strong dedication to support economic development with quality. To enhance local people’s occupational skill, he established the “Organic Farm Learning Centre” based on sufficiency economy philosophy for communities in Surin, in addition to “Rajamangala Village” which he jointly organized with the locals. Consequently, more than 200 households have become financially independent with an average income of THB 10,000 per household.</p>
3 Population and Community Development Association	<p>1) People with visual impairment association in Phattalung province</p> <hr/> <p>2) Youth for Next Step</p>	<p>The association was set up in 2002 to support the quality of life of around 1,000 blind people in 11 districts in Phattalung. The association provides supports in terms of education, training and social status promotion, while arranging for necessary welfare for independent living in terms of peer coaching with an aim to rid of blind beggars. A community bank for blind people was also set up.</p> <hr/> <p>Youth for Next Step network was set up in 2005 by a group of student leaders and student committee members in Bangkok to develop young generation to be “capable, good and voluntary-minded”. The project instills knowledge for youth based on morality principle to promote social activities of the young people. Life skill development and local wisdom have been comprehensively incorporated in the project. Currently, high-school student leaders from more than 22 provinces and 90 schools nationwide are the core leaders of the project. They have established the clubs inside eight universities to expand the operating results nationwide.</p>



Organizations	Honorees	Profile and Recognitions
4 Archan Sugree Charoensook Foundation	Mr. Tanit Sriklindee	Thai flute maestro Tanit Sriklindee has introduced the beauty of Thai flute internationally. The elegant sound of Thai flute is compatible to the international acoustics to enable Thai flute to perform in the philharmonic band of international instruments. Furthermore, Mr. Tanit Sriklindee has preserved and transferred the knowledge of Thai flute to a number of young Thais.
5 Football History Association of Thailand	1) Mr. Niwat Srisawasdi 2) Mr. Nimae Nideha	Mr. Niwat Srisawasdi, a former national soccer player (1966-1979), uses sports to enhance skill experience for young people, instilling them with public service mind for more than 15 years. He initiated the project to teach soccer skills to young people living in Klongtoey and the Port Authority of Thailand's communities by using sports to build their immunity, physically and mentally. The youngsters are encouraged to spend time constructively and stay away from drugs. Mr. Nimae Nideha is the coach of Pattani Football Club. He has dedicated himself to soccer as the means to ingrain discipline and awareness for young people to love studying. He also applies teaching concepts based on Islamic religion to oversee the soccer team for more than 20 years. He has been regarded as the person who built Pattani by sports and who has been behind the scene to catapult local heroes to the national football stadium.
6 Vimuttayalaya Foundation	Pootalay Mahawitchalai School, Mab Ueang Agri-Nature Learning Center, Ban Beung District, Chonburi province	This is a model school for comprehensive learning towards sustainability according to sufficiency economy philosophy by focusing on teamwork and hands-on project to encourage the learners to develop their knowledge and skills, while learning to be compassionate toward others and self-reliant.
7 Duang Prateep Foundation	Mr. Preecha Prommanee	Mr. Preecha Prommanee has been a special lecturer on drug problems for more than 40 years. He has dedicated himself by travelling to schools and educational institutions nationwide since 1973 by his own money to share his experience with young people. He told his personal story to warn young people of the danger of narcotic drugs. Although he is 71 years old, he still travels tirelessly to educate large groups of young people about drug problems.

2 Promote religion and preserve arts and culture

In 2014, the foundation supported religion and art & culture projects as follows:

Religion

- SET and the SET Foundation jointly host the Kathin merit-making ceremony at Rattanaburi in Chiang Rai province by donating THB 10 million to International Meditation Center at Mahavijjalaya of Buddhist Economics in Chiang Rai. The center can accommodate more than 1,000 Buddhists. The donation is to support meditation activities and promote Buddhism to both Thai and foreigners.
- In addition, THB 650,000 was donated to support religious activities organized by Vimuttayalaya Foundation to nurture Buddhism such as to support the ordination summer novice. Moreover, the donation sponsored the project to bring people with the same passion to promote organic agriculture based on sustainability concept, based on Buddhism guidelines of the Mahavijjalaya of Buddhist Economics, and the activity to perform religious chanting to bid farewell to the past and welcome the auspicious New Year.
- The foundation donated THB 100,000 to the 84th Anniversary Rajanakarin Center, Khao Din Nhong Saeng, Chantaburi province. SET supported the construction of the meditation center and the dining hall for monks and the general public. The foundation encouraged the SET executives and staff to participate in religious activities such as merit making during the religious holy days and Dharma discussions. The Thai bourse also supports Dharma practice curriculum at Sra Kateam Temple in Nakhon Pathom province.
- The SET Foundation also supported the religious ceremony during the important religious holy days to nurture religion. SET also contributed to the construction of Pra Pathom Buddha Metta.



Art & Culture



SET Youth Musician contest

SET jointly organized the SET Youth Musician Contest with College of Music, Mahidol University, to encourage young people to express their talents by using non-electronic music instruments and traditional music instruments of countries such as China, India, Myanmar, Mon, Cambodia and Laos. The contest also featured singing in all styles, both Thai and international songs. The 2014 competition marks the 17th of its kind participated by more than 400 contestants.

SET musical moment

The SET Foundation has provided an opportunity for young people with music talents to show their skills. In 2014, SET organized five SET Musical Moments namely the Young Violinists & Cellists 2014, Dr. Sax Piano Recital 2014, An Enchanted Evening with Young Pianists XV, Chamber Music for Piano and Strings and An Enchanted Evening with Young Pianists XVI.

3 Enhance sports development and social service

Sports development

The foundation promotes and encourages young people to play sports to promote healthy body and mind, while spending their pastime constructively. SET has also nurtured young people with sport aptitude to excel internationally.

SET Star Junior Table Tennis



The SET Foundation has teamed up with Table Tennis Association of Thailand to kick off the SET Star Junior Table Tennis since 2013 by recruiting youngsters with talents in table tennis from the provinces in every region nationwide and train them for international competitions. In 2014, a total of 2,000 young people joined the program. The project focuses on four main areas namely:

- Expand the sports' base by organizing competitions in every region to create the interest in table tennis. Moreover, the foundation also looks for "White Elephants" or rising star athletes.
- Recruit athletes with talents to be trained under special projects such as overseas training, endorsing their application for scholarship from International Table Tennis Federation or sending young table tennis players to table tennis academies abroad, among others
- Organize international competitions to open an opportunity for young Thais to compete with the international athletes to practice and upgrade their skills
- Send Thai athletes to international competitions so that Thais will make it to the world's top-ten ranking in four years

GAC Group 2014 ITTF World Tour Grand Finals

The foundation gave THB 2 million to Table Tennis Association of Thailand to organize GAC Group 2014 ITTF World Tour Grand Finals which is a world-class table tennis competition. Thailand has been selected by the International Table Tennis Federation to host of the competition.

Social assistance

The project to enhance capacity of Thai teachers

The foundation supports Thai Listed Companies Association's effort to implement projects to continuously promote the capacity of teachers. Teachers who participate in the program will have the platform to exchange their knowledge and experiences with the experts from educational institutions and private sector. They will be able to use the experience gained from the project to develop their teaching skill and leverage on this experience for the benefit of their communities. In addition, the project has strengthened the network of teachers in contact after the project ends. In 2014, the SET Foundation donated THB 3 million to organize two classes of teachers' training. A total of 91 teachers from 69 schools attended the program.

Capital Market Academy, driving force to reduce social inequality

The exchange's Capital Market Academy (CMA)*, set up in 2005, offers an exclusive program for executives to equip them with knowledge and skills about capital market so as to be visionary in business management and leading the social change. The program has contributed to the capital market development in various fields such as creating the guidelines for capital market development plan. In addition, the program also produces a number of academic researches which benefit the economic development and the Thai society. As of the end of 2014, a total of 1,626 executives from 19 classes have attended CMA's training.

Moreover, students from every CMA class have joined hands with the SET Foundation to organize social service activities under the title "CMA unites forces to reduce social inequality" aiming to develop the economy, improve the quality of life of the Thai people and bridge the social gap. From its inception to the end of 2014, the students have implemented programs in 11 provinces namely Buriram, Nong Khai, Mae Hong Son, Sakol Nakhon, Sa Kaeo, Sri Saket, Amnat Charoen, Nakhon Phanom, Ubon Ratchathani, Loey and Chiang Rai. In 2014, the SET Foundation has initiated the project to develop social enterprises. More than THB 5 million was raised to support this cause-related project. (Information is available at www.cma.in.th).



* More information about the exchange's Capital Market Academy (CMA) is available at www.cma.in.th

The Rakkaew Foundation

The SET Foundation granted THB 2 million to the Rakkaew Foundation (a foundation under the network of Pid Thong Lang Phra Foundation under royal initiative) to promote and instill social conscience by encouraging students, teachers and educational institutions to jointly develop projects that upgrade the quality of life of communities or underprivileged people in a sustainable manner. Aiming to create the new generation of leaders based on the people-centric development concept, Rakkaew Foundation has created its network among more than 150 universities. As of 2014, the Rakkaew Foundation carried out 117 communities and social development projects.

Relieve suffering from natural disasters

The massive flood hit Thailand in 2011. Consequently, the Thai bourse teamed up with organizations in the capital market to set up a fund called “SET unites forces to help relieve the suffering from flood” to help the victims in terms of accommodations and occupations by setting the three phases of funding. They included immediate remedies, rehabilitation during post-flood period and sustainable development in the long run. In addition, the SET relief fund has also played a key role in helping natural disaster victims in other areas. In 2014, there was an earthquake with a magnitude of 6.3 Richter in Chiang Rai (northern part of Thailand), causing damage to buildings such as temples, schools and houses. SET made contributions by allocating THB 2.4 million for the construction of multi-purpose buildings to six schools in Pan District and Mae Lao District, namely Rong Than Witthaya School, Than Thong Witthaya School, Charoen Muang Witthaya School, Sun Klang Witthaya School, Ban Dong Mada School and Pong Prae Witthaya School.





Environmental



SET has used technology to help manage resources and also uses energy efficiently in its working processes while instilling attitude, value and awareness of environmental conservation. SET will continuously and efficiently embrace staff engagement.

Energy Saving
of Data Center

Air-conditioning system
and wind direction
management



Internal
environment
management



Maintenance



Innovation
for Energy Saving

Office computer
replacement



Virtualization and
Cloud Services

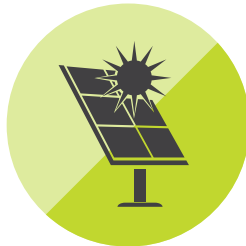


Green
transportation



Green
Building

Power
management



Water
management



Reducing Paper Usage
and Encouraging Paperless Activity

Reducing
paper used



Encouraging
paperless activity



Energy Saving of Data Center

SET is keen on optimizing the efficiency of the computer center to support business. To meet this goal, the resource management was put in place to address energy cost efficiency and minimize the impact to the environment. The aim is to reduce energy usage, non-renewable resource consumption and greenhouse glass emissions. Implementation included air-conditioning system management, wind direction management, internal environment management and maintenance.

1 Air-conditioning system and wind direction management

Tropical climate in Thailand triggers a large amount of energy consumption for cooling purpose. To enhance the operation at the computer center while having less effect to the environment, SET installed an air-conditioning system with efficient humidity and temperature control. The location of server rack cabinet was appropriately aligned with the perforated raised floor. Cold aisle containment system was integrated to maintain proper airflow for the data center equipment. This method could help eliminate a chance of sudden crash. As a result, the air-conditioning system could work efficiently. In 2014, the Power Usage Effectiveness (PUE) showed a 15% improvement, compared with the previous year.



2 Internal environment management

The optimized temperature and humidity control of cooling system installed has enhanced the efficiency of servers and equipment. It is significant that the environmentally friendly fire extinguishers installed neither destroy the ozone layer nor cause damage to computer equipment. In addition, the automatic lighting control was also installed across the areas.

3 Maintenance

The maintenance of electronic devices has been conducted on quarterly basis, including cleaning the air-conditioner filter and cooling system, which could consequently help save energy and extend the useful life. SET has replaced existing monitors and bulbs in the computer center with the LED ones with relatively less energy consumption.

Innovation for Energy Saving

An up-to-date technology with high efficiency and energy saving features has been applied by factoring in key factors that would drive to long-term cost reduction efficiency. SET has also placed its importance on “Green Technology” management, which integrated various actions such as using tablet devices, promoting paperless activity, wisely optimizing computer equipment usage, travelling by eco-friendly vehicles, etc.

1 Office computer replacement

In 2014, SET laid out a policy to replace all desktop computers with portable laptops for the sake of long-term energy cost saving, operational flexibility, and preventing damage to data in case of power shortage or electricity problem.



2 Virtualization and Cloud Services

SET has implemented Virtualization and Cloud Services technologies in the computer center since 2010, allowing the exchange to optimize its server resource management efficiently. In 2014, the server consolidation showed that the capability of one Virtualization server was equivalent to the performance of 12 old servers. In addition, these technologies have increased the operational stability as they helped cut operational cost, reduce maintenance cost, minimize space usage, reduce energy and resource consumption, as well as reducing the greenhouse gas emissions. Currently, more than 70% of total servers are Virtualization and Cloud Services types, saving 0.94 million kilowatt of electricity usage and reducing the greenhouse gas emissions by 527 metric tons carbon dioxide equivalent per year.

3 Green transportation

SET encourages executives and its staff to save fuel consumption by planning their field trips ahead. Hybrid cars have been used in order to reduce pollution emissions and save fuel cost. In 2014,

a total of 77,668.88 liters of fuel were used for transportation, a 7.38% decrease from 2013, reducing greenhouse gas emissions by 13.54 tons carbon dioxide equivalent per year.

Reduction of GHG emissions from fuel used

13.54

tons carbon dioxide equivalent per year



Green Building

With an aim to raise the staff awareness of environment and energy conservation, SET has placed its importance on interactive environmental management, which focuses on running various awareness campaigns. In addition, a green building assessment standard called Leadership in Energy and Environmental Design (LEED) has been applied as a guideline to conduct efficient action plan in a move to reduce energy consumption and impact to the environment.

1 Power management

Air-conditioning system improvement

The air-conditioning system with Variable Air Volume (VAV) feature has been installed to help stabilize the temperature within the building at 25 degrees Celsius, which could reduce power cost and extend the useful life of the air-conditioners.

Reduction of GHG emissions from power usage

25.25

tons carbon dioxide equivalent per year



LED lighting system

In 2014, SET replaced existing lighting system at the computer center with LED ones in a move to reduce energy consumption and reduce greenhouse gas emissions, saving THB 262,000 per year or a 20% decrease.

Energy saving campaign

To raise staff awareness regarding energy conservation, SET has launched various campaigns, including taking stairs instead of elevator and “Energy Saving Talk”, engaging staff to exchange views on how they save and reduce energy consumption. In 2014, power consumption within the office building was 6,666,944 kilowatts and 4,066,056 kilowatts at the computer center, consuming 10,733,000 kilowatts in total or a 0.42% decline from a year earlier. The greenhouse gas emissions were reduced by 25.25 tons carbon dioxide equivalent per year.

2 Water management

SET has placed its importance on efficient wastewater treatment management. Water leak inspection has been regularly conducted to ensure every drop counts. The water pressure has been reduced

by 50% to save energy but the users still felt similar flow. In 2014, water usage dropped by 13.20% from the previous year to 58,916 cubic meters while the greenhouse gas emissions was reduced by 0.24 metric ton carbon dioxide equivalent per year.

Reduction of GHG emissions from water usage

0.24

tons carbon dioxide equivalent per year



Green Office Award

SET's successful Green Building project has won the awards as follows:

2009

“Green Office”, “Bronze Award” in 2009 from the Department of Alternative Energy Development and Efficiency, the Ministry of Energy

2014

Energy Saving Office Award 2014 from the Metropolitan Electricity Authority of Thailand, Level 1, year 2

In addition, SET has participated in “Green Meetings” project. Organized by the Department of Alternative Energy Development and Efficiency, the Ministry of Energy, Thailand Business Council for Sustainable Development and Thailand Environment Institute, the project aims to expand energy conservation network, raise awareness of consuming energy in an efficient way, as well as inspiring the society with this initiative.



Entering into the 5th decade with a new Green Home

In 2015, SET will move into the new office, which has been designed and constructed according to the LEED (Leadership in Energy and Environmental Design) standard. The New Construction (NC) received Gold level of LEED certification, justified by the plan and landscape, water usage efficiency, energy consumption efficiency and pollution emissions, construction material, quality of environment within the building, green innovation and local friendliness. The SET's new building is one of seven Thai office buildings that received the LEED Certification.



Reducing Paper Usage and Encouraging Paperless Activity

1 Reducing paper use

As the SET's average paper usage is around 5 million pieces a year, equivalent to 42.19 metric tons of greenhouse gas emissions, SET has aimed to reduce the use of paper by at least 20% or 1 million pieces a year. To achieve such goal, SET has taken action plans as follows:

- Set up a task force to establish direction and objectives of the operation
- Conduct research and regarding paper reduction projects
- Conduct promotional campaigns that would enhance learning and staff engagement

Paperless
project

Reduction of GHG emissions from paper consumption

15.50

tons carbon dioxide equivalent per year



2 Encouraging paperless activity



PDF

iPad
& Jotpro

SET Mydrive

Short URL
& QR Code

Online
Registration

Wifi for
Employee


With an aim to reduce paper usage and encourage paperless activity, in 2014, SET reduced paper used for photocopiers and printers by 968,040 pieces (4,840 kilograms), or a 19.5% reduction from the previous year, which was equivalent to the reduction of greenhouse gas emission of 8.17 metric ton carbon dioxide. In addition, SET has joined force with InfoZave Company, a subsidiary of SCG Paper, to take used papers into recycling process. In 2014, a total of 28,220 kilograms of papers were sent to recycling program, reducing greenhouse gas emissions by 7.33 metric tons carbon dioxide equivalent per year.




Sustainability Performance Data




 Market Growth	2012	2013	2014
Market capitalization (THB million)	11,964,465.15	11,674,130.16	14,239,359.56
Average daily trading volume (THB million)	32,304.36	50,329.27	45,466.49
Number of listed companies (companies)	557	584	613
Yearly accumulated trading volume on TFEX (million contracts)	10.46	16.66	36.02
Average daily trading volume on TFEX (contracts)	42,685	68,016	147,025
ASEAN CG Scorecard (points)	N/A	67.66	75.39

 Sustainability Management	2012	2013	2014
Number of committee by gender (M : F)	8 : 3	8 : 3	8 : 3
Committee attendance rate	95.15%	92.61%	96.4%
Number of chair of highest governance body, who is also an executive officer at other organizations and an organization relevant to capital market development (persons)	0	0	0
Number of complaints and report of misconduct issues (cases)	0	0	0
Number of partners (companies)	N/A	N/A	8,356
Proportion of Thai business partner	N/A	N/A	98

 Employees	2012	2013	2014
Number of employees (persons)	723	726	728
Employment rate by gender (M : F)	31 : 69	31 : 69	30 : 70
Employee turnover rate	8.7%	7.4%	7%
Average employee training per year (man-day)	4	3.6	3.7
Average employee satisfaction score (points)	4.49	4.63	4.58
Average score of employee engagement towards organization (points)	4.25	4.36	4.33

 Social	2012	2013	2014
Budget for social contributions (THB million)	70.9	71.9	58.6

 Environmental	2012	2013	2014
Greenhouse gas emission reduction (metric ton carbon dioxide equivalent per year)	N/A	N/A	54.53
Power usage of the office (kilowatt)	10,973,000	10,778,000	6,666,944
Power usage of the computer center (kilowatt)			4,066,056
Water used (cubic meter)	59,350	67,873	58,916
Fuel used for travel purpose (liters)	N/A	83,853.91	77,668.88
Reused paper (tons)	14.2	11.4	28.2
Paper used reduction (tons)	N/A	N/A	4.84

GRI INDEX



GRI INDEX

GRI indicators	Disclosure Requirements	Reported	Reference	
			SSE report	Annual report
GENERAL STANDARD DISCLOSURES				
STRATEGY AND ANALYSIS				
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	full	9,11	✓
G4-2	Provide a description of key impacts, risks, and opportunities.	partial	6,9,24-25,72,74-76	✓
ORGANIZATIONAL PROFILE				
G4-3	Report the name of the organization.	full	cover	✓
G4-4	Report the primary brands, products, and services.	full	16-18	✓
G4-5	Report the location of the organization's headquarters.	full	15	
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	full	15	
G4-7	Report the nature of ownership and legal form.	full	14	
G4-9	Report the scale of the organization.	full	14-15	
G4-10	- Report the total number of permanent employees by employment type and gender. - Report the total workforce by employees and supervised workers and by gender.	full	86	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	partial	28	
G4-16	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	partial	2-3,60	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-18	Explain how the organization has implemented the Reporting Principles for Defining Report Content.	full	19,23	
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	full	12	
STAKEHOLDER ENGAGEMENT				
G4-24	Provide a list of stakeholder groups engaged by the organization.	full	20	
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	full	21	
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	full	22-23	
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	partial	21	
REPORT PROFILE				
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	full	12	
G4-30	Reporting cycle (such as annual, biennial).	full	12	
G4-31	Provide the contact point for questions regarding the report or its contents.	full	12	
G4-32	Report the GRI Content Index for the chosen option.	full	12	
GOVERNANCE				
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	full	68	
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	full	68	
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	full		✓

GRI indicators	Disclosure Requirements	Reported	Reference	
			SSE report	Annual report
G4-38	Report the composition of the highest governance body and its committees.	full	67-68	
G4-39	Report whether the Chair of the highest governance body is also an executive officer	full	67	
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	full	67	
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.	full	67,70	
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	full	67	
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environment and social topics	partial	67	
G4-44	Report processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment.	full	67,77	
G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.	full	68,73	
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	partial		✓
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	full		✓
G4-51	- Report the remuneration policies for the highest governance body and senior executives. - Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.	full		✓
ETHICS AND INTEGRITY				
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	full	61-63, 69,78	
G4-57	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	full	61-63, 70,78,93	
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	full	61-63	
SPECIFIC STANDARD DISCLOSURES				
CATEGORY: ECONOMIC				
ASPECT: ECONOMIC PERFORMANCE				
G4-EC1	Direct economic value generated and distributed	full	6,101	✓
ASPECT: INDIRECT ECONOMIC IMPACTS				
G4-DMA	Generic Disclosures on Management Approach	full	26	
G4-EC7	Development and impact of infrastructure investments and services supported	full	6,33,49,53,56, 100,102-105	
G4-EC8	Significant indirect economic impacts, including the extent of impacts	full	6,49,100, 102-105	
ASPECT: PROCUREMENT PRACTICES				
G4-DMA	Generic Disclosures on Management Approach	full	82	
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	full	83	
CATEGORY: ENVIRONMENTAL				
ASPECT: MATERIALS				
G4-DMA	Generic Disclosures on Management Approach	full	110	
G4-EN1	Materials used by weight or volume	partial	112	

GRI indicators	Disclosure Requirements	Reported	Reference	
			SSE report	Annual report
ASPECT: ENERGY				
G4-DMA	Generic Disclosures on Management Approach	full	110	
G4-EN3	Energy consumption within the organization	partial	111-113	
G4-EN6	Reduction of energy consumption	partial	111-113	
G4-EN7	Reductions in energy requirements of products and services	partial	111	
ASPECT: WATER				
G4-DMA	Generic Disclosures on Management Approach	full	110	
G4-EN8	Total water withdrawal by source	full	113	
ASPECT: EMISSIONS				
G4-DMA	Generic Disclosures on Management Approach	full	110	
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	partial	111-114	
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	partial	112	
G4-EN19	Reduction of greenhouse gas (GHG) emissions	partial	113-114	
ASPECT: PRODUCTS AND SERVICES				
G4-DMA	Generic Disclosures on Management Approach	full	110	
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	full	111	
ASPECT: TRANSPORT				
G4-DMA	Generic Disclosures on Management Approach	full	110	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	partial	112	
ASPECT: OVERALL				
G4-DMA	Generic Disclosures on Management Approach	full	110	
G4-EN31	Total environmental protection expenditures and investments by type	full	112-113	
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT				
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	partial	83	
CATEGORY: SOCIAL				
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK				
ASPECT: EMPLOYMENT				
G4-DMA	Generic Disclosures on Management Approach	full	86	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	full	86-87	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	partial	87,91, 94-95	
G4-LA3	Return to work and retention rates after parental leave, by gender	full	87	
ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4-DMA	Generic Disclosures on Management Approach	full	94	
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	full	94	
ASPECT: TRAINING AND EDUCATION				
G4-DMA	Generic Disclosures on Management Approach	full	88	
G4-LA9	Average hours of training per year per employee by gender, and by employee category	full	90	
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	full	89-90	

GRI indicators	Disclosure Requirements	Reported	Reference	
			SSE report	Annual report
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-DMA	Generic Disclosures on Management Approach	full	86	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	partial	86	
ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN				
G4-DMA	Generic Disclosures on Management Approach	full	86	
ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES				
G4-DMA	Generic Disclosures on Management Approach	partial	83	
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	partial	83	
SUB-CATEGORY: HUMAN RIGHTS				
ASPECT: Non-discrimination				
G4-DMA	Generic Disclosures on Management Approach	partial	55	
G4-HR3	Total number of incidents of discrimination and corrective actions taken	partial	55-56,93	
ASPECT: CHILD LABOR				
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	partial	83	
ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT				
G4-DMA	Generic Disclosures on Management Approach	partial	83	
G4HR10	Percentage of new suppliers that were screened using human rights criteria	partial	83	
G4HR11	Percentage of new suppliers that were screened using human rights criteria	partial	83	
SUB-CATEGORY: SOCIETY				
ASPECT: LOCAL COMMUNITIES				
G4-DMA	Generic Disclosures on Management Approach	full	101	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	partial	49-51,53,56,59,100	
G4-SO2	Operations with significant actual and potential negative impacts on local communities	full	99,106-107	
ASPECT: ANTI-CORRUPTION				
G4-DMA	Generic Disclosures on Management Approach	full	71	
G4-SO4	Communication and training on anti-corruption policies and procedures	full	71	
ASPECT: PUBLIC POLICY				
G4-DMA	Generic Disclosures on Management Approach	full	50	
G4-SO6	Total value of political contributions by country and recipient/beneficiary	partial	59,98	
ASPECT: ANTI-COMPETITIVE BEHAVIOR				
G4-DMA	Generic Disclosures on Management Approach	full	82	
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	full	82	
SUB-CATEGORY: PRODUCT RESPONSIBILITY				
ASPECT: PRODUCT AND SERVICE LABELING				
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	full	33-47, 49-52, 57, 80-81	
G4-PR5	Results of surveys measuring customer satisfaction	full		√



The Stock Exchange of Thailand

The Stock Exchange of Thailand
62 Ratchadaphisek Road, Klongtoey
Bangkok 10110 Thailand

Tel : +66 2229 2000
Fax: +66 2654 5649
www.set.or.th

