

Employees' Provident Fund

The Company have established a provident fund in accordance with the Provident Fund Act B.E. 1987. The fund is contributed by both employees and the Company in the rate of 3% of salary. The fund is managed by the Kasikorn Asset Management Provident fund and will be paid to an employee upon termination in accordance with the rules of the Company's staff provident fund.

For the years ended on December 31, 2017, Matichon Public Company Limited contribution amount Baht 4,142,345.75, Khao sod Company Limited contribution amount Baht 1,332,857.75, Ngandee Company Limited contribution amount Baht 451,544.57.

Personnel

Total number of employees of the company and subsidiary on December 31, 2017 was 1,028 persons

Matichon Public Company Limited	733 persons
Khao-Sod Company Limited	233 persons
Ngandee Company Limited	62 persons

Total employee remuneration (salary, cost of living,) totals (Baht) 394,268,075.53

- Matichon Public Company Limited	(Baht) 227,216,071.42
- Khao-sod Company Limited	(Baht) 77,059,477.80
- Ngandee Company Limited	(Baht) 39,992,526.31

Personnel Development Policy

The company has a policy to enhance the potential and efficiency of its staff on a regular basis with a view to better preparing them of global change in both competition and new technology.

Good Corporate Governance

Matichon Pcl. has always adhered strictly to the principles of good corporate governance, as it realizes that these principles are the basis for confidence on the part of shareholders and all those concerned, ensuring efficient management, transparency and accountability. It also enhances the Company's value and form a firm basis for sustainable growth.

In line with the above observations, the Company herein reports the principles of good corporate governance as follows :

Rights of Shareholders

Company recognizes the importance of Shareholders of the Company has always been. Therefore, the Company has a policy to treat all shareholders equally fair to ensure that shareholders are protected by fundamental rights, including the sale or transfer of shares. The share of profit Acquisition of adequate data, participating in the meeting, including the right to vote on important matters of the Company. Such as the allocation of dividends, the election of directors, appointment of auditors, editing rules and memorandum .

In 2017 has taken to promote and facilitate the exercise of shareholders as follows.

(1) The shareholders meeting has set a date, time, venue, meeting in its offices.

(2) Send invitation companies and documents to shareholders in advance. The details of the agenda with opinion of the Commission, proxy and was assigned to the one Independent Director Choice of proxies of shareholders. Including maps, and details of the document to be presented in the meeting. Articles of Association regarding the meeting poll. And for more details at www.matichon.co.th . And open registration in advance of at least 1 hour.

(3) Clarifying voting procedures and vote count before the meeting. And during the meeting to allow shareholders to express their opinions and ask questions. The vote will be counted as 1 share and 1 vote majority a resolution. And the ballot only if there is an objection, abstain, and keep these ballots to be verified later.

(4) The rights to shareholders attending the meeting after the meeting started already. Have the right to vote or vote on the agenda under consideration and not voted.

(5) Most Directors attended meeting, Managing Director acting as President of the Conference. In addition, executives, auditors and Legal Advisor to attend a hearing to, and answer questions.

(6) Published information to shareholders via the Stock Exchange of Thailand and the company's website.

(7) Operational efficiency, to create growth for the organization, so that shareholders receive appropriate compensation.

Equitable Treatment of Shareholders

Company's focus and ensure that treatment of all shareholders equally and fairly. By the various operations as follows:

(1) Allow shareholders to propose additional agenda of the meeting and nominating the persons to be appointed as director in advance And inform them of the criteria for determining whether the matters proposed that the shareholders do. By publishing on Company' s website.

(2) Operations meeting agenda as provided in the invitation. It will not add agenda without let shareholders know in advance.

(3) Encourage shareholders to form Proxy holders can set the direction of votes. The company also offers a 1 Independent Director of proxies of shareholders.

(4) Support the use of voting cards in the main agenda. Which will keep the ballots for the results to calculate the total vote that has already set forth in the proxy statement resolutions will be announced before the vote. And to ensure transparency , Company stores the ballots for review later.

(5) The Minutes prepared and duly delivered to the Stock Exchange of Thailand and the Securities and Exchange Commission. Completed within 14 days after the meeting. And to publish such reports on Company's website.

(6) Measures to prevent the use of inside information. Unlawful by the warning not to directors, employees and related parties, including spouse, children minors. Inside information is essential to change the price of the shares. Which are not publicly disclosed. To trade its shares.

The Securities and Exchange Act of 2535 and Executive Director shall report to the company's shareholding. On their positions and report every time a purchase or sale of securities within 3 working days to Securities and Exchange Commission Thailand and submit to the office.

Stakeholder's Role

The Company sets out practices and responsibilities to different to stakeholder groups as follows

Practices and Responsibilities to Shareholders

(1) To perform their duties loyalty and honestly, and our best talent and perform any discretion with caution and fairness to all shareholders.

(2) Affairs of the company's growth and stability and cause an appropriate return to shareholders.

(3) To report on the Company's performance, financial and accounting information and other aspects of its business accurately on a regular basis.

(4) To inform shareholders of both negative and positive aspects of the Company on a realistic and timely basis supported with appropriate information and reasons.

(5) To refrain from seeking benefit for oneself and others by using the Company's information which is not in the public domain or acting in anyway that may cause a conflict of interest with the Company.

Responsibility to the Public Sector

(1) Ascetic respect to the rule and legal control of the governmental directive sector.

Responsibility to the clients

(1) Deliver premium quality products to the clients with honest condition.

(2) Expose enough product background to clients with up- to- date information.

(3) Product guarantee is a must.

(4) Keep client's information with ethical recognition.

(5) Offering assistance in what client's appetency and organize the comment and complain in efficiency process.

Responsibility to dealers and/or the trade account creditor

- (1) Equitable Treatment to dealers with win-win agreement.
- (2) Ascetic respect to an official agreement. If unacceptable condition occur, Company agent must notify dealers and trade account creditor in advance.
- (3) Business negotiation must be honesty with provable process.
- (4) Notify dealer as soon as possible, whenever corruption may be detected.
- (5) Report the financial status to the trade account creditor straight on time.

Responsibility to employees

- (1) Offering an appropriate salary and benefit to each employee's working progress.
- (2) Encourage the development of employee's abilities and skills.
- (3) Encourage employee role to the Company state.
- (4) Response to the environmental and safety care.
- (5) To carry out all professional appointments, rewards and disciplinary action in good faith on the basis of competence, capability and suitability.
- (6) Respect to the labor law and workfare.
- (7) To avoid any unfair action that may affect employees's security or harass or psychologically threaten the employees.
- (8) Direct to the Objective of the Company's accomplishment and success.
- (9) Employee's right must include way of petition under the Company's framework.

Responsibility to the business competitor

- (1) Administrate the Company under legal rules and regulation.
- (2) Ethics must be always recognized in every process of the business competition.
- (3) Calumny must not be occurred in the business competition.

Responsibility of Social and community

(1) To be responsible and hold on the company environment and community.

(2) The company will hold on CSR activities with communities and neighbors frequently for supporting good living. And to be corporate with other partners from government, individual and private.

(3) To prevent accidents and control garbage under estimate standard.

(4) Fast and active responsible to any incidents from working systems which effected to community environment . And the company will be unite closely with any parties from government and other organizations.

(5) To prolong and continue CSR activities.

(6) Encourage employees reflection of responsibility and preserves environment.

(7) Encourage organization to keen on efficiency energy saving.

Role to Stakeholders

The board of directors direct the policy in response with each group of stakeholders with their legal rights. In any case of suggestion, they can contact to the Company Secretary by E-mail : secretary_b@matichon.co.th

Information Disclosure and Transparency

The Board of Directors supervises the Company to communicate and disclose important information relating to the Company, either financial or non-financial information. The Company's key guidelines are as follows :

1. Provision of communication and data distribution channels

The Company has made available communication and data distribution channel so that shareholders, investors and other stakeholders can access information of the Company conveniently, thoroughly and equitably through various channels on a regular basis in both Thai and English such as:

(1) The Company's website

The Board of Directors has put in place a communication and data distribution channel that through the Company's website (<http://www.matichon.co.th>), which has been developed in a modern form and easy to use with completed.

(2) The SET Community Portal or SCP and SET's website.

The Board of Directors assign the Corporate Secretary and related department to disclosure of news and information to shareholders, investors and related persons through the SET Community Portal or SCP and SET's website (<http://www.set.or.th>) such as financial statements etc.

2. Disclosure of information and performance of the Board of Directors and Sub-Committees

The Board of Directors arranges for disclosure of information such as business description, the major shareholders, the committee and executives, corporate governance policy, updated information, acquisition and disposal of assets, connected transactions, issuance of securities, shareholders meeting, and committee resignation. These also includes quaterly and annual report in annual information disclosure (Form 56-1), Annual report, Financial statements, and quarterly analysis in order to provide all stakeholders precise, transparent, reliable information complying laws and corporate governance regulations.

The Board of Director's Responsibilities

Structure of the Board of Directors

The Board of Directors consists of people who are knowledgeable, competent, skillful, experienced in business operation, and understand very well the role and duty. This makes the work more effective.

As such, the Board of Directors participates in vision, mission, strategy, target, and business plan of the Company and also monitors, follows up and assesses the result of business management and operation to be in line with objectives and business plans working effectively, according to rule, laws, and regulations of each business unit under supervision and also related governmental unit, and also according to the resolution(s) from the Shareholder's meeting to maximize the economic value added to the business and also stability to the Shareholders, while at the same time take into account of all stakeholders at best.

Moreover, the Board of Directors arrange a communication of strategy, objective, and operation result of the Company for managing director/senior executives, staff to acknowledge and understand in a corporate-wide fashion, through announcement boards, management monthly meeting, the monthly journal. The managing director of the Company later briefed the business environment and overall views of operation performance in the past year, as well as making announcement for the direction and objectives of operation for the following year.

For the act of duty for Directors, all the stated principles will be of honestly, directness and abiding by the rule of laws and regulations of the Company. By adhering to the principles for every business activity, all decisions and transactions made will be processed with honesty at its core.

Balance of Power for Non-Executive Directors

The Board of Directors consists of 12 members :

Directors that are in the management team	6 persons
Independent Directors	4 persons
Non-Executive Director	2 persons

Therefore, the 4 Independent Directors which are accounted for 33.33% of all Directors and have the required qualifications to be in an independent position for the Company. This is in accordance with the proviso set by the Stock Exchange of Thailand.

The Board of the Company is responsible for performing its duties according to legality, objectives and company regulations and shareholders' resolution with integrity for the Company's best interest. The Board of the Company has an exact amount of time to be in office, which is consistent with the Company's regulations which stated that one-third of Committees who have the longest term in position must accept the resignation in each annual general meeting.

The Board of Directors of the qualification requirements were independent Director of the Capital Market supervisory Board.

1. Not holding more than 1% of the total outstanding voting shares of the Company, parent company, subsidiaries, affiliates, major shareholders or controlling persons of the Company, including shares held by a person connected to the independent director ;

2. Not being a director participating in management, or not being a staff, an employee or consultant who receives regular salary, or controlling persons of the Company, parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholder, or of the controlling persons of the Company both at present and at least 2 years prior to taking the independent directorship ;

3. Not having relationship by blood or legal registration in a way that makes the independent director a parent, spouse, sibling, and children, including spouse of the children of management, major shareholders, controlling persons, or nominated persons to be management or controlling persons of the Company or subsidiaries ;

4. Not having business relationship with the Company, parent company, subsidiaries, affiliates, major shareholders or controlling persons of the Company with conflict of interest in a way which may obstruct his independent judgment, or not being significant shareholders or controlling persons having business relationship with the Company, parent company, subsidiaries, affiliates, major shareholders or controlling persons of the Company both at present and at least 2 years prior to taking the independent directorship ;

5. Not being the auditor of the Company, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the Company and significant shareholders controlling persons or partner of the audit firm which employs the auditor of the Company, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the Company both at present and at least 2 years prior to taking the independent directorship ;

6. Not being any professional service providers including legal or financial consultants who receive annual service fee in the amount of more than Baht 2 Million from the Company, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the Company, and not being significant shareholders, controlling persons, or partners of such professional service providers both at present and at least 2 years prior to taking the independent directorship ;

7. Not representing the Company's directors, major shareholders, or shareholders connecting to major shareholders;

8. Not operating business with a conflict of interest with the Company, subsidiaries, or not being significant shareholders of the partnership, or not being director participating in management, an employee, a staff, a consultant who receive regular salary or holding shares more than 1% of the total outstanding voting shares of other companies having conflict of interest with the Company or subsidiaries ;

9. Not having any other characteristics which may obstruct the director to independently express his opinion regarding the Company's operation.

After the appointment, the Company's Independent Director may be authorized by the Board of Directors to make collective decisions on operating the Company, parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholders, or controlling persons of the Company, whereby such actions are not deemed partaking in the management.

Position Combination or Separation

The Company has made this a policy that the Chairman of the Board of Directors shall not be the same individual who positions as the managing director, to ensure the check and balance and, so, made reviewing of work more transparent.

The Board of Directors appointed Independent Director served as Chairman of the Audit Committee and Audit Committee.

The Board of Directors appointed the Company Secretary Providing legal advice and different rules. The Commission will need to know and perform in the committee responsible for coordination and the implementation of Council resolution.

Sub - Committee

The Board of Directors appointed Directors who have the qualifications suitable to undertake, study and analyze details of various matters as assigned by the Board of Directors for sub-committees to take charge. Moreover, the Board of Directors also stipulated the qualification, element, term and duty of sub-committee in a clear manner. Presently, the Company has 1 sub-committee, consisting of The Audit Committee. The details of name list and responsibility are referred to in the section Management Structure.

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors consists of people who are knowledgeable, competent, skillful, experienced in business operation and understand very well the role and duty. This makes the work more effective.

As such, the Board of Directors participates in the vision, mission, strategy, target and business plan of the Company and also monitor, follow up and assess the result of business management and operation to be in line with objective and business plan worked effectively, according to rule, laws and regulations of each business unit under supervision and also related governmental unit, and also according to the resolution(s) from the Shareholder's meeting to maximize the economic value added to the business and also stability to the Shareholders, while at the same time take into account of all stakeholders at best.

The Board of Directors is aware of the importance of good corporate governance to increase transparency, competitiveness and confidence to the shareholders, the investors and the involved parties. So, it has prescribed the policy on good corporate governance and also revised and updated the policy on good corporate governance that are suitable for the business environments, by stipulating that the revision of good corporate governance policy shall be made at least 1 time per year.

The Company's Board of Directors, and management support Directors, executives, and staffs to endorse the corporate good governance by arranging communication channel of corporate good governance both from the orientation of new Directors and staff, as well as adding course content to the training.

Items that may have conflict of interest

The Company's Board of Directors carefully monitors to avoid any conflict of interest that may arise and also look into the related items, by stipulating in the policy and steps of approval for each item. Moreover, the Audit Committee propose to the Company's Board of Directors regarding the items that could cause conflict of interest. The Company's Board of Directors has been particularly careful when consideration is made, in accordance with criteria stipulated by stock exchange through the determination of price and condition as if such items are dealt with the outsiders (Arm's Length Basis) and disclose the inter-related items which are significance, item value, counterparty, reason/necessity in the annual report and annual information disclosure report.

In the meeting of Board of Directors, should the Directors have interest in the decision, the Chairman of the Board will request for Directors to abiding to the regulation and have Director informed to the meeting and is asked not to vote or voice opinion for the matter.

The Board of Directors is responsible for the accounting financial report auditing reliable.

The Board of Directors is responsible for the process of assessing the internal control and audit of good.

The Board of Directors is responsible for considering the risks that may occur and including the guidelines for a comprehensive risk management.

Board Meetings

As important is the duty of Directors to the Board meeting regularly and decided to learn the business of the Company. Each meeting will be set in advance a clear agenda. And may have a special meeting to consider a priority.

Performed in the President and the President joint review and approval in organizing the agenda of the Committee. The opportunity for each Committee can propose issues to the agenda of the meeting.

In 2017 the Commission has performed 12 times the number in each meeting were sent documents to advance the agenda of Directors have time to learn the issues adequately.

To consider various Managing Director, acting Chairman of the Board meetings open to comment freely. In the vote on the Board of Directors resolved to hold the majority. By the member shall have one vote by a voice. The director has an interest and will not attend or no vote on such matter.

The Committee, Executives attended the meeting in order to provide useful information and to receive direct policy can be implemented effectively.

At the end of the meeting. Company Secretary is responsible for preparing the minutes and distributed to the President consider signing verification. The certificate is offered in the Conference next meeting.

Self-Assessment Committee

Organizing Committee to evaluate their performance annually. Directors to consider the issue and continue to improve

Remuneration

Remuneration of Directors, in a manner that is comparable with the level of remuneration of directors of the Company with similar size in the same industry, considers the duties and responsibilities of each director. And will be subject to approval by the general meeting of shareholders.

Development directors and executives

(1) Council will promote and facilitate training and to educate stakeholders in corporate governance of the company, order to improve performance continuously.

(2) Committee will develop knowledge of regulatory agencies regularly and continuously.

(3) Every time a new director changes. Board of Directors determined that the management provides documents and information that are beneficial to the performance of the new directors. As well as provide guidance Business characteristics and business practices of the Company for new directors.

(4) The Managing Director report regularly to learn and develop succession plans ready to prepare a plan that continues to the succession in case they cannot perform.

Corporate Governance Practices that the Company can not comply

1. The Company's Chairman should be an independent director.

The Company's Chairman is not an independent director, as the Company has the belief that the Chairman should have the knowledge, expertise, and experience in the newspaper and publishing, as this would generate great benefit to the Company overall.

2. The Company should establish Remuneration and Recruiting Committees,

The Company has delegated the Board of Directors to be the Remuneration and Recruit Committees at the same time. In the past, the Board of Directors performed these duties in a most appropriate and efficient manner.

Dividend Payment Policy

Dividend Payment Policy of the Company

The Company declared a policy to pay dividend no less than 50% of the net profit after the deduction of the corporate income tax based on the separate financial statements by proposing that the dividends be paid on an annual basis the year following the Annual General Shareholders' Meeting.

Dividend Payment Policy of the Subsidiaries

As for the subsidiary companies, their dividend policies are considered in consistent with their propriety and in relation with the parent company's policy. However, their liquidity and investment policies will be taken into consideration in accordance with the declaration of the payment of dividend each year.

Inter-Transactions with Related Companies

The Company holds accounting transactions incurred with related entities. Such transactions, which have been concluded on commercial terms and bases agreed upon between the Company, subsidiaries, associates, related companies and related persons and are in ordinary course of business are summarized this appeared in the notes to financials no.5 : Inter-transactions with related companies