

SUSTAINABILITY
REPORT
2015



Towards the 5th Decade of Sustainable Growth



Towards the 5th Decade

Vision

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

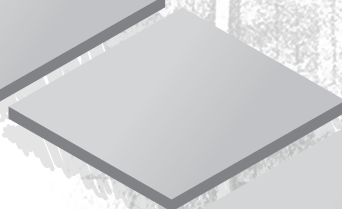
Mission

Clients and Intermediaries

Expand the numbers of business issuers and investors by satisfying their financial needs, and strengthen intermediaries for growth and success

Products and Services

Offer a wide range of attractive products and services to create value and match financial opportunities across different segments of business and investors



The Stock Exchange of Thailand: A Pillar of the Thai Economy



The Stock Exchange of Thailand (SET) has been playing an important role in the development of the Thai economy since SET's inception in 1975. The exchange provides a fundraising mechanism and channels for entrepreneurs. At the same time, SET promotes saving among the general public and creates opportunities for investors, and is an education source on finance and investment for investors, youth and the general public.



In 2015, SET recorded a total market capitalization at THB 12.60 trillion, four times larger than Thailand's GDP. The figure showed an 11% drop from 2014 due to both internal and external factors affecting economic, social, political, and environmental conditions. SET continues to move on with its mission to enhance the capital market's quality and liquidity to achieve long-term economic stability. SET has been instrumental in driving the country's economic growth by continuously promoting savings and investing.

In taking preventive measures, SET is committed to promoting good governance, along with quality enhancement. SET aims at becoming a center for securities trading with modern technology, quality, transparency, and competitive capabilities to cope with changes. These can only be achieved by cooperation and engagement of all stakeholder groups. By driving for sustainable growth of the Thai capital market, SET strengthens the Thai economy, leading to improvement of the Thai people's quality of life.



People and Culture

Inspire staff to perform up to their fullest potential and create a corporate culture that aims at achieving excellence in matching the right financial opportunities for business and investors



Operations

Operate with flawless execution in line with international standards to ensure efficiency, effectiveness, flexibility and global connectivity

Contents

Message from the Chairman 6

Message from the President 8

Introduction

**SET Sustainability
Approaches**

Performance 2015

10

ESG Trends

20

New Challenges
of the Thai Capital Market

24

Integrating Sustainability
into the Capital Market



12

About SET

22

Steps Forward
“Towards Sustainable
Growth”

42

Building a Solid Foundation
for Corporate Governance



16

Responsibility
towards Stakeholders

56

People are Our Most
Valuable Asset



18

About the Report

64

SET Contributes
to Society



74

Green Landmark
of the Thai Capital Market



Appendix

81

SET Sustainability
Performance Summary

82

Highlights: 2015
SET Sustainable Stock Exchange

84

GRI G4 Content Index





Message from the Chairman



The synergy resulting from stakeholder engagement is the major mechanism building up the immunity of the capital market. Such synergy helps promote continuous economic growth, distribute wealth to communities, and develop their quality of life in a sustainable manner.





The Thai capital market these days has encountered many fluctuations and changes, resulting from either domestic or global incidents. They are not only economic issues but also social and environmental ones, such as political problems, workforce issues, and climate change. These factors affect investor confidence, the SET Index, and long-term capital market growth. The Stock Exchange of Thailand (SET) thus keeps focusing on boosting confidence in the capital market by promoting good corporate governance and efficient risk management among the listed companies. SET also promotes business innovations based on economic, social, and environmental aspects, as this would allow business to grow continuously despite having to go through challenging circumstances. Stronger businesses would also help facilitate sustainable economic and social development.

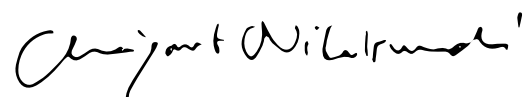
To become a sustainable capital market, SET has continuously focused on the quality of investors. Retail investors, in particular, contribute 59% of total turnover value, thus playing a dominant role in market liquidity. Financial literacy and investment knowledge of these investors is priority because investors with proper and sufficient information can plan their investments prudently. This leads to enhanced quality of the capital market.

SET has also been promoting the “responsible investment” concept. In addition to financial information, SET encourages investors to take environmental, social, and governance (ESG) information of listed companies into consideration, since this information reflects the companies’ long-term potential and could enhance investors’ confidence.

To promote long-term development of the economy, SET, in conjunction with related parties, has been working to raise quality and capital market standards to be recognized internationally. SET also provides support to small and medium-sized enterprises as well as startups to efficiently access the funding channels. SET has cooperated with social and business sectors in the capital market to promote social impact investment through social enterprises (SEs). These efforts help the enterprises expand and empower the value chain of the capital market, economy, and society towards sustainability.

Upon embarking on the SET’s 5th decade, the Exchange is moving forward to becoming a sustainable corporation under the long-term 2020 vision “**Towards Sustainable Growth**”. SET will continue to improve the standard of firms’ corporate governance to be recognized and used as role models in the capital market. SET also takes ESG-related risks into consideration to ensure that management is effective and capable of coping with changes in the economy, society, and environment. SET staff will be prepared to offer the best quality products, services, and innovations, in order to create added value to the Exchange’s stakeholders and the overall capital market.

SET is confident that the synergy resulting from stakeholder engagement is the major mechanism building up the immunity of the capital market. Such synergy helps promote continuous economic growth, distribute wealth to communities, and develop their quality of life in a sustainable manner.



Dr. Chaipayat Wibulswasdi
Chairman
The Stock Exchange of Thailand

Message from the President

“ SET has been striving for the Thai capital market’s sustainable development to enhance its competitiveness in the global playing field and support the market value chain’s growth with quality. ”



The Stock Exchange of Thailand (SET) has been striving for the Thai capital market's sustainable development to enhance its competitiveness in the global playing field and support the market value chain's growth with quality. This is in compliance with the United Nations' Sustainable Development Goals (SDGs) announced in 2015 to encourage and engage the global population to contribute to sustainable development of the economy, society and environment. The capital market, in particular, plays a crucial role in helping the world to achieve the SDGs.

SET has been focusing on the quality of listed companies by promoting corporate governance and social responsibility to achieve the balanced growth of the economy, society and environment, and to create confidence among stakeholders of the capital market.

In 2015, Thai listed companies earned the highest average score in the ASEAN CG Scorecard for the fourth consecutive year, showing that Thai listed firms continue to strive for international levels of sustainability. Thirteen Thai listed companies have been chosen to be included in Dow Jones Sustainability Indices (DJSI), the highest number among ASEAN capital markets for two consecutive years.

On investor quality development, there are more than 1.2 million retail investors who significantly influence the liquidity in the market, contributing 59% of total market turnover. Therefore SET provides them with investment immunity by educating them via online and offline digital channels. This should provide investors with sufficient information for making informed investment decisions, plus wide accessibility to information.

2015 was a year of concrete development of SET's sustainability. SET, in cooperation with related organizations in the capital market, shortlisted and distributed a list of 51 sustainability stocks. This was the first time in Thailand that listed companies with outstanding Environmental, Social, and Governance (ESG) performance were promoted as alternatives for investors, making the concept of responsible investment more widely known. In addition, SET promoted listed firms' social impact investment through social enterprises (SEs) so that businesses making positive social and environmental impact would be able to expand and continue making the difference, by employing the capital market mechanism.

In January 2016, SET moved to its new headquarters. It is the center of the capital market, with modern facilities, and is environmental-friendly, constructed in compliance with the Gold level of certification of Leadership in Energy and Environmental Design (LEED), a globally-renowned green building certification. The new SET building places importance on effective energy and resource management, and is set to be the prototype of Thailand's energy-efficient buildings.

In 2016, SET continues to make progress in being a sustainable organization capable of coping with the ever-changing capital market environment. The Exchange looks forward to providing diverse investment products, enhancing its IT systems for more efficient services and finally becoming a digital exchange, to strengthen its competitive advantage in the global borderless arena. SET staff will also be united to mutually drive SET to achieve excellence in every aspect.

SET is confident that its endeavors to promote sustainable development among its stakeholders will be an important push for stable growth of the capital market, building a strong foundation for Thailand's sustainable economic and social development.



Kesara Manchusree
President
The Stock Exchange of Thailand

ESG Trends

The Direction towards Sustainability

In 2015 the United Nations announced its Sustainable Development Goals¹ (SDGs) underlining the importance of sustainable development embracing economic, social and environmental dimensions. It reflects the global community's endeavor to strike a balance in economic, social and environmental development aspects.

"The capital market" sector can play an important role to achieve SDGs steering the economic, social and environmental development of capital markets worldwide, especially those included in the UN Sustainable Stock Exchanges (SSE) Initiative in line with the five elements of SDGs, as follows:

1. **Dialogue:** A practical process to communicate with stakeholders continuously, a key approach to cooperation which can drive the capital market towards sustainability.
2. **Sustainability products:** Investment product development that takes environmental, social and governance (ESG) aspects into consideration, such as sustainability indices and green bonds.
3. **Listing requirements with ESG criteria:** Screening securities with listing requirements on ESG information disclosure.
4. **ESG reporting guidance:** Encouraging listed firms to disclose ESG information for investors' decision-making.
5. **Joining a global partnership:** Participating in an international sustainability alliance or network to exchange ESG knowledge and promote ESG practices.



¹ www.un.org/sustainabledevelopment/sustainable-development-goals/

REGIONAL DIALOGUE : SOUTH EAST ASIA

18 May 2015 Bangkok, Thailand



As for the direction of the Thai capital market's sustainability development, SET has developed various investment products, promoting firms with potential to list, supporting small and medium-sized enterprises and "startups" in utilizing financial instruments and raising funds so they can grow sustainably in the capital market. In addition to creating "financial value" for those firms, SET also aims at creating "social value" from their business operation. This will create confidence in the capital market, while maintaining the balanced growth of the economy, society and environment in the long run.

Furthermore, SET's role as ASEAN's first SSE Initiative alliance in developing sustainability is not limited to only Thailand, as SET's network of cooperation covers all over the ASEAN region. The development and exchange of sustainability knowledge will be an ongoing process, so as to enhance opportunities, reduce risks, and synergize partnerships at an international level.

SET has taken a leading role in ASEAN by being the first to join the SSE Initiative, and was selected to host ASEAN's first sustainability conference, entitled "United Nations Sustainable Stock Exchanges Regional Dialogue: South East Asia 2015".

In cooperation with the SSE Initiative, the conference, participated in by senior executives of ASEAN capital markets, was aimed to promote information exchange, lessons learned and sustainable development guidelines for stock markets. It also encouraged listed companies of ASEAN stock markets to operate with good governance and social responsibility. The conference was well-received and was a good start for capital market development towards sustainability.

About SET

Highlights of the SET group in 2015



Business structure

Two main business units, consisting of the Exchange Function (SET group businesses) and Capital Market Development Function



Organization type

Juristic entity as a self-regulatory organization



Location

93 Ratchadaphisek Road,
Dindaeng, Bangkok 10400 Thailand
(effective from January 1, 2016 onwards)

SET has been creating and developing products and services to support growth of the business sector as well as catering to investors' needs. SET also enhances the quality of the capital market to cope with the changing economy, society and environment.



Number of listed
companies

639 companies



Number of
member companies

39 companies



Number
of employees

718 persons



Average daily
trading value

44.30
THB billion



Total market
capitalization

12.60
THB trillion



The Stock Exchange of Thailand

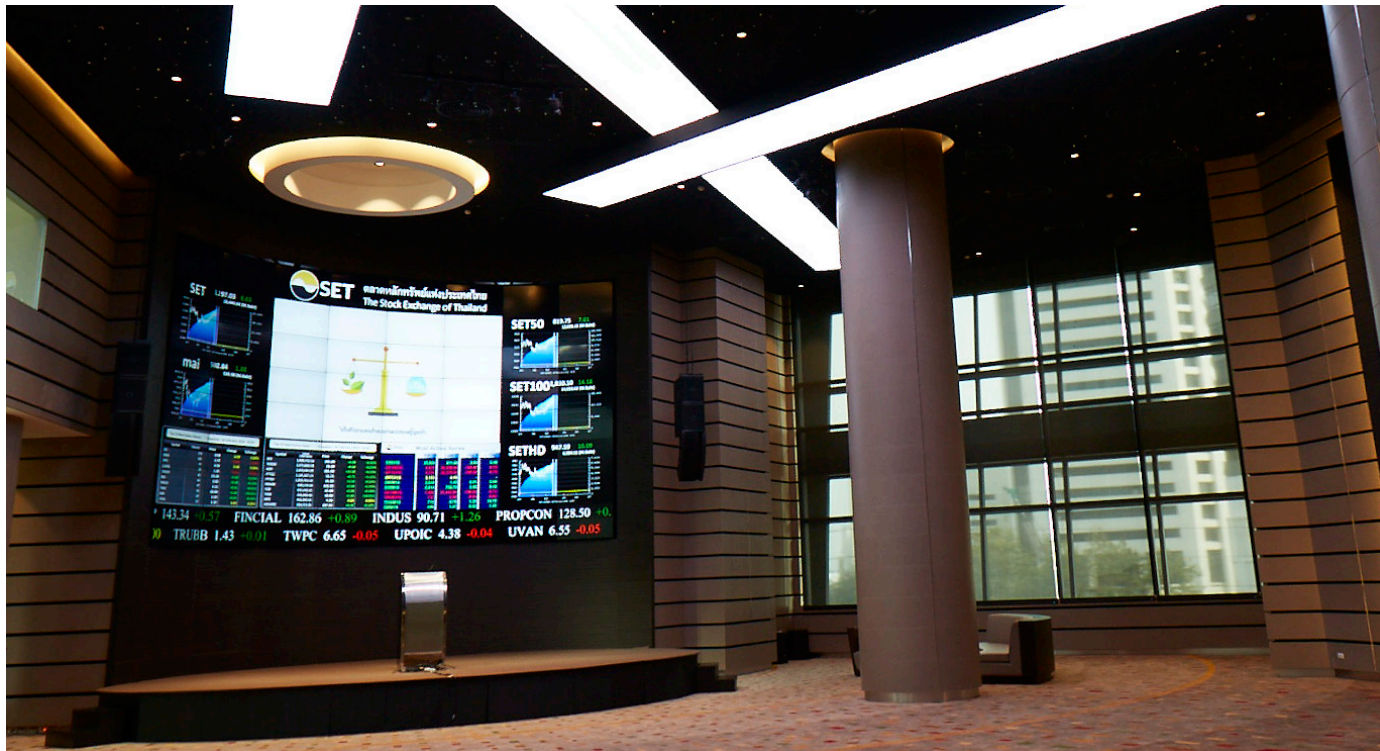
Businesses of the SET group (G4-17)

SET acts as an integrated center for securities trading with transparent and effective governance in line with international standards. SET and its subsidiaries continue to develop investment products and services with highly-advanced technology to best facilitate stakeholders and cope with the ever-changing capital market environment.

	1974	1999	2003	2004
	The Stock Exchange of Thailand: SET	Market for Alternative Investment: mai	Thailand Bond Exchange: TBX	Thailand Futures Exchange: TFEX
PROFILES	SET was established according to the Securities and Exchange Act B.E. 2517 (1974) and officially opened for trading on April 30, 1975. SET serves the business sector as a key fundraising source while encouraging the public to invest and become business owners. Currently SET operates under the Securities and Exchange Act B.E. 1992.	mai is an alternative market for fundraising for and investing in potential small and medium-sized enterprises. Investors can gain benefits similar to in SET. mai's first trading day was on June 21, 1999.	TBX provides bond trading services for investors. TBX's trading system is real-time with transparent information disclosure and efficient clearing and settlement. TBX started to offer services on November 26, 2003.	SET established TFEX on May 17, 2004 to be a center for futures trading in accordance with Derivatives Act B.E. 2546. These derivatives have underlying assets such as equity instruments, debt instruments, and other price indices, e.g., gold, crude oil, agricultural products, exchange rates.
PRODUCTS	<ul style="list-style-type: none"> • Common shares • Preferred shares • Warrants • Unit trusts • ETFs • NVDRs • TSRs • Derivative warrants • REITs 	<ul style="list-style-type: none"> • Common shares • Preferred shares • Warrants • TSRs 	<ul style="list-style-type: none"> • Government bonds • Corporate bonds • International financial institutions' bonds 	<ul style="list-style-type: none"> • Futures • Options • Options on futures
SERVICES	Securities trading system services Providing systems for trading via intermediaries and the Internet and also supplying post-trade systems.	Securities information services Providing reliable and accurate securities information useful for making investment decisions, via various modern, efficient, and easy-to-use communication tools, such as Data Feed and SET SMART.	Registrar services Providing depository-related services for securities holders, provident fund members, and shareholders.	

Capital Market Development

In addition to being a securities trading center, SET is also playing a key role in enhancing quality of capital market stakeholders, particularly listed companies, intermediaries and investors, enabling them to cope with changes in the economy, society, and environment via the following three missions:



Financial and Investment Knowledge Development

SET established Thailand Securities Institute (TSI) in 2000 to foster and enhance knowledge about finance, savings and investment among stakeholders of the Thai capital market, including the youth, investors, professionals of intermediary institutions and the general public, as well as those in the Greater Mekhong Sub-region (GMS). TSI uses a creative and easy-to-understand approach via a variety of easily accessible channels.

Good Governance and Sustainability Development

SET is committed to developing the quality of the Thai capital market by creating a sustainable ESG ecosystem. In doing so, SET raises awareness of social responsibility of all capital market stakeholders, including listed firms, intermediaries and investors. The CG Center and SR Center² were established in 2002 and 2007, respectively. They have continued to promote a better understanding of sustainability via training, workshops, comprehensive consultancy, handbooks and best practice guidelines.

Capital Market Research Development

SET set up Capital Market Research Institute (CMRI) in 2007 to promote and publicize research work useful for capital market development, such as economic indicators. CMRI also supports other research entities and academic institutions in conducting research studies that benefit the capital market. CMRI presents research work through seminars and publications.

² Previously known as CSRI (Corporate Social Responsibility Institute)

Responsibility towards Stakeholders

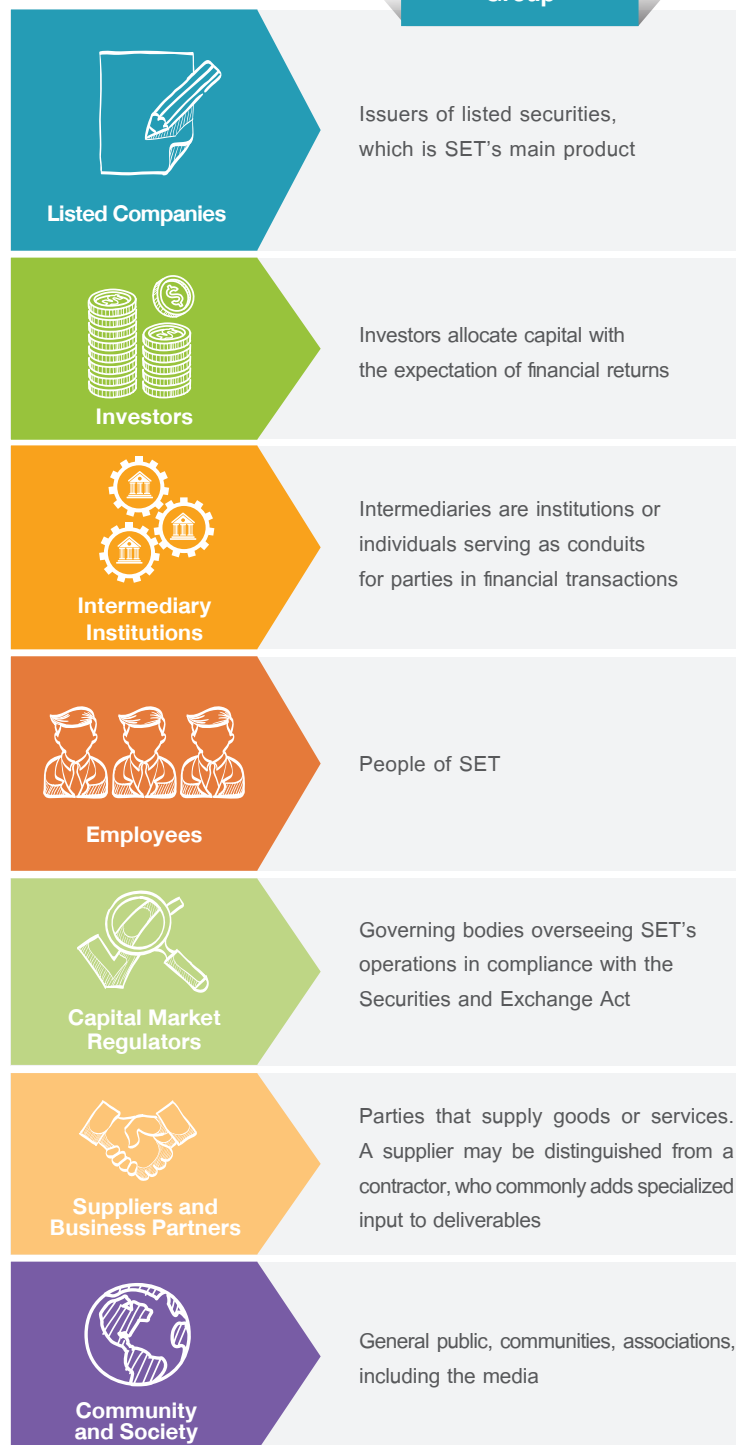
(G4-24)

Stakeholder Group



Growing Together with Our Stakeholders (G4-25)

As stakeholders play important roles in driving an organization forward, SET is committed to managing the engagement process more efficiently, by considering how SET and its stakeholders impact each other. This should finally enhance the synergy between all parties involved in promoting sustainable development in the Thai capital market.



Communicating with stakeholders

As effective communication is vital to building engagement between SET and its stakeholders, SET has logistically set up channels to effectively communicate with various groups of stakeholders, catering to each group's profile.



Call center



Intranet



Mobile application



Mass media



E-mail



Print media



Website



Social media



In-house communications



Postal mail



Meeting

	(G4-27)	(G4-26)
Impact on SET	Expectation	Engagement
<ul style="list-style-type: none"> Quality of the securities Transparent disclosure of information 	<ul style="list-style-type: none"> Convenient, fast and efficient services Promoting to be well-known and accepted among investors On-going knowledge enhancement Financial tools to support business operation and investment 	<ul style="list-style-type: none"> Organizing meetings for discussions Seminars and other training Providing advice Market consultation Satisfaction survey Call center: tel +66(0) 2009 0000
<ul style="list-style-type: none"> Liquidity and trading volume increase Investors' trust 	<ul style="list-style-type: none"> Satisfactory investment returns Appropriate and fair trading fees Attractive and diversified choices of investment products Reliable, sufficient and easily accessible information for making investment decisions 	<ul style="list-style-type: none"> Seminars and other training Investor roadshows "Listed companies meet investors" day or "Opportunity Day" Call center: tel +66(0) 2009 0000
<ul style="list-style-type: none"> Technology and trading service development Trading process transparency 	<ul style="list-style-type: none"> Services to facilitate securities trading Quality and diversified investment products Involvement in setting rules and regulations 	<ul style="list-style-type: none"> Seminars and other training Organizing meetings for discussions Market consultation Satisfaction survey Call center: tel +66(0) 2009 0000
<ul style="list-style-type: none"> Driving the organization towards desired goals Engagement with and attachment to the organization 	<ul style="list-style-type: none"> Fair and satisfactory rewards Security and career growth opportunity Skill and capability development in line with one's potential Clear communications from management Involvement and inputs 	<ul style="list-style-type: none"> Town hall meetings Satisfaction and employee engagement surveys Cross-division experience-sharing activities Intranet posts with views and comments on various issues
<ul style="list-style-type: none"> Setting regulations on SET's business operations Setting regulations on securities trading Determining policies and directions of capital market development 	<ul style="list-style-type: none"> SET's operations to be in line with the Securities and Exchange Act Involvement in developing and moving the capital market forward 	<ul style="list-style-type: none"> Organizing meetings for discussion and exchanging views
<ul style="list-style-type: none"> Cooperate to mutually reach corporate objectives Timely delivery of quality products and services 	<ul style="list-style-type: none"> Transparent and fair procurement process Straightforward and fair treatment of counterparties Providing knowledge and advice, plus potential development towards sustainability 	<ul style="list-style-type: none"> Hosting meetings Visiting partners' business operations Invitation for bids
<ul style="list-style-type: none"> Involve in determining the direction for operating securities business Image and trust 	<ul style="list-style-type: none"> Reaching out to develop the quality of life of people in the community and society Providing sufficient information transparently Utilizing resources and managing the environment efficiently and appropriately 	<ul style="list-style-type: none"> Organizing meetings to notify important agenda Organizing activities and various development projects Networking with government, private, and civil social sectors

In 2015, SET made further improvements on its communication channels and information dissemination to be more efficient, more convenient, and more updated, with new modes of communications, online and offline, aiming to reach its target audiences more effectively. For example, the SET SAWASDEE information system has become a comprehensive information channel for the general public, utilizing the SET website, www.set.or.th. In addition, SET also communicates via Facebook, Twitter and Youtube. Besides, the Yammer application has been developed to further enhance internal communication efficiency.

 +66(0) 2009 9999
 www.set.or.th
 www.facebook.com/set.or.th
 [TWITTER@SETCallCenter](https://twitter.com/SETCallCenter)
 [Youtube.com/setgroupofficial](https://www.youtube.com/setgroupofficial)

About the Report

SET started disclosing operational results and direction for sustainability development in 2012, via its **“Social Responsibility Report”** annual publication. In 2013, the report was re-named as the **“SET Sustainability Report”**, in line with internationally accepted Global Reporting Initiative (GRI) G3.1. Since then, SET has been developing an accurate and complete reporting process according to international standards, to keep stakeholders updated about SET’s development and performance. This report discloses SET’s sustainability operating results during January 1 – December 31, 2015, available on SET’s website³ and in hard copy.

Reporting approach (G4-18)

The 2015 SET Sustainability Report is “in accordance” with the Core option of the GRI G4 Guidelines.

Data collection

The data collection for this year’s Sustainability Report was carried out by using two methodologies: qualitative and quantitative. The qualitative data collection was conducted by interviewing related parties and SET employees who have directly and indirectly contacted the stakeholders. The quantitative data was obtained from reliable sources with standard calculation formulas. The processed data and information were then gathered, summarized and drafted in a report format before sending back to the interviewee’s organization and data owner for review. The report contains four steps: identifying materiality, prioritizing, checking accuracy and reviewing key issues.

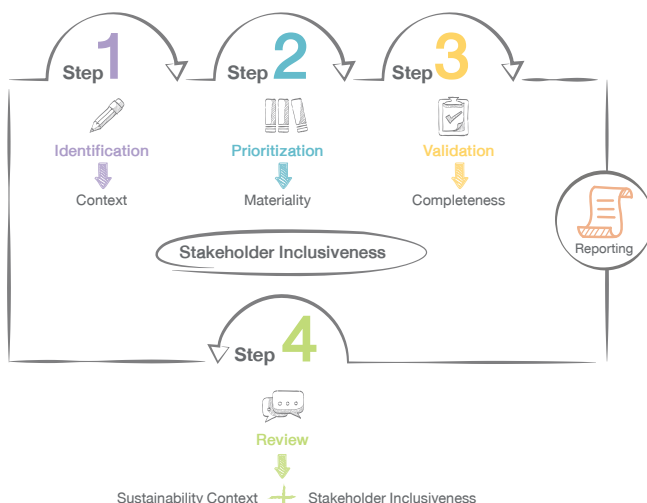
Scope of the report

SET determines the scope of report to be in line with operational results based on sustainability context and stakeholder inclusiveness. SET’s sustainability framework covers five areas: Market growth, Sustainability management, Employees, Social concerns, and Environmental concerns, as demonstrated in this report.

Material aspects (G4-19)

As the sustainability framework in five areas has covered the context and links to all stakeholders, then materiality analysis has to be conducted make the report concise and clear. The materiality analysis results are as follows:

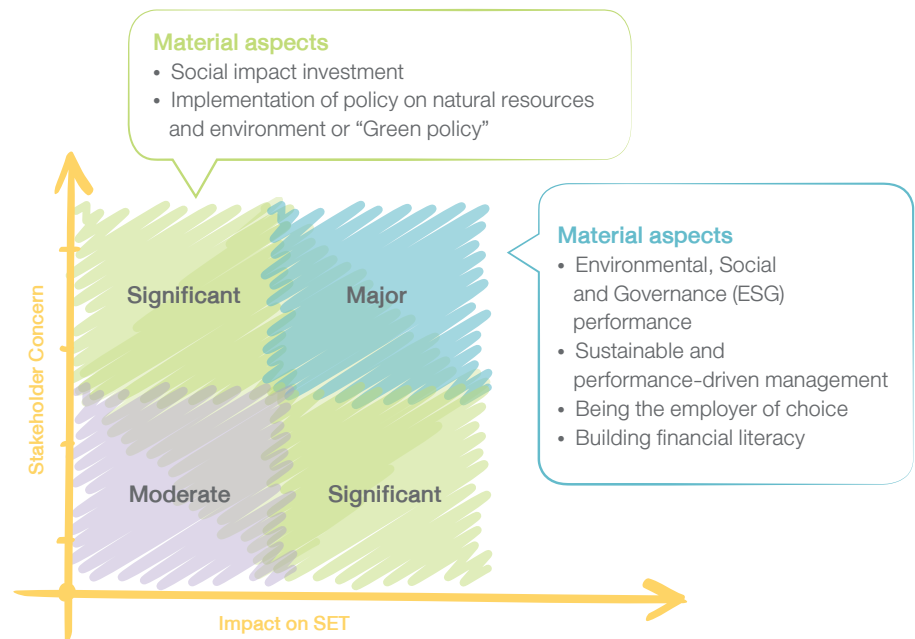
1. The development of all stakeholders in the capital market must take environmental, social and governance (ESG) performance into consideration
2. Sustainable and performance-driven management
3. Being the employer of choice
4. Social impact investment
5. Building financial literacy
6. Implementation of policy on natural resources and environment or “Green policy”



³ www.set.or.th/th/about/annual/sd_report_p1.html

(1) Prioritizing sustainability issues

Once materiality aspects have been identified, they will be prioritized to weight and proportion the report based on impact on the stakeholders and the organization. This report includes content with high-priority and medium-priority materiality.



(2) Scope of report based on Sustainability Analysis (G4-20) (G4-21)

Sustainability framework	Material aspects	Link with stakeholders
Market growth	The development of all stakeholders in the capital market must take environmental, social and governance (ESG) performance into consideration	Listed companies, Intermediary institutions, Investors
Sustainability management	The sustainable and performance-driven management	Listed companies, Intermediary Institutions, Investors, Employees, Regulators, Suppliers
Employee	Being the employer of choice	Employees
Social concerns	Social impact investment	Community and Society
	Building financial literacy	Investors, Community and Society
Environmental concerns	Implementation of policy on natural resources and environment or “Green policy”	Employees, Community and Society

Developing data for report (G4-22)(G4-23)

Due to the use of materiality analysis, this report is more concise and clearer than the previous report. Its content is clearly linked to SET's operations.

This report is produced in Thai and English and in soft and hard copy. For more information, please contact:

Social Responsibility Center

The Stock Exchange of Thailand

Ratchadaphisek Road, Dindaeng,

Bangkok 10400

Tel: +66(0) 2009 9887

E-mail: SRcenter@set.or.th

New Challenges of the Thai Capital Market



New challenges of the Thai capital market

As a result of domestic economic growth and technological advancement in the global capital markets, the Thai capital market has been expanding dramatically, reflected by the market capitalization as of December 30 2015, which was 40% higher than 10 years ago. However, Thailand's capital market still faces economic, social and environmental challenges which have great impact on all the stakeholders. SET therefore focuses on boosting the quality of listed companies, as well as introducing a broader range of investment products and services, creating higher liquidity for investors, while enhancing technology to meet international standards and quality, moving forward to become a sustainable stock exchange.

“Towards Sustainable Growth”

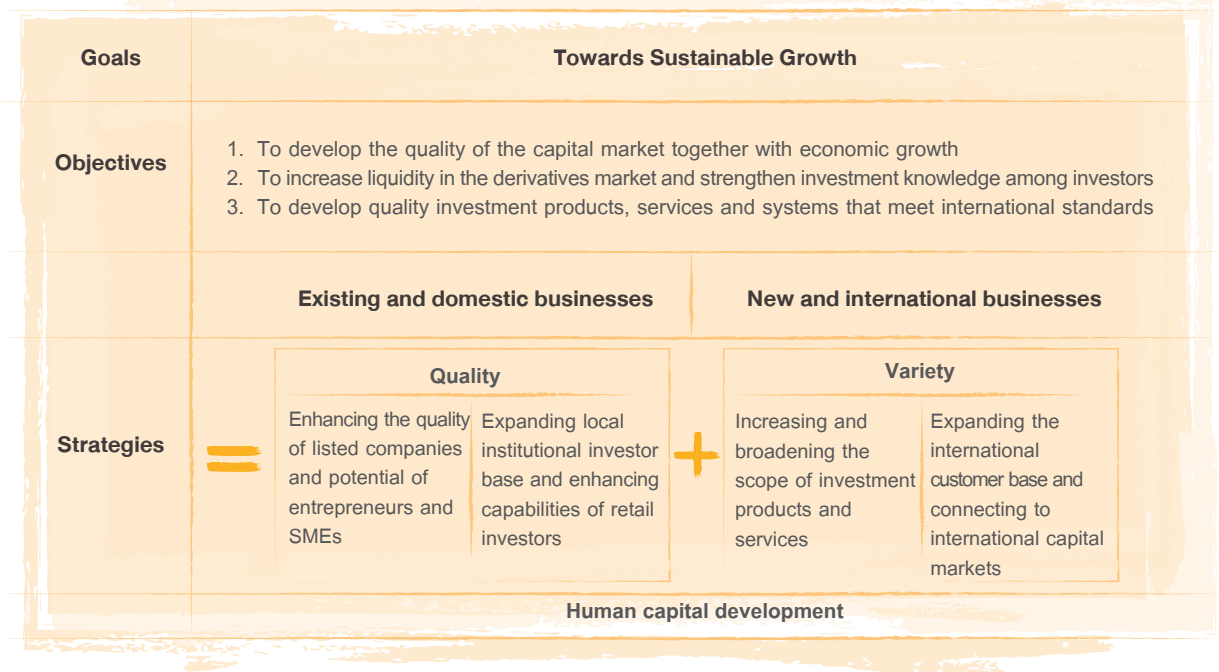
SET integrated business process with sustainability development by setting “**Towards Sustainable Growth 2020**” long-term goals and strategy to develop the capital market, both in terms of broadening by increasing varieties of products and services as well as expanding the investor base and number of listed companies; and deepening by focusing on the development of the Thai capital market capabilities, such as promoting financial knowledge and investment widely among investors and the general public, while encouraging listed companies and entrepreneurs to conduct businesses with social responsibility.

Strategy to drive towards sustainability

During 2014-2015, SET continued to implement the “Towards Sustainable Growth 2020” strategy to improve the quality of listed companies by moving towards sustainability based on ESG principles, while supporting the growing base of the small and medium-sized enterprises (SMEs) and startups to gain access to the capital market. The growth of SMEs and startups will be instrumental in creating the New S-Curve in the capital market. SET plans to add a variety of new products, promote fundraising among foreign companies, and continuously strengthen the institutional investor base and create quality retail investors.

Moreover, SET seeks to strengthen collaboration with GMS and global major exchanges to increase competitiveness and support the sustainable economic growth of the ASEAN Economic Community (AEC).

Business Building Blocks 2016–2020



Creating sustainable value chain for the Thai capital market

SET's operation has direct and indirect impact on the economic growth. Therefore, the stakeholders that are vital to the value chain, namely listed companies, intermediaries, and investors, play important roles in developing and driving various industries towards sustainability.

In 2015, SET continued to improve the quality of listed companies by raising awareness of their responsibilities towards stakeholders in business operations while creating immunities for businesses and gaining stakeholder trust. In addition, SET also encouraged listed companies to participate in the community and social development, promoting empowerment and self-reliance. Meanwhile, SET continued to enhance the quality of personnel of listed companies and intermediaries, such as chief financial officers, investor relations staff, investment consultants and investment analysts, to develop specific knowledge and skills in line with the capital market's development direction.

In addition, SET also initiated ESG assessment for listed companies and publicized the list of sustainability stocks, entitled "Thailand Sustainability Investment" for the first time, aiming to encourage investors to consider ESG when making investment decisions.

Furthermore, SET was also instrumental in raising the capital market's quality to meet international standards by enhancing listed companies' corporate governance (CG) using ASEAN CG Scorecard, and encouraging listed companies to participate in sustainability assessment using Dow Jones Sustainability Indices (DJSI). The year 2015 was a significant period during which SET implemented projects to qualitatively enhance the capital market's value chain.

Steps Forward

“Towards Sustainable Growth”

During the past four decades, SET has continuously developed and geared the organization to meet stakeholder needs. SET aims to engage all parties to drive the ecosystem of the capital markets, society and nation on a road to stable, prosperous and sustainable growth. SET has therefore set up a framework for sustainable development, with a clear direction for efficient implementation.



Sustainability mechanism

According to SET's "Towards Sustainable Growth 2020" long-term goals and strategy, the focus is on the organization's potential development in line with stakeholder needs and SET context.

SET has explored globally-accepted sustainable development practices and guidelines, including DJSI assessment, GRI reporting framework, and international exchanges' sustainability strategies, to develop itself in line with global capital markets. SET has recently launched the **SET Sustainable Stock Exchange Framework**, comprised of five dimensions: Market growth, Sustainability management, Employees, Social concerns, and Environmental concerns.

In 2015 the SET Board of Governors (BoG) finalized the **SET Sustainable Stock Exchange strategy** under this five-dimension framework. The main points are to strengthen from the inside out and promote effective communication, especially among employees, to create awareness and synergy in driving the whole organization towards the strategic goals.

Towards Sustainable Growth

Market growth

The development of all stakeholders in the capital market must take ESG performance into consideration

Social concerns

- Social impact investment
- Building financial literacy

Sustainability management

The sustainable and performance-driven management

Employees

Being the employer of choice

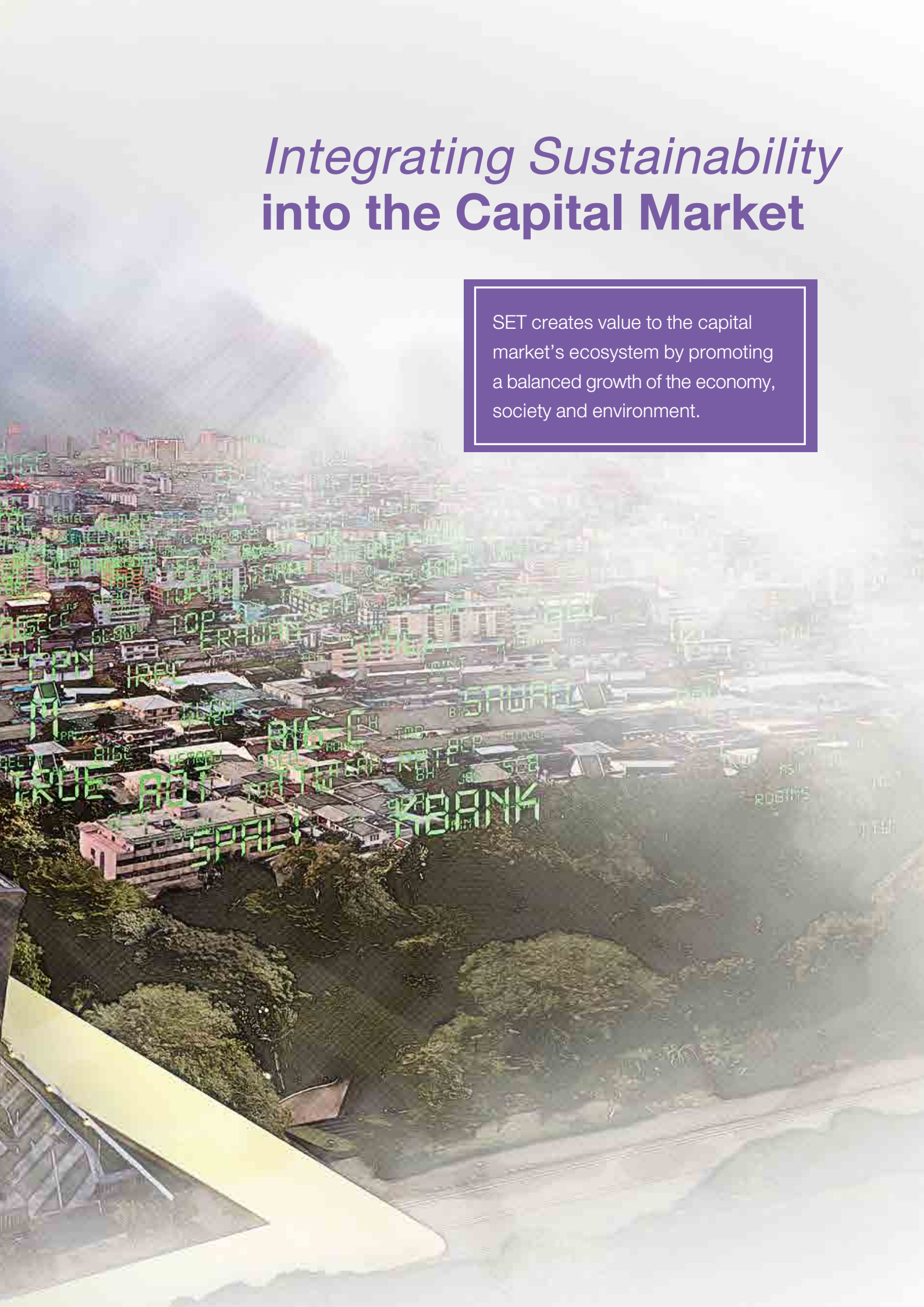
Environmental concerns

Implementation of policy on natural resources and environment of “Green policy”



Integrating Sustainability into the Capital Market

SET creates value to the capital market's ecosystem by promoting a balanced growth of the economy, society and environment.



Sustainable Capital Market

Capital Market: An Engine for Sustainable Market Growth

In 2015, the funds raised on The Stock Exchange of Thailand (SET) and Market for Alternative Investment (mai), totaled more than THB 486 billion, showing continued business growth.

When business grows, there is more employment, revenue-generating, spending stimulus, savings, and continuous investment. However, the downside is, when consumption increases, resources will be heavily used and will decrease sharply. Changes in resource allocation can lead to climate change and natural disasters which will become major risks that have negative impact or adversely affect the sustainability of the capital market and the nation.



Listed Companies: The Upstream of Sustainability

At present there are 639 companies listed on SET. In 2015 there were 35 newly-listed companies. SET always aims to improve the quality of listed companies as they play an important role in the development of the nation's economy. Firms that possess stability and quality are driving forces for economic growth, resulting in more employment and investment, which will contribute to raising the quality of life of citizens who are consumers, savers and investors, including those involved in the supply chain.

In 2015, listed companies became more alert and aware of the importance of growing business towards sustainability. This was reflected by the enthusiastic participation in the activities which SET carried out to promote ESG awareness, a major component in promoting business sustainability practices.

“ If the listed companies are below standard or lack credibility, no one would be encouraged to invest. If that's the case, the capital market cannot survive. Therefore, SET has to develop listed companies to make sure they possess corporate governance and operate with concern towards their impact on the society and environment. They also have to transparently disclose their ESG performance information so that investors can have the confidence in making long-term investment decisions. ”

Professor Hiran Radeesri

Expert on Corporate Governance and
Social Responsibility
The Stock Exchange of Thailand



CG: A pillar of the capital market

Corporate Governance (CG) is a key factor in building confidence among investors, for it affects investment decisions in the capital market. SET's CG Center aims to encourage listed companies on SET to recognize the importance of CG and its impact on stakeholders. To create acceptance and confidence, the business has to be managed with transparency, fairness, proper risk management and effective internal control. All these will become a key mechanism that sustainably adds value to the business.

CG direction in the capital market

In 2015, SET enhanced the responsibility of the companies' boards of directors to further drive the CG substance, with emphasis on their understanding of the role and responsibility for their organizations, including an effective risk management process to create confidence among stakeholders. This was carried out via CG Forums, organized every quarter, which attracted a total of 839 participants. In addition, SET promoted a "CG Culture", especially, among the newly-listed companies by arranging group meetings with the board of directors and executives of each listed company to brief and share experiences on CG administrative structure development. In 2015, a total of 50 listed companies participated in this special activity.

Thailand has also been recognized by the Organisation for Economic Co-operation and Development (OECD) as a leader in ASEAN, with outstanding development in CG. It was an honor for SET to host the OECD-Asian Roundtable on Corporate Governance 2015, in cooperation with The Securities and Exchange Commission (SEC), Thai Institute of Directors (IOD) and the Japanese Government. This roundtable was aimed to create network and connection among government agencies and private sectors. There were more than 150 participants from 24 countries around the world discussing CG in Asia. The OECD Principles of Corporate Governance (2014 revision) was also promoted and disseminated during the event.

CG tool development

SET conducted a Thai Directorship survey and Board Remuneration Survey in 2015 to be used as a guideline for listed companies to consider related matters. In addition, the CG Best Practice Guidelines were also reviewed, to be used for board performance assessment and complaint management with transparency and efficiency. On top of that, SET also disseminated CG knowledge through publications and electronic channels, including SD Focus quarterly magazine, Disclosure Focus monthly magazine and Boardroom bi-monthly magazine.

The effectiveness of CG development in the Thai capital market

According to the ASEAN CG Scorecard 2015, which is an evaluation criteria on CG for listed companies that have the market capitalization in the top 100 in each ASEAN country⁴, Thai listed firms achieved the highest average CG score, among all 600 firms from six participating countries for the 4th consecutive year. Besides, 23 out of the top 50 companies were Thai. This reflects the potential of listed companies in Thailand, recognized regionally. The success of listed companies' outstanding CG performance plays a major part in encouraging them to continuously implement and develop CG.

SET encourages listed companies to join the evaluation process of CG reporting at both local and regional levels, as well as preparing analysis and recommendations on CG development. The SET's aim is to develop and raise the CG standards of Thai listed companies to be recognized internationally. Therefore, SET has commissioned the Thai Institute of Directors (IOD) to annually assess Thai listed firms' CG reporting. The results show that in 2015 Thai firms scored 75%, rated as "good", slightly higher than the 2014 average score of 72%.



**In 2015, Thai listed companies
achieved the highest average CG score
in ASEAN for the 4th consecutive year
(as assessed by the ASEAN CG
Scorecard)**

⁴ The countries that joined the ASEAN CG Scorecard 2015 evaluation consisted of Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

Promoting sustainable development among listed firms

SET's SR Center has developed a sustainability strategy for listed companies, categorized into three levels as follows:



On sustainable development, SET emphasizes participation and various ways of learning such as through seminars, other forms of training, in-depth consulting and sustainability assessments, enabling the management and operational staff of companies to link ESG issues into their business operations concretely, taking size, industry and stage of development into consideration.

From learning process to sustainability practices

SET has held SD Forum seminars quarterly to promote a better understanding of sustainability and related issues, including global trends, such as sustainability strategies, sustainability information disclosure and social investment. In 2015, SD Forums gathered more than 1,200 attendants. In addition, SET has developed and disseminated knowledge in the forms of books, manuals and articles on sustainable practices. SET also encouraged companies to apply ESG practices into their businesses.

SET also promotes the use of the knowledge to be applied in real life by carrying out basic training courses on social responsibility management for sustainable development, focusing on creating basic understanding of running businesses sustainably. The training course in 2015 consisted of eight sessions attended by 621 participants from 334 companies, double the number in 2014. SET also organized an advanced course to improve skills of trained CSR practitioners, consisting of seven workshops to strengthen practitioners' skills in continuously monitoring and evaluating corporate sustainability performance, such as in risk management, supply chain management and stakeholder engagement. In 2015, 237 participants from 132 companies joined the workshops to gain hands-on experience. Combining the two courses together, in 2015 there were 343 listed companies participating, representing 54% of all listed companies, versus a total of only 263 firms in 2014. This shows that the awareness level of firms on sustainability is on the rise.

Moreover, SET has carried out its **Corporate Sustainability Advisory Program** for mai-listed companies since 2014 to build a prototype of sustainable development for small and medium-sized listed companies. In 2015, five companies from five industries were selected to receive coaching about sustainable business development for one year. They applied ESG principles to their daily business operations, such as by producing roadmaps of sustainable business development and measuring and reporting ESG performance. In addition, SET also produced a publication called “**mai: Stepping Towards Sustainable Growth**”, which contains case studies for companies to use as guidelines, to develop their own sustainability programs.



Effectiveness of sustainability development of listed firms

SET assesses the sustainability practices of listed companies to measure the extent to which they have operated, taking the long-term impact of their actions on their companies, society and environment into account. SET evaluates sustainability performance in economic, social and environmental dimensions, categorized by market capitalization, which reflects the scale and context of the business. More interestingly, SET provides firms with feedback and gap analysis for further improvement. In 2015 a total of 100 listed companies participated in the assessment, increasing from 73 firms in 2014. The average score was 60%. Sustainability assessment results are used to support applications for SET Sustainability Awards⁵, which recognize firm with outstanding sustainability achievements and which could be role models for other listed companies.



60%

The average score of the 100 listed companies participating in the 2015 sustainability assessment

⁵ www.set.or.th/sustainable_dev/th/sr/sd/awards_p1.html

ESG disclosure:

Tools for building quality capital market

SET encourages companies to disclose their sustainability performance in the SEC Form 56-1 and sustainability report (using GRI reporting framework), showing an integration of environmental, social and governance concerns into business operations. This will enhance corporate communication with stakeholders. It will also create trust among domestic and foreign investors on the listed firms' potential. SET has published the **"Guidelines for Sustainability Reporting"** and held on workshops on sustainability reporting since 2012. In 2015, SET organized two courses on how to report on ESG performance; in total, SET has held eight courses for 531 participants from 289 listed companies. SET also offered another course on sustainability reporting in accordance with the GRI framework for 28 participants from 18 companies.

SET surveyed listed firms on their disclosure of sustainability information and found that in 2014, 585 listed companies (92%) disclosed their ESG performance in the SEC Form 56-1. Among these were 479 companies listed on SET and 106 companies listed on mai. A total of 55 companies used the GRI framework.



“Thailand Sustainability Investment”

A big step towards sustainability of the Thai capital market

“Sustainable development” does not only help balance the business with concern for society and the environment, but also reduces business risks, reflecting long-term enterprise value while building confidence among stakeholders with recognition from the global capital markets.

SET enhances the sustainability of Thai listed companies to be meet international standards by encouraging them to be evaluated for the **Dow Jones Sustainability Indices (DJSI)**, with exclusive training by speakers from RobecoSAM before being assessed. In 2015, 33 Thai listed companies were invited to the evaluation process. Out of the number, 22 firms participated in the assessment and 13 were selected as DJSI members, an improvement from 2014 where only 10 companies were chosen. This makes Thailand the country with the most DJSI members in ASEAN, demonstrating the development and potential of the Thai capital market and receiving continuous recognition from the global markets.

Thailand Sustainability Investment

is a list of quality stocks with outstanding sustainable business practices, provided as an alternative for investors. The development of the stock list highlights SET’s endeavor to promote responsible investment in the Thai capital market while strengthening and driving the market’s value chain towards sustainable growth.



Stocks with outstanding ESG performance in Thailand Sustainability Investment 2015

In addition to encouraging companies to participate in the international sustainability assessment, SET also enhances the sustainability management of listed companies to meet international standards by partnering with various capital market entities, namely, the Office of the Securities and Exchange Commission (SEC), Thai Listed Companies Association, Association of Investment Management Companies (AIMC), Thai Institute of Directors (IOD) and Khon Thai Foundation to promote the “**Thailand Sustainability Investment**”⁶ list for the first time in 2015.

In 2015, SET announced the Thailand Sustainability Investment list consisting of 51 companies with outstanding sustainable business practices. DJSI members were also included on this list. 46, out of 51 firms, were SET-listed and five were mai-listed.

Moreover, SET also published a booklet entitled “**Sustainable Development Showcases 2015**” with case studies to companies on this list, highlighting their business operations with sustainable development that could be an inspiration, role model or guideline for other firms.

⁶ www.set.or.th/sustainable_dev/th/sr/sri/tsi_p1.html

Enhancing IR officers and CFOs of listed companies

SET realizes that the listed companies' personnel, including investor relations officers and CFOs, have significant roles in strengthening their businesses towards sustainable growth. SET enhances the capability of such personnel by equipping them with management and strategic planning skills that can create financial opportunities for business investment. All those will contribute to the sustainable development of listed companies and the capital market as a whole.

Creating IR Professionals

Investor Relations (IR) officers play an important role in building confidence and disseminating information of listed companies among investors, potential investors, securities analysts, fund managers and the media. They demonstrate that the business is operating with transparency and the disclosure is accurate and complete. Therefore, SET is committed to providing knowledge, as well as development tools to continuously raise the standards of investor relations.

Improving IR practices

SET has continuously been developing investor relations practices in line with market conditions, by providing management and investor relations professionals with eight training courses in three levels:

- **Basic level:** to promote a basic understanding of investor relations and offer practical tools for IR tasks.
- **Intermediate level:** to promote best practices for effective performance in investor relations
- **Advanced level:** to focus on strategy development applicable to investor relations and corporate sustainable development.

In 2015, there were 242 listed companies participating in the training courses including 76 first-time companies. SET also provides proactive IR development services through CEO workshops, SD Talk forums and executive meetings with top management of listed firms, facilitating insight sharing among listed firms. In 2015, SET held such discussions with senior executives from 58 listed companies. The feedback and enthusiastic participation in IR development throughout 2015 showed that listed companies realized the opportunity to develop IR more intensively.

Furthermore, SET has also initiated SET's IR Advisory Program since 2011 by joining hands with IR experts to offer in-depth analyses and strategic planning in IR development to listed companies for 1 year to ensure that the companies can manage IR effectively. In 2015, 12 newly-listed companies joined the program, making the number of participating companies 73 in total.



Developing IR via communication tools and channels

The development of IR guidelines and operating manuals greatly benefits efficient practices. SET has therefore produced “The First Step to Investor Relations” since 2012 to guide new IR personnel. In 2014, SET prepared a “Code of Ethics for Investor Relations” to guide IR officers to practice in line with corporate governance principles. In 2015, SET developed more effective tools to facilitate IR practices, as follows:

- **IR Checklist:** a series of 3 how-to manuals for IR officers, namely, Getting Ready for IPO, Basic Practices and Advanced Practices.
- **IR Practice Survey:** Survey to provide information for IR planning and operations.
- **IRO Directory:** List of IR practitioners. To facilitate investors and analysts in contacting a listed company. This compilation also showed that 85% of listed firms have IR staff.

In addition, SET also supports IR officers by hosting an activity in which listed companies meet with investors, called Opportunity Day or “Opp Day”, a platform where firms can disclose operating results to investors, analysts and media on a quarterly basis. In an IR officer survey in 2015, 72% out of 188 participating firms joined the Opp Day with average of participation at 2.71 times (out of a maximum of 4 times a year). This shows that listed companies are interested in participating in Opp Day, an effective operational channel for IR.

The effectiveness of IR development

After providing training, consultations and tools, SET started to evaluate the IR performance of listed companies to improve their effectiveness and implementation. The evaluation was well-received, and participation at the SET’s **Best Investor Relations Awards** has been increasing every year. In 2015, 188 companies participated, a 6% increase from the year earlier. In the last five years, the increase rate has been around 58%, reflecting the companies’ vision to create value added from investor relations.

Creating quality financial offers for the capital market

Chief Financial Officers (CFOs), as well as finance and accounting practitioners of listed companies, play key roles in strengthening financial stability of businesses. SET therefore raises the performance standards of such personnel through activities such as **“Strategic CFO in Capital Markets”** training to develop strategy management and financial skills to be ready for the changing economy while creating business opportunities. CFOs will be able to learn their roles and responsibilities and how to develop team and system efficiency through experience-sharing by experts as well as executives from listed companies, auditors and financial advisors. In 2015 there were 50 CFOs and CFO trainees who participated in the training.

SET is a qualification certifying agency for the widely-recognized Certified Investment & Securities Analyst (CISA). SET provides intensive training for CISA Level 1 for practitioners of finance and accounting of listed companies so they can apply their experience in investment analysis and decision-making in practice. This will help boost the efficiency of the financial management of listed companies. In 2015 there were 81 personnel from participating listed companies taking this training program.

In addition, to meet the increasing demand, SET has also partnered with the Thai Listed Companies Association to nurture potential investor relations and finance practitioners. SET has therefore launched the Young Corporate Financial Officer (YFO) project consisting of 10-day workshops. The students were evaluated based on their project presentations at the end of the course. In 2015, the second year of the project, there were 75 participants from 19 universities nationwide.



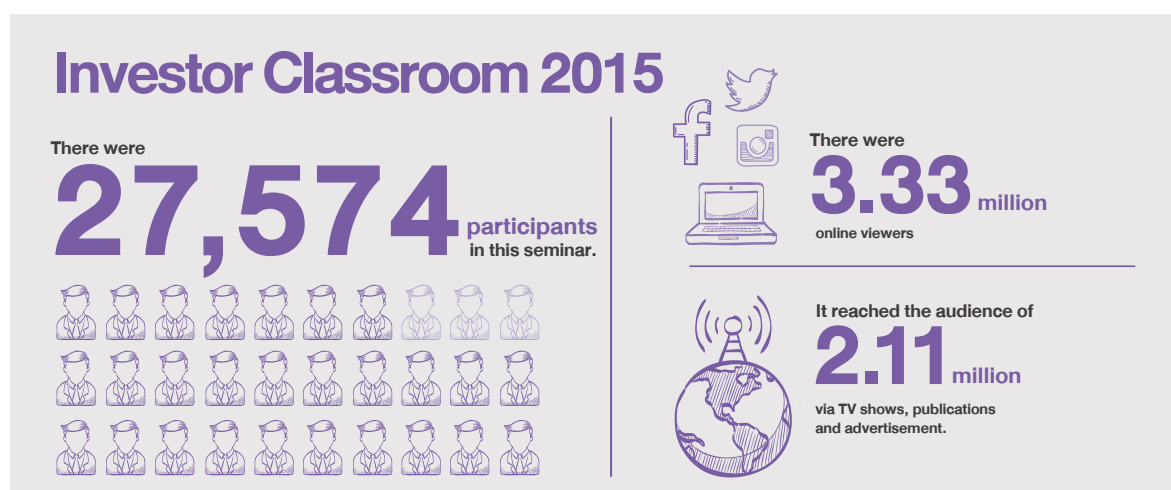
Enhancing Quality of Investors

In 2015, SET's average daily trading value was about THB 4.43 trillion and investment continued to expand. The number of retail investors has increased by more than 100,000 from the previous year, rising to more than 1.2 million investors. The average trading volume by individual investors was as high as 59% of the total turnover value, so this market segment has been playing an important role affecting the liquidity and stability of the capital market. SET therefore increases the number of quality investors by creating understanding about investing for long-term benefits, risk management, and the use of ESG principles for decision-making.

Building knowledge for quality investment

For SET, enhancing the quality of investors is part of its strategic business development. The focus is on the expansion of the overall investor base and promotion of quality investors to receive enough information before making decisions. Investors should equally have the opportunity to easily access information on investment. SET aims to create positive attitudes and inspire people to see the benefits of investing their savings to create long-term wealth. SET helps develop the potential of new investors via the “Your 1st Stock”⁷ program, jointly organized with 27 securities companies, using the theme “Quality investing: how to pick your stock”. The program was conducted through seminars and workshops by successful investors and analysts. Documents and tools from the seminars are available via the “Your 1st Stock” website.

In addition, SET's Thailand Securities Institute (TSI) continues to support investors' potential with the development and dissemination of investment knowledge from basic to comprehensive portfolio management. This has been carried out through the “Investor Classroom”⁸ website, which provides easy-to-understand, comprehensive information of all investment products: stocks, derivatives, ETFs and mutual funds. TSI has also developed and disseminated further knowledge both online and offline, such as seminars, video clips, articles, websites, social media, TV shows, advertising materials and the SET Investment Centers (SET ICs) in order to keep investors updated.



⁷ www.set.or.th/yourfirststock/about.html

⁸ www.set.or.th/education/th/education.html



SET IC: Investment learning center for all

SET is committed to creating equal opportunity to access to investment knowledge for all. Access has never been more convenient and faster, as SET, in collaboration with seven universities, has set up a **SET Investment Center⁹ (SET IC)** under the theme “Your Investment Center: Investment learning center for all”. In 2015, there were 6,561 visitors and users. All the information and knowledge from SET IC activities are available on its website.

SET believes that promoting investment understanding will help build immunity for investors by equipping them with the knowledge that is necessary and sufficient to analyze and make prudent investment decisions, which will create sustainable wealth for investors and the capital market as a whole.

Getting ready for the aging society

SET aims to enable people in each age group to have personal financial planning and management skills in order to effectively prepare for retirement and build immunity for Thailand before it becomes an aging society. In particular, SET envisions that working people should have the skills to manage and allocate income and savings efficiently. SET has therefore initiated a financial planning project to campaign for working people to have systematic financial planning skills, spend wisely and turn savings into investments for retirement. SET focuses on promoting investing understanding to change the behavior of each age group through various media, both online and offline, such as social media, advertising, TV programs and roadshows in central business districts. In 2015 the project reached more than 2.31 million people.

⁹ www.set.or.th/education/th/inv_classroom/roadshow.html

SET also increases understanding of financial planning for retirement among the “salary earners” group through the Employee’s Choice@Workplace project, which promotes understanding about being a member of a provident fund, including membership benefits, as well as guidelines for selecting provident fund investment plans. SET promotes investment through long-term equity funds (LTFs) and retirement mutual funds (RMFs) to increase opportunities and choices to generate returns from savings in the long run.

In 2015, SET organized a roadshow event to promote savings for retirement among salary earners, attracting 172,136 persons from 57 different organizations. SET has produced the “Happy Retirement Guide” and “Happy Money” handbooks on financial planning, with creative and easy-to-understand content. SET has also cooperated with asset management firms to promote investment in mutual funds for retirement via modern trading systems to meet investor needs.

SET also aims at creating awareness and positive attitude among investors and the general public to prepare them for the retirement. In doing so, SET has cooperated with several relevant agencies that promote public awareness on saving for retirement, aiming at preparing Thailand to be a quality aging society. This can reduce the government’s burden caused by the increase number of senior citizens as well as enhancing the well-being of the Thai people in the long run.

Promoting responsible investment

In 2015 SET distributed a list of Thailand Sustainability Investment, comprised of 51 quality stocks, at the “**SET in the City 2015**” event. This event centered around “The Stock Mega Trend” concept, promoting sustainable investment to encourage investors and potential investors to use information on the ESG performance of listed companies for decision-making, and attracted about 1,400 investors and the general public. The information, articles and video clips on responsible investment are available via the SET website¹⁰.



¹⁰ www.set.or.th/sustainable_dev/th/sr/sri/tsi_p1.html

Developing Professional Intermediaries


Intermediary institutions consist of professionals who provide investment information and recommendations. Consequently, one of TSI's key missions is to continuously enhance the expertise of professionals in the securities market, such as investment consultants, investment planners and investment analysts, so as to build efficiency while creating trust among investors in the long run.



Enhancing understanding for the road to professionalism

SET is committed to developing the skills and knowledge of securities professionals to give high standard services with ethics, by networking with professional associations such as the Association of Securities Companies Thailand (ASCO), Association of Investment Management Companies (AIMC) and Investment Analysts Association (IAA) in the design and development of curriculum. The curriculum has to be in line with the experience of professionals in each target group, consisting of investment consultants and other investment professionals.

3,499

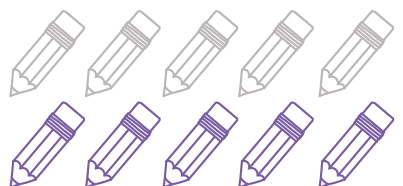


**The number of securities professionals
who received training offered by SET
in 2015**

Quality ICs lead to quality capital market

Investment Consultants (ICs) have an important role in providing advice and information for investors' decision-making. Therefore, SET aims to raise the level of ICs to become specialists in securities and derivatives, enhancing their ability to provide quality services to support a variety of investment products. This will benefit the expansion of the investor base for the capital market's sustainable growth. SET develops specialists according to each type of investment product and the career roadmap of the securities industry. Examples of such training program are IC leaders, equity specialists, TFEX specialists and Junior IC@Brokers. In 2015, a total of 2,705 persons participated in IC development programs, an increase from 1,978 persons in 2014.

SET has also expanded its role in knowledge cooperation to Greater Mekhong subregion (GMS) countries by producing a manual entitled "GMS Equity Investment Consultants Licensing Standard Factbook" through cooperation with the GMS Professional Education Working Committee (GMS the PEWC). The manual helps develop the expertise of the GMS securities professionals.



50%

**Increase in people who took the
Investment Consultant examinations
in 2015 compared to 2014**

Strengthening the potential of intermediaries' personnel

Other professionals in the securities industry, such as investment analysts, back-office personnel and human resources personnel are an important mechanism in driving and supporting the intermediary institutions towards sustainable growth. SET has joined forces with professional associations in the capital market to develop training courses that enhance these personnel's skills and capabilities. In 2015, there was a total of 794 participants.

Moreover, the knowledge banks and other information useful to professionals such as curriculum and licensing exams are available online¹¹.

Continuously raising professional standards

SET plays a role in standard setting for and licensing of securities professionals by developing the contents and exam bank and managing IC tests and CISA certification in line with global standards. In addition, two testing centers have undergone continuous quality assessment. In 2015 there were 69,541 persons taking the investment consultant examinations, an increase of 50% from 2014, reflecting that securities professional career have gained increasing interest.

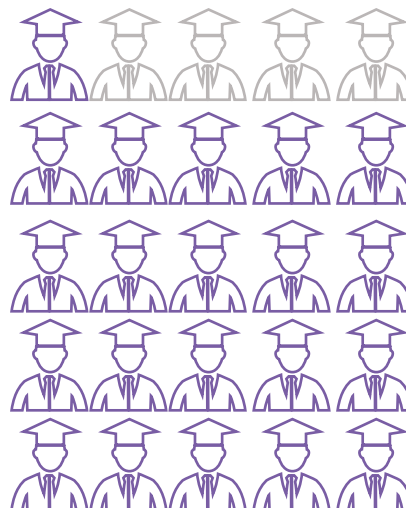
In addition, SET continues to enhance the CISA certification test, required for analyst and fund manager licenses, to ensure that practitioners are qualified and able to provide professional services. There were 2,464 persons taking the examination in 2015.

¹¹ www.set.or.th/professional/knowledge_onlineseminar.html

New breed practitioners in the securities industry

SET increases opportunities for students, preparing them to start their careers in the securities industry, in cooperation with ASCO Training Institute and 26 universities. SET's program consists of training in securities and derivatives to inspire students to seek a career in the securities industry. In 2015, 1,948 received grants for this "New Breed IC@U-Net" program and 755 students passed the exams. The 2015 passing rate of 39% was a significant increase from the 2014 rate of 28%.

In addition, SET, jointly with IAA, has created a program to encourage postgraduate students with potential to become investment analysts. The program is called "New Breed Analyst@U-Net", and provides funding for training and taking the CISA level 1 test, which is a basic requirement to be licensed as a professional investment analyst. In 2015, 85 students were granted the funding. Also, 20 lecturers from universities nationwide joined the program.



2,033

The number of students receiving
New Breed IC & Analyst@U-Net grants
in 2015





ยินดีต้อนรับสู่
สำนักงานทรัพยากรแห่งประเทศไทย
Welcome to
@93 Ratchada



Building a Solid Foundation for Corporate Governance

SET has corporate governance structure and processes that significantly support the SET's operational efficiency, increasing its positive impact on stakeholders and SET's capability for sustainable growth.



ตลาดหลักทรัพย์แห่งประเทศไทย
The Stock Exchange of Thailand



Good Corporate Governance



The SET CG policy, strictly applied for the SET Board of Governors (BoG), executives and staffs, is in line with the CG standard of the Organisation for Economic Co-operation and Development (OECD) and the CG principles for Thai listed companies. The BoG recognized that CG is at the core of the SET's strategy and operations. In 2015, the BoG reviewed and amended the SET CG policy for receiving complaints and whistleblowing, to be in line with international practices.



The SET Board of Governors

The BoG endorses the SET's vision, mission, goals and business direction. The BoG approves the strategic plan, corporate KPIs and monitors the supervision of operations to ensure that the organization meets its goals.

The Board of Governors	Number	Gender		Independence from Management	
		Male	Female	Executive	Non-executive
(1) Appointed by the Securities and Exchange Commission (SEC)	5	4	1	-	5
(2) Elected by SET member companies	5	4	1	-	5
(3) The SET President	1	-	1	1	-
Total	11	8	3	1	10

Composition of the Board of Governors

The structure of the BoG adheres to the Securities and Exchange Act, consisting of five governors appointed by the Securities and Exchange Commission (SEC), five elected at a SET members' meeting, and the SET president appointed by the ten previously-appointed governors.

Currently, the BoG is comprised of 11 members with various experiences, expertise and skills that are useful to SET. The service term of every governor, except the SET president, is two years. Each governor may be re-appointed for a maximum of two consecutive terms. The SET president's term is four years and he/she can to be re-appointed.

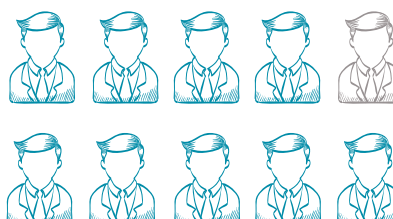
Board meetings

Meetings are scheduled on a monthly and quarterly basis in advance for the whole year. The BoG is informed of the meeting schedule for the coming year at the Board meeting in December, so that governors and executives are given ample notice and can effectively attend as many meetings as possible.

The chairman presides over the meeting, ensuring that there is enough time available for management to present issues and other matters to the BoG for their prudent consideration, including full and open discussion. In 2015, the BoG met 18 times, with an average attendance rate of 91%.

Independence from management

SET has clearly separated the BoG's role in monitoring policies, actions and decisions to be independent of their day-to-day responsibilities. SET defines that the "Chairman" is an independent non-executive director, not the same person as the "SET President" and must not have any relation to management in order to maintain a balance of power. This system of checks and balances assures that there is no person with absolute power who can cause an ineffective internal control system, lack of transparency, or obstruct an investigation.



91%

Meeting attendance rate of
the Board of Governors in 2015

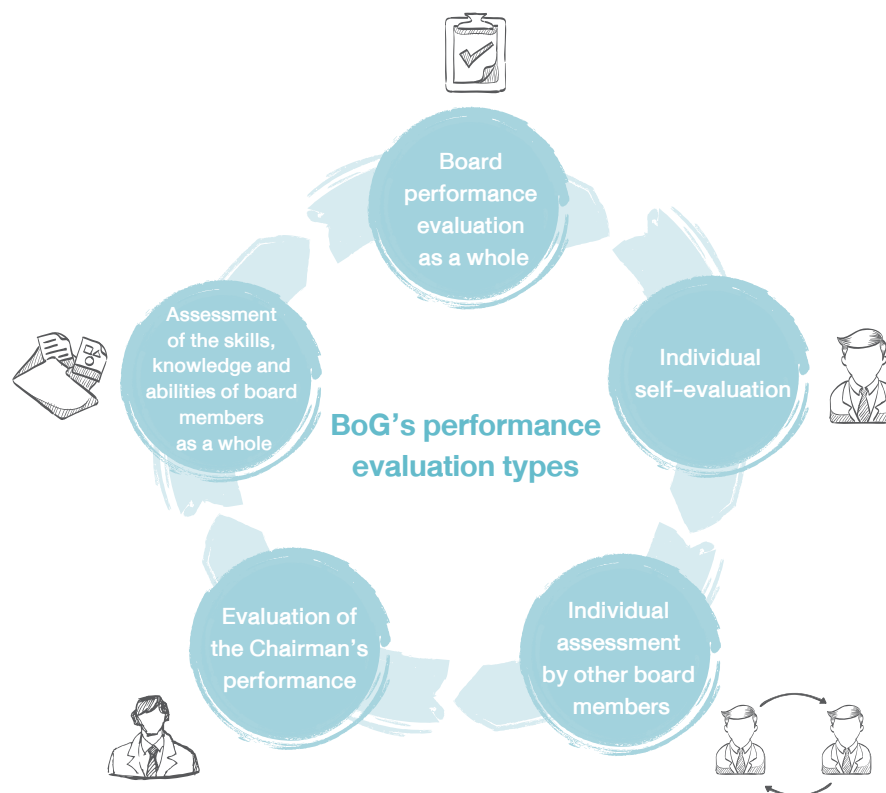
The BoG's enhancement and evaluation

SET gives utmost importance to the continuous and consistent enhancement of its governors. SET governors participate in educational courses and observe business activities of various stock exchanges in order to enhance their knowledge and broaden their perspectives. SET will orient new governors, covering its operations, strategic plan, business plans and overall operations of SET subsidiaries.

In 2015, members of the BoG continued to attend training and seminars to enhance their understanding of their roles, duties and responsibilities, including ESG topics such as "United Nations Sustainable Stock Exchanges Regional Dialogue: South East Asia 2015" and "The 2015 Asian Roundtable on Corporate Governance".

The BoG assesses its own performance at least once a year, to review its performance, including problems and difficulties, to enhance working efficiency. The SET's Corporate Governance and Social Responsibility Committee advises the BoG on its performance evaluation process.

In 2015, the BoG carried out five types of evaluation: (1) Board performance evaluation as a whole (2) Individual self-evaluation (3) Individual assessment by other board members (4) Evaluation of the Chairman's performance and (5) Assessment of the skills, knowledge and abilities of board members as a whole.





Oversight of SET's corporate governance and social responsibility

The BoG has assigned SET governors to consider, review, and efficiently drive the policies related to the exchange sustainable development and report to the BoG quarterly. This is done through the committees involved in CG and sustainability, consisting of the Audit, Nomination and Remuneration, Risk Management, and Corporate Governance and Social Responsibility Committees.

Communication of SET's Sustainability Goals

In 2015, the BoG determined the SET Sustainable Stock Exchange (SET SSE) strategy and goals according to the SET Sustainability Framework, with directions for concrete results. In addition, SET communicated these goals to all SET staff through various channels and activities such as workshops on sustainability strategies, CG Day events, video clips, and posters.

SET's Code of Conduct

SET's Code of Conduct is the main guideline for business practices for SET governors, executives and employees. Everyone has received the Code of Conduct when a working at SET for the first time and must sign the agreement to strictly follow the Code of Conduct. SET's Code of Conduct is revised to be consistent with the annual corporate strategy and communicated throughout the organization via various channels, including emails, Intranet, CG Day activities.

In 2015, the BoG revised the definition of "Restricted List" used in controlling trading of SET-listed securities by SET employees, to be in line with the improved market surveillance measures in case of market irregularities. This revision would help prevent abuse of power and ensure clarity and transparency.

All SET stakeholders can report inappropriate actions or legal or Code of Conduct violations directly to the chairman of the Audit Committee via postal mail or email. Such information will be kept confidential and only disclosed as necessary to prevent harm to the complainants. Investigations will be conducted and the findings will be reported to the BoG for decisions. In 2015, no such reports were submitted.

Whistleblowers can contact SET via:



ChairmanOfTheAuditCommittee@set.or.th



Chairman of the Audit Committee
Internal Audit Department
The Stock Exchange of Thailand
93 Ratchadaphisek Road , Dindaeng,
Bangkok 10400



Continuing to fight corruption

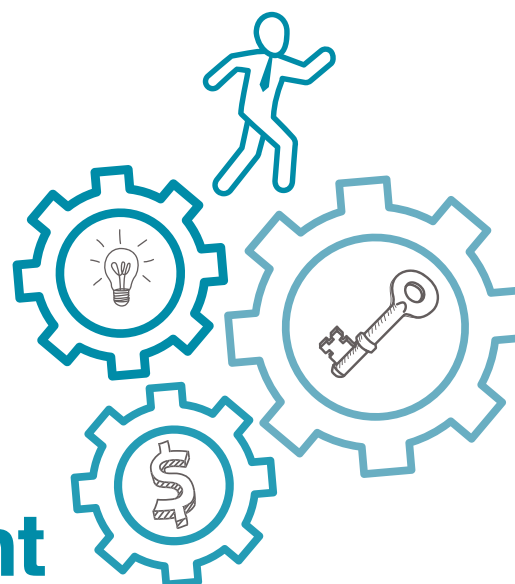
SET's BoG has realized the importance of preventing and combating misconduct and corruption in business, and has set up anti-misconduct and anti-corruption policies as key parts of the SET Code of Conduct. In 2015, the BoG approved "SET's Anti-Corruption Guidelines", the revision version of "SET's Anti-Corruption Guidelines for Employees 2013", to cover governors, committee members, and advisors/experts. In addition, some practices have been revised to be in line with best practices of anti-corruption conduct as regulated by the Private Sector Collective Action Coalition Against Corruption Council.

In addition, SET has continuously encouraged the BoG, executives and employees to participate in activities to fight corruption, such as those of Anti-Corruption Day 2015, "Active Citizen Against Corruption", or "Anti-Corruption Foundation" launching. Besides, SET has announced and communicated its anti-corruption policy among its business partners and suppliers.

CG Day

SET annually host CG Day events to promote understanding of the Code of Conduct among SET employees. In 2015, the CG Day event's theme was "Towards Sustainable Growth", to enhance employee understanding of SET's moving towards "Sustainable Stock Exchange". Over 300 SET employees participated in the event.





Risk Management

SET strategically manages risk in economic, social and environmental aspects, to ensure that it will be able to continually run business in an efficient and sustainable manner in the ever-changing capital market environment.

Risk management structure

SET implements enterprise risk management (ERM) consistent with international risk management practices. All SET executives and staff are aware of their roles as risk owners and manage risks facing the organization.

The BoG is responsible for designating risk management policies and framework for the organization and appointing a Risk Management Committee to advise and make recommendations to management to ensure that SET's risk management process is in line with specified policies and international standards.

Operationally, management is responsible for managing risk, setting up the policies in identifying risks, and assessing the level of risk according to defined criteria. The Risk Management Department coordinates and supports processes and toolkits for risk owners, such as Key Risk Indicators (KRIs) and Risk and Control Self-Assessment (RCSA), to ensure efficient risk management enterprise-wide. The Risk Management Department reports progress to management and the Risk Management Committee monthly, and to the BoG quarterly.

Risk management process

SET determines the risk management framework according to Committee of Sponsoring Organizations of the Treadway Commission (COSO) and ISO 31000:2009 Risk Management-Principles and Guidelines. SET has identified the following risks: strategic, operational, financial, and regulatory compliance risk. In addition, SET has determined a risk appetite and tolerance framework in order to manage risk within an acceptance zone and avoiding a rejection zone.

Strategic Risk

In 2015, SET continued to improve its risk management by reviewing its policies and operational framework, carrying out its business in line with its corporate strategy on business expansion and supply chain quality development to ensure that SET's risk management plan adequately covered each risk identified.

SET has identified and assessed the probability that its risk and set measures would be able to manage the risks at an acceptable level. SET also follows up on risks of new products and services. SET has thus completed a continuous and comprehensive review of the adequacy and effectiveness of key risk management measures in order to ensure that the risks would have been managed in a timely manner, if they had occurred.

Qualitatively, SET will continue enhancing the growth of listed companies in both financial and non-financial aspects, such as fund-raising through financing instruments, and promoting corporate governance and corporate sustainability. In 2015, SET made major changes to SET websites by fully integrating products and services of the SET, consisting of Market for Alternative Investment (mai), Thailand Securities Depository (TSD), Thai Clearing House (TCH), and Thailand Securities Institute (TSI), to provide convenient one-stop service for all investors. SET also introduced a new project, entitled “Investor Classroom”, full of content on financial and investment planning, featuring online resources for investors and potential investors, with over 3,000 video clips of online seminars and e-learning lessons.

Operational Risk

SET has established a Business Continuity Plan (BCP), which includes annual reviews and practice drills with other agencies in the capital market to cope with any crisis. SET recognizes that both staff and systems in the main building and backup centers must always be ready to cope with changing situations. Thus, SET conducts functional tests on backup systems together with member companies to manage any disaster that may cause business disruption, to ensure continuity in securities trading.

IT system risk

IT systems are a key part of the business, and damage, if incurred, can cause widespread effects on the capital market and its stakeholders. Therefore, SET has evaluated, monitored and managed risks that may incur to computer systems in accordance with IT security standards. The IT risk management process, including a Disaster Recovery Plan (DRP), is carried out annually to ensure continuous system operations. The IT Audit Unit is responsible for ensuring that the systems meet the global standards, and confidentiality, reliability, and readiness requirements.

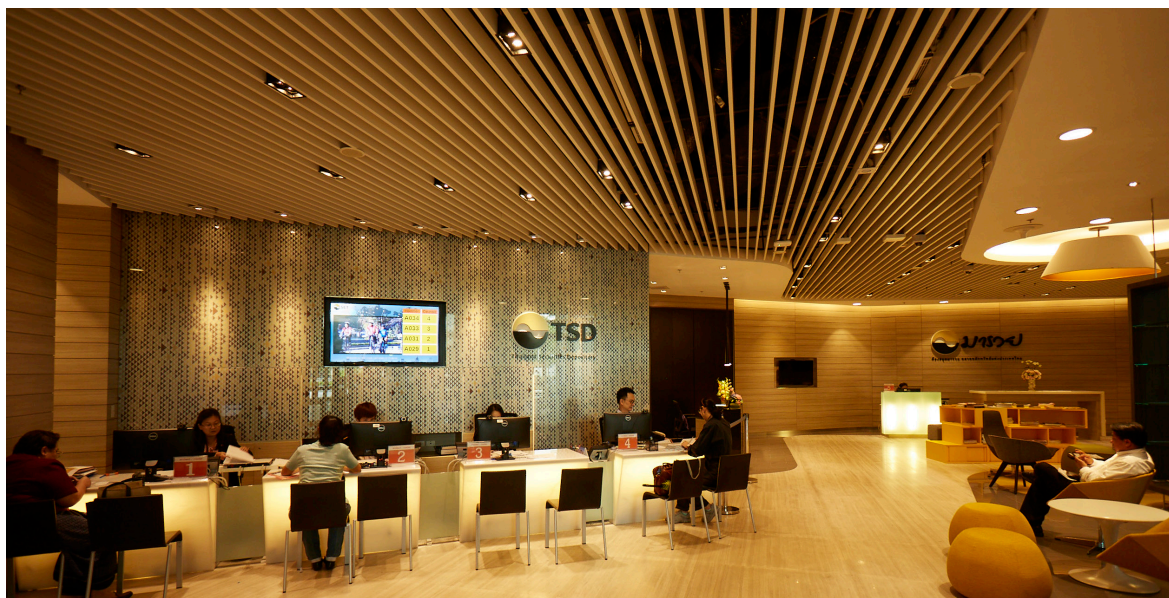
Anti-corruption

Fraud and corruption are key risks facing the organization. Every year, each department must identify such risks and the measures required to manage them. The Risk Management Department and Compliance Unit are responsible for monitoring and reporting risk statuses to management, the Risk Management Committee, the Audit Committee and the BoG regularly, to ensure that SET can manage risks in a timely and efficient manner. In 2015, SET organized an internal training session on “Fraud Risk Management” to promote understanding on fraud risk, in line with SET anti-corruption measures.

Succession planning

SET realizes the importance of succession planning to ensure the work progress and continuation of the SET president's position and other top executives. The process to select a successor is clear and transparent, considering the background, competency, ethics, leadership skills and vision of the candidates. Results of the succession planning process have been reported to the BoG regularly. The Leadership Development Program has been set up as part of the succession plan, to screen, select, develop and retain executives with potential ready to manage the organization with competitive capabilities.





Financial Risk

Thailand Clearing House (TCH), a SET subsidiary, is a central counterparty (CCP) 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 minimize risks that may incur. In 2015, SET gave priority to achieving international standards by reviewing the implementation and development of post-trade services to meet the standard of the Principles for Financial Market Infrastructures (PFMI) issued by the International Organization of Securities Commissions (IOSCO) and European Market Infrastructure Regulation (EMIR) issued by the European Securities and Markets Authority (ESMA), to boost confidence in settlement and securities delivery system among domestic and international financial institutions.

Regulatory Compliance Risk

The BoG continues to enhance SET's corporate governance culture, which will create confidence among stakeholders in the Thai capital market. SET has identified effective measures of compliance risk management and internal controls such as trading of SET-listed securities by SET governors and employees and managing conflicts of interest issues. The Risk Management Department and the Compliance Unit are responsible for supervising and reporting to management and the Corporate Governance and Social Responsibility Committee, to consider and examine the corporate governance and social responsibility of listed companies, including SET, and report to the BoG regularly.

In 2015, SET governors and employees strictly complied with SET CG policies and Code of Conduct. There were no complaints involving wrongdoing or business malpractices, as well as no cases involving SET governors or employees for violation of SET rules or regulations, conflicts of interest or misusing authority in securities trading.

The Convergence of Digital Exchanges



Rapid technological change has made information technology (IT) become an important part of our daily life. SET develops its IT systems to meet international standards of IT Governance to ensure transparency and information security. This approach improves cost efficiency, operational capacity and builds stakeholder confidence. SET also aims to become a digital exchange to support Thailand's economic growth and seamlessly connect the Thai capital market to its counterparts overseas.

Single Platform: connecting all about investment

SET's IT Master Plan 2010-2015 focused on developing a stable computer system that could support the expansion and diversification of investments on a single platform, especially in the development of trading systems, post-trading systems and information dissemination, to improve efficiency and security in accordance with ISO/IEC20000 and ISO/IEC27001. SET aims to create the utmost benefits to key business development stakeholders such as listed companies, member companies, investors and system developers.

SET continuously develops its trading system, called SET CONNECT, and its post-trading system, called SET CLEAR, for the equity and derivatives markets. The systems can accommodate SET's increased volume of trading and various products and currencies, as well as connecting the Thai capital market with international capital markets, faster and more conveniently than before. In addition, SET has adopted a real-time securities trading supervision system, called SET WATCH, to prevent unauthorized trading transactions.

In 2015, SET successfully developed SET CLEAR, a system for the equity market that connects Thailand Securities Depository Co., Ltd. (TSD) and Thailand Clearing House Co., Ltd. (TCH) directly to the member companies ("straight-through processing"). SET CLEAR can also clear and settle transactions between member companies and custodians (pre-settlement matching system) effectively, which helps re-engineering several procedures. SET also monitors real-time delivery in order to mitigate default risk.

Thailand Futures Exchange (TFEX), a SET subsidiary, also launched a futures trading system with underlying agricultural products to cope with the expansion of the derivatives market and a variety of investment products. Moreover, TFEX was awarded the Best Technology Innovation by an Exchange Award in 2015 from Futures and Options World (FOW). This prize is given to the derivatives market that has outstanding technology, reflecting SET's commitment to provide efficient systems that help add value to the business and stakeholders.



SET SMART provides comprehensive in-depth information on investment

SET has developed the SET FEED system to disseminate trading information effectively and continuously, through SET and the derivatives market's online information system, called SET Market Analysis and Reporting Tool or SET SMART. This system gives access to complete, accurate and timely information that helps local and international investors to analyze and make prudent decisions.

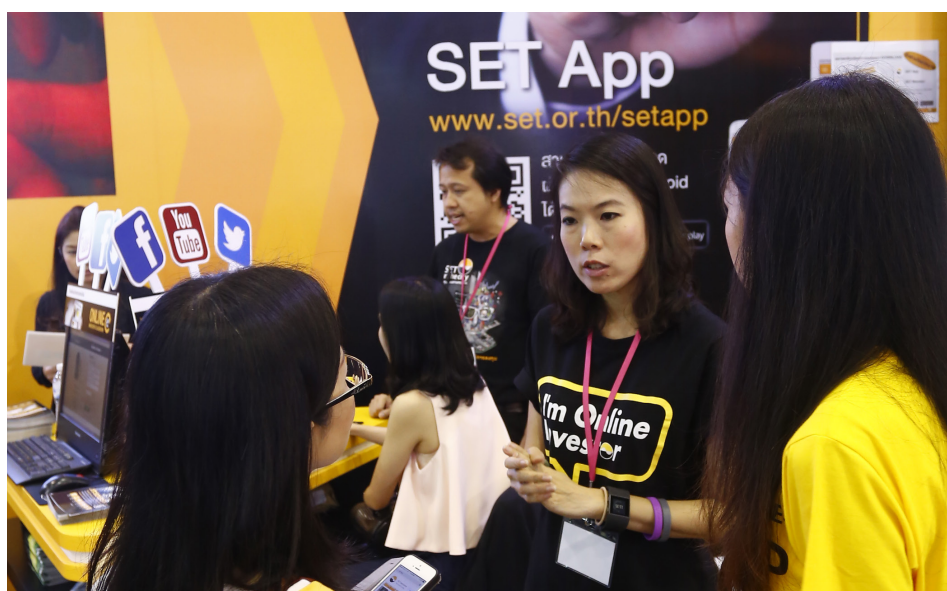
Innovation for sustainable business

SET has developed its Digital IPO system, enabling companies to register their securities online. This system covers a wide range of securities, helps listed firms save time, and reduces documentation process complications. A follow-up system helps users track the status of their requests online, much faster and easier than before.

SET has always been improving its services and access to information via its website and the SET Application (SET App). Users can easily find information and access investment services through SET SAWASDEE system, with single sign-on service, to access seminars, online training and market data, including Opportunity Day events. SET is expanding its communication channels and dissemination of knowledge via social media in response to younger generation's expectation.

SET continues to expand its Data Center capabilities by improving the efficiency of market data exchange with customers, as well as implementing virtualization and cloud service technologies. SET has developed a stable and secure network that meets global standards to create confidence among users and increase opportunities for market competition.

In addition, SET also promotes the SET digital workplace through the development and modification of tools and equipment to support advanced online network systems, which helps facilitate and optimize staff performance as well as reducing working time and resources. The digital technology includes a QR Code registration system, IP Phone, OneDrive in Office365, Department Portal on Cloud and SET Enterprise App. Furthermore, SET supports the use of mobile applications among staff, such as SET Yammer.



Market Surveillance









SET is responsible for monitoring and supervising securities and derivatives trading to enhance market transparency and market integrity. SET has enforced measures to prevent irregular or unfair trading transactions, including insider trading, market manipulation and misstatements.

To enhance its effectiveness and efficiency, SET uses a real-time securities trading supervision system, the Warning Abnormal Trading & Catching Hostile System (WATCHs). Should there be any irregular trading transaction which can be considered as an offence, SET may:

1. Contact the listed company in question, asking it to disclose the material information which may have resulted an irregular trading transaction.
2. Notify member companies likely to submit a trading transaction which is possibly related to stock price manipulation.

3. Implement trading alert and turnover list measures as follows:

- ▶ Investors are required to use Cash Balance accounts in trading only.
- ▶ Investors are required to use Cash Balance accounts in trading only and the value of securities traded is excluded from credit line calculation.
- ▶ Investors are required to use Cash Balance accounts in trading only and the value of securities traded is excluded from credit line calculation. Also, the investors are prohibited from offsetting the trading value of buy amount and sell amount of a certain security on a given day (Net settlement).

Levels of measures		Measures		
		Cash balance	Excluded from credit limit	Prohibited from Net settlement
Trading alert	Level 3 (TA3)			
	Level 2 (TA2)			
	Level 1 (TA1)			

If a security's trading pattern has changed significantly from its normal pattern or become highly concentrated in a particular individual or group of individuals without apparent reason, SET may consider to temporarily halt (H) its trade.



Supplier Management

SET recognizes that business partners and suppliers are important to its business development in both the short- and long-terms. Accordingly, SET has developed a participatory procurement process to manage suppliers systematically, with transparency and for fairness to all parties, in order to create opportunities for suppliers to grow sustainably together with SET.

SET also supports enterprises of all sizes, as well as local entrepreneurs in the provinces and social enterprises, giving them the opportunity to present their products or services in a transparent and equal manner. SET applies quality and reasonable price as criterion for making decisions. SET does not support intellectual property infringement or illegal employment. SET explicitly communicates to suppliers that it will not tolerate corruption. Suppliers must acknowledge and strictly follow this intention.

In addition, SET encourages its partners to improve the quality of their businesses, including product and service quality, time of delivery and the impact on the economy, society and environment. In 2015, SET conducted studies and prepared “**SET’s Supplier Code of Conduct**” to be used as a guideline in compliance with SET’s CG Policy and core values. This guideline, which will be implemented in 2016, focuses on ethics and corporate governance, fair labor practice and human rights and environmental management.



People are **Our Most Valuable Asset**

Our people realize that working at SET is not only for self-benefit or business objectives but also gives them an excellent way to benefit the country as a whole.



Adding value through human resource



Employees are a valuable resource and the roots for the organization's sustainability. SET strongly believes that employee skill development and employee engagement through a positive and supportive organizational culture can create trust and loyalty among employees, giving them passion for their jobs and a dedication to the organization, capital market, and society.

Creating Equality

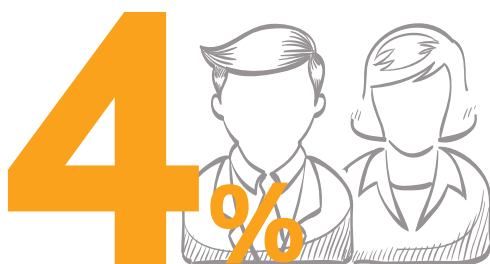
Equality has been at the core of SET's human resource management, including recruitment, compensation, promotion, training and development and retirement processes.

SET's recruitment and selection process adheres to equal opportunity including acting respectfully, impartially and without discrimination (with regard to gender, disability, race or age).

SET utilizes all recruitment channels to reach external and internal candidates to find the ideal candidate for a vacancy or an assignment, using one or more of the following channels: advertisements, database searches, unsolicited applications and multimedia channels.

SET informs internal candidates of job openings first to encourage job rotation, as this practice helps increase staff potential, skills and capabilities. If no one can meet the qualifications, external candidates are selected. All candidates meeting minimum qualifications need to be tested and interviewed.

For senior executives and up, employment must be approved by the Nomination and Remuneration Committee, followed by approval from the SET's Board of Governors. In 2015, four persons with a disability were employed, the new employment rate was 4%, and there were 718 employees.



**New employment rate in
2015**



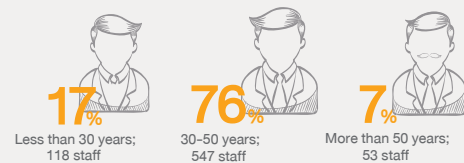
Diversity of SET Employees

SET highly values diversity of employees so it creates a supportive culture so that each employee can realize and reach his/her full potential. In addition, SET promotes teamwork and a can-do attitude of employees at all levels, to achieve SET common goals and meet stakeholder expectation.

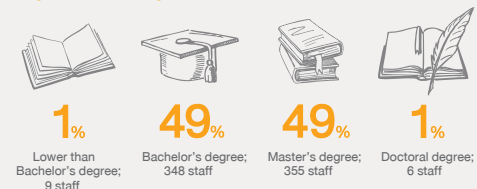
Proportion of employees by gender



Proportion of employees by age



Proportion of employees by education



SET Corporate Culture

To create values that drive behavior to be in line with SET's organizational culture, SET has developed its Core Values, consisting of: Client focused, Proactive, Integrity, and Teamwork. In 2015, SET promoted the Core Values entity-wide and championed employees that were recognized with outstanding proactive characteristics as role models to help inspire other employees in working proactively to achieve the corporate goals.



Physical and spiritual strength



SET realizes that employees are valuable assets and a key success factor of the organization. Apart from supporting efficiency at work, SET emphasizes the importance of team spirit. In 2015, SET held the “**SET Olympics 2015**” to build teamwork, relationships, and good health among its staff. The campaign was positive, joyful, and good for all, such as badminton, football, tennis, running, and bicycling. Most staff joined in the campaign. In addition, SET arranged “**I Love SET Trip**” activities to promote good relationship among the staff, as well as social responsibility activities. Over 90% of SET staff joined the activities.



Communication



Communication is an important part of creating a strong corporate culture. As a business relies on communication between management and staff in order to run effectively, SET has continuously improved communication between staff of all levels and all departments. SET also facilitates openness to synergize its positive atmosphere. Two-way communication is encouraged among employees, such as by townhall meetings and usage of the Intranet, social media and employee engagement surveys.

Internal communication





Enhancing Potential

SET has continuously developed employee potential as key to further drive business growth. Employees are equally supported and encouraged to optimize their potential to benefit the organization and community. SET has designed a development program to enhance employees to be talented and good members of the organization, in line with SET's Core Values. Walking towards SET's business goal together, SET aims to equip staff to excel in their career paths. Under this concept, SET development programs and activities enhance knowledge as well as professional, management and leadership skills, through seminars, workshops, on-the-job training and knowledge-sharing. The process helps individuals discover their own competencies and aids the organization to discover the talent available to be cultivated.

In 2015, SET provided 54 programs focusing on leadership, management and functional skill enhancement, totaling 2,768 man-days. For external training, staff attended various programs for a total of 1,110 man-days.

Employee level	Average training man-days
Senior Vice President (SVP)	6 days
Vice President and Deputy Vice President	4 days
Staff	6 days

5.4 man-days
Average training man-days
per employee



SET conducts an annual scholarship program to enhance employees' potential, granting scholarships for master's degrees in Business Administration, Financial Management, Economics, Computer Science and Information Technology and Law at top universities in Thailand or overseas. Applicants must apply for the course that will most benefit their areas of work. A selection committee considers the candidates with impartiality and transparency. In 2015, four scholarships were granted. In addition, SET supported employees to train and test in securities trading and other related areas, to enhance their professional skills.



SET Employee's Club

SET has supported activities that enhance teamwork spirit, strengthen harmony and encourage creative idea-sharing which will ultimately benefit themselves, their organization and society. SET builds strong working cross-functional teams that develop decision-making, problem-solving and leadership skills.

“**SET Employee's Club**” is the important platform that encourages staff from different departments to work together. Staff can volunteer to be SET Employee's Club members, from which 21 members are elected to run the club as a team for one year. The Club drives staff engagement and encourages staff and their families to participate in activities.

In 2015, SET Employee's Club planned and carried out activities under the concept “**Make every day a happy day**” which aimed to make every day in the workplace happy and improve cooperation within the organization to enhance working efficiency. This concept was the core of last year activities such as “SET Olympics 2015” and “I Love SET Trip 2015”, which obtained good participation from staff. Furthermore, SET Employee's Club carried out CSR activities such as blood donations, monthly giving of alms to Buddhist monks, Songkran Day festivities, and New Year celebrations.

Being a SET Employee's Club member can help staff to learn from others and obtain experiences outside of their job assignments. It offers opportunities to continuously improve themselves.



“ SET Employee's Club listens to employee needs and keeps everyone happy. We work as a team, for the benefit of all SET staff. We value the potential of all staff and our team. We try our best to achieve the impossible goals, just like what SET always teaches us. ”



Yosapol Piriyaapruen

2015 SET Employee's Club President

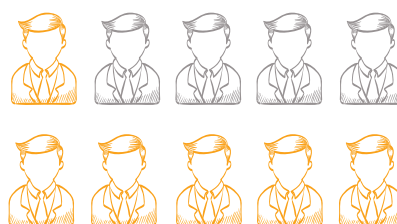


The Ideal Organization

SET encourages staff to develop their fullest potential and leads them to realize their value and be proud of their jobs. SET applies systematic evaluation and fair compensation which conform to the organization's achievement and annual individual performance as tools for creating career advancement. Compensation is benchmarked with similar industries to ensure competitiveness in the labor market.

SET provides welfare and benefits to staff with equality, fairness, and concerns for human rights, such as providing up to 10% of an employee's salary in his/her provident fund and providing low-interest loans via SET's saving cooperative. SET also promotes staff well-being by providing a first aid room, fitness room, basketball court, etc. Moreover, SET allows staff to leave for training and religious activities which are beyond legal requirements. In 2015, there were staff who had taken maternity leave but all of them came back to work. SET will establish a Welfare Committee in 2016 to manage welfare benefits more effectively to suit staff and organizational needs. The turnover rate was 6% in 2015, showing the staff's high level of confidence in SET and in their future there.

In addition, SET has had a program, **"Little Voice Great Value"** since 2007 to explore and gather staff feedback on their work environment. The feedback and recommendations were analyzed and reported to top management in order to improve HR management and maximize staff benefit. In 2015, the average engagement score of SET staff was 4.34 out of 5, and this result has been communicated back to SET staff.



6%

Turnover rate in 2015





SET Contributes to Society

SET utilizes its potential and capital market mechanism to strengthen society. SET promotes finance and investment understanding about, while contributing to society. SET aims to improve the quality of life of Thai people towards stability, prosperity and sustainability.

Financial Literacy for Youth



SET promotes fundamental expertise in investment, savings and personal financial management to youth of all ages through advanced learning media. The focus is on creative knowledge, suitable for each target group.

Enhancing financial literacy programs for youth

SET educates the younger generation about effective savings. With help from SET staff volunteers, SET arranges **“Mini SET Junior Financial Club”** program annually at schools near to SET, consisting of creative and fun activities under the concept “Learn how to earn, how to save, how to spend and how to invest”.

SET has developed the curriculum in economics and personal financial management in several schools. The program encourages youth to develop their economics and finance knowledge. SET has teamed up with Romchatra Foundation, Ministry of Education, Thai Life Insurance Association, Crown Properties Bureau Foundation, and Satee Wittaya 2 School to organize the annual **“The Diamond Crown Economics Competition”¹²** since 2009. The competition provides a channel for students at primary school, high school, and university levels who are keen on economics, personal finance, and H.M. The King’s Philosophy of Sufficiency Economy to test and enhance

their understanding. In 2015, there were 5,189 students from 1,025 schools and 52 universities nationwide participating in the event.

Furthermore, SET also provides opportunities for university juniors through Master’s degree candidates, aged under 25, with an interest in finance and investment planning to develop their skills to become quality new generation professionals in finance and investment to serve these growing business sectors. SET and its allies in the capital market have arranged the **“Young Financial Star Competition (YFS)”¹³** to develop quality personnel to enter the capital market. YFS winners have been recognized by the capital market as quality personnel who are well-equipped and well-prepared to work in various fields. In 2015, there were 6,485 participants, for a grand total of 57,905 persons since the program began in 2003.

¹² www.set.or.th/phetecon/

¹³ www.set.or.th/yfs/



One-Stop Financial Education Center

SET is a key center of Thailand's finance and investment knowledge. Information is systematically managed and easily accessible, in a pleasant learning atmosphere, conveniently available to the public.

Maruey Library – A living learning center

SET's Maruey Library is a leading and up-to-date hub overflowing with finance and investment reference materials. There are more than 20,000 finance and investment volumes. 80% in finance and investment and 20% in other fields, such as self-development, linguistics and literature.

Maruey is a living library. It organizes learning activities monthly, free of charge, such as Executive Talk@Maruey, featuring leading capital market speakers, or Maruey Book Review to motivate a learning society.

The Maruey Library is open at the new SET building on 93 Ratchadaphisek Road, Bangkok, with 842 sq.m. of public space. It uses digital technology to enhance efficiency of information archives as users can access library resources faster and more easily via hi-tech equipment and the library website¹⁴.

Maruey Library has also extended its school library network or "Plearn Library" to Klong Toey Wittaya School, which was SET's neighbor for many years, by providing library management advice and some IT media, aiming to instill a reading habit in students, teachers and residents.

SET Digital Library



High-speed Internet service



Self-service borrowing and returning using RFID technology



Digital bookshelf service



Digital content using modern devices

¹⁴ www.maruey.com



INVESTORY – Inspire to Invest

SET has recently established an investment learning museum, “**INVESTORY**” to be a learning center for youth and the public, promoting financial discipline and the capability to create investment plans. The museum introduces its content in a “**discovery museum**” format. The stories are told using characters and modern technology such as multimedia simulation and hand-on media. Visitors can experience virtual investment games and see how effective their personal financial plans are. INVESTORY inspires visitors to save and invest while creating positive attitudes towards investing for retirement.

INVESTORY also presents the development of SET, recalling the history of the Thai capital market, showing that SET has come a long way. Its exhibits include stock trading tools from the past such as telephones and binoculars. The museum is suitable for all individuals: youths, senior citizens, those with disabilities, etc. because of its ‘universal architectural design’.

Promoting Social Impact Investment

SET promotes social impact investment to create social and environmental benefits, while reducing negative impact. One form of social impact investment is to contribute resources (either monetary or not) to support social entrepreneurs or social enterprises.

Promoting social impact investment is one way to strengthen civil society to grow sustainably, by linking listed companies with social enterprises.





Social impact investment network

In 2015, SET, in cooperation with the Thai Social Enterprise Office (TSEO), British Council (Thailand), Change Fusion Institute, as well as domestic and overseas investor networks, arranged “Social Investment Market: Beyond CSR & Philanthropy” seminar. The forum was honored by Sir Ronald Cohen, the pioneer of social investment, who delivered the keynote speech about the concept, opportunities, and challenges in international social enterprise investment. This program has broadened society’s perspective in solving social and environmental problems through social investment in Thailand.

SET also arranged the “**Social Impact Initiatives**” program, designed for listed companies to motivate them to concretely apply social impact investment concepts in their corporate social responsibility (CSR) programs. In 2015, there were 21 listed companies participated in the program.

A win-win strategy

SET systematically sets strategies to promote social impact investment for listed companies, for example, SET creates an atmosphere suitable for social impact investment, continuously encouraging social impact investment, while reflecting the benefits and value added of social investment. SET inspires listed companies to initiate social impact investments, such as becoming business partners with social enterprises and collaborating with social entrepreneurs in innovation development.



Promotional tools and channels for social impact investment

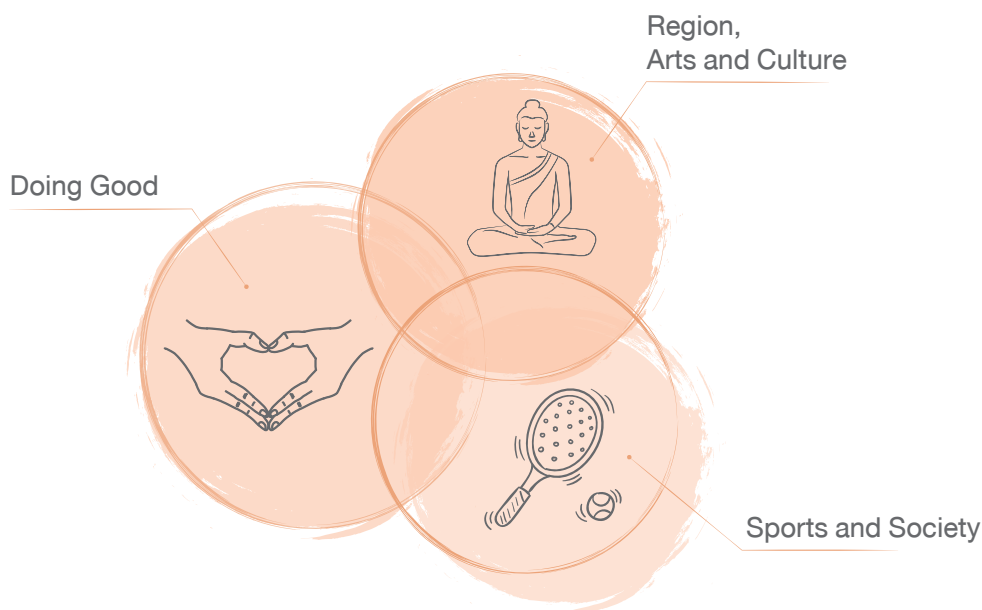
To promote social impact investment and networking among listed companies and the public, SET has prepared media to show companies how supporting a social enterprise can benefit society. In preparing informative infographics, motion graphics and videos complete with case studies, SET has helped Creativemove, a media production social enterprise, to grow. These materials have been posted on SET website and social media.

SET cooperated with nine Thai social enterprises to arrange a “**SET for SE Market**” booth in the “Money Expo 2015” event to share social impact investment awareness, knowledge, insights among social entrepreneurs and the private sector. Furthermore, SET is also a hub to connect the social sector, listed companies and social enterprises for them to explore how to develop social impact investment in Thailand.



Promoting “Doing Good” in a Sustainable Manner

SET promotes sustainable improvements in the quality of life for Thais. Thus, SET established the “**SET Foundation**” in 2006 to support activities and projects that help improve the quality of life and a sustainable society, covering three areas:



Recognizing role models for society

The SET Foundation recognizes people who have made outstanding social contributions. Since 2007, the SET Foundation has promoted role models to inspire Thais to participate in creating a quality society in seven fields. The Foundation work through seven organizations: Library development: The Thai Library Association; Education development: Professor Sangvien Indaravijaya Foundation; Rural development: the Population and Community Development Association; Music: the Sugree Charoensook Foundation; Sports: The Football History Association of Thailand; Urban development: the Vimuttayalaya Foundation; and prevention of narcotic drug addition: the Duang Prateep Foundation.



In 2015, the SET Foundation granted awards to nine persons and organizations. The awards included grants to extend their social activities.

The SET Foundation also cooperated with these seven organizations, including following up on and expanding their activities to assure that each program provided social benefits and self-reliability. Today, there are 20 active projects, such as those which strengthen sub-district's potential, promote a saving society to make an honest living, or promote a learning center for agriculturists in the northeast of Thailand.



Case study

'Super Tambon' project

Super Tambon is a project to enhance the potential of local communities and leaders. It is a school-based, integrated rural development program to create learning and empowerment from local wisdom. To greatly benefit the communities, the project, for example, initiated cooperation between local rice producers in Kok Klang subdistrict, Buriram province, and the solar power for community water management. These learning processes are models of community empowerment all over Thailand.

Religion, arts and culture

The SET Foundation realizes that religion, arts and culture are important to improve spiritual strength and a positive attitude, which can develop personal ethics and thus improve the quality of life.

Religion

The SET Foundation encourages staff to participate in religious activities, such as monthly offerings to Buddhist monks, and annual Kathin (presentation of robes to monks) ceremonies. SET also encourages staff and their families to attend meditation programs, which train attendees to keep their minds calm and balanced. These activities can lead to a happy and balanced life.

In addition, the SET Foundation also supports the restoration of religious places such as the unity Kathin ceremony at the Buddhist Meditation Center in honor of the 84th anniversary of Rajanagarindra, Chanthaburi province, to fund the building of a meditation center. The Foundation also funded lodging at Cherntawan International Meditation, Chiang Rai province, and promotes dissemination center of Buddhism studies by making offerings to Buddhist monks and novices at Pariyuttham and public Dharma schools.



Arts and culture

The SET Foundation, in cooperation with the College of Music, Mahidol University, has regularly organized “**The SET Youth Musician Competition**” since 1997 to enhance musical potential and provide a platform to demonstrate youths’ talent. This singing contest is open to various singing styles, both Thai and international songs. Some performers show their musical talent by playing national instruments such as from China, India, Myanmar, Cambodia, Laos and from Mon areas, thus promoting various cultural heritages. In 2015, there were more than 400 youth contestants. In addition, “**SET Musical Moment**” concerts are arranged annually at SET to let youth show their talent.





Sports and society

The SET Foundation promotes the health of Thai people and cultivates sportsmanship. These activities can lead to sports careers, pride, and inspiration, which are the fundamentals of the country's development.

Sports development

The SET Foundation realizes that table tennis is a sport that almost everyone can play, and helps practicing movement and anticipation skills which are beneficial to brain development. SET has therefore cooperated with the Table Tennis Association of Thailand to arrange a **“SET Star Junior Table Tennis”** program since 2013. The program is to identify talented youth countrywide to be trained for international competitions. Today, more than 3,200 young athletes have entered the **“SET All Thailand Table Tennis Championships”**, of whom 76 are world-ranked. In addition, the SET Foundation and the International Table Tennis Federation have arranged training for coaches and organizers so that these athletes may development their fullest potential.

The SET Foundation also supported the 22nd ITTF-Asian Table Tennis Championships, the biggest table tennis tournament in Asia. In 2015, more than 1,000 athletes from 36 countries participated in the tournament, which was the largest number ever.

In addition to support at the national level, SET Foundation also encourages staff in the capital market to play table tennis, for their physical and spiritual development and to network. SET hosted the SET Broker Table Tennis Championship 2015 to compete for the HRH Princess Maha Chakri Sirindhorn cup. Part of the proceeds was contributed to The Table Tennis Association of Thailand to train disabled athletes to compete in the Summer Paralympic Games 2016.

Social care

SET Foundation promotes sustainable social development to strengthen society. SET has cooperated with government agencies and private organizations to establish the **“Community Service Workers Fund”** during 2015 and 2016. This fund promotes potential of community leaders and encourages their young generation to make a living in their hometowns. SET has supported several projects such as the “One Tambon, One-company” and “Leadership for Change”.

SET Foundation has worked with the Thai Listed Company Association to develop teaching expertise through the **“Teacher Potential Development”** program since 2013. In 2015, SET Foundation supported the training of 50 teachers from 23 small schools and dream schools of the Office of Basic Education Commission.

In 2015, the massive earthquake, measuring 7.8 on the Richter scale in Nepal, left many people killed or homeless. Consequently, SET donated THB 1 million via the Thai government to help those gravely affected by the strong quake.





Green Landmark *of the Thai Capital Market*

SET is committed to operating business with care for its impact on the environment. SET supports infrastructure and technologies that reduce greenhouse gas emission, and educates SET staff to value resources and use them efficiently and effectively. As a result, all staff will have a sustainable quality of life.

Green Building

SET is an investment center with innovative and advanced technology. As energy and other resources are vital to its demanding business operations, the SET building has been designed for energy-saving and environmental-friendliness in compliance with LEED (Leadership in Energy and Environment Design) standards.

SET uses resource efficiently to reduce environmental impact and add value to the building, as well as enhancing working conditions in the building. This building is one of the seven green building prototypes in Thailand that are in compliance with LEED standards.

Developing green space



Located in the central business district (CBD), near public transportation, including the MRT subway, encouraging employees and visitors to use mass transit instead of personal vehicles.



34*

of the area consists of green area, open space and passageways, facilitating decelerating rainwater flows, and reducing the urban heat island effect



Parking space for eco cars

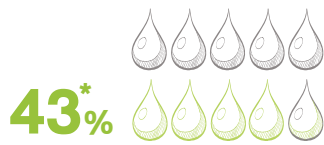


Light controls in the building to reduce light pollution at night

* These measured factors are calculated by a computer simulation program to estimate primary values.



Using water wisely



of water was saved compared to normal consumption



98*

of wastewater was treated and reused in irrigation and cooling towers.

Using electricity efficiently



of electricity was saved compared to normal consumption

- Double glazed window technology was used to reduce external heat.
- Solar energy was used to generate electricity in the car park building.
- Energy saving technology, such as daylight sensors, automatic air condition temperature control, LEDs, were used.

Valuing resources



35*

of construction materials contained recycled materials.



60*

of local materials were made within 800 km of SET, thus reducing environmental impact from transportation.

Indoor air quality



Use of refrigerants lessened environmental and health impact.



over
30*

of fresh air passed the air quality control standard.



Green Technology

SET aims to be a digital exchange by promotion efficiency, energy-saving technology, and minimizing the use of resources. SET enhances business potential, reduces operating cost, and educates staff about efficient energy usage.

Electricity-saving technology

When changing electrical and electronic appliances, SET takes efficiency and energy-saving aspects into consideration. For example, replacing desktop with laptop computers reduces electricity usage by four times. SET also uses other energy-saving technology like daylight sensors, automatic air condition control, or LED bulbs. Visualization and cloud services are used to enhance SET data system, both reducing the maintenance cost of server and saving energy and resources in the computer center.

In addition, some systems are continuously tested by external experts, such as SET's air conditioning, air ventilation and light systems, to ensure the operation's continued effectiveness. The 2015 consumption was equivalent to 7,470 Mt of CO₂e/year, up 19% from 2014, because, starting from July 2015, systems in the SET's new building were tested in preparation for the October 2015 staff move in.

¹ Electricity consumption between July and December 2015



Resource usage reduction technology

“Tools” to support a paperless workplace



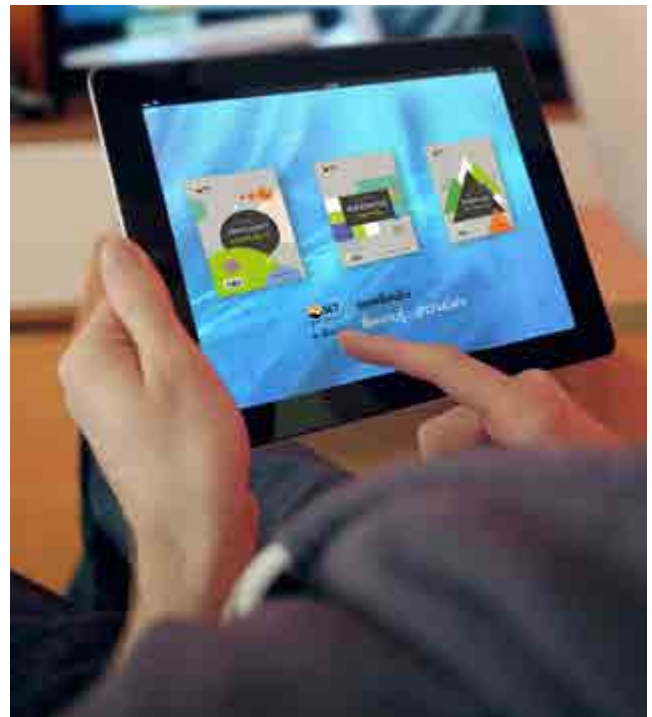
Today, SET uses an average of 5 million paper sheets annually for photo-copying and printing. The integrated devices have therefore been set up, combining printer, facsimile, and scanner.

SET encourages staff to use technology to improve efficiency and reduce resource utilization under the concept “**SET digital workplace**”, such as using electronic files instead of paper printing, tablet loan services for meetings, online registration and data storage in OneDrive for staff. In addition, SET encourages staff to sort out used papers

In addition, SET encourages staff to sort out used papers and undergo the recycle process “**Share2Share**” by Info Zafe, an SCG paper subsidiary. In 2015, SET proceeded used paper to recycle process for 43 Mt, equivalent to 11 Mt of CO₂e/year.

Fuel usage reduction

SET encourages environmental-friendly cars, particularly those used for SET business activities, such as eco cars, and hybrid cars. SET educates its staff and executives to design travel plans that reduce pollution and carbon dioxide release. In 2015, SET consumed transportation fuel of 75,577 liters, and released greenhouse gases equivalent to 169 Mt CO₂e/year, a 3% reduction from 2014.





Efficient water management

SET emphasizes effective water management, and has chosen water-saving devices such as sanitary ware, faucets, and showerheads, using 43% less water than before. SET has a rainwater catchment system that reduces the rainwater flow rate from green areas by 25%. In addition, wastewater treatment technology reduces wastewater release by 98%, as wastewater is treated and used in cooling towers and for watering plants. In 2015, SET used 71,137 m³ of water, equivalent to 1.88 Mt CO₂e/year: 61,194 m³ at its old building and 9,943 m³ at its new building¹⁶.

Promoting environmental concerns

SET educates its staff to contribute to environment conservation and consume resources effectively such as how to discard used toilet papers, use both side of a sheet of paper, use of cane paper instead of Styrofoam, minimize usage of plastic water bottles in meetings, and use bicycles and public transport. SET encourages staff to separate waste through the event the **“Cabinet and the Paper”**, which educated staff to be responsible for confidential information and proper paper sorting.

SET also encourages **“green procurement”**, avoiding materials that consist of harmful substances and pollutants, such as volatile organic compounds (VOCs) and formaldehyde. SET promotes using green label products, particularly consumables such as paper, toilet paper, and cleaning products, and includes the use of green technology.



¹⁶ Water consumption record between October and December 2015

SET Sustainability Performance Summary

	Unit	2013	2014	2015
Market growth				
Market capitalization	THB billion	11,674.13	14,239.36	12,606.23
Average daily trading volume	THB billion	50.33	45.47	44.00
Number of investors participating in Investor Classroom programs	persons	n/a	15,005	27,574
Number of investors participating in financial planning for retirement programs	persons	n/a	136,797	172,136
Number of participants sitting IC exams	persons	n/a	46,344	69,541

Sustainability management				
Ratio of male and female in the SET Board of Governors (BoG)	male : female	8 : 3	8 : 3	8 : 3
Average attendance ratio at BoG meetings	percentage	93	96	91
Number of complaints and reports of misconduct	cases	0	0	0

Employees				
Number of employees	persons	726	728	718
Employment rate by gender	male : female	31 : 69	30 : 70	31 : 69
Employee turnover rate	percentage	7.4	7	6
Average employee training per year	man-days	3.6	3.7	5.4
Average employee engagement score	out of 5 points	4.36	4.33	4.43

Social concerns				
Number of youth participating in financial literacy programs ¹	persons	n/a	10,289	11,674
Budget allocated to social impact investment projects	THB million	n/a	n/a	3.5
Budget allocated to SET Foundation's social development programs	THB million	71.9	58.6	80.7

Environmental concerns				
Greenhouse gas emission	tons of CO ₂ e/year	n/a	6,250	n/a
Power usage	kilowatt	10,778,000	10,733,000	13,315,300
Water usage	cubic meters	67,873	58,916	71,137
Fuel used for domestic travel	liters	83,854	77,669	75,577
Paper recycled	tons	11	28	43
Paper usage reduced	tons	n/a	21	n/a

¹ The Diamond Crown Economics Competition and Young Financial Star (YFS) project

Highlights: 2015

SET Sustainable Stock Exchange



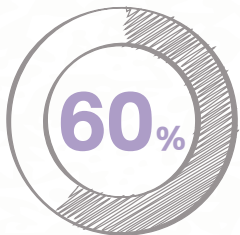
Market growth



The highest number of listed companies in Dow Jones Sustainability Indices (DJSI), a total of 13 companies.

1st

The highest average score of ASEAN CG Scorecard 2015 for 4 consecutive years



The average score of 100 listed companies participating in the sustainability assessment



The number of listed companies selected for the Thailand Sustainability Investment list

51



10

SET ICs in universities nationwide

Number of views of seminars or training in online Investor Classroom program

3.3

 million


172,136

 persons

Number of participants in financial planning for retirement programs



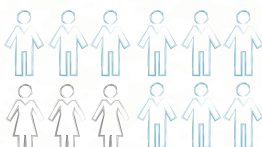
69,541

 persons

Number of participants sitting IC exams, a 50% increase from 2014



Sustainability management



9 : 3

The ratio of males and females on the SET Board of Governors

The number of complaints about corruption and violation of SET's Code of Conduct

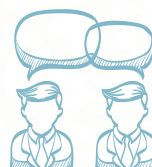


cases



Digital Exchange

SET developed information technology to support comprehensive investment.



91%

Average attendance ratio at BoG meetings



Employees

718

The number of SET employees



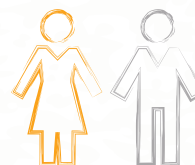
4%

Ratio of newly-hired SET employees



Employer of choice

Has carefully thought about creating an environment where people want to work and have long-lasting careers.



69 : 31

Ratio of female to male employees

5.4

Average training man-days



4.34

Average engagement score of employees (out of 5)



6%

Turnover rate of SET employees



Social concerns



57,905 persons

The number of youth participating in the Young Financial Star Competition (YFS) program since 2003



THB **3.5** million

Allocated to social impact investment projects



THB **80.7** million

Allocated to SET Foundation's social development programs



23,948 persons

The number of youth participating in the Diamond Crown Economics competition since 2009



Environmental concerns

Green Building

SET's new building is the green landmark of Thai capital market

3%

Fuel consumption reduction



43 tons

The quantity of paper recycled



Green Technology

Supporting a paperless workplace

GRI G4 Content Index

GRI indicators	Disclosure Requirements	Page or Link	Omission(s) and Remark(s)
GENERAL STANDARD DISCLOSURES			
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	6-9	
G4-2	Provide a description of key impacts, risks, and opportunities.	3,49-51	
ORGANIZATIONAL PROFILE			
G4-3	Report the name of the organization.	back cover	
G4-4	Report the primary brands, products, and services.	14-15	
G4-5	Report the location of the organization's headquarters.	12	
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.	12	
G4-7	Report the nature of ownership and legal form.	12	
G4-8	Report the market served	14-15	
G4-9	Report the scale of the organization.	12-13	
G4-10	Report the total number of permanent employees by employment type and gender.	59	
G4-11	Report the percentage of total employees covered by collective bargaining agreements	63	
G4-12	Describe the organization's supply chain.	21	
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: Changes in the location	9	
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	49-51	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	22-23	
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations.	11	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents.	14	External assurance : No
G4-18	Explain how the organization has implemented the Reporting Principles for Defining Report Content.	18	External assurance : No
G4-19	List all the material aspects identified in the process for defining report content.	18	External assurance : No
G4-20	For each material aspects, report the aspect boundary within the organization.	19	External assurance : No
G4-21	For each material aspects, report the aspect boundary outside the organization.	19	External assurance : No
G4-22	Report the effect of any restatements of information provided in previous report, and the reasons for such restatements.	19	External assurance : No
G4-23	Report significant changes from previous reporting periods in the scope and aspect boundaries.	19	External assurance : No

GRI indicators	Disclosure Requirements	Page or Link	Omission(s) and Remark(s)
----------------	-------------------------	--------------	---------------------------

STAKEHOLDER ENGAGEMENT

G4-24	Provide a list of stakeholder groups engaged by the organization.	16	External assurance : No
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	16	External assurance : No
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.	17	External assurance : No
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.	17	External assurance : No

REPORT PROFILE

G4-28	Reporting period (such as fiscal or calendar year) for information provided.	18	
G4-29	Date of most recent previous report	http://www.set.or.th/en/about/annual/sd_report_p1.html	
G4-30	Reporting cycle (such as annual, biennial).	18	
G4-31	Provide the contact point for questions regarding the report or its contents.	19	
G4-32	Report the GRI Content Index for the chosen option.	18	

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.	45-47	
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.	47	
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.	http://www.set.or.th/en/about/overview/organization_p2.html	
G4-38	Report the composition of the highest governance body and its committees.	45	
G4-37	Report process for consultation between stakeholder and the highest governance body on economic, environment and social topics.	48	
G4-39	Report whether the Chair of the highest governance body is also an executive officer	45	
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.	45	
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.	51	

GRI indicators	Disclosure Requirements	Page or Link	Omission(s) and Remark(s)
GOVERNANCE			
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.	45, 47	
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environment and social topics	46	
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.	46	
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.	49	
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.	49-51	
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	49	
G4-49	Report the process for communicating critical concerns to the highest governance body.	45	
G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism (s) used to address and resolve them	45-47	
G4-51	Report the remuneration policies for the highest governance body and senior executives.	Annual Report 2015 (P. 70)	
G4-53	Report how stakeholders' view are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	-	It is not applicable
G4-54	Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country.	-	The information is confidential.
G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	-	The information is confidential.

GRI indicators	Disclosure Requirements	Page or Link	Omission(s) and Remark(s)
----------------	-------------------------	--------------	---------------------------

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.	47	
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	47	
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.	47	

SPECIFIC STANDARD DISCLOSURES

CATEGORY: ECONOMIC

ASPECT: ECONOMIC PERFORMANCE

G4-EC1	Direct economic value generated and distributed	26	
--------	---	----	--

ASPECT: INDIRECT ECONOMIC IMPACTS

G4-DMA	Generic Disclosures on Management Approach.	26	
G4-EC7	Development and impact of infrastructure investments and services supported.	52-53	
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	26, 32	

ASPECT: PROCUREMENT PRACTICES

G4-DMA	Generic Disclosures on Management Approach	55	The data will be available in 2016
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	n/a	The data will be available in 2016

CATEGORY: ENVIRONMENTAL

ASPECT: ENERGY

G4-DMA	Generic Disclosures on Management Approach.	76, 78	
G4-EN3	Energy consumption within the organization	78	
G4-EN6	Reduction of energy consumption.	78	
G4-EN7	Reductions in energy requirements of products and services.	78	

ASPECT: WATER

G4-DMA	Generic Disclosures on Management Approach	80	
G4-EN8	Total water withdrawal by source.	80	
G4-EN10	Percentage and total volume of water recycled and reused.	n/a	The data will be available in 2016

GRI indicators	Disclosure Requirements	Page or Link	Omission(s) and Remark(s)
ASPECT: EMISSIONS			
G4-DMA	Generic Disclosures on Management Approach	76-80	
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	n/a	The data will be available in 2016
G4-EN19	Reduction of greenhouse gas (GHG) emissions	n/a	The data will be available in 2016
ASPECT: PRODUCTS AND SERVICES			
G4-DMA	Generic Disclosures on Management Approach.	78-79	
G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	78-79	
ASPECT: OVERALL			
G4-EN31	Total environmental protection expenditures and investments by type.	76-80	
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT			
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	n/a	The suppliers are screened using environmental criteria, will be reported in the next year
CATEGORY: SOCIAL			
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK			
ASPECT: EMPLOYMENT			
G4-DMA	Generic Disclosures on Management Approach.	58	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	58,63	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	63	
G4-LA3	Return to work and retention rates after parental leave, by gender	63	
ASPECT: OCCUPATIONAL HEALTH AND SAFETY			
G4-DMA	Generic Disclosures on Management Approach.	n/a	The data will be available in 2016
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	n/a	The data will be available in 2016
ASPECT: TRAINING AND EDUCATION			
G4-DMA	Generic Disclosures on Management Approach.	61	
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	61	
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY			
G4-DMA	Generic Disclosures on Management Approach	58-59	
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.	59	

GRI indicators	Disclosure Requirements	Page or Link	Omission(s) and Remark(s)
ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN			
G4-DMA	Generic Disclosures on Management Approach.	63	
ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES			
G4-DMA	Generic Disclosures on Management Approach	55	
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	n/a	The data will be available in 2016
SUB-CATEGORY: HUMAN RIGHTS			
ASPECT: NON-DISCRIMINATION			
G4-DMA	Generic Disclosures on Management Approach.	58	
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	n/a	The data will be available in 2016
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.	n/a	The data will be available in 2016
ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT			
G4-DMA	Generic Disclosures on Management Approach.	55	
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	n/a	The suppliers are screened using human rights criteria, will be reported in the next year.
SUB-CATEGORY: SOCIETY			
ASPECT: LOCAL COMMUNITIES			
G4-DMA	Generic Disclosures on Management Approach.	66-68,70	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	66-73	
G4-SO2	Operations with significant actual and potential negative impacts on local communities.	66-73	
ASPECT: ANTI-CORRUPTION			
G4-DMA	Generic Disclosures on Management Approach.	48	
G4-SO4	Communication and training on anti-corruption policies and procedures.	48	
ASPECT: ANTI-COMPETITIVE BEHAVIOR			
G4-DMA	Generic Disclosures on Management Approach.	55	
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	55	
SUB-CATEGORY: PRODUCT RESPONSIBILITY			
ASPECT: PRODUCT AND SERVICE LABELING			
G4-PR3	Report whether the following product and service information is required by the organization's procedures for product and service information and labeling.	14-15	
G4-PR6	Report how the organization has responded to questions or concerns regarding these products.	17,38	

Linking the SDGs and GRI

The following table links the Sustainable Development Goals (SDGs) to the indicators in the GRI G4 Sustainability Reporting Guidelines and Sector Disclosures.

SDGs		Business Theme	GRI Indicators	Page(s)
Goal 5	Achieve gender equality and empower all women and girls.	Equal remuneration for women and men.	G4-EC5, G4-LA13	63
		Gender equality.	G4-LA1, G4-LA9, G4-LA11, G4-LA12	74-75
		Non-discrimination.	G4-HR3	58
		Parental leave.	G4-LA3	63
		Women in leadership.	G4-38, G4-40, G4-LA12	8
Goal 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Changing the productivity of organizations, sectors, or the whole economy.	G4-EC8	9
		Diversity and equal opportunity.	G4-LA12	36-38
		Economic performance.	G4-EC1	13
		Employee training and education.	G4-LA9	61
		Employment.	G4-10, G4-EC6, G4-LA1	58
		Energy efficiency	G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN7	78
		Indirect impact on job creation.	G4-EC8	26
		Labor practices in the supply chain.	G4-LA14 and G4-LA15	55
		Non-discrimination.	G4-HR3	58
		Parental leave.	G4-LA3	63
		Resource efficiency of products and services.	G4-EN27	78-79

SDGs		Business Theme	GRI Indicators	Page(s)
Goal 10	Reduce inequality within and among countries.	Foreign direct investment	G4-EC8	21
		Responsible finance	FS10, FS11, former FS1, former FS2, former FS3, former FS4, former FS5, former FS9, former FS15	32
Goal 12	Ensure sustainable consumption and production patterns	Developing sustainability indices	G4-PR3	32
		Providing ESG reporting and training	G4-PR3	31
Goal 13	Take urgent action to combat climate change and its impacts.	Energy efficiency.	G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN7	78
		Environmental investments.	G4-EN31	76-80
		GHG emissions.	G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19, G4-EN27, G4-EN30	76-80

SDGs		Business Theme	GRI Indicators	Page(s)
Goal 16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Anti-corruption.	G4-SO3, G4-SO4, G4-SO5, G4-SO6	48
		Compliance with laws and regulations.	G4-EN29, G4-SO7, G4-SO8,	51
		Effective, accountable and transparent governance.	G4-39, G4-41	44-47
		Inclusive decision making.	G4-37, G4-38, G4-40, G4-45, G4-53	45
		Non-discrimination.	G4-HR3	58
Goal 17	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Enhancing the dialogue by joining SSE.	G4-EC8	11



The Stock Exchange of Thailand cares about the enviroment,
by using eco-friendly paper and soy inks to reduce carbon dioxide emission.



Reduce using
7 Woods



Carbon Dioxide
uptake 1 Tons



Water saving
1,554 Liters



Steam saving
0 Tons



Power saving
36 Units

