

3) Equitable Treatment among Shareholders

The Company shall be responsible for equitable and fair treatment to all shareholders, including minor shareholders and foreign shareholders. The rights of all minor shareholders shall be protected from direct and indirect exploitation from the shareholders who have controlling power in order to ensure equitable treatment to shareholders and protection of basic rights of all shareholders.

3.1 Nomination for Director Position

The appropriate process shall be set up to allow minor shareholders to nominate the person together with supporting information for consideration and consent of the nominee to assume the director office to the Chairman of the Board in advance prior to the Shareholders' Meeting. The Company shall also set up the process which ensures the minor shareholders to enable to elect independent directors for benefit supervision in lieu of them. In considering and selecting every director of the Company, the nominee must be given consent by the Meeting of the Board of Directors and/or the Meeting of Shareholders as the case may be.

In the 2017 Annual General Shareholders' Meeting, the Company gave the shareholders the opportunity to nominate a person whom they considered to be appropriately qualified, knowledgeable and competent as the representative to perform the duty of the Company's director in advance, starting from September 15, 2016 to December 30, 2016. The Company announced to the Stock Exchange of Thailand and publicized on the Company's website (www.pruksa.com under Topic of "Investor Relations").

3.2 Shareholders' Meeting

3.2.1 The Authorization of Other Person to Attend and Vote at the Shareholders' Meeting in Replacement by One-Share-One-Vote Rule

In the event where any shareholder is unable to attend the meeting, the Company shall facilitate by sending both Proxy Form B and Proxy Form C together with the meeting invitation letter which specifies documents/evidences as well as suggestions, and authorization procedure, to ensure that the shareholders can accurately and completely prepare them and to avoid any problems concerning meeting attendance of the proxy. The shareholder can authorize other person to attend the meeting and vote in lieu of him/her under one-share-one-vote rule by filling up the Proxy Form according to the guideline as described in details about authorization procedure delivered by the Company together with the meeting invitation notice. The procedure contains simple condition for authorization to other person for meeting attendance in lieu of the shareholder. In addition, the shareholder can download Proxy Form B and Proxy Form C from the Company's website www.pruksa.com under Topic of "Investor Relations/ Shareholders' Meeting".

3.2.2 Delivery of Meeting Invitation Letter

Under the Company's Articles of Association, it specifies that meeting invitation letter shall be delivered to the shareholders at least 7 days in advance prior to the shareholders' meeting. However, in practice, the Company formulated the policy for delivery of meeting invitation notice together with meeting documentations both in Thai Language and English Language to Thai and foreign shareholders at least 14 days in advance prior to the Shareholders' Meeting. The delivery of the meeting invitation letter may be changed depending on situation and preparedness in each year but not later than period prescribed by law and Articles of Association of the Company so as to allow the shareholders to have period of time for consideration on the meeting agenda and issues which will be proposed to the meeting together with adequate details for use in decision support. Each issue shall clearly specify that it is the issue which will be proposed for acknowledgment, for approval, or for consideration as the case may be, including opinion of the relevant sub-committees in that agenda, and opinions of the Board of Directors in the said issue.

3.3 Financial Assistance Transaction

In 2017, the Company did not have any related transactions in the nature of financial assistance such as granting loan and credit guarantee to its non-subsidiary companies. Moreover, the Company did not grant loan or credit guarantee according to the shareholding proportion in accordance with the joint venture agreement.

3.4 Confidentiality, Information Storage and Use of Inside Information

The Company formulated the written policy for confidentiality, information storage and use of inside information. Such policy has regularly been communicated and strictly observed among the directors, executives and employees within the organization. In addition, the Company also set up measures to ensure that such policy is acknowledged and complied with. CG Day event organizing is determined to give all directors, executives and employees the chance to study, learn and endeavor to grasp the Company's Code of Conduct including the said policy, and also observe as principle and practical guideline for maximum benefit of the Company and every group of stakeholders throughout their service duration, and sign for ratification by all members of the Company.

Policy on Prevention of the Use of Inside Information

The confidential information refers to information which is not public information or information that, if disclosed to the public or possessed by the competitors, can adversely affect the Company, including all types of information given to the Company by business partners and customers.

- (1) The Company shall set up level of information secrecy and confidentiality practice. Important documents and information that are confidential must be supervised with specific procedure determined in each level, type or category of the information.
- (2) The Company shall safeguard and maintain confidentiality of customer privacy and trade information and must not disclose it to the employees of the Company or unrelated external parties, unless required by law for legal cases or approved by the Board of Directors.
- (3) In employing a person who used to work with a trade competitor or the Government, the Company must search for and study the confidentiality agreements of which the candidate has never entered with the trade competitor or the Government before the Company, and must not perform any act to assign the said person to perform the act which is breach of the agreement with the trade competitor or the Government subsequently causing litigation and action on the case.

3.5 Entering Related Transactions

In the event where the Company must enter into related transactions within the scope requiring information disclosure or approval request from the shareholders in accordance with the requirement of Stock Exchange of Thailand prior to performing such transaction, the Company has a policy for disclosure of clear information related to names and relationship of related persons, including policy for determination of transaction price and value, opinions of the Audit Committee and the Board of Directors related to the said transaction, to the shareholders through the channel of the Stock of Exchange of Thailand. All of the said related transactions must be performed by fair and at arms' length price under usual business and commerce. In last 2017, the Company did not enter into any related transactions that violated and/or breached the rules and regulations of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission. In addition, the Company's business group structure did not perform any related transactions in the nature that causes conflict of interests. It is to say that upon consideration on level of transaction performing whether in revenue and expense; it shall be less than 25% without exceptions.

3.6 Connected Transactions in 2017

In last 2017, the Company entered into three transactions with the connected persons under the following details.

Person who may have conflict of interests	Relationship with the Company	Nature of Transaction and Necessity	Value of Connected Transaction (Million Baht)	Price and Details
Transaction No. 1. Mr.Thongma Vijitpongpun	Director of the Company	The Company leased space in Laksi Plaza Building, 10 th Floor, which is owned by Mr.Thongma Vijitpongpun to be used as the central training center.	2.9	Lease and Service Agreement of 425.68 square meter area, effective from October 1, 2013 to September 30, 2015 and renewed the Agreement to November 2017 in monthly rate of Baht 268,148. Such rental and service fees are at the rates comparable to market rates and under conditions that are indifferent from the agreement entered by the Company with the third party. The rate of rental and service fees were compared with the rates of which the Company has leased with other lesser.
Transaction No. 2. Mr.Thongma Vijitpongpun	Director of the Company	Kaysorn Construction Co., Ltd. purchased the plot of land at Phatthanakan 32 since at present, the nature of this plot of land is another route of entrance which is very useful for customers in the group of Phattanakan Projects	2.0	The plot of land at Phatthanakan 32 in the area of 0-1-55 rai was purchased in the amount of Baht 1,998,381.25 (including tax and transfer fee) from Mr.Thongma Vijitpongpun whereas the appraisal price is Baht 3,797,500 since at present, the nature of this plot of land is another route of entrance which is very useful for customers in the group of Phattanakan Projects. The said transaction was considered as connected transaction which is the transaction related to asset and service. The size of the said transaction is less than 0.03% of net tangible asset value which is under the approval power of the Management.
Transaction No. 3. TCT Company Limited (shares are held by Mr.Thongma Vijitpongpun)	Director of the Company	Pruksa and the Group of Companies leased space in Pearl Bangkok Building which is owned by TCT Company Limited, to be office building	56.8	Lease and Service Agreement of 18,362 square meter area for 3 years term of the agreement is effective from November 2016 to October 31, 2020. Such rental and service fees are the rates similar to market rates and under conditions that are indifferent from the agreement entered by the Company with the third party. The rates of rental and service fees were compared with the rates of which the Company has leased with other lesser.