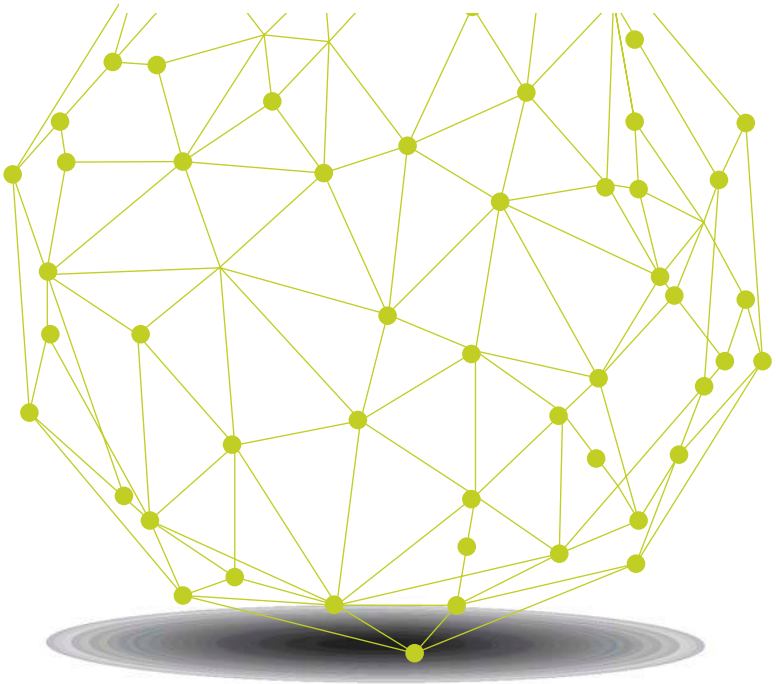
THAICOM



CONNECTING THE FUTURE

Sustainability Report 2014
Thaicom Public Company Limited





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CONNECTING THE FUTURE

Thaicom is focused on becoming an international leader in providing total satellite communication solutions through new innovations in business, technology and service. Such innovation will drive the value of the satellite business and push forward communications capabilities globally, and provide world-class benefits to society.

Thaicom not only aims to develop the value of its business; the Company is also committed to contributing benefits to society and the satellite industry through a strategy of sustainable development in all areas, including the organization, business, economics, education, society and community. This will be achieved by connecting all areas into a network that will capitalize on the individual strengths to develop a solid foundation from which all can grow together, sustainably.

Management Messages

Message from Chairman of the Board of Directors



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...ccess to education...
...y feel that if
...education system
...nd well-rounded,
...ate a society that is
...rant and unified.

Thaicom Public Company Limited's business activities and services have far-reaching implications for the development of the nation, particularly when it comes to providing telecommunications services via satellite and the Company's social responsibility activities. It is essential then that Thaicom operates its businesses with efficiency and with a concern for sustainable development across several different areas, from setting the direction for developments in telecommunications, to ensuring the security of the nation. Thaicom believes that its activities are an important mechanism in promoting the economic growth and social development of the nation.

In 2014, the Company implemented and continued its assistance of several projects to support educational development with a focus on creating shared value for the communities and the Company. The activities included the provision of more than 3,000 satellite TV reception dishes under the "Thai Kids Thaicom" project, to schools in rural and difficult to access areas so that students in these schools will have greater opportunities to access distance learning materials created and broadcast by the Klai Kangwon School. These programs supplement, and in some instances are the only source of education for students in areas where teacher resources are lacking. It is estimated that more than 600,000 people will benefit from this project. At the same time, the Company is also promoting the establishment of a science and space technology and engineering knowledge base. The Company has organized events and joined activities with partners from many different areas to achieve these goals, including its cooperation with the Ministry of Education to install satellite dishes, and the Company's role in bringing the world-class NASA - A HUMAN ADVENTURE to Thailand. This large, international exhibition serves to inspire children and youth, as learning comes through hands-on experience and by doing. The Company also provided several volunteer engineers to help explain exhibits to interested visitors.

Throughout its nearly quarter-century history, Thaicom has consistently promoted access to education, and as a result, in today's digital economy and the launch of the Asean Economic Community (AEC) in this year, the Company has focused its efforts on creating innovations in business and technology, created a knowledge base, and used its expertise and resources to develop and improve the satellite and communications sectors. These activities allow the Company to provide equal opportunities for access to education, and in particular, access to distance education through satellite broadcasts, by maximizing the Company's capabilities and strengths. We strongly feel that if Thailand's education system is strong and well-rounded, we will create a society that is strong, tolerant and unified.

Thaicom is certain that it can play an important role in the education and development of knowledgeable and skilled people who will employ and adapt their learning to different situations and conditions to improve their standard of living and personal happiness. The Company therefore aims to provide opportunities to students in schools in rural and difficult to reach areas, to access distance education through satellite broadcasts. This includes schools located in border regions, schools operated by the Border Patrol Police, and schools that experience a shortage of teachers. In cooperation with different organizations and government entities, the Company has also established a network to ensure that the necessary equipment is installed and maintained to provide education via satellite. This covers the initial installation of equipment, maintenance, and additional installations at existing locations, of satellite receiver dishes and related equipment. The provision of these services and equipment is part of the Company's long-term development and social development strategy, as social and economic growth of communities and the nation will also support the continued growth of the Company.

In addition to its activities related to education, the Company also constantly strives to keep abreast of new developments in the technology sectors related to its business operations to ensure that it can continue to provide timely, efficient and leading-edge services to its customers, particularly in this era of a digital economy. As part of its innovations to provide customers with the latest in communications services, the Company has developed multi-screen solutions that answer the need for simultaneous access to several sources and levels of data as well as 'anywhere, anytime' connectivity. What's more, for students, as well as people requiring access to knowledge regardless of format, space or time, the Company is focusing on developing innovations in satellite communications technology and digital networks to serve the lifestyle needs of people in today and tomorrow's society. Related developments implemented by the Company focus on environmental protection and resource management. Solutions such as the Company's Content Delivery Network help to reduce the necessity for transportation and the burning of fossil fuels when delivering contents from one location to another through satellite communications.

Thaicom has set a course for connecting the future through the creation of opportunities, development of technology and the promotion of people and skills development to ensure positive change and improvement for society and the nation. Thaicom will continue to support the children, youth and people of Thailand through the provision of access to education services and learning opportunities. In this age of digital technology, it is essential that all citizens, whether young or old, have access to education and information to ensure strong and stable growth for society and the country, and Thaicom is proud to be able to play a role in ensuring that Thailand will continue to develop in a strong and sustainable manner.



Paron Israsena

Chairman of the Board of Directors

Message from the Chairman of the Sustainable Development Committee



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as the Company continues
grow, together, with the
mmunities in which we
duct our activities.

In 2014, Thaicom entered many new territories and launched several new innovations in line with the Company's business directions and intention to operate from a strong foundation in a sustainable manner to achieve the Company's goal of becoming a leading Asian satellite operator. The Company focused on developing its operational efficiency through a framework that consists of 4 distinct areas, namely: innovation, accessibility to communication, responsibility for quality and content, and adherence to good corporate governance principles. These four areas cover not only the Company's business operations, but also the Company's activities to support external educational activities that will benefit the economy, society, and the environment. It is on this basis that the Company will engage all its stakeholders as it undertakes its mission to achieve sustainable development at all levels.

As part of the Company's strategy to develop and ensure sustainability, the company is focused on improving efficiency at all levels of the organization. The effectiveness of these activities is monitored and reviewed regularly.

In the area of innovation, the Company has several different projects in areas as diverse as marketing, finance, and technology. The introduction of wi-fi on the plane and the issuance of bonds to finance the THAICOM 7 satellite project are only two of the innovative ways in which the Company is utilizing new technologies and financial cost-reduction strategies to improve the Company's operations.

When we speak of providing access to communications services and ensuring content quality, Thaicom can proudly say that is has been able to provide uninterrupted services to business operators as well as end users in more than 120 countries around the world. More details about these services will be discussed later in this report.

To ensure that the Company's strong growth is of a truly sustainable nature, the Company's Management consistently supports activities that reinforce the message of operating our business in accordance to corporate governance best practice in all facets of our operations.

In 2015, Thaicom implemented a policy to develop and improve its internal work processes while at the same time looking after the communities in which we have active operations under Connecting the Future direction as we prepare to work together to ensure that both the Company and the communities grow strong and continue to develop in a sustainable manner. As part of this commitment, the Company will implement a strategy that calls for creating the greatest benefit and reducing the negative impacts of our operations for stakeholders at all levels, and in particular at the economic, social and environmental levels.

In the past year the Company has hired local village or community-level technicians to install satellite TV receiver dishes throughout the country to provide access to a sufficient amount of quality television programming in those communities, and in this manner has provided work and income to people in those communities. The installation of the dishes has also supported accessibility to educational programming broadcast through the Thaicom satellites, by making the programming available to schools within these communities. Other activities under the Company's "Thai Kids Thaicom" project have included creating school networks to allow for the exchange of knowledge and ideas among schools, provision of classroom facilities, as well as the sponsorship of the travel NASA exhibition, NASA - A HUMAN ADVENTURE.

Protecting the environment is important to Thaicom, and the Company constantly tries to find innovative new ways of helping our planet. One such solution was the introduction of the Company's content delivery network (CDN) whereby large amounts of data can be transferred from one location to another without the need for transporting such information by land or air, thus reducing air pollution inherent in transport logistics. At the internal level, Thaicom's employees participated in the iSAVE project which calls for employees to use resources wisely and efficiently. By consistently promoting awareness, it has become second nature for Thaicom employees to think of the environment and how they can help to conserve energy and protect our dwindling resources. Ultimately, such awareness will form an important part of the Company's long-term sustainable growth.

Careful management of the Company's marketing and finance systems are essential to the Company's future growth, and these are areas in which the Company continues to develop and implement new innovations to consistently improve performance. Through these efforts, we can ensure that the Company's performance provides the highest benefits to the Company's stakeholders and the national economy.

All these various activities described above will help Thaicom to achieve its goal of sustainable growth and development. The Company's Sustainable Development Committee and the Sustainable Development Working Group take their responsibilities very seriously in developing and implementing a strategic framework that sets a clear and quantifiable goal for corporate sustainable development. Reports are made regularly to the Company's Board of Directors for its review, while stakeholders in the Company's operations are regularly reminded of our commitment to create a future and opportunities for all as the Company continues to grow, together, with the communities in which we conduct our activities.



Suphajee Suthumpun

Chairman of the Sustainable Development Committee
Chief Executive Officer and Chairman of the Executive Committee


THAICOM

About Thaicom

Thaicom Public Company Limited is a publicly listed company traded on the Stock Exchange of Thailand under the symbol THCOM. The Company, established on 7 November 1991, is a leader in providing broadcast and broadband satellite communication services.

On 17 December 1991, His Majesty the King Bhumibol Adulyadej officially named the first of the Company's satellites "THAICOM", as a symbol of the linkage between Thailand and modern communications technology. Since its inception, THAICOM has launched 7 satellites of which four are still operational. 2014 may be considered an important year for growth for the Company as it launched 2 satellites in this year, namely THAICOM 6, which was launched on 6 January 2014 (by local time at Florida), and THAICOM 7, which was launched on 7 September 2014. With this fleet expansion, the Company can provide services to Africa, Australia, South Asia, and South East Asia. The Company also has plans to launch THAICOM 8 in 2016.

The Company's strong business fundamentals, combined with state-of-the-art satellite technology, world-class engineers and a professional, experienced management team mean that it is able to provide all-inclusive satellite communications solutions to clients in many different countries and regions around the world, and to provide emergency communications services in times of disaster, both domestically and abroad.

THAICOM 4 (IPSTAR)

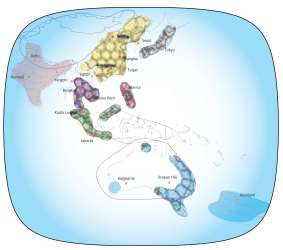
Service Footprint

THAICOM 4 is the world's first broadband satellite and allows for the delivery of cost-effective satellite broadband services anywhere within its footprint area.



THAICOM 4 Specifications

119.5^0	East Orbital Slot
45	Gbps Bandwidth Capacity
84	Spot Beams
7	Broadcast Beams
3	Shaped Beams
15	Years of Service Life



18 Gateways in 14 Countries across Asia Pacific

Gateway
Spot Beams
Shaped Beams
Broadcast Beams
India
China
Japan
Thailand, Cambodia
Philippines
Malaysia, Indonesia
Australia, New Zealand

THAICOM 5

Service Footprint

THAICOM 5 consists of 25 C-band transponders and 14 Ku-band transponders. Global beam coverage on THAICOM 5 covers 4 continents, Asia, Australia, Africa and Europe. The satellite is ideally suited to provide DTH services to Thailand and neighboring countries.



THAICOM 5 Specifications

Manufacturer	Alcatel Alenia Space, France
Orbital Slot	78.5^0 East
Design Life	>12 Years
Attitude Control	3-Axis Stabilized
Launch Mass	2,776 Kg
Launch Date	May 27, 2006
Transponder Capacity:	
C-Band	25 TPE
Ku-Band	15 TPE



C-Band Regional Beam
C-Band Global Beam
Ku-Band Spot Beam for Thailand
Ku-Band Southeast Asia (Mainland)

THAICOM 6 (AFRICOM 1)

Service Footprint

THAICOM 6 / AFRICOM 1, launched in January 2014, consists of 18 C-band transponders and 8 Ku-band transponders.
The satellite provides coverage across Asia and Africa, where it is marketed as AFRICOM 1.
The satellite is co-located with THAICOM 5 at the 78.5 degrees East orbital slot.



THAICOM 6 Specifications

Manufacturer	Orbital Sciences Corporation, USA
Orbital Slot	78.5^0 East
Design Life	15 Years
Attitude Control	3-Axis Stabilized
Launch Mass	<3,325 Kg (7,330 lb.)
Launch Date	2013
Transponder Capacity:	
C-Band	24 TPE
Ku-Band	9 TPE



C-Band Southeast Asia Beam
C-Band Africa Beam
Ku-Band Southeast Asia (Mainland)

THAICOM 7

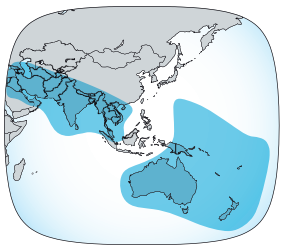
Service Footprint

THAICOM 7, launched in September 2014, consists of 14 C-band transponders which provide coverage to South East Asia and South Asia including Australia and New Zealand.



THAICOM 7 Specifications

Manufacturer	Space Systems Loral , USA
Orbital Slot	120^0 East
Design Life	15 Years
Attitude Control	3-Axis Stabilized
Launch Mass	Approx. 3700 kg
Launch Date	2014
Transponder Capacity:	
C-Band	14 TPE



Thaicom's Business Operations

As one of Asia's leading satellite operators, Thaicom is committed to the development of new innovations and technologies that link communities and create opportunities to ensure a better future for Thailand and the wider Asian region. Thaicom PLC and its subsidiaries have business operations in four main areas, namely: satellite communication services; internet and media services; international telephone services; and telephone directory advertising services.

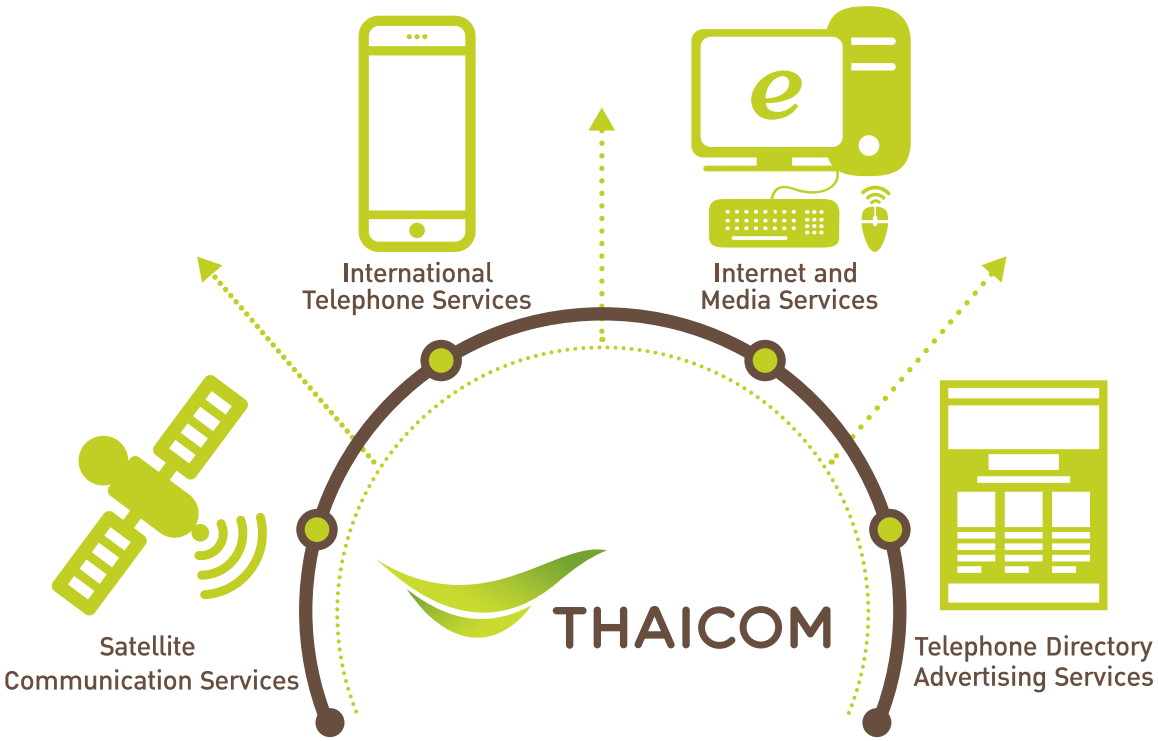
1. Satellite Communication Services: Thaicom is the operator of the National Satellite System project, providing satellite communications services domestically and abroad. The Company acquires and launches satellites to provide satellite transponder leasing services, Direct-to-Home (DTH) television broadcasting services to Asia, Australia, Africa and Europe, television channel distribution services to television station and cable TV service providers, and global digital television and broadband satellite services.

2. Internet and Media Services: Thaicom provides internet and media services through subsidiaries and associated companies. The sale of satellite signal reception equipment, system integration consultancy services for broadband networks, and internet services are offered through DTV Service Co., Ltd., while AD Venture Co., Ltd., provides information and entertainment content development and delivery for mobile networks and web portal services. Internationally, the Company markets satellite signal receiver sets and satellite TV platform services through Cambodian DTV Network Ltd., in Cambodia, and internet services through Lao Telecommunications Co., Ltd., in the Lao PDR.

3. International Telephone Services: The Company provides telephone services through a holding company, Shenington Investments Pte., (SHEN). Shenington invests mainly in telecommunications companies in Lao Telecommunications Co., Ltd., (LTC). LTC provides basic wireless communications services through the CDMA-450 spectrum, and also provides mobile telephone services throughout the Lao PDR.

4. Telephone Directory Advertising Services: The Company provides media services for business through the Yellow Pages Telephone Directory and other media services; telephone subscribers' profiles, call center for general and entertainment information, Online Yellow Pages, and other web-based services.

(For more information about the Company's business operations, please visit our website at www.thaicom.net and download the Annual Report for 2014).



Thaicom Sustainable Development

Vision and Mission toward Sustainability

To launch Thaicom's growth toward sustainable development, it is necessary to change certain existing work methodologies while also promoting an alternative view, away from business as usual to greater awareness of corporate sustainable development. This will ultimately lead to benefits for the Company, the economy, society, and the environment. As part of our progress toward sustainable development, the Company's Sustainable Development Working Group and Board of Directors jointly established the Company's Vision and Mission toward sustainable development as follows:

Vision

Thaicom is a leader in the communications satellite business, and creates opportunities for access to and utilization of the Company's satellites for the sustainable development of the Company and society.

Mission

Thaicom is responsible for operating communications satellites and to create value for all stakeholders. It is the Company's express desire to provide equal and fair opportunities for access to, and the utilization of, the Company's satellite network under normal and crisis situations to support the development of the economy, society and to protect the environment.



Sustainable Development Framework

To ensure that the Company realizes its goal of being a leader in the satellite industry in a sustainable manner, the Company has developed a sustainable development framework that will serve as a guideline to allow the Company to move forward in a sustainable manner in all areas of its operations. The management system guidelines are the result of input from all participants in the Company's Sustainable Development Committee, sourced from all areas of the Company's operations. The guidelines were proposed to the Company's Board of Directors for approval so that the guidelines might then become official company policy on sustainable business development. The policy covers the following four areas:



Corporate Governance

The Company believes that good corporate governance is the cornerstone to ensuring sustainable growth. Management efficiency, transparency and fairness to all stakeholders, are important elements in creating a successful company, and they are elements which all personnel in a company should adhere to, with management giving direction and setting a good example in following the policies of the Company.

Accessibility

The Company constantly strives to improve its products and services to ensure that customers have easy access to high quality products suitable for all members of society. This will also result in the development of a knowledge base, employment opportunities, improved standard of living and the growth and development of communities in tandem with the Company. These goals will be achieved through implementation of the following concepts:

Network Capacity

The Company aims to develop and provide its products and services on a consistent basis to meet the needs and demands of its customers and the changing nature of content consumption through new technologies. This includes the provision of sufficient bandwidth for satellite television broadcasting services, as well as improved broadband network access for customers' internet communications needs. The solutions developed by the Company are aimed at preventing slow-downs or stoppages of our customers' business operations due to a lack of network capacity.

Coverage

To ensure that the Company remains a leader in the satellite communications industry, the Company continues to innovate and work with new technologies to expand its network coverage to include all regions of the globe to provide connectivity on a global basis. This is achieved by keeping in mind the following factors:

- Physical network infrastructure: the Company's communications network infrastructure should efficiently cover all the markets in which it maintains operations







- End User: end users should be able to use existing equipment to connect to and communicate through the Company's network on an anytime, anywhere basis
- Multiple Access: the creation of multiple access points which consumers can use to access a wide variety of services as new technologies are developed. This will lead to social content access liberalization as more channels become available at modest prices.
- National Security: A communication network that can be controlled is essential to maintain national security. The Company is the sole provider of telecommunications services via satellite to Government security agencies in Thailand, to prevent external interference with the country's telecommunications system.



- Disaster Assistance: The Company has in place disaster preparedness and assistance plans to provide urgent communications assistance, both domestically and abroad, should a disaster strike and destroy terrestrial communications systems. The Company's preparations include personnel, equipment and modern technology that can be deployed rapidly when disasters strike.



Content Diversity

The Company supports the development of education opportunities for people throughout the country through broadcasts of quality educational programs via the Company's satellites. Such broadcasts provide both viewers and producers opportunities to choose and produce a wide variety of programs to meet their specific and individual needs. With sufficient capacity available, producers have access to and may become owners of their own tv channels. The Company can assist them in monitoring and controlling their costs so that their program contents can be provided to and viewed by consumers at reasonable prices.

It is through the above mentioned ways of providing accessibility to the Company's products and services that a quality communications network will evolve, consisting of sufficient channels and the requisite transmission and reception hardware to meet the needs of consumers under normal and crisis conditions.

Innovation

To attain the goal of leadership in the satellite industry, the Company continues to develop and learn about new technologies so that these technologies can answer the ever changing needs of our modern societies. Furthermore, the Company's work is aimed at reducing negative environmental impacts through the utilization of the Company's satellite technology. Developments are guided by the following principles:

Product Value

The Company's main business is the provision of satellite transponders for lease. The present business climate in this segment is very competitive. To ensure the Company's long-term viability, therefore, the Company is focusing on creating added value for its products and services, which will lead to new business models that will retain existing customers. Some of these new value-added business models include:

- Managed end-to-end services: The Company must develop and provide products and services that meet the lifestyle needs of service users and clients throughout the entire value chain
- Customer network creation: through greater interaction with customers and end-users, the Company can identify and develop new lifestyle enhancing products and services that meet the needs of customers and end users/. Not only will this create greater customer 'stickiness', but it will also ensure reduced new product introduction risks and a greater chance of product and services adoption.

New Products for Society (Environment Scanning)

In developing and introducing new products, the Company is well aware of the necessity for such products to meet the evolving technological and lifestyle needs of consumers not only today, but into the future. To achieve this goal, the Company carefully monitors three important factors that will influence any new trends:

- Trend Scan: the company monitors new trends and directions so that it can develop products that will be in line with new lifestyle and technology trends
- Industry Scan: the company carefully monitors the world-wide satellite industry to identify new business trends and directions so that it can adapt accordingly
- Customer Scan: the company monitors its customers and consumer behavior so that it can redesign or improve its products and services to meet specific customer needs

Technology Advancement

The Company's new products and services are not only intended to provide for the needs of society, but are also aimed at setting new standards and trends in society that enhance lifestyle and improve the standard of living while at the same time reducing negative impacts on society and the environment

Partnership

The development and improvement of products and services does not depend solely on the Company's actions; instead, the Company aims to provide opportunities for specialists in different areas to join with the Company to develop products and services that are world-class and meet the needs of its customers. Thaicom values its partnerships, and realizes that it cannot operate in a vacuum and expect to be successful.

Packaging

Any new products and services must meet the needs of customers and present them with the latest proven technologies in their respective fields. In marketing such products, it is necessary to identify industry trends and customer needs, so that the products can be compiled and offered as a total solution to their needs. What's more, the Company must communicate clearly the product's benefits and capabilities to create knowledge and understanding, while also gathering feedback from consumers that can be used to further improve the product.

It is through these above mentioned principles and guidelines that the Company will be able to develop and provide quality, technologically advanced and consumer-specific satellite communication services and products in a consistent and sustainable manner.

Responsibility

Corporate responsibility means the acceptance by society that the Company is operating in a socially responsible manner that provides benefits to all stakeholders in a sustainable manner. For Thaicom this means the provision of opportunities for education through the utilization of its satellite products and services. At the same time, it is necessary for the Company to reduce the negative effects its actions may have on the social, environmental and economic conditions of the country. This is achieved through careful human resources management, maintenance of product and service quality, and the provision of quality content.

Human Resources

The Company values its human resources, and as such, the Company has paid close attention to the development and management of its internal human capital, namely its management and staff. At the same time, the Company has also engaged with external communities to develop human resources and to work toward an improved standard of living for people within these communities.



- The development of internal human resources is an important activity to ensure strong and sustainable growth for the Company. At Thaicom, human resources development activities are organized under the 4C concept, namely:

Climate The creation of a clean, comfortable and happy workplace that is conducive to working, and provides employees with a sense of personal safety and security.

Culture The creation of a corporate culture that is based on the company's core 'EPIC' values: E - Excellence, P - Passion, I - Innovation, C - Contribution

Career To provide proper and suitable remuneration to employees and equal employment opportunities, while also offering opportunities for personal and career advancement

Capability To develop the capabilities of employees through the provision of additional training and learning opportunities

- The development of external human resources is another important activity for the Company, and encompasses communities in which the Company has active operations and society in general. The Company stresses grassroots development and knowledge base creation by providing access to educational materials and other sources of information through its satellite network, so that people can lead better lives.

Products and Services

By constantly monitoring the quality of our products and services, Thaicom has created a high level of trust and satisfaction among its customers and stakeholders. We aim to provide the types of products and services that customers and end-users require in keeping with their lifestyle, while also keeping in mind our responsibility toward society, the economy, and the environment. We have also put in place sufficient systems to monitor and manage risks at all levels, not only for the present, but also for the future.

Social Responsibility

The company is very much aware of the need to create understanding and close connections with all our stakeholders.







This is achieved through the creation of shared value between the Company and its stakeholders, particularly at the society level. At this level, the Company stresses the provision of opportunities for education for children and youth through its "Thai Kids Thaicom" projects to be discussed later in this publication.



Quality of Contents

As a provider of satellite transponders, the Company must necessarily think about providing quality products and services that are stable and remain operational whether under normal or crisis situations. At the same time, the Company also plays a role as a monitor of the contents that are broadcast via its satellite network to ensure that the contents are of a suitable quality for end-consumers and do not create a negative impact on society. As a general guideline the following descriptions are used when monitoring content for suitability:

- Program Content Quality: the Company monitors the content of programs and provides guidance to producers to ensure that only "good TV channels are broadcast via Thaicom satellites" and that such content does not negatively affect Thai society
- Technical Quality: the Company strives to improve its broadcast technology in keeping with the changing lifestyles of its customers and end-users, and to ensure that signals are stable, uninterrupted and of high quality. The technical expertise of the Company's employees ensures that all systems are monitored and operated at world-class levels to ensure efficiency and uninterrupted telecommunications services in all territories where the Company offers services.

Thaicom's Sustainable Development Strategies

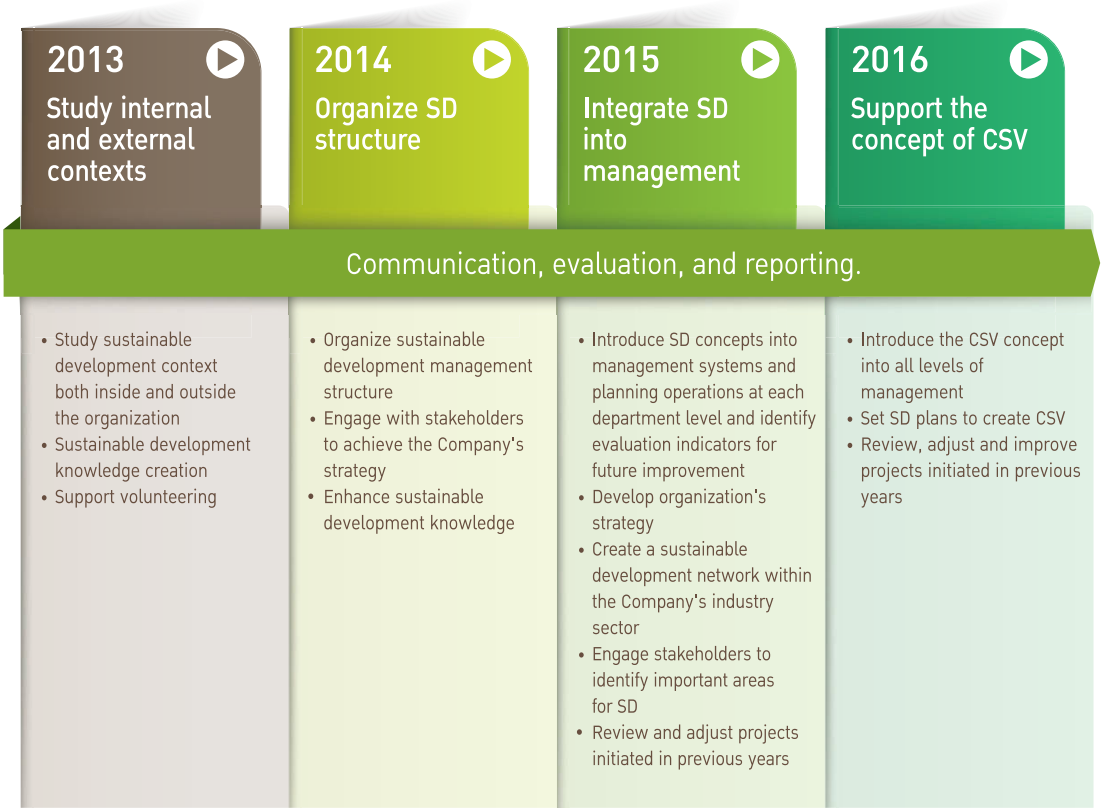
For Thaicom, the year 2014 was a year of learning about and teaching the representatives from each department about sustainable development. Jointly, the working group developed a sustainable development strategy for the Company that consists of three elements that will create a strong foundation on which future sustainable development activities can be built by the Company and its employees.

The strategies are:

1. Develop the Company's management structure to ensure the Company's sustainability. This goal of development includes all levels of the Company's operations, from the Board of Directors, to the Company's management as well as all of the Company's different areas of operation, and the clear description of responsibilities for each area regarding sustainable development.
2. Stress several main areas that will create corporate sustainability, including:
   - Identify and select specific important areas related to the Company's sustainability
   - Identify specific areas or actions which have negative impacts on the Company, such as internal risks, business directions, etc.
   - Identify and select the specific ways in which the Company will engage with its stakeholders at all levels and the main areas of interest of the stakeholders
3. Improve the level and efficiency of communication of information about the Company's sustainable development activities by:
   - Improving the Company's internal means of communicating with employees so that they will have a better and correct understanding of sustainable corporate development
   - Improving the Company's external means of communicating with its stakeholders so that they will have a better and correct understanding of the Company's sustainable development activities

The Road to Sustainable Development

The Company aims to ensure that its business operations continue to grow while also being concerned about social and environmental advancement and protection. To achieve this, the Company has developed a sustianble development road map that will guide its activities over the longer term to ensure that the Company as well as its stakeholders, the communities in which it is active, and the environment, all benefit from its actions. The Company's sustainable development plan from 2014 - 2016 calls for training and creating an understanding of the principles of sustainable development to ensure that the Company's employees have a deep understanding of the concept. By understanding the concepts of sustainable development, the Company will subsequently be able to revise and implement other strategies that will lead towards creating shared value on a sustainable basis for employees as well as all other stakeholders.



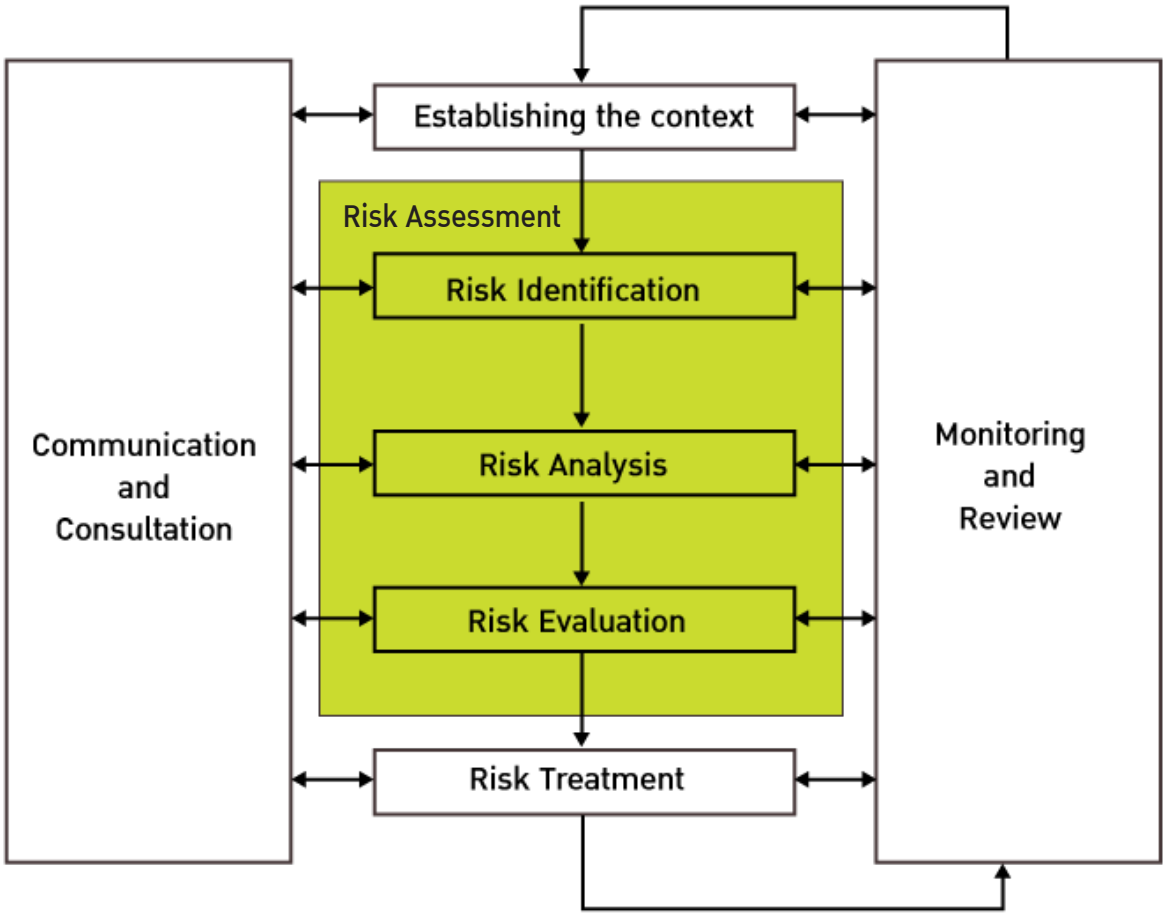
Risk Factors

The Board of Directors realizes that its operations may face certain risks, including economic, social, political, financial, innovation, technological, and climate changes. The Company operates businesses in four distinct areas as follows: satellite operations, telephone directory advertising services internet and media, and international telephone services. Each of these business areas has its own unique set of potential risks, and as such, the Board of Directors has established a "Risks Management Committee" to manage not only the general risks but also specific risks which affect the Company. The Company's Risk Management shall be reviewed quarterly by the Risk Management Committee. The Committee will summarize and report all risks to the Board of Directors for its consideration and acknowledgment. The Board will classify the various risk factors into levels of importance according to enterprise risk management guidelines, and stipulate risk mitigation actions. The following information describes the significant risks factors which might affect the Company's operations, financial status or business performance. However, the Company has already prepared plans to deal with and mitigate the risks outlined below.

Strategic Risk

Risk related to reservation of satellite orbital slots and permission for additional frequency and launch of additional satellites

When the Company has a plan to launch a satellite into a new orbital slot, it must first file a reservation with the International Telecommunications Union ("ITU") through the Administration of Thailand. In addition, the Company must also include any other relevant information related to the requested slot, including a satellite license to launch the satellite and begin commercial services.



The Company has a process to acquire additional orbital positions and added frequency allocation necessary for new investments. The Company, in addition to performing frequency coordination activities, must also file for the necessary telecommunication licenses with the National Broadcasting and telecommunication Commission (NBTC). The Company may initiate such activities ahead of schedule of the actual satellite construction, in particular in some project areas that can be realized in advance such as ground infrastructure for future satellites, as the construction of a new satellite requires between 2 - 3 years. Delays in the construction of ground or space assets may result in commercial losses for the Company. As a result of such preparations the Company will be able to launch satellites on time and meet set targets. This will also result in savings on investment funds, when certain elements can be completed before the completion of frequency coordination or the acquisition of permits. To ensure that risks are limited, the Company will negotiate any contracts carefully to ensure that there are limited or no repercussions should the issuance of licenses and permits be delayed. Contracts will stipulate flexible delivery and payment terms as well as contract extension and cancellation terms.



Operations Risk

Service life of satellites

Although satellites generally have no less than 15 years of service life, there are some factors that will shorten their life expectancy. These factors include the quality of the spacecraft, the sturdiness and the durability of its components, the launch vehicle, and the efficiency of the launch process, the satellites' fuel consumption and the operator's skill in controlling the satellites under different conditions. The Company might lose its customers and revenues if the Company's satellites have shorter service lives than expected and the Company cannot launch any replacement satellite in time.

Therefore, the Company's satellite engineering team regularly calculates the remaining service lives of our satellites. If a satellite nears its end of service life, the responsible department will be informed, and plans for a replacement satellite will be drawn up based on careful study of budget requirements, the source of financing, and the return on investment.

In addition, to mitigate the risk from shorter satellite service life, the Company has recruited professional staff, and implemented operating procedures to maximize asset utilization. Even so, satellite operation requires technical know-how and expertise. The Company provides a comprehensive training process of at least 6 months to 1 year to ensure that its employees have the required skills and abilities to control and operate the satellites. However, there remains the possibility of human error. In case there is an error in sending commands to the satellites, the Company has a procedure and contingency plan in place for any corrective action.

In-Orbit failure: Risks originating from satellite damage while in orbit

The satellite is state-of-the-art technology and engineering. Once launched into orbit, the satellite will be under some risks such as a system failure, solar discharges, or a collision with other objects in space. These damages will affect the Company's services to its customers. It will degrade, temporarily or permanently, the satellite's performance to uplink and downlink signals. The Company may lose the current customers and/or may not acquire new customers while replacing the damaged satellite. However, all satellites are designed to some extent to withstand a certain amount of damage. The probability of satellites suffering severe damage to the point of complete failure is very rare. Thaicom maintains a contingency plan to minimise the adverse effects to customers in the case of severe damage to the satellites. These plans include transferring as many customers as possible to available transponders on the remaining Thaicom satellites. The Company has also discussed agreements with other satellite operators for temporary leasing of transponders until the launch of a replacement satellite. Normally, the construction period of a new satellite will take approximately 24 - 30 months depending on the complexity and size of the satellite.



The Company is aware of the potential risks of satellites in geo-stationary orbit; therefore, it minimizes such risks by fully insuring the Thaicom satellites. Under the Agreement for the operation of Domestic Communication Satellite, the Ministry of Information and Communication Technology ("MICT") and Thaicom are co-beneficiaries. MICT is the owner of the satellite assets while the Company owns the right to operate them. The insurance policy is for full coverage with partial loss, meaning that the Company can immediately make a claim when the satellite is partially damaged. To make a claim, the Company has to submit the Notice of Loss and the Proof of Loss to the insurers. After the insurers are in agreement with the Proof of Loss, the claim under the policy will be paid.

Financial Risk

Risk from currency exchange rate fluctuations

THAICOM offers both domestic and international satellite communications services and international telecommunications services. Therefore, the Company may face the risk of currency exchange fluctuations in its accounts payable and accounts receivable, as well as any loans it may have that are in foreign currencies. These fluctuations could affect the Company's cash flows.

Exchange rate risk arises from the foreign currency transactions that the Company performs during normal business operations related to foreign currencies, and may have an effect in terms of foreign exchange gains or losses, including gains or losses on derivatives transactions. Significant factors that affect the movement of the exchange rate are as follow:

- Changes in the global economic situation,
- Changes in monetary and fiscal policies.

The Company has a hedging policy to manage the risks by controlling the net foreign-currency-dominated transactions. In other words, the risk is managed by balancing the revenue and expense structure. In the event of an imbalance, the Company may use several hedging approaches such as Foreign Exchange Forward, Foreign Exchange Option, Foreign Currency Deposit Account, Cross Currency Swap and Interest rate Swap etc.

Fraud Risk

The Company operates its businesses with honesty and transparency and in keeping with Corporate Governance best practice. To this end, the Risk Committee suggested that the risk of fraud should be included in the Company's risk profile to allow the Company's management to develop and implement proper procedures to mitigate this risk.

In August 2014, the Company arranged a training seminar on how to evaluate the risk of fraud for all personnel from Department Managers and up. The Company provided a Fraud Risk Assessment Tool to all participants so they could



evaluate themselves in the month of October on the likelihood of fraud occurring within their respective departments. Although the results of the assessments showed that the Company has a low level of fraud risk at 13.2% when compared to other listed companies who are rated at between 20 - 25% for fraud risk, the Company reviewed the results and arranged them according to most likely and most serious occurrence. From this review, the Company then devised mitigation policies and strategies to deal with the most serious of these issues.

The Company will report the results of these measures as well as any developments related to fraud mitigation efforts to the Risk Committee, Audit Committee, and the Board of Directors on a quarterly basis.

Compliance Risk

Risk resulting from allegations of breach of the terms of the Agreement for the Operation of Domestic Communication Satellite

The Company provides satellite communication services under the Agreement for the Operation of Domestic Communication Satellite, dated 11 September 1991 with the Ministry of Information and Communication Technology 'MICT'). Should there be allegations of breach of contract, unlawful actions or any other allegations of improper actions, the Company will adhere to the principle of law and mitigate such risks as efficiently as possible.

(For more details on the Company's Risk Management, please see the Annual Report 2014, available for download at: www.thaicom.net)

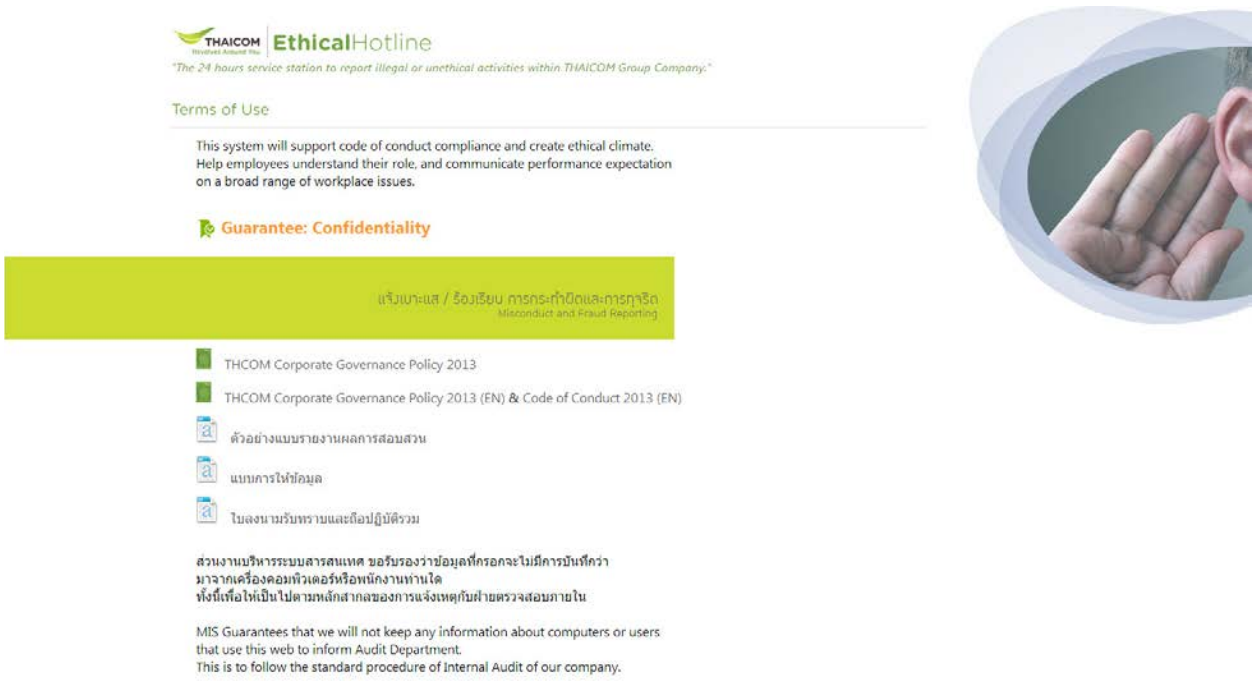
Corporate Governance



Good Governance and Business Ethics

The Company has consistently adhered to good corporate governance guidelines and ethical conduct and has published a Corporate Governance Policy. The policy is reviewed and revised on an annual basis to ensure that it is in accordance with the rapidly changing social, economic, political and environmental conditions of today's world, and to ensure that it is in line with the Corporate Governance guidelines and CG principles of the Stock Exchange of Thailand and Thai Institute of Directors. The latest revision was issued on 8 August, 2014. The policy covers a variety of topics and areas, including transparency in the management of business affairs, the rights of minority shareholders and other stakeholders, while also encouraging them to participate in the supervision of the management of the Company's affairs. The Policy also aims to ensure proper management of risks to ensure the stability and security of the Company's business. At the same time, the Policy describes the Company's business philosophy and ethics, and takes into account the Company's social responsibility in the conduct of its business. The Company has issued a CG Handbook of best practices for all persons who have a direct interest in the management and operations of the Company, and also contains a Code of Conduct for all mentioned. (For more details, please visit the Company website: www.thaicom.net, topic > Sustainability > Corporate Governance). Additionally, the Company has also provided channels for stakeholders as well as employees to communicate their opinions, questions, concerns, or to report cases of finding, or receiving unfair treatment due to illegal acts or acts in violation of business ethics of officers or employees of the Company. All stakeholders and employees may contact the company through the Ethics Hotline, or the Company Secretary as described in the "How to Contact the Company and Board of Directors".

The Board of Directors is committed to ensuring that the Company will strictly comply with Corporate Governance policies and best practice guidelines. The Board will continue to focus on developing and improving Corporate Governance to ensure international compliance, particularly the Corporate



The Company channels on www.thaicom.net to report cases of finding, or receiving unfair treatment due to illegal acts or acts in violation of business ethics of officers or employees.

Governance requirements of the ASEAN Region. This compliance will also ensure that the Company can maintain its goal of sustainable growth and contributions to its shareholders and stakeholders in all sectors.

Adherence to Corporate Governance Best Practices

The Company's Board of Directors has adopted Corporate Governance best practice in managing and overseeing the Company's business operations and promoted the implementation of these best practices at different levels throughout the organization to ensure the greatest benefits for the company as well as its many different stakeholders. A Corporate Governance Committee was established to promote and monitor corporate governance activities. The Company's Corporate Governance policy covers the following 5 main areas:

Rights of Shareholders

The Company has a policy to involve shareholders in the governance of the Company's operations and to promote their principal rights as outlined below:

- Right to attend shareholders' meetings, express his/her opinions, give recommendations, and be involved in decision making for significant changes;
- The right to receive correct, adequate and timely information regarding the Company's operations and activities. Furthermore, the Company has a policy to prevent obstruction of communication between shareholders and/or the Company;
- Right to appoint and remove directors at shareholders meetings;
- Right to appoint Company Auditors and set their remuneration;
- Right to receive a share of profits in the form of a dividend at a ratio in keeping with the shareholding percentage of that individual;
- Right to receive the share certificates, transfer shares, and acknowledge the information about operating performance and business policy in a regular and timely manner;
- The right to vote by proxy
- The right to stipulate, change, add, or delete clauses from the Company's Articles of Association
- Other rights as prescribed by law and the Company's Articles of Association.

The Equitable Treatment of Shareholders

The Company respects the rights that shareholders have according to the law, and the Company's Articles of Association. The Company has a duty to protect the benefits of every shareholder equitably; regardless of whether they are a retail, foreign, institutional, or wholesale investor.

- Every shareholder shall have the right to propose items for inclusion on the agenda of the annual general meeting of shareholders, as well as the right to propose suitable candidates for selection as Directors at least 3 months in advance of the AGM.
- At the AGM, the Company informs shareholders of the regulations and methodologies that will be applied throughout the meeting as well as in the voting process, and the rights of shareholders in casting their votes. It is the right of shareholders to cast one vote for each individual share they hold. Documents relevant to the AGM, including information necessary to inform shareholders and proxy forms are all provided to shareholders well in advance of the AGM and provided in both Thai and English versions to ensure that both Thai and foreign investors have access to the necessary information
- The Company will not add items to the meeting agenda or change significant information without prior notice to the shareholders.
- The Company will provide the opportunity to shareholders to vote for and appointment Directors individually. The Company will also support the use of ballots to ensure transparency and the possibility of vote verification.
- The Company has issued a policy and practical guidelines on the use of internal information to prevent members of the Board, Management, and staff from using such information for personal or third party gain. To prevent conflicts oo interest and insider trading, the Company urges its management and employees to refrain from trading in the Company's securities for a period of 1 month prior to the release of any significant announcement or the release of the Company's quarterly performance. This policy and these guidelines have been publicized internally to ensure compliance, and the Company regularly audits this compliance.
- The Board of Directors and executives must disclose conflict of interest information as well as information about related persons to ensure transparency in the consideration of the Company's business transactions. Directors and executives holding stakes in the transactions must not take part in the decision making process of these transactions. All transactions will proceed according to the Company's approval process for related transactions.
- The Company has a policy regarding securities trading of the Company's stock by Directors and executives which requires that all directors and executives report their trading activities in accordance with the rules and regulations of the Securities and Exchange Commission (SEC) to the Board.

The Rights and Equitable Treatment of Stakeholders

The Company and its Board of Directors takes into account the rights of other stakeholders and consistently abides by Corporate Governance Best Practice principles and other supporting guidelines to ensure equal and proper treatment of all stakeholders. This takes into account, although not exclusively, the Board of Directors, Management, employees, shareholders, customers, business partners, competitors, creditors, communities

in which we operate and society as a whole, and the environment. Furthermore the Company abides by international human rights principles and anti-corruption guidelines.

The Company issued an ethics manual, "Thaicom Best Business Practice", and distributed this manual to directors, executives and employees for their acknowledgment and to strictly adhere to the guidelines published in this manual. The Company has also developed a punishment framework in case of violation or misconduct. The manual, upon distribution to the Board of Directors, management and staff, was duly acknowledged and signed by each recipient. The Company has also authorized the Internal Audit Department, Human Resources Department and the Code of Conduct Committee or Audit Committee to report any infractions or non-compliance with the ethics guidelines.

In addition, the Company arranged support activities, including induction training for new employees, to promote awareness and understanding of Good Corporate Governance and the Code of Conduct among the Board of Directors, management and staff. These activities and others aim to build a strong culture of good corporate governance within the organization.

Information Disclosure and Transparency

The Company values accurate, complete, thorough, and timely disclosure of financial, operational, and other relevant information for investors and concerned persons to use in investment decisions. This disclosure is made through communication channels via the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), and the Company's internet website. All important information is provided in both Thai and English-language versions for the convenience of interested parties.

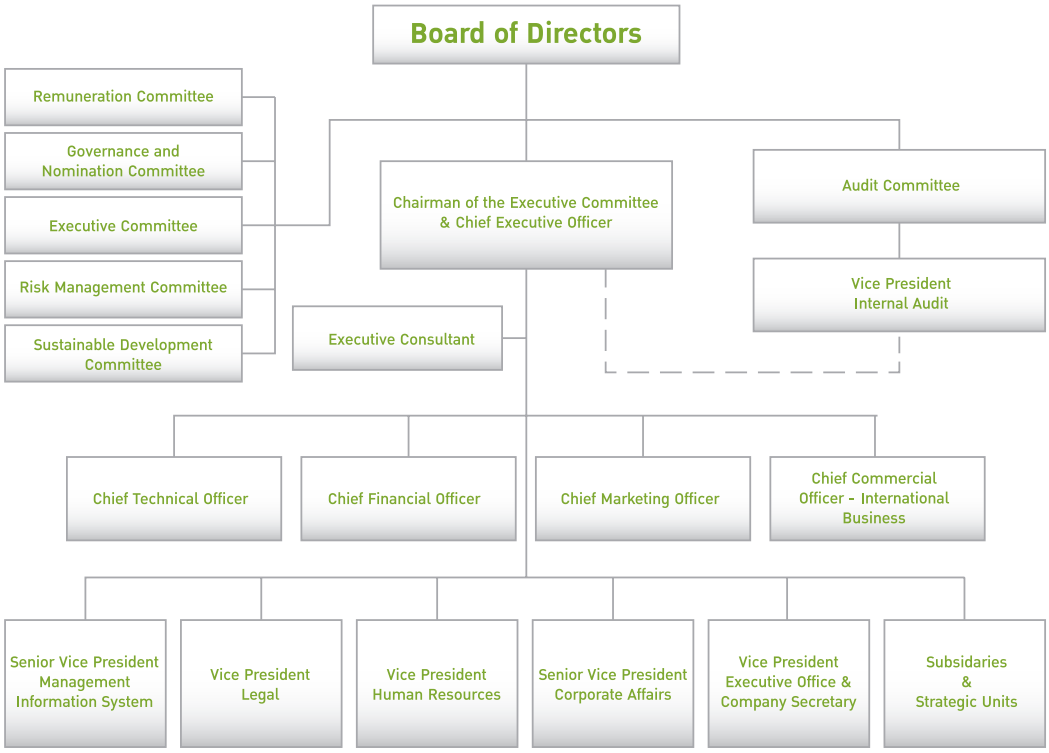
Duties and Responsibilities of the Board of Directors

The Company places great importance on the activities and performance of the Company's Board of directors in overseeing the operations of the Company and ensuring the greatest benefit for the Company's shareholders and stakeholders. To ensure sustainable growth of the Company, the Board of Directors is responsible for several areas, including but not limited to managing the Company in accordance with the country's laws, the Company's articles of association, as well as any motions carried at shareholder meetings. The Board helps to set the Company's direction, vision and mission, and reviews the direction and mission at least once every year to adapt and adjust as necessary according to current economic and social conditions. The Board further provides guidance to the Company's management and staff to ensure that all work in unison toward a common goal. The Board also oversees and reviews the management of the Company to ensure that the actions taken are in compliance with the direction given by the Company's shareholders, and it is able to present opinions freely and independently.

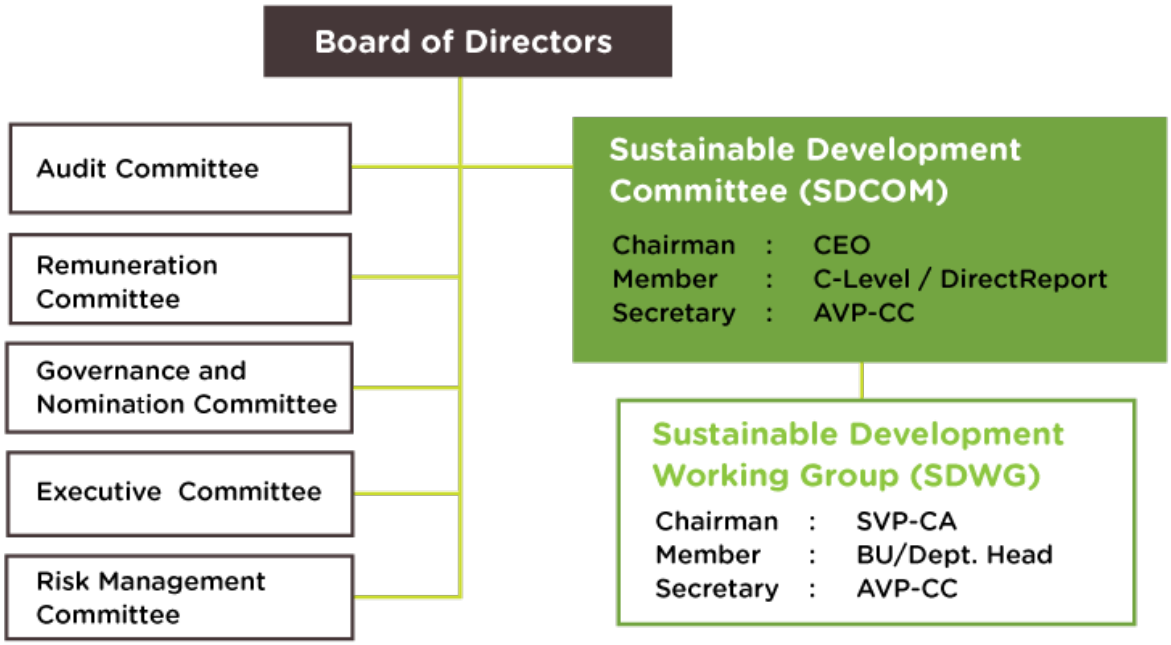
(For more information, please download the Company's Annual Report 2014 at: www.thaicom.net)

ORGANIZATION STRUCTURE

Thaicom Public Company Limited



STRUCTURE OF THAICOM SUSTAINABLE DEVELOPMENT MANAGEMENT



Corporate Governance for Sustainable Development

The Company's business operations are guided by the need for profitable and sustainable growth. As part of this operational direction, the Company is also certain that this can only be achieved by ensuring sustainable growth for all concerned, including employees and stakeholders. To this end, the Company has developed the following business principles that will provide guidance on sustainable corporate and social development:

- the Company aims to grow sustainably alongside society while caring for the environment and supporting the economic growth of the communities in which the Company has operations, particularly throughout the Asia Pacific region
- The Company, as a leader in the provision of satellite communications, aims to utilize its assets to create networks and provide benefits to all related parties as well as create shared value for all
- The Company aims to create shared value through the provision of access to education to create opportunities for our children, as we strongly believe that a strong educational system will lead to a strong nation

Direction for Sustainable Development Management

The Company's vision which calls for the Company to be a leader in the satellite communications industry, also encompasses the concept of utilizing the Company's satellites in a suitable manner to ensure sustainable growth for both the Company and society. In 2014, the Company took several important steps toward achieving its goal of sustainable development and growth, and more clearly defined its operational directions in line with this target. Information and knowledge about sustainable development was disseminated to all management and staff within the organization through the Sustainable Development Committee. This committee consists of the Chairman of the Executive Committee and Chief Executive Officer, and 10 other high-level company executives. The Committee is tasked with developing directions and strategies for the Company's long-term sustainability in keeping with the Company's vision and mission and with monitoring the Company's sustainable development activities and their effect on the economy, society and environment, both internally and externally.

The Committee established a Sustainable Development Working Group which consists of company executives and staff members from all different operational sectors of the Company. It is the Group's responsibility to develop a sustainable development plan in line with the Company's vision and mission, as well as identify important factors that have negative impacts on the Company so that these factors may be addressed and resolved in a suitable manner. The Working Group is also responsible for creating a Sustainable Development Report in line with the Global Reporting Initiatives version 4 (GRI-G4) so that all stakeholders may be kept informed of the Company's sustainable development activities in several areas, including economic, social and environmental sectors. The Group will also review the Company's activities and suggest improvements as necessary.






To ensure that activities were in line with the Company's overall plan, the Company issued a Social Responsibility Policy in 2014 that covers economic, social and environmental activities that answer the needs of stakeholders at all these different levels. The Policy consists of the following articles:

Corporate Governance:

good corporate governance is an essential factor in maximizing long-term sustainable growth and returns for all stakeholders. Management of the Company should be transparent, with equal and fair treatment of all stakeholders. The Company's activities should maintain the good name and the good will that society has for the Company, while at the same time adhering to and upholding the laws and regulations of all the countries and territories in which the Company operates

Corporate Business Conduct:

the Company will conduct its business in a fair and ethical manner, with honesty and integrity. The Company will uphold the laws of the countries and territories in which it operates, and promote fair and free competition. The Company will steer clear of activities that may cause conflicts of interest and actively participate in anti-corruption activities. The Company will remain neutral and unbiased regarding politics, and adhere to respect the cultural norms and practices of the countries and cultures in which it performs business.

Human Rights:

the Company respects and supports the human rights statutes. In its operations, the Company will respects the rights and freedom of people, and deal with all people in an equal and fair manner without discrimination based on sex, nationality, ethnicity, or religion. The Company will not employ child labor, nor will it participate in any activities that contravene international human rights principles.

Employee Relations:

- The Company recognizes that its employees are its most valuable asset
- The Company consistently promotes the creation of, and adherence to, a corporate culture based on the Company's vision and core principles with a distinctly Thai identity.
- The Company also urges its employees to participate fully in the Company's activities, and offers employees opportunities for training, learning and skills development so that they may advance in their respective careers. The Company has implemented an employee review and remuneration plan to ensure that employees receive suitable salaries and incentives for their work.
- The Company promotes a work-life balance for employees, and creates a suitable and safe work environment, as well as providing personal health benefits for employees. The Company strictly adheres to the labor laws and regulations of the country.
- The Company promotes social responsibility awareness amongst its employees, and actively urges employees at all levels to participate in the Company's social responsibility activities.

Customer Relations:

the Company has a quality policy and quality management system ISO 9001:2008 that stress the creation and provision of safe, trustworthy and high quality products and services to create and ensure continued and long-term customer satisfaction. The Company actively engages customers in addressing their concerns and complaints about the Company's products and services.

Partners and Suppliers:

the Company promotes fair and free trade, and consistently promotes the creation of business partnerships that are based on mutual and long-term benefit. The Company performs its operations in keeping with the contracts and agreements reached with its business partners; it actively promotes transparency and fairness in the acquisition or sale of products and services, as well as in contractual agreements for the provision of services. To ensure that the Company maintains its good relations with its customers and suppliers, the Company has issued the following guidelines on business dealings:

- Ethics: in the area of social responsibility, the Company insists on its business partners performing their business in an ethical and honest manner
- Human Rights: the Company insists that all its business partners operate their business in line with international human rights standards
- Environment: The Company insists that its business partners operate their business in an environmentally friendly and safe manner

Innovation:

the Company is confident that ability to create innovation is integral to the Company's business operations and long-term success. The Company promotes employee involvement in

the development of innovations in technologies, processes, as well as business models, to meet customer needs and improve cooperation with the Company's business partners, and to promote the long-term growth and sustainability of the industry in which the Company is involved.

Society and Community Relations:

- The Company believes in creating shared value between business and the communities in which it operates, and as such will use this concept to ensure long- term sustainable development and growth of the Company, communities and society.
- The Company has a policy to engage communities in the areas in which the Company has active business interests, as well as other communities it may identify, based on the needs of such communities. The Company will participate with communities in implementing and operating activities that will focus on improving the standard of living in those communities.
- The Company believes that education is an important and fundamental element in efforts to develop a nation, its society, communities, as well as business. The Company actively supports the utilization of its products, services, resources, and employees in providing educational support and in improving education for youth, communities, and the areas in which the Company has active business operations. The Company focuses its efforts on creating and developing community knowledge centers to help improve community standards of living.
- The Company views it as an important duty that it supplies telecommunication services to areas that have been impacted by disasters if those areas fall within the Company's service ability. The Company will work with its business partners and customers, as well as relevant organizations and authorities to establish and provide first-responder telecommunications services whenever the need arises.

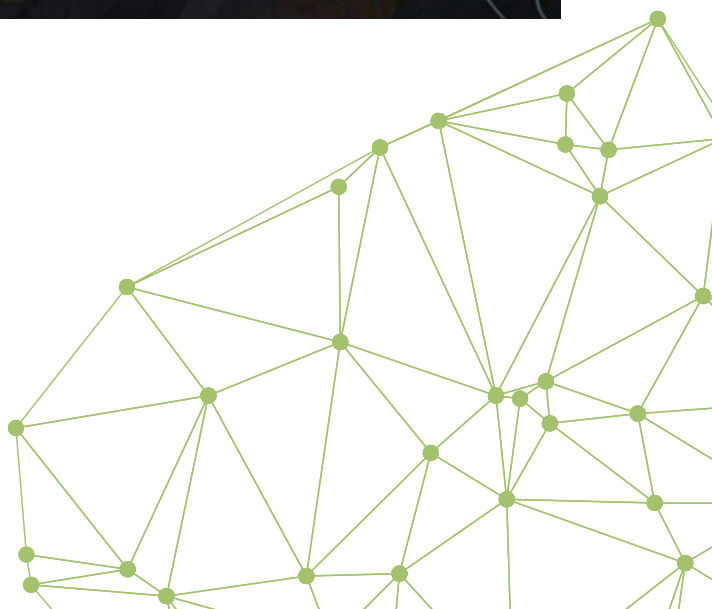
Environment:

the Company will operate its business in an environmental friendly manner, and always be conscious of ways in which it can promote the protection and restoration of the environment, while at the same time using resources with the greatest efficiency. The Company actively promotes the creation of a culture of awareness and care for the environment, and participates in both internal and external activities designed to protect the environment. The Company also promotes the safe use of radio frequency emitting equipment for the safety of its employees and communities.









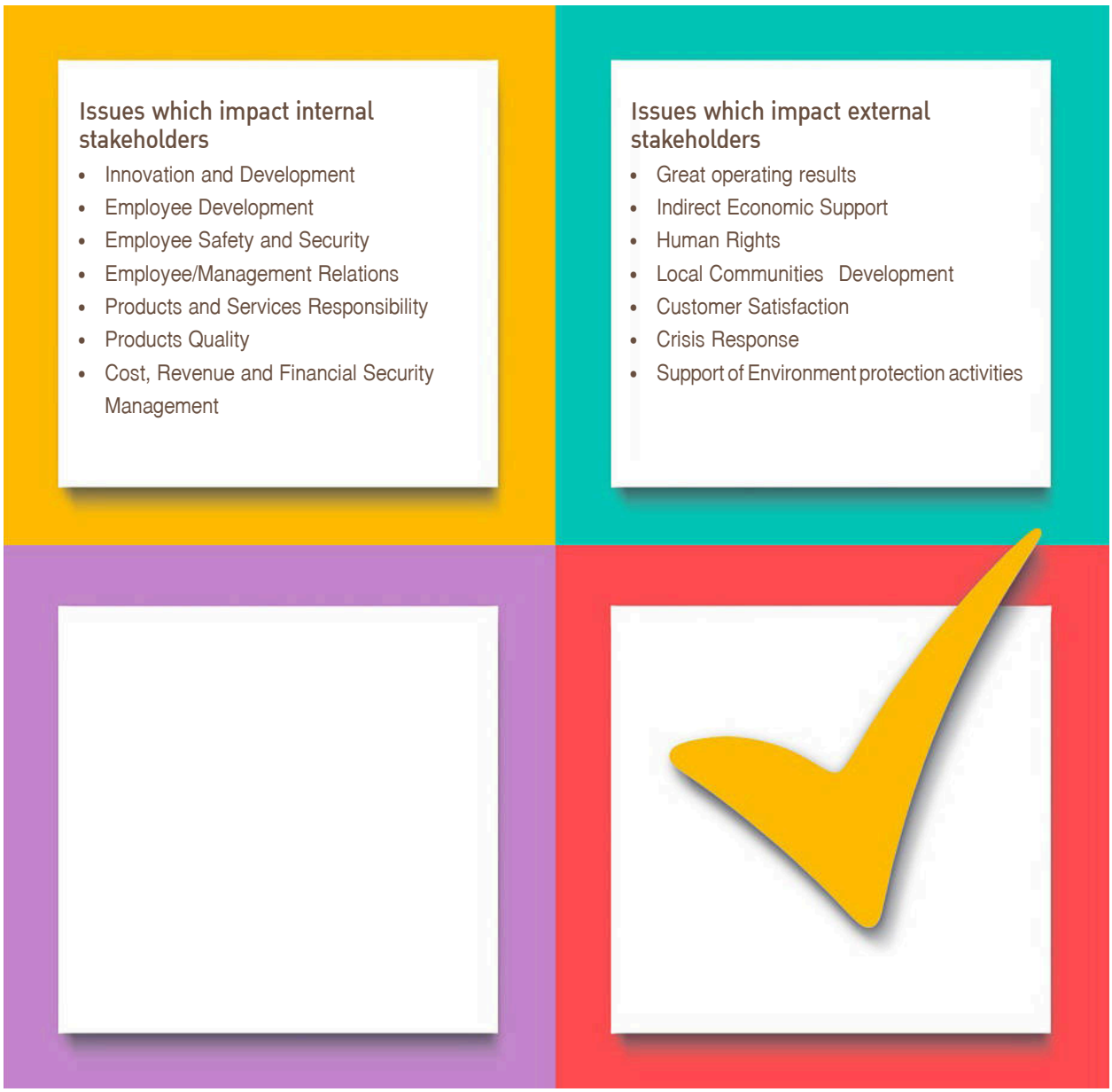
Stakeholders Engagement

The Company believes that for it to enjoy strong, profitable and sustainable growth, it must work closely with and meet the needs of its various stakeholders. In 2014, the Company established a working framework that aims to engage its stakeholders, and has identified 6 clear stakeholder groups. The framework incorporates ways to manage the Company's activities to meet the different needs of each of these groups. Through meetings with representatives of each of these separate groups, an action plan was developed and presented to the Sustainable Development Committee for approval before requesting approval from the Company's Board of Directors. The framework is reflected below:

Stakeholders	Communication channels	Area of interest
Shareholders	• The Shareholders' Meeting • Annual Report • SD Report • Website	• Shareholders satisfaction • Economic performance • Great return • Transparency, reliability and equality
Employees	• Suggestions or complaints • Management and staff Activities • Response Surveys • SD Report •Website	• Employee development • Good working atmosphere • Treated with politeness • Respect the individual rights • Appropriate pay
Customers	• Suggestions or complaints • Opinion Surveys • Annual Conference • SD Report • Website	• Products and services quality • Customer satisfaction • Requirement of customers
Partners	• Suggestions or complaints • Website	• Not against the law • Equal treatment in business operations and benefits sharing • Impartial procurement
Competitors	• Suggestions or complaints	• Free and fair competition
Community and Society	• Suggestions or complaints • Community engagement • Website	• Social contribution • Local communities development • Environment • Products and services responsibility

Materiality

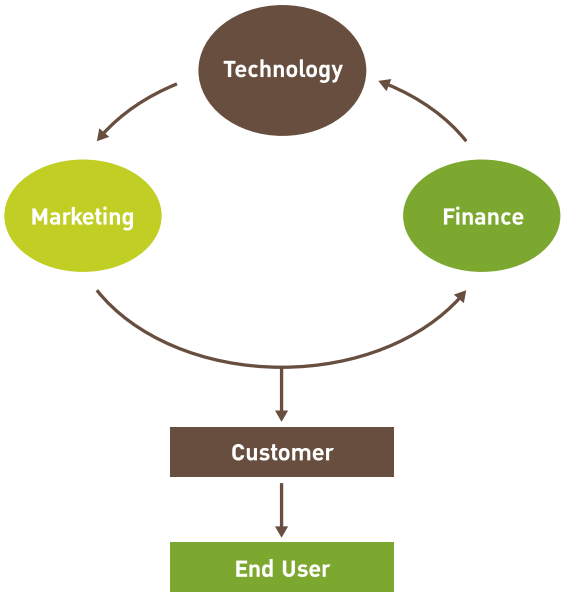
This sustainability report has selected and presents several of the most important issues identified in meetings between the Sustainable Development Working Group (SDWG) which consists of management members responsible for setting the Company's direction (strategies, risk management, etc.) and some of the Company's external interface personnel (marketing, corporate communications, etc.). Once the issues were identified, the SDWG ranked them in order of importance in terms of the Company's activities and actions toward sustainable development, so that proper organizational management procedures can be developed and implemented to answer and meet the needs of the various stakeholders. The various issues are ranked according to the following matrix:



Thaicom Sustainability Performance

Innovation





Innovation Pipeline

With today's rapidly changing technology, new products are launched on a regular basis. Thaicom, as the operator of an important basic communications infrastructure system for the country, is well aware that it must be innovative and introduce new products and services that meet the needs of this rapidly changing technology to continue to grow in a profitable and sustainable manner. At the same time, the Company's products and services must provide benefits for society and the environment to ensure the further strong development of the nation's economy.

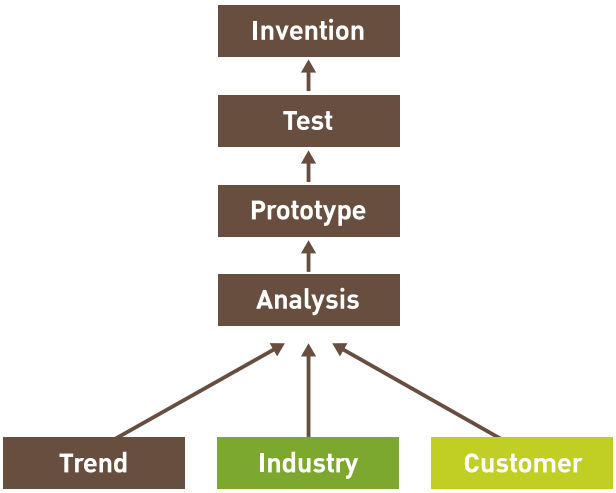
To ensure that the Company meets these goals, it has implemented an "Innovation Pipeline" that allows people from different areas throughout the Company's operations to participate in the design, creation and ultimate implementation and commercialization of new technologies. Innovations will come from three main areas, namely: technological innovation, financial innovation and marketing innovation. Through the combination of these three elements, the Company will be able to supply products and services that meet the technological needs of tomorrow, and the needs of customers and end-users, while at the same time maintaining a competitive cost structure.

Technological Innovations

Today's technologies change rapidly, forcing products and services offered by satellite operators to keep pace and adapt accordingly to ensure continued viability with these newly introduced technologies. It is with these trends in mind that the Company is intent on providing services and products that are not only in line with current technologies, but rather, set new trends for such technologies. These efforts are in line with the Company's stated intent of being a leader in providing leading-edge satellite communications technologies that are accessible and beneficial to the sustainable development of the Company and society.

Any new product or service considered by Thaicom must be carefully studied, assessed and analyzed at three different levels to ensure its suitability for further development. The three factors considered are as follows:

1. Technology Trends: an analysis and assessment of future technology trends
2. Industry Trends: an analysis and assessment of future satellite industry trends is made to allow the Company to adapt rapidly to any new trends
3. Customer Needs and Expectations: a careful analysis of customer needs, expectations and trends is made to ensure that any new product or service is developed in line with those expectations



New Products and Services Management

Results from the above three studies will be applied to the creation of any new product or service to ensure that they meet the desired traits of any new products. While these new products and services are being developed, the Company will also develop a series of performance tests for these new products to ensure that once they are launched, they will be monitored and if necessary, adjusted to meet the needs or expectations of all major stakeholder groups. In 2014, some of the major products and services developed by Thaicom included:

In-flight Entertainment and Connectivity (IFEC)

This service was developed in line with the Company's drive for new solutions that utilize satellite communications to provide total mobility services that meet the lifestyle needs of people who require a high level of connectivity.

The IFEC service, a first for Asia, consists of providing Wi-Fi services via Ku-band transponders with a speed that is equivalent to 3G services. The Company joined with Global Eagle Entertainment to develop the equipment and communications system that will allow passengers on airplanes to access broadband internet service in flight. The service provides connectivity on land, on the sea, and in the air, and allows passengers uninterrupted communications while in flight. The service was first launched in October of 2014 on Nok Air.

Multiscreen / 2nd Screen

The multiscreen or 2nd screen application was developed by the Company in response to changing consumer behavior. More and more consumers are watching television, using the internet and interacting through mobile devices, smart phones, tablets, etc. Research has shown that more than 85% of TV audiences also use smart phones while watching TV, whether to text, email, chat or engage in some other activity. With sales of smart phones continuing to grow, the Company is confident that this market segment will be a growth area for the Company's services. To bolster this new market segment,





the Company joined forces with television program producers, broadcasters and other related businesses to develop an application that supports this new multiscreen consumer market. The application will allow viewers to interact with their favorite TV program, while broadcasters and program producers as well as product marketers will be able to target market their products to viewers directly. The Company expects the following benefits from this project:

- Increased advertising revenue through advertising and featured product sales
- An image of trend-setting for participating programs and improved viewer experience by viewers
- Higher level of recognition when viewers learn of the program through social media outlets or through the application itself
- Greater viewer loyalty
- Greater interaction with the programs as well as greater social media contact as viewers can interact with each other as well

In 2014, the Company launched the service in cooperation with the following participants:

1. Television station/program producers
   1.1 MCOT Plc.
   The company introduced this service through MCOT as part of its end-to-end solution package with the broadcaster to create greater engagement with viewers. The program producer is able to interact directly with viewers, which allows for closer relations between them. The Mconnect application was launched with MCOT in May of 2014. Within the application itself, viewers can participate in games to win prizes in real time from the particular program they are watching, and much else.

   1.2 Content Owner
   At present, the Company is developing its own system so that it can work more closely with content owners to provide improved viewer interaction and satisfaction. The new services will be launched in 2015 with the following expectations:
   - Interaction between program producer/content owner and the viewer in real time to learn more about the program or to engage in a dialogue about the contents of the program, which will ensure continued usage of the application.
   - Increased channels for revenue through the application itself. As more viewers acquire the application, it will be possible to deliver targeted advertising to them. In addition to advertising, viewers will also be able to receive instant information about elements within a program, whether it be clothing, furniture, etc., which may be of interest to them. Subsequently, viewers will be able to order such items immediately and online through the application if they so desire.

2. Other Companies
   2.1 Product owners and suppliers as well as shops and malls are being approached and taught about the potential of the application in promoting their goods through this new form of interactive marketing with tv program viewers. The Company has introduced the 2nd screen concept to many different potential suppliers who may want to work hand in hand with content owners to promote their products through the application.





2.2 Hotels have been approached to extend the possibilities for multi-screen utilization by their guests. Hotels will be able to provide access through 2nd screen or smart phones devices to:

- Live TV and video on demand services
- Send targeted ads/instream ads/display ads
- Offer hotel services such as room service or taxi calling
- Offer e-commerce/online shopping, package tours, car rental services, etc.

Financial Innovations

Thaicom is a leader in providing satellite communications services. The Company constantly strives to improve and maximize the utilization of its services to ensure sustainable growth for the Company as well as society. The Company remains focused on three distinct areas in its operations, namely expert management, strong marketing, and sustainable growth to ensure that the Company remains a High Performance Organization.

In 2014, the Company continued to focus on financial innovation in the Company's investment plans by carefully studying the potential of any proposed investment to ensure maximum cost benefit for the Company, and also to ensure mutual benefit for our business partners.

One of the major financial innovations accomplished by Thaicom in 2014 was the negotiation of an Innovative Asset-light investment Model, whereby our partner paid for the construction of the THAICOM 7 satellite. This was a first in the satellite industry for such a leasing model.

Additionally, the Company issued debentures to the value of 4.55 billion Baht for investment by institutional and retail investors. The funds raised in this manner were used to offset the cost for the launch of THAICOM 7, and greatly reduced the Company's interest burden. The over-subscription for these debentures clearly shows the confidence in the Company's financial stability and transparent corporate governance by both local and foreign investors. Funds remaining after the payment for the THAICOM 7 satellite will be used to finance the THAICOM 8 satellite project. In addition to lowering the Company's financing costs, the issuance of these debentures also allowed all Thai investors to become part owners of a Thaicom satellite.

A further financial highlight for the year was the signing of a syndicated loan arranged through Kbank (Kasikorn Bank) and Bangkok Bank Plc., to further finance the THAICOM 8 satellite which is scheduled for launch in 2016. This loan is supplied through local sources, at a rate that is comparable to similar loan rates from abroad. The Company performed a feasibility study to identify and justify sources of funding and the utilization of such sources to ensure the greatest benefit for the Company and to lower the Company's financing burden as much as possible.

These different financial innovations are aimed at ensuring the Company's continued profitability and potential to return the greatest benefits to its shareholders. Through careful financial management such as described above, the Company will be able to grow in a sustainable manner and maintain its reputation as a high performance organization.



Marketing Innovations

By operating its business in a sustainable manner, the Company has proven itself in its ability to manage the economic aspects of its operations. At the same time, the Company also remains focused on creating benefits for its stakeholders in addition to managing its satellite network to ensure a sufficient supply to meet consumer needs. Even so, to increase its business opportunities and to meet the ever changing and growing need for affordable services for operators in related industries such as program producers, satellite TV, cable TV, or subscriber TV operators, manufacturers of satellite signal reception equipment, telecommunications providers including mobile phone operators, internet providers, satellite tv advertisers, and more, new products or services are carefully reviewed and packaged in such a manner that they are easy to present and understand and their potential is obvious to our target customers.



The Company has developed several services that maximize satellite potentials, as satellites are ideally suited to transmit content from one location and deliver it to many different locations simultaneously. These services are marketed by the Company as end-to-end services. As data usage and transmission via the internet is increasingly rapidly, more and more consumers are demanding broadband internet services. Broadband internet services are also ideal for use by telecommunications providers, broadcasters, and government agencies. In general these services include creation of a telephone network that connects signals from one central base station to many stations throughout a country to provide country-wide coverage, the broadcasting of video and sound on mobile phone networks, and the reception and delivery of High Definition and Ultra-High Definition motion picture data files.

As the Company's transponder leasing service is an upstream business, there are still many areas where the Company can provide business opportunities for related businesses while at the same time also being able to expand on existing customer services. One project which was successfully implemented in 2014 was the Company's Digital Cinema Package (DCP). The Company realized that the ability to distribute the content (motion picture files) to many different receivers simultaneously across a large area is a key to success for the digital cinema business segment. The project makes efficient use of satellite bandwidth to transmit large data files securely to a large number of cinemas simultaneously, reducing the huge logistical infrastructure previously needed to deliver movie files to theaters for showing. The project was initially launched with the cooperation of Kantana Plc for its Kantana Movie Mall project. Under this project, community cinemas receive broadcast signals from Thaicom's IPSTAR (THAICOM 4) Ku-band satellite that carries the entire movie data file to a secure and encrypted server at each individual cinema. In this manner the customer reduces costs as there is no longer any need for ground-based logistics to deliver the films, while at the same time reducing greenhouse gas emissions from transportation, and in this way helping to protect the environment. The Company has also been asked to develop a digital signage solution that will show information about the films being shown, run movie trailers and advertising, etc. This content is also delivered directly from a central base to all theaters via satellite. This solution meets the needs of the client, and expands on the Company's existing Content Delivery Network (CDN) solution.

To sell transponders on THAICOM'S 6, 7 and 8, the Company has focused on doing pre-sales before the satellites are manufactured and launched. This model has also allowed the Company to enter new market areas such as South Asia and Africa and increase sales in Asia Pacific. A clear example of the Company's New Markets strategy is the sale of transponders on THAICOM 7, which was totally sold out before the satellite was launched.

The above are only some examples of how the Company develops new markets and new services to meet the needs of clients and end-users. The Company has been operating under a 'New Business Model' concept that stresses the efficient utilization of existing resources, creation of value added products and services, and leveraging our skills and knowledge to offer total solutions as opposed to simply improving existing products. This focus will help to develop the satellite industry as a whole, while also ensuring the Company's sustainable growth and the development of our national economy and society, in keeping with our goal of being Asia's leading Satellite Services Provider.

Accessibility



For companies which provide satellite services, access to those services is essential for the survival of their operations. In addition to the increase in numbers of people who make use of the services, the increase in the availability of a variety of content is equally as important. For Thaicom, then, the meaning of accessibility means the ability for millions of viewers to access the great variety of programs broadcast through Thaicom's satellites.

In today's globalized and connected world, access to conveniences, technology and other elements that are of interest to people are important to enhancing their lifestyle. For this very reason, access to telecommunications technology is of primary importance to a modern lifestyle and is a fundamental right for accessing information, news, and knowledge. What's more, this access is an important element in ensuring sustainable development for communities, and the country.

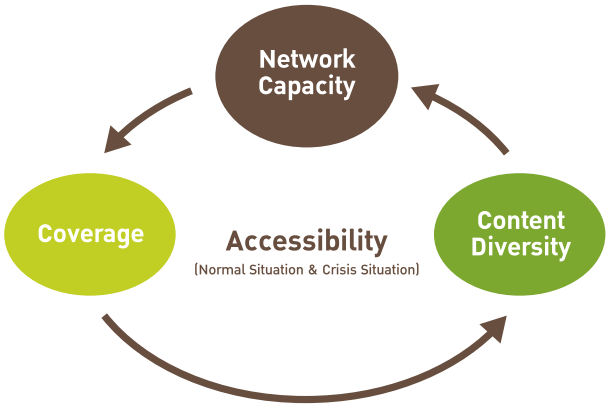
Providing access to these technologies is not only a main mission for the Company, it is also a promise to society that the Company will provide such access as part of its corporate social responsibility. Thaicom aims to ensure equal access to telecommunications technology to the full extent possible.

In its operations, Thaicom places importance on several different areas that are related to providing services and products for the benefit of its stakeholders. This is particularly true for its efforts in ensuring accessibility for stakeholders, as this is a key essential in creating a strong stakeholder network. When speaking of stakeholders, we mean 2 particularly important groups of stakeholders, namely:

1. The general public, or consumers, who receive broadcasts directly or are connected via internet directly to Thaicom
2. Customers
    - Broadcast customers, or satellite tv station operators
    - Broadband customers, who use the internet for connectivity, such as telecommunications businesses

Thaicom's activities to create accessibility will directly benefit both groups of stakeholders. This statement can be explained

as follows: before the Company initiates any activities, projects, initiatives or implements any policies that may have an impact, whether positive or negative, on stakeholders, the Company has to be certain that any benefits will be for the stakeholders. To achieve this, the following three elements govern management implementation:



Network Capacity

Thaicom aims to provide sufficient network capacity to meet the needs of its customers and future potential growth of these operators and the Company's stakeholders.

2014 was a year of growth for the Company with first the launch of the THAICOM 6 satellite. This additional satellite allowed the Company to expand its network capacity and meet the growing demands from broadcasters throughout the region, while also reinforcing the satellite's "hotbird" status as a broadcast satellite positioned at the 78.5 degrees East orbital slot. At present, Thaicom's main focus is to provide sufficient capacity for Thai broadcasters, with more than 60% of the Company's broadcast capacity being utilized by Thai broadcasters. Later in the same year, the THAICOM 7 satellite was launched, providing additional capacity for the Company for broadcast clients, as the transponders on THAICOM'S 5 and 6 had already been fully utilized. By increasing the Company's satellite fleet, it also expands economic value and increases the Company's potential to expand its markets into other countries throughout the region.

To further strengthen trust in the efficiency, capability and capacity of the Company's satellite network, Thaicom has initiated the construction of an additional satellite, THAICOM 8, which will be launched in 2016. The Company will also acquire replacement satellites for some of its older satellites, including its broadband satellite, IPSTAR. Without this satellite, many



organizations, schools and government entities might not have internet access, as the Company is the only satellite provider in Thailand with sufficient capacity and capability to build and launch new satellites which are part of the nation's telecommunications infrastructure. In short, the Company has a duty to support the growth of the nation's industry so that the Company's satellite business can also continue to grow in a sustainable manner.

Coverage

As mentioned previously, the Company has both a business mission and a social mission. To provide sufficient satellite coverage to all the different target market groups. This means not only physical coverage, but also the ability to provide access to the many different communications devices humans use on a daily basis.

The Company was one of the first companies to introduce set-top-boxes that made it possible for large numbers of people to access tv programs broadcast through the Company's satellites. DTV Service Company Limited was the Company's tactical arm in launching this consumer-friendly box that initiated the growth of satellite television in Thailand. The low-cost box allowed consumers to access information, news and entertainment programs, which is one of the basic rights for all people.

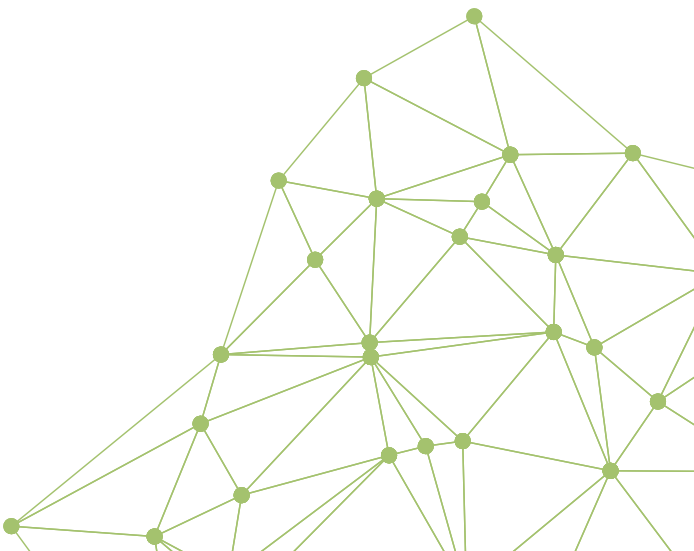
Content Diversity

The Company supports the development and education of people through accessing educational materials broadcast via the Company's satellite. Program producers as well as audiences have a wide choice in producing or choosing which programs to watch as there is sufficient capacity to carry many different channels. Producers have the possibility to own their own TV channel, while the Company has different ways of supporting the cost of such ownership to ensure that quality programs are made available and can be watched by viewers throughout the country. The success of this mission is clear to see from the rapid growth of the number of TV stations carried by the Company's satellites after the introduction of low-cost satellite reception equipment through DTV. The growth in the number of viewers accessing satellite TV programs led to a subsequent growth in the number of program producers wishing to broadcast their content on the Company's satellites. This in turn led to continued growth in the numbers of viewers.

Thaicom is proud of the role it has played in laying the foundation for the country's broadcast industry growth and in providing opportunities to broadcasters.

There have also been occasions when the Company's platforms have been used to provide emergency communications services. At times of natural disasters, the Company has supplied equipment, personnel and bandwidth to deploy telecommunications services in areas where ground infrastructure was damaged, both domestically and abroad. It is one of the Company's duties to provide such services in times of need to assist and provide relief to people affected by such disasters. Some examples of the provision of these services include the floods which struck Thailand in 2011, the earthquake in Sichuan province of China, the tsunami which hit Thailand and Japan, etc. In each of these events, the Company provided connectivity through its conventional and IPSTAR satellites. In Christchurch, New Zealand, as well as the more recent earthquake in the Philippines, the Company was one of the first responders to re-establish telecommunications in the areas hit by using its IPSTAR satellite. In each of these instances, the Company provided equipment and personnel to support relief efforts and to provide access to essential and necessary infrastructure.

The above examples clearly show the Company's efforts to provide sufficient capacity and capability to access information and communications services through physical networks, and of large enough a variety to meet the needs of all stakeholders. What's more, the Company is able to provide these services under normal as well as crisis operating conditions.



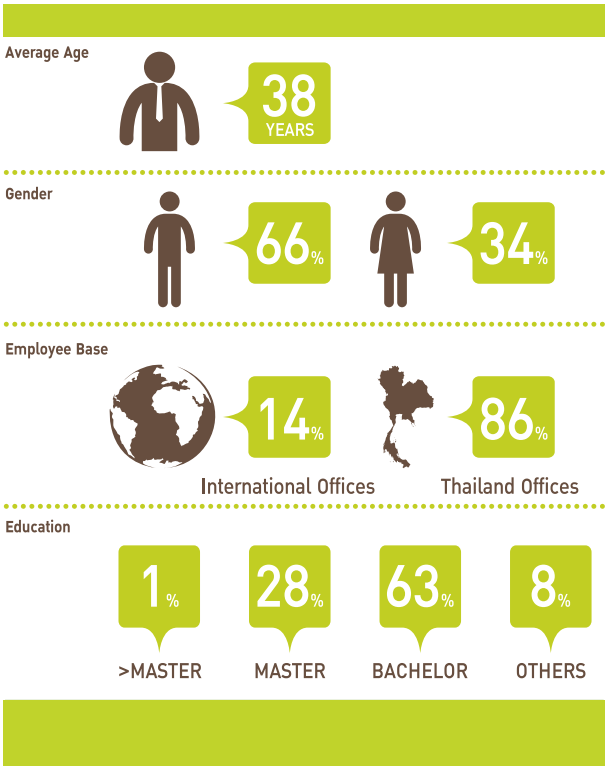
Responsibility



Responsibility in this sense means that Thaicom is accepted by society as a company that operates its businesses with a responsibility towards its stakeholders at all levels by means of sustainable development. This is achieved by providing positive impacts on society by supporting the development of skills and education by employing the Company's assets to do so. At the same time, the Company works to reduce any negative impacts its business activities may have on society. This is achieved through efficient human resources management, products and services quality management and the maintenance of content quality.

Human Resources

Human resources are our most valuable asset, and as such, the Company focuses on the well-being and development of people at all levels, whether within the organization such as our management and staff, or people who live in communities where we operate our business, and wider civil society. Our efforts are aimed at improving and strengthening the social fabric in all areas through the provision of services and knowledge that will lead to sustainable development for all stakeholders.








The Company's Human Resources

The Company's personnel, from management to operations, are an integral part of the Company's business success. To strengthen the corporate culture and to ensure that all employees benefit from the Company's success, we consistently strive to provide employees with opportunities to increase their knowledge, work in an environment that is pleasant and safe, and create a feeling of ownership. Employees are encouraged to participate in social activities organized by 11 different internal clubs, ranging from yoga to photography. The Company treats its employees equally and without prejudice and provides them with proper remuneration for their efforts. The Company's human resources management is based on the principles contained in what is known as the '4C' - culture, climate, career, capability.



Climate: the creation of a comfortable, safe, hygienic and happy work place where employees perform their duties efficiently and with a high level of quality for the benefit fo the Company and its customers

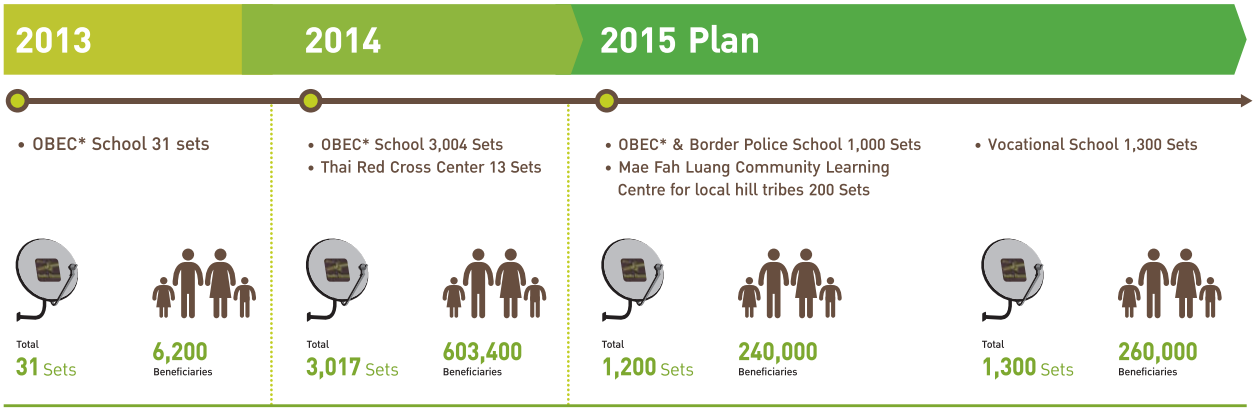
Culture: the creation of a corporate culture that is based on the Company's core values as expressed by EPIC (E - Excellence, P - Passion, I - Innovation, C - Contribution). The Company actively promotes the creation of this culture which will lead to unity and strength, as these are important factors that help to determine a company's success.



Career: provision of adequate and suitable remuneration for work performed, but also the potential for advancement within the organizational

Capability: the development of potential and capabilities of personnel through the provision of a knowledge base which is accessible for employees' learning interest; provision of professional development opportunities for employees at all levels, and the provision of opportunities for employees to show their potential in their respective positions. All these activities will ultimately lead to more efficient and better work performance, which will benefit the Company as well as society.

Number of Satellite TV receivers provided to support distance learning education



Note : The number of beneficiaries are based on 200 / set
* OBEC : Office of the Basic Education Commission

External Human Resources

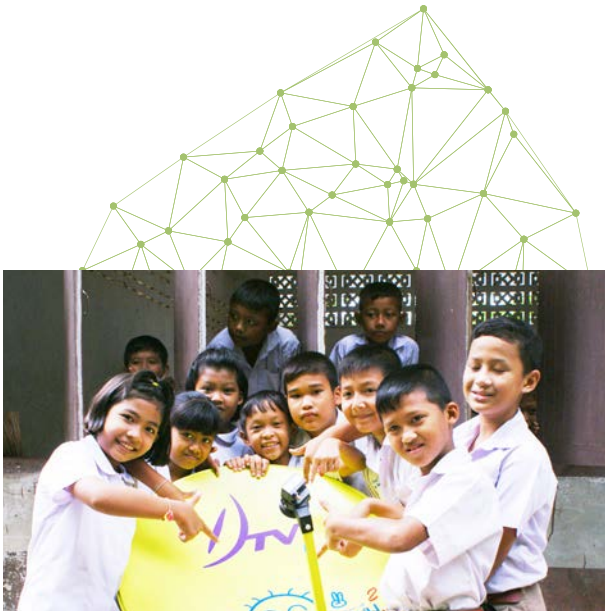
The development of communities and wider civil society are important tasks for the Company, and as such, Thaicom strives to provide knowledge and education at the grass-roots level to allow communities to strengthen and improve their living standards and to build a better future. To provide such opportunities, the Company employs its assets in different ways and through different projects to reach people and communities. These projects include:

Thai Kids, Thaicom – Satellite TV Reception Equipment to Access Educatinal Programming

The Thai Kids, Thaicom project aims to provide education opportunities to children in rural communities where access to education is scarce, sub-standard, or where there is a chronic lack of teachers. Through the project, the Company provides satellite receiver dishes to these schools so that they may then access distance education programming broadcast from the classrooms of Klai Kang Won School in Hua Hin, Prachuab Kirikhan, a model school for distance learning. In 2014, the Company donated and installed a total of 3,017 such satellite TV receiver sets to schools throughout the country, offering children in these schools an opportunity to access programming that can supplement their knowledge and education.

Thai Kids, Thaicom – Training Technicians to Install Receiver Sets

Thaicom's "Satellite Installation Training" project involves trainings run by Thaicom volunteers. The project aims to develop the skills and professional ability of vocational students and youths undergoing drug treatment programs. Many of the

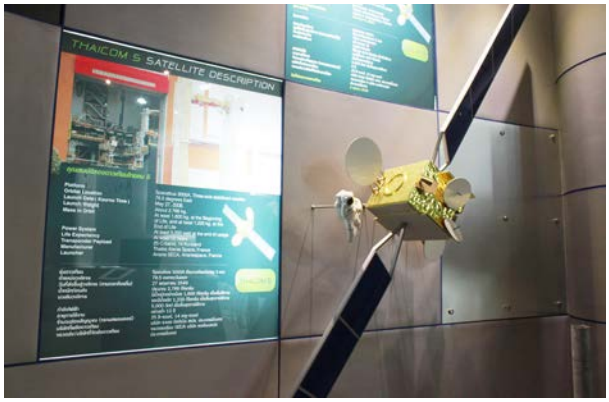












participants in this project have been able to make a living from these newly acquired skills, while some have also gone on to become trainers of other students. In 2014, Thaicom ran 7 training sessions, 2 at drug treatment centers, 3 at technical colleges, and twice with members of the Border Patrol Police so that they can assist people in border villages when needed.

Thai Kids, Thaicom – Network Schools

In addition to providing satellite tv reception equipment and creating an opportunity for students to watch programming from the Klai Kang Won School, Thaicom has also provided additional educational opportunities and experiences for students in 10 schools in Nonthaburi and Pathum Thani provinces. These schools are part of Thaicom's 'School Network' where the Company will focus on providing additional and alternative teaching and training for students to further develop their knowledge and life skills.

Thaicom Learning Center

Thaicom has implemented a new project in cooperation with Khien Khet Temple school, to provide education in line with the theory of education through constructionism. Under this concept, learners develop their own knowledge base through practical work and experimentation (learning by doing). Students participating in this project have become more aware of their role in society, developed their skills of observation, critical thinking and analysis, and have applied their new-found learning to real-life situations to improve their community.

Thaicom for Communities – Healthy and Safe Vegetables Fund

In an effort to promote healthier diets and to provide an additional source of income for communities, the Company established a community support fund and revolving fund which can be used by participating villagers to produce pesticide-free vegetables. The project will allow villagers to eat healthier, but at the same time to market their produce at better prices to health-conscious consumers. As the project evolves, its success will not only make the project self-sustaining, but also improve the quality of life of people within the community.

Space and Satellite Pavillion

The Thaicom Satellite Museum is the first and only space museum in Thailand. A team of company engineers is at hand to provide visitors with an information-filled tour. Tyhe

museum is a perfect tool to educate children, and to pique their interest in space and space-age technology which may lead to them eventually becoming one of the nation's leading engineers and a development of further space technologies.

In 2014, the Company revamped and expanded the museum, making it even bigger, better and able to receive groups interested in learning about space and satellite technology.

NASA – A HUMAN ADVENTURE

Thaicom sponsored the moving exhibition from NASA, which was held in Bangkok from November 2014 - February 2015. The participation by the Company in this event was part of the Company's efforts to provide educational opportunities to the people of Thailand, and to inspire the country's children and youth to become scientists and engineers who will help to develop the country in the future.

Products and Services

Maintaining product and service quality ensures customer satisfaction and trust and also shows the Company's



responsibility toward the economy, society and the environment. This can be achieved through careful monitoring of impacts products and services may have on the different stakeholders, and by implementing risk and negative impact mitigation guidelines.

The Company places great importance on the maintenance of product and service quality, both internally and externally. The following steps are followed to ensure quality:

Customer surveys that cover both the Company's sales and financial performance are performed regularly, and in addition to answering specific questions, customers may also provide added comments and information. The Company also provides a knowledge sharing section through which the Company provides accurate information about the Company and its operations, as well as other related information. Since the Company is a satellite services provider, much of the information provided on the Company's website is related to the space segment and satellite operations. Additional information provided on the website includes information on Corporate Governance. All this information will is aimed at reassuring customers that the Company operates is business in a transparent and efficient manner. This will lead to greater trust in the Company products and services.

Service monitoring is a system that was developed by the Company's MIS department to repair and to maintain product and service quality. Under this monitoring system, should a technical problem occur with a product or service user, the system will be able to provide ways of resolving the problem. The system depends on several support teams to assist customers as follows; The in-house team which monitors the Company's internal systems, a support team, which provides support to an operations team, the latter of which performs technical repairs. The Company also provides clients at different levels with service level agreements that clearly describe the services clients can expect to receive from the Company.

In the event a technical problem occurs, the system will first provide basic maintenance advice, before passing information on to the monitoring team to analyze the severity of the problem. This information is then passed on to the operations team for further action in compliance with the pre-established process framework. Should the problem not be solvable, it is forwarded to the Problem solving and Management Team, which will make an in-depth study of the problem and develop a solution. Since the Company must focus on working systematically, and keep in mind the impact any problem may have on the income of a customer, the above-mentioned service management system is highly efficient in preventing and solving problems, thus reducing impact on the customer's revenues.

Quality of Content

As a provider of satellite transponders for telecommunications purposes, the company must take into consideration the quality and stability of its transmissions to ensure uninterrupted

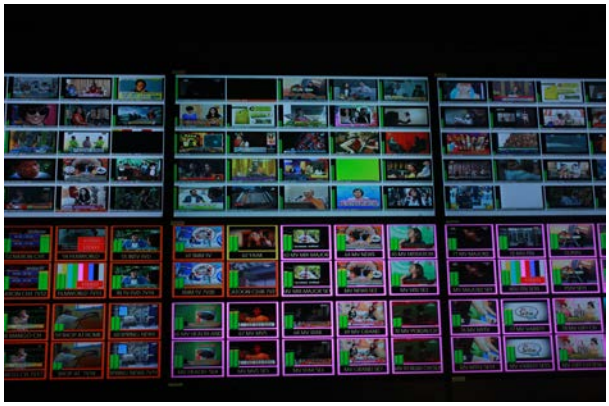
service for customers. In addition to this, the Company is also responsible for monitoring the quality of the content broadcast via its satellite transponders to ensure suitability of the contents for viewers and to prevent negative impacts on society. The Company's activities in this area can be divided into two main categories, namely: quality of program content; service quality.

Program Content Quality

The Company has clearly defined guidelines that control the quality of program contents, developed in cooperation with government and private organizations. The guidelines call for quality programs that contain no objectionable materials and do not create a negative impact on society. Previously, Thailand experienced problems with programs which created social division and unrest. At present, the Company monitors the contents of all programs broadcast via the Company's satellites with the cooperation of external entities. The Company has been successful in adhering to broadcasting regulations and laws, and has worked closely with the National Broadcasting and Telecommunications Commission (NBTC) in monitoring and controlling program contents. The Company has also worked with its customers to prevent a recurrence of broadcasting of objectionable content.

Technical Quality

Improving the technical quality of providing broadcasting services is one of the Company's main areas of focus. Improvements are made to keep pace with the ever changing needs of modern consumers, and more recently, the demand for High Definition TV broadcasting. What's more, the Company is also focused on ensuring uninterrupted and stable service.



To maintain service quality, the Company has implemented the following work flows:

- The Company has several touch points through which customers may contact the Company. This necessarily means that there are two methods of dealing with customer calls and complaints, the first of which is to deal with the issue in a proactive manner, the other in a reactive manner. When the main call center receives a complaint from a customer about signal quality or a total loss of signal, this information is passed on to technicians who will then provide the necessary information to reactivate the broadcast service. If the service cannot be re-activated through this method, technicians are sent out to the location of the problem to attempt a repair, or to replace equipment. It is the Company's intention to provide customers with basic maintenance knowledge and the idea that should they experience problems, resolving those problems is not a complicated issue.

  In the event customers contact the Company through different channels such as the website or by email, a 'reactive' or delayed response is given. Although the Company's products and services are mainly business to business in nature, the Company does operate a customer call center and provides customers with information or ways of resolving equipment or service problems.
- The Company has in place a process to deal with occurrences of signal outages. Should a particular broadcast signal drop away, the Company has replacement material that can be broadcast to ensure that screens do not remain dark for long periods of time. Customers may choose what the Company should show in the event of a signal problem.

Awards and Achievements

2013

January

The Company announced that it had reached a Framework Agreement to proceed with the sale of IPSTAR Bandwidth in China.

THAICOM 4 (IPSTAR) became the first broadband satellite to provide commercial WIMAX backhaul services in Japan in several areas including coverage to under-served areas.

April

TOT Public Company Limited extended its contract period with THCOM for another 8 years (2013-2021). TOT expanded the usage to enhance its efficiency as it is still the sole provider of IPSTAR capacity in Thailand.

May

Thaicom procured an interim satellite to provide services at the 78.5 degrees East orbital slot ahead of the launch of THAICOM 6.

Thaicom entered into a Cooperation Framework Agreement with Gilat Satellite Networks Limited, the global leader in satellite networking technology from Israel, to provide integrated platform solution using Gilat's ground system on THAICOM 4 (IPSTAR) in countries across Asia-Pacific where the system best suits customers.

June

The Company was recognized by FinanceAsia, a well-respected Finance and Investment magazine in Asia, as "An Outstanding Thai Company of the Year" in three categories: Best Mid-Cap (#1), Best CEO (#1), and Best CSR (#6).

TRIS Rating changed Thaicom's outlook from a rating of 'stable' to 'Positive' which reflects the Company's strong fundamentals and potential for growth.





2014

January

- On 6 January 2014, the Company successfully launched its THAICOM 6 satellite into orbit.
- The Company became one of the new components of the SET50 Index.

February

- IPSTAR Australia Pty Company Limited (IPA), acquired 100% or 5.96 million shares of Orion Satellite Systems Pty Ltd. (OSS).

March

- The Company increased its registered capital through the issuance of an additional 1,197,700 shares at a par value of 5 Baht each, for a total value of 5,998,500 Baht.

April

- Thaicom's Ku-band is ready for digital-TV and Must Carry starting 22 April.
- THAICOM 8 satellite approved.

May

- IPSTAR Launches Low-Cost Maritime Broadband End-to-End Service in Japan.

June

- The Company purchased an additional 31,220 shares of IPSTAR Co., Ltd., at a value of USD 1 per share. This amounts to a total of 0.02% of the registered capital of IPSTAR. The acquisition of these additional shares means that the Company now holds a total of 99.98% of all IPSTAR shares.

July

- The Company received a perfect score of 100 on the AGM Checklist 2014 from the AGM Assessment Program for Listed Companies for the year 2014. This is the second consecutive year that the Company has been awarded a perfect score by the Thai Investor Association.
- Thaicom became one of the top 50 listed companies in Thailand in the area of Corporate Governance as measured by the ASEAN CG Scorecard for the year 2013/2014.

Awards and Achievements

2013

August

The Company received a perfect score of 100 on the AGM Checklist 2013 from the AGM Assessment Program for Listed Companies for the year 2013 by the Thai Investor Association.

The Board of Directors approved THAICOM's Anti-Corruption and Bribery Policy, and also signalled its intent to join "Thailand's Private Sector Collective Action Coalition Against Corruption" (Collective Anti-Corruption: CAC).

October

The Company received a score of "Excellent" in the Corporate Governance Report of Thai Listed Companies for the year 2013 (CGR 2013) published by the Thai Institute of Directors (IOD).

Thaicom signed an MOU with Kasetsart University to collaborate on satellite communication technology research and development under the "SATCOM On The Move" Project, which is a joint research and satellite communications technologies development project based on a partnership between students, researchers and Thaicom staff.

November

The Company was awarded the "Board of the Year Award" for the year 2013 in the "Board of the Year for Distinctive Practices" category by the Thai Institute of Directors (IOD). The award honors boards of directors that perform their duties effectively in accordance with "Very Good" practices.

The Company was recognized with an "Outstanding Investor Relations Award" for a company with a market capitalization of between Baht 20-50 billion.





2014

August

- IPSTAR Australia Pty. (IPA), receive approval from NBN Company Limited (NBN) to expand the provision of broadband services by an additional 9,000 locations beyond its initial project contract.
- The Company purchased the remaining shares of IPSTAR Co., Ltd., which means that the Company now holds 100% of all IPSTAR shares.

September

- The Company successfully launched the THAICOM 7 satellite into orbit.
- Suphajee Suthumpun, Thaicom's CEO, was awarded the 2014 Satellite Executive of the Year in Asia Pacific Award at the APSCC - Asia Pacific Satellite Communications Council's 10th annual APSCC awards dinner.
- The Company issued a total of 4,550,000 debentures with a total value of 4.55 billion Baht to finance the THAICOM 7 and THAICOM 8 projects.
- The Company introduced satellite-based Wi-Fi Onboard services in cooperation with Nok Air.

October

- The Company received a score of “Excellent” in the Corporate Governance Report of Thai Listed Companies for the year 2014 (CGR 2014) published by the Thai Institute of Directors (IOD).

November

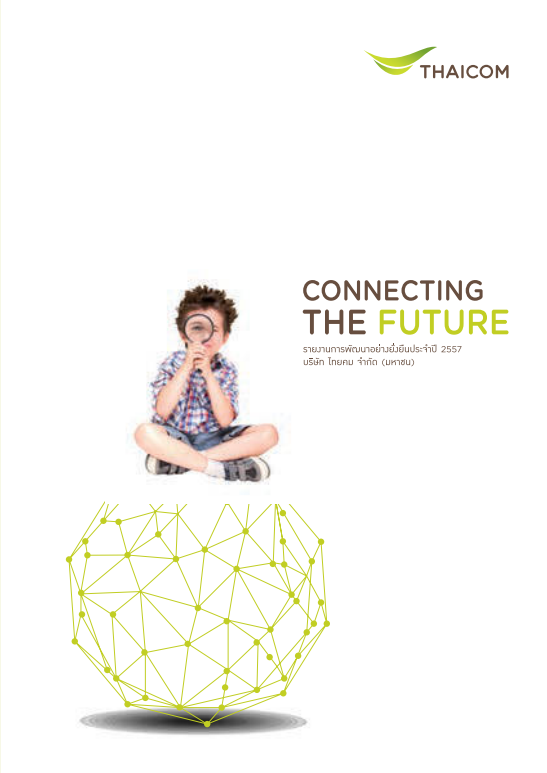
- The Company received Best Investor Relations Award from the SET AWARDS 2014 for a company with a market capitalization of between Baht 20-50 billion.

December

- Thaicom was a major organizer of the world-class space exhibition NASA — A HUMAN ADVENTURE.
- The Company signed the syndicated loan for THAICOM 8 satellite project with Bangkok Bank Plc and Kasikorn Bank Plc. This is a satellite project that financed through local commercial banks and that it was structured similarly to that of Foreign Export Credit Agencies (ECA).

About this Report

Thaicom's 2014 Sustainability Report was prepared in accordance with the Global Report Initiatives version 4 or "GRI-G4" which is internationally recognized as the most recent standard in terms of sustainable development. We believe that the report is a significant contribution to reflect the efficiency, development, process improvement, and implementation regarding the organization's sustainable development which will help to achieve the targets either in economic, social, or environmental aspects as a whole. The content of this report covers only the activities of Thaicom PLC in Thailand. Future Sustainable Development Reports will include the activities of our subsidiary companies in order to present a more complete picture of our outreach and impact. This report can be downloaded from the Thaicom website.



The report also available for download at the Company website

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GRI Index

GRI G4 Index		
General Standard Disclosure		
	GRI Aspect	**Page**
1. Provide a statement from the most senior decision-maker of the organization (such as CEO, chairman)		
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chairman, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	2-5, 15
G4-2	Provide a description of key impacts, risks, and opportunities.	16-19
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G4-4	Report the primary brands, products, and services.	8
G4-5	Report the location of the organization's headquarters.	7
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.	7
G4-7	Report the nature of ownership and legal form.	7
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	7
G4-10	• Report the total number of employees by employment contract and gender. • Report the total number of permanent employees by employment type and gender. • Report the total workforce by employees and supervised workers and by gender. • Report the total workforce by region and gender. • Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. • Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	36
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G4-18	• Explain the process for defining the report content and the Aspect Boundaries • Explain how the organization has implemented the Reporting Principles for Defining Report Content.	10-14
G4-19	List all the Material Aspect identified in the process for defining report content.	10-14
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G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	15-25
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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.	26
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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.	20-25
G4-45	• Report the hightest 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 implementtation of due diligence processes. • Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and oppertunities.	19
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management process for economic, environmental and social topics.	19
G4-47	Report the frequency highest governance body's review of economic, environmental and social impacts, risks and opportunities	19
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**This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines.*

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** Please see more information in Annual Report 2014*



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