

CORPORATE GOVERNANCE



Profile of the Directors and Management



1. Mr. Kan Trakulhoon

Age (years) 65

- Chairman of Board of Directors
- Independent Director
- Chairman of Leadership Development and Compensation Committee

Appointed 3 Aug 2015

Appointed as Chairman of the Board of Director 8 Nov 2016

Total number of service tenure: 4 Years 4 Months

Share Ratio (%)* None

Relationship with Management None

Highest Education

- Honorary Degrees of Engineering Chulalongkorn University
- Honorary Degrees of Manufacturing Engineering Maharakham University

Related Training Program held by IOD

- Director Certification Program

Position in Company

2016 - Present Chairman of the Board of Directors, Chairman of the Leadership Development and Compensation Committee

2015 - Present Independent Director

2015 - 2017 Chairman of Sustainable Development Committee

Position in Other Listed Companies

2017 - Present Independent Director / Intouch Holdings Plc.

2017 - Present Independent Director / Bangkok Dusit Medical Services Plc.

2016 - Present Independent Director / Siam Commercial Bank Plc.

2006 - Present Director / The Siam Cement Plc.

Position in Non Listed Companies

2020 - Present Expert Member State Enterprise Policy Committee

2018 - Present Advisory Board Minister of Science and Technology

2018 - Present Expert Member Eastern Economic Corridor Policy Committee

2018 - Present Expert Member Investment and Coordination Committee

2015 - Present Advisory Board Nomura Holdings Inc

2011 - Present Consultant Kubota Corporation (Japan)

Illegal Record in past 10 years None



2. Mr. Somprasong Boonyachai

Age (years) 65

- Vice-Chairman of Board of Directors
- Non-Executive Director
- Member of Sustainable Development Committee
- Authorized Director

Appointed 28 Mar 1994

Total number of service tenure: 25 Years 9 Months

Share Ratio (%)* None

Relationship with Management None

Highest Education

- Master of Engineering, Asian Institute of Technology

Related Training Program held by IOD

- Role of the Chairman Program (RCP 21/2009)
- Director Certification Program (DCP 65/2005)
- Director Accreditation Program (DAP 30/2004)

Position in Company

2019 - Present Director of sustainable Development committee

2008 - Present Vice-Chairman of Board of Director

1994 - Present Director

2008 - 2019 Member of Leadership Development and Compensation Committee

Position in Other Listed Companies

2007 - Present Director / Intouch Holdings Plc.

2006 - Present Director / Thaicom Plc.

2016 - Present Vice Chairman of the Board and Independent Director / Osotsapa Plc.

2017 - Present Director / BEC World Plc.

2017 - Present Director / Dusit Thani Plc.

2002 - Present Independent Director and Member of Audit Committee Power Line Engineering Plc.

2008 - 2017 Chairman of Executive Committee / Intouch Holdings Plc.

2009 - 2011 Chairman of Executive Committee / Thaicom Plc.

Position in Non Listed Companies

2018 - Present Expert Member, Geo-Informative and Space Technology Development agency

2017 - Present Director National Strategy Committee for the Development and Capacity Building of Human Resources

2016 - 2018 Director / Osotsapa Co., Ltd.

2016 - 2016 Independent Director / Pruksa Real Estate Plc.

2004 - 2016 Director / Praram 9 Hospital Co., Ltd.

Illegal Record in past 10 years None



3. Mr. Prasan Chuaphanich

Age (years) 68

- Independent Director
- Member of Audit and Risk Committee
- Chairman of Sustainable Development Committee

Appointed	30 Mar 2017
Total number of service tenure:	2 Year 9 Months
Share Ratio (%)	0.0007
Relationship with Management	None

Highest Education

- Bachelor of Commerce and Accountancy
(Second Class Honor) Chulalongkorn University

Related Training Program held by IOD

- Director Certification Program (DCP 119/2009)
- Financial Institution Governance Program (FGP 6/2013)

Position in Company

- 2018 - Present Chairman of Sustainable Development Committee
- 2017 - Present Independent Director, Member of Audit and Risk Committee, Member of Sustainable Development Committee

Position in Other Listed Companies

- 2013 - Present Independent Director, Chairman of Audit Committee / Siam Commercial Bank Plc.
- 2013 - Present Independent Director, Member of Audit Committee Chairman of Nomination and Compensation Committee / Thai Solar Energy Plc.
- 2016 - 2019 Independent Director, Member of Audit Committee / PTT Global Chemical Plc.

Position in Non Listed Companies

- 2019 - Present Commissioner, Member of Audit Committee, Member of Governance Committee / Securities and Exchange Commission
- 2017 - Present Expert Member on Accounting / Public Sector Audit Evaluation Committee
- 2017 - Present Chairman of the Board/Thai Institute of Directors Association (IOD)
- 2016 - Present Member of the Mahidol University Internal Audit Committee/Mahidol University Council
- 2016 - Present Member of the Financial and Property Committee / King Mongkut's University of Technology Thonburi
- 2015 - Present Commissione / OIC Advanced Insurance Institute
- 2014 - Present Chairman of Audit Committee and Expert Member on Accounting / Office of Insurance Commission (OIC)
- 2014 - Present Member of Anti-Dumping and Subsidies Committee / Ministry of Commerce
- 2014 - Present Member of Advisory Committee on Corporate Governance and Policy / Thai Institute of Directors Association (IOD)

Illegal Record in past 10 years	None
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4. Mr. Surasak Vajakit

Age (years) 67

- Independent Director
- Chairman of Nomination and Governance Committee
- Member of Audit and Risk Committee

Appointed	10 May 2006
Total number of service tenure:	13 Years 7 Months
Share Ratio (%)	None
Relationship with Management	None

Highest Education

- Barrister at Law, Lincoln's Inn, UK

Related Training Program held by IOD

- Director Accreditation Program (DAP 29/2004)

Position in Company

- 2014 - Present Chairman of Nomination and Governance Committee
- 2007 - Present Member of Nomination and Governance Committee
- 2006 - Present Independent Director and Member of Audit and Risk Committee

Position in Other Listed Companies

None

Position in Non Listed Companies

- 2016 - Present Director / Srithai Insurance Plc.
- 2014 - Present Managing partner / R&T Asia (Thailand) Ltd.
- 2005 - 2014 Executive / Hunton and Williams (Thailand) Ltd.
- 1997 - 2008 Director / Thai Tallow and Oil Co., Ltd.

Illegal Record in past 10 years	None
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5. Ms. Jeann Low Ngia Jong

Age (years) 59

- Non-Executive Director
- Member of Nomination and Governance Committee

Appointed	27 Mar 2013
Total number of service tenure:	6 years 9 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education

- Bachelor of Accountancy, National University of Singapore

Position in Company

2013 - Present Director, Member of Nomination and Governance Committee

Position in Other Listed Companies

2016 - Present Director / Intouch Holdings Plc.

Position in Non Listed Companies

2015 - Present Group Chief Corporate Officer / Singapore Telecommunications Ltd.
2008 - 2015 Group Chief Financial Officer / Singapore Telecommunications Ltd.

Illegal Record in past 10 years None



6. Mr. Allen Lew Yoong Keong

Age (years) 64

- Chairman of Executive Committee
- Non-Executive Director
- Member of Leadership Development and Compensation Committee

Appointed	20 Mar 2006
Total number of service tenure:	13 Years 9 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education

- Master of Science (Management), Massachusetts Institute of Technology, USA

Position in Company

2008 - Present Chairman of Executive Committee, Member of Leadership Development and Compensation Committee
2006 - Present Director
2006 - 2008 Member of Executive Committee

Position in Other Listed Companies

None

Position in Non Listed Companies

2014 - 2019 Chief Executive Officer, Consumer Australia and Chief Executive Officer / Optus Pty Limited
2012 - 2014 Chief Executive Officer, Group Digital Life and Country Chief Officer (Singapore) / Singapore Telecommunications Ltd.
2006 - 2012 Chief Executive Officer (Singapore) / Singapore Telecommunications Ltd.

Illegal Record in past 10 years None



7. Mr. Krairit Euchukanonchai

Age (years) 65

- Chairman of Audit and Risk Committee
- Member of Nomination and Governance Committee
- Independent Director

Appointed	26 Mar 2014
Total number of service tenure:	5 Years 9 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education

- Master of Business Administration, North Texas State University, USA

Related Training Program held by IOD

- Director Certification Program (DCP 59/2005)
- Role of the Chairman Program (RCP 16/2007)

Position in Company

2014 - Present Chairman of Audit and Risk Committee, Member of Nomination and Governance Committee and Independent Director

Position in Other Listed Companies

2018 - Present Chairman of Board of Directors / PTT Plc.
 2015 - Present Vice-Chairman of Board of Directors, Chairman of Executive Committee, / Krungthai Bank Plc.
 Chairman of Risk Management Committee
 2011 - 2012 Director and Member of Audit Committee / PTT Plc.
 2006 - 2012 Chairman of Board of Directors and Chairman of Risk Management Committee / Krungthai Asset Management Plc.

Position in Non Listed Companies

1998 -Present Chairman / V Group Honda Car Co.,Ltd.
 2017 - 2019 Chairman / Mass Rapid Transit Authority of Thailand

Illegal Record in past 10 years None



8. Mr. Somchai Lertsutiwong

Age (years) 56

- Executive Director
- Member of Sustainable Development Committee
- Member of Executive Committee
- Chief Executive Officer
- Authorized Director

Appointed as director on 27 June 2014
 Appointed as Chief Executive Officer on 1 July 2014

Total number of service tenure: 5 Years 6 Months
 Share Ratio (%)* 0.0027
 Relationship with Management None

Highest Education

- Master of Business Administration, Chulalongkorn University

Related Training Program held by IOD

- Director Certification Program (DCP 107/2009)

Position in Company

2014 - Present Executive Director, Member of Sustainable Development Committee, Member of Executive Committee, Chief Executive Officer, and Authorized Director
 2012 - 2014 Director, Chief Marketing Officer
 2007 - 2012 Executive Vice President - Marketing
 2004 - 2007 Senior Vice President - Wireless Communication

Position in Other Listed Companies

None

Position in Non Listed Companies

None

Illegal Record in past 10 years None



9. Mr. Gerardo C. Ablaza, Jr.

Age (years) 67

- Independent Director
- Member of Executive Committee
- Member of Leadership Development and Compensation Committee

Appointed as director on 27 Apr 2017

Total number of service tenure: 2 Year 8 Months

Share Ratio (%)* None

Relationship with Management None

Highest Education

- Bachelor of Arts (Mathematics) De La Salle University, Manila

Related Training Program held by IOD

- Director Accreditation Program (DAP 146/2018)
- Advanced Corporate Governance 2019 (The Phillipines IOD)

Position in Company

- 2019 - Present Member of Leadership Development and Compensation Committee
- 2017 - Present Independent Director, Member of Executive Committee
- 2017 - 2019 Member of Sustainable Development Committee

Position in Other Listed Companies

None

Position in Non Listed Companies

- 2017 - Present Director / Bank of the Philippines Islands
- 2010 - Present Director, Vice Chairman, Member of Executive Committee / Manila Water Company Inc.
- 1998 - Present Senior Managing Director / Ayala Corporation
- 2012 - Present Director / AC Energy Holding Inc.
- 2012 - Present Director / AC Infrastructure Holding Corp.
- 2010 - 2017 President, CEO / Manila Water Company Inc.
- 1998 - 2009 President, CEO / Globe Telecom Inc.

Illegal Record in past 10 years None



10. Mr. Hui Weng Cheong

Age (years) 65

- Executive Director
- President
- Chief Operating Officer
- Authorized Director

Appointed as director on 27 Jul 2017

Total number of service tenure: 2 Year 5 Months

Share Ratio (%)* None

Relationship with Management None

Highest Education

- Master of Business Administration
University of Southern California, USA

Related Training Program held by IOD

- Director Certification Program (DCP 230/2016)

Position in Company

- 2017 - Present Director
- 2016 - Present President
- 2013 - Present Chief Operating Officer
- 2009 - 2010 Chief Operating Officer
- 2006 - 2009 Deputy President

Position in Other Listed Companies

None

Position in Non Listed Companies

- 2010 - 2013 CEO International / Singapore Telecommunications Ltd.

Illegal Record in past 10 years None



11. Mr. Anek Pana-apichon

Age (years) 54

- Non Executive Director
- Member of Executive Committee

Appointed 28 Mar 2019

Total number of service tenure: 9 Months

Share Ratio (%) None

Relationship with Management None

Highest Education

- Master of Business Administration Chulalongkorn University

Related Training Program held by IOD

- Director Certification Program (DCP 111/2008)

Position in Company

2019 - Present Member of Executive Committee

Position in Other Listed Companies

2019 - Present Chief Executive Officer / Intouch Holdings Plc.

2017 - Present Director / Intouch Holdings Plc.

2018 - Present Chairman of Executive Committee /
Thaicom Plc.

2017 - Present Director / Thaicom Plc.

2010 - Present Member of Executive Committee /
Thaicom Plc.

Position in Non Listed Companies

2017 - Present Chairman / High Shopping Co., Ltd.

2017 - Present Director / Intouch Media Co., Ltd.

2017 - Present Director / Touch TV Co., Ltd.

2015 - Present Director / High Shopping TV Co., Ltd.

2015 - Present Director / I.T. Applications and Services Co., Ltd.

Illegal Record in past 10 years None



12. Mr. Tee Seeumpornroj

Age (years) 43

- Chief Finance Officer

Appointed 1 Oct 2018

Share Ratio (%) None

Relationship with Management None

Highest Education

- Master of Science in Management (Science and Engineering), Stanford University, USA

Related Training Program held by IOD

- Director Certification Program (DCP 257/2018)

- Director Accreditation Program (DAP 113/2014)

(Deoitte Forum 2019: TFRS Version 2019 and 2020 Practical implication CDP hour: 7 hours)

Working Experiences

2018 - Present Chief Finance Officer /
Advanced Info Service Plc.

2017 - 2018 Deputy Chief Finance Officer /
Advanced Info Service Plc.

Illegal Record in past 10 years None



13. Mr. Weerawat Kiattipongthaworn

Age (years) 59

• Chief Corporate Officer

Appointed 1 Oct 2016

Share Ratio (%)* None

Relationship with Management None

Highest Education

- Master of Engineering (Computer) University of Michigan at Ann Arbor, USA
- Master of Business Administration, Thammasat University

Related Training Program held by IOD

- Capital Market Academy (CMA 19)

Working Experiences

- 2016 - Present Chief Corporate Officer / Advanced Info Service Plc.
- 2013 - 2016 Senior Executive Vice President - Operation / Advanced Info Service Plc.
- 2011 - 2015 Group Director / Telephone Number Portability Service Center Ltd.
- 2006 - 2013 Executive Vice President - Operation / Advanced Info Service Plc.

Illegal Record in past 10 years None



14. Ms. Kantima Lerlertyuttitham

Age (years) 49

• Chief Human Resources Officer

Appointed 16 Jul 2015

Share Ratio (%) 0.0001

Relationship with Management None

Highest Education

- Master of Psychology Counselling Service, Rider University, USA

Related Training Program held by IOD

- Director Certification Program (DCP 244/2017)
- Board Nomination and Compensation Program (BNCP 9/2019)

Working Experiences

- 2018 - Present Director / CS Loxinfo Plc.
- 2016 - Present Group Chief Human Resources Officer / Intouch Holdings Plc.
- 2015 - Present Chief Human Resources Officer / Advanced Info Service Plc.
- 2013 - 2015 Deputy Chief Operation Officer / MC Group Plc.
- 2011 - 2013 Chief Human Resources Officer / Prudential Life Insurance (Thailand) Plc.
- 2007 - 2011 Human Resources Director / Central Watson (Thailand) Co., Ltd.
- 2004 - 2007 Human Resources Director / Microsoft (Thailand) Co., Ltd.

Illegal Record in past 10 years None



15. Mr.Chavin Chaivatcharaporn

Age (years) 47

• Company Secretary

Appointed 3 Jan 2013

Share Ratio (%)* None
Relationship with Management None

Highest Education

- Master of Law (LL.M), University of Pennsylvania, USA

Related Training Program held by IOD

- Seminar-Anti Corruption Seminar 1/2016
- Role of the Compensation Committee (RCC 19/2014)
- Director Certification Program (DCP 192/2014)
- Company and Board Reporting Program [CRP 6/2013, BRP 11/2013]
- Anti-Corruption for Executive Program (ACEP 10/2014)
- Fundamental Practice for Company Secretary (FPCS 29/2014)
- Company Secretary Program (CSP 51/2013)

Working Experiences

2013 - Present Company Secretary / Advanced Info Service Plc.
2010 - 2013 Assistant Vice President-Legal / Advanced Info Service Plc.
2003 - 2010 Associate / Hunton & Williams Thailand Ltd.

Illegal Record in past 10 years None

16. Mrs.Suvimon Kulalert

Age (years) 59

• Chief Audit Executive

Appointed 1 Jan 1999

Share Ratio (%)* 0.0012
Relationship with Management None

Highest Education

- Master of Business Administration -Track Management Information System, Oklahoma City University, USA

Professional Certification

- Certified Public Accountant, year 1985
- Certified Internal Auditor, year 2000
- Certificate in Risk Management Assurance, year 2013

Related Training Program held by IOD

- Director Certification Program [DCP 136/2010]

Working Experiences

1999 - Present Chief Audit Executive / Advanced Info Service Plc.
1999 - Present Guest Speaker (internal audit, internal control and risk management) / Federation of Accounting Professions
2009 - Present Internal Audit Lecturer / University of the Thai Chamber of Commerce

Illegal Record in past 10 years None

17. Ms.Nattiya Poapongsakorn

Age (years) 44

• Head of Investor Relations and Compliance Department

Appointed 1 Apr 2013

Share Ratio (%)* 0.0003
Relationship with Management None

Highest Education

- Master of Technology Management, Washington State University, USA
- Master in Finance, Chulalongkorn University

Related Training Program held by IOD

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Working Experiences

2017 - Present Head of Investor Relations and Compliance / Advanced Info Service Plc.
2015 - 2017 Vice President, Investor Relations and Compliance / Advanced Info Service Plc.
2013 - 2014 Assistant Vice President, Investor Relations Advanced Info Service Plc.
2011 - 2013 Acting Assistant Vice President, Investor Relations / Advanced Info Service Plc.
2008 - 2011 Investor Relations Manager / Advanced Info Service Plc.

Illegal Record in past 10 years None

18. Mr. Tachahat Hemakul

Age (years) 45

• Head of Accounting Department

Appointed 1 Apr 2015

Share Ratio (%)* None
Relationship with Management None

Highest Education

- Master of Business Administration Sasin Business School

Related Training Program held by IOD

- Risk Management Program 2019 (Deloitte Forum 2019: Future Account, Are you ready? CDP hour: 3.30 hours
Workshop on Thai Financial Reporting Standard No. TFRS9 CDP hour: 7 hours)

Working Experiences

2015 - Present Head of Accounting Department / Advanced Info Service Plc.

Illegal Record in past 10 years None

As of 31 December 2019, the number of ordinary share includes holding by spouse and minor child.

[illegible]

Note:

1) Appointed as director on 28 March 2019 in replacing of Mr. Stephen Miller who resigned from the Company's directorship

2) Head of Accounting Department

Nomination and Governance Committee Report

The Nomination and Governance Committee (NGC) consists of three (3) members namely: Khun Surasak Vajasit as Chairman, Khun Krairit Euchukanonchai and Khun Jeann Low Ngiap Jong as members.

During the year 2019, the NGC held a total of seven (7) meetings. All members of NGC attended all the meetings. The summaries of NGC's performance for the year 2019 are described as follows:

1. Compliance and Corporate Governance Policy Review

The committee contributed to increase awareness among employees to comply with the Code of Business Ethics in the Corporate Governance Policy through video clips and other media. In 2019, the committee monitored and view that the Corporate Governance Policy in Section Code of Business Ethics shall be revised in order to enhance our good governance in accordance with the standard best practices regarding the executives' board membership in non-organization which requiring written

notification to the Company including certain regulations concerning employees doing business with the Company. In addition, the committee considered and concurred with amendment to Human Rights Policy by assigning the Business Ethics Committee to implement and drive policies and guidelines in relation thereto as well as communicating and promoting human rights issues among the Company's employees, supplies and business partners.

2. Policy and Criteria Formulation on Directors' Nomination

The committee adopted the director recruitment and selection policy that, apart from the board composition diversity in term of qualification and expertise enhancing company sustainable development, an independent female candidate should be taken into consideration when nominating an independent director.

The committee invited shareholders to propose candidate(s) to be nominated as a director so as to combine in the recommended list from other source. The committee

considers qualification of proposed candidate (s) to be nominated as director thoroughly by referring to Board Skill Matrix, expertise and experience of proposed candidate before proposing the qualified candidate to the Board and shareholders for consideration.

Mr. Surasak Vajasit
Chairman of Nomination
and Governance Committee

Leadership Development and Compensation Committee Report

The Leadership Development and Compensation Committee (LDCC) consists of three (3) highly experienced members namely: Mr. Kan Trakulhoon as Chairman, Mr. Allen Lew Yoong Keong and Mr. Gerardo C. Ablaza Jr. as members. In 2019, LDCC held a total of six (6) meetings so as to complete its assignments as stipulated in the Charter. The summary of LDCC's performance for the year 2019 is described as follows:

1. Compensation

Directors and Top Executives' Compensation

The LDCC considered and concurred with the directors and top executives' compensation schemes based on study and analysis of benchmarking with similar-sized listed companies and other companies in the same industry which could attract and retain highly qualified directors and top executives to the Company.

Employees' Compensation

The Committee considered and concurred with the principle of employees' compensation by benchmarking with the practice of top leading companies within the same size of market and/or industry capitalization.

2. Leadership Development

The LDCC promotes the development of executives' capabilities of the Company so as to lead its telecom business which has been facing the rising competition, the disruptive technological evolvement and the rapid change in consumer behavior. The LDCC has approved the participation in many critical projects which providing opportunities for our executives and employees to learn and study from world-class academic and research institutes with a view to enhancing managerial capability and prepare our human capital to handle new challenges on regular basis.

3. Executives' Succession Plan

The LDCC determines executive succession plan and strategies in all aspect comprehensively and transparently for potential successors for Chief Executive Officer position and head of business unit and other equivalent or high executive seniority and reports to the board for acknowledgement.

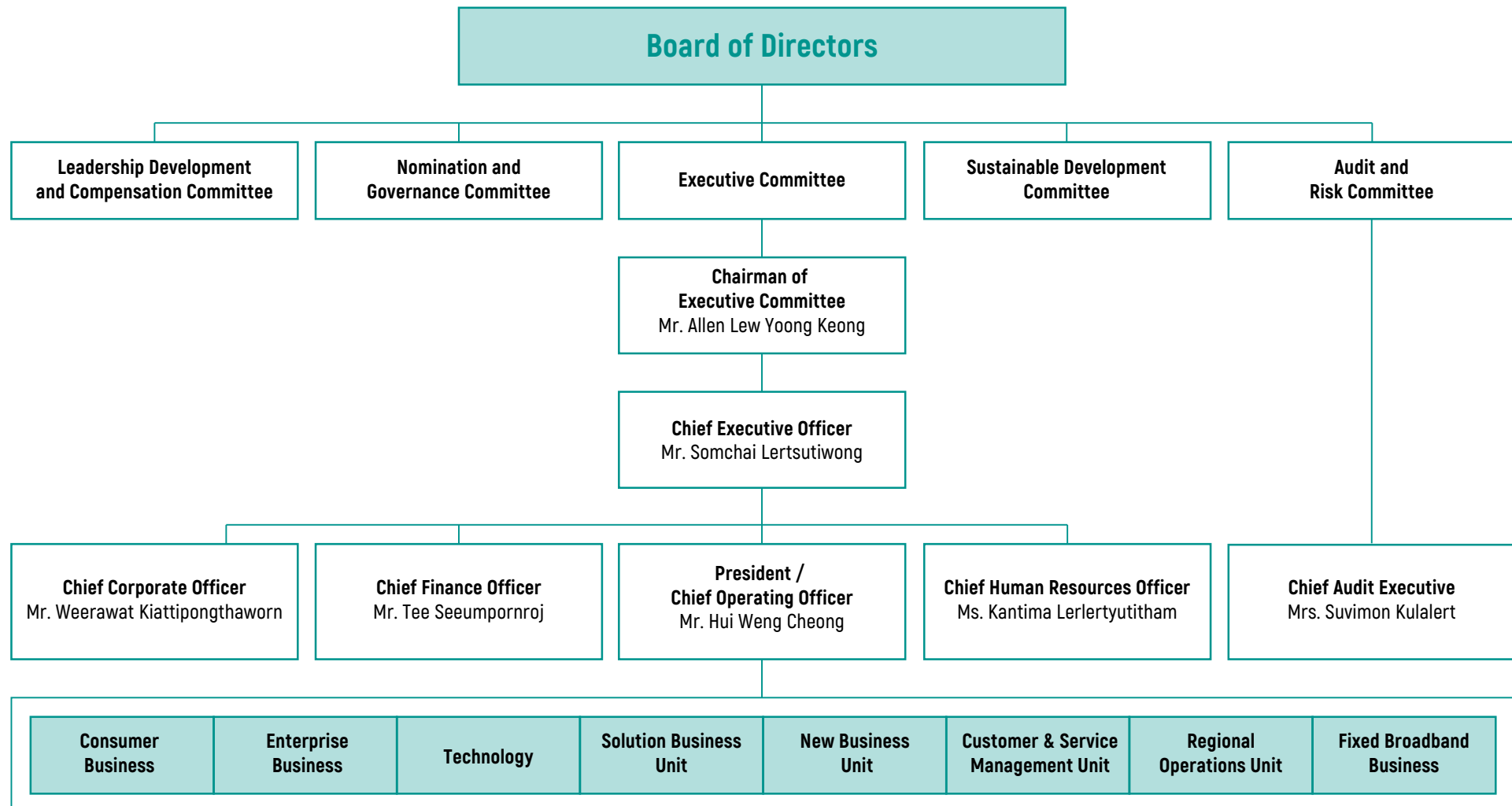


Mr. Kan Trakulhoon
Chairman of Leadership Development
and Compensation Committee

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Management Structure





Board of Directors and Board-Committees



Name	Board of Directors	Audit and Risk Committee	Nomination and Governance Committee	Leadership Development and Compensation Committee	Sustainable Development Committee	Executive Committee
Mr. Kan Trakulhoon	Chairman of Board of Directors and Independent Director	-	-	Chairman and Independent Director	-	-
Mr. Somprasong Boonyachai ¹⁾	Non-executive Director	-	-	-	Non-executive Director	-
Mr. Prasan Chuaphanich ²⁾	Independent Director	Independent Director	-	-	Chairman and Independent Director	-
Mr. Surasak Vajasit	Independent Director	Independent Director	Chairman and Independent Director	-	-	-
Ms. Jeann Low Ngia Jong ¹⁾²⁾	Non-executive Director	-	Non-executive Director	-	-	-
Mr. Allen Lew Yoong Keong ¹⁾	Non-executive Director	-	-	Non-executive Director	-	Chairman and Non-executive Director
Mr. Krairit Euchukanonchai ²⁾	Independent Director	Chairman and Independent Director	Independent Director	-	-	-
Mr. Gerardo C. Ablaza Jr ¹⁾²⁾	Independent Director	-	-	Independent Director	-	Independent Director
Mr. Somchai Lertsutiwong ¹⁾	Executive Director	-	-	-	Executive Director	Executive Director
Mr. Hui Weng Cheong	Executive Director	-	-	-	-	-
Mr. Anek Pana-apichon ²⁾	Non-executive Director	-	-	-	-	Non-executive Director

Remark:

- 1) Mr. Somprasong Boonyachai, Mr. Allen Lew Yoong Keong, Ms. Jeann Low Ngia Jong, Mr. Gerardo C. Ablaza, Jr., Mr. Somchai Lertsutiwong and Mr. Hui Weng Cheong are directors who have expertise in telecommunications business. Summary profiles of these directors and executives are shown in profile of the directors and managements.
- 2) Mr. Prasan Chuaphanich, Mr. Krairit Euchukanoncha, Mr. Gerardo C. Ablaza, Jr. and Ms. Jeann Low Ngia Jong are directors who have expertise in account and finance. Summary profiles of these directors and executives are shown in profile of the directors and managements.
- 3) Investors can look at the Company's definition of independent director criteria at <http://advanc-th.listedcompany.com/misc/cg/20171122-advanc-qualification-independent-th.pdf> The criteria defined by AIS are stricter than the criteria established by the Securities and Exchange Commission and the Stock Exchange of Thailand.



Meeting Attendance Summary



Name	Meeting Attendance /Total Numbers of Meetings ¹⁾					
	Board of Directors	Audit and Risk Committee	Nomination and Governance Committee	Leadership Development and Compensation Committee	Sustainable Development Committee	Executive Committee
Mr. Kan Trakulhoon	9/9	-	-	6/6	-	-
Mr. Somprasong Boonyachai ³⁾	9/9	-	-	3/3	3/4	-
Mr. Prasan Chuaphanich	7/9	16/16	-	-	4/4	-
Mr. Surasak Vajasit	9/9	16/16	7/7	-	-	-
Ms. Jeann Low Ngiaop Jong	8/9	-	7/7	-	-	-
Mr. Allen Lew Yoong Keong	5/9	-	-	6/6	-	11/11
Mr. Krairit Euchukanonchai	9/9	16/16	7/7	-	-	-
Mr. Gerardo C. Ablaza Jr. ³⁾	8/9	-	-	3/3	0/1	10/11
Mr. Somchai Lertsutiwong	9/9	-	-	-	4/4	11/11
Mr. Hui Weng Cheong	9/9	-	-	-	-	-
Mr. Anek Pana-apichon ²⁾	5/5	-	-	-	-	11/11

Remarks:

1) The meeting attendance includes physical and telephone or video conference participation.

2) Mr. Anek Pana-apichon has been appointed as the member of the Executive Committee on 21 January 2019 and as the director on 28 March 2019 replacing Mr. Stephen Miller who resigned.

3) Mr. Gerardo C. Ablaza Jr. has been appointed as member of Leadership Development and Compensation Committee replacing Mr. Somprasong Boonyachai and Mr. Somprasong Boonyachai has been appointed as member of Sustainable Development Committee replacing Mr. Gerardo C. Ablaza Jr. on 28 March 2019.

The Authorized Directors



Any two of the following three directors namely: Mr. Somprasong Boonyachai, Mr. Somchai Lertsutiwong or Mr. Hui Weng Cheong jointly sign with the Company's seal affixed.

The Scope of Authority and Duties of the Board of Directors and Board-committees



The Board of Directors

The Board of Directors is the representative of all shareholders, not of a particular group of shareholders. Nonetheless, the number of directors nominated by the controlling shareholders is in corresponding fairly to the shareholding percentage in the Company. The scope of authority and duties of the Board of Directors is as follows:

1. Perform its duties with honesty, integrity and prudence in accordance with the law and the Company's objectives and Articles of Association including the resolutions of shareholders' meeting, and carefully protect the Company's interests;
2. Set out the vision, policy and direction of the Company's operations and supervise the management team to act in accordance with the plans which are set out efficiency and effectively, and thereby maximize the economic value and wealth of the Company and its shareholders;

3. Consider and approve major issues such as large investments, purchase of assets etc. and any actions/ transactions as prescribed by law;
4. Approve and/or agree to major related transactions between the Company and its subsidiaries in compliance with the relevant notifications, regulations and guidelines of the Stock Exchange of Thailand;
5. Assess the performance of the Chief Executive Officer and high-level executives, and assign appropriate remuneration on a regular basis;
6. Be responsible for overseeing operational results and the management team's performance to ensure due attentiveness and care;
7. Arrange appropriate accounting systems, including the production of financial reports and a reliable auditing system; oversee and monitor the effectiveness and efficiency of the internal control, internal audit and risk management systems;
8. Ensure avoidance of conflict of interests amongst the Company's stakeholders;
9. Supervise business operations to enforce ethical work standards;
10. Annually review the Company's Corporate Governance Policy and assess due compliance;
11. Report on the execution of the Board of Directors' responsibility to prepare financial reports, along with the external auditor's report in the annual report covering key issues according to the Company's policy statement and the Stock Exchange of Thailand's Code of Best Practices for Directors of a Listed Company.

Reserved key matters for the Board's approval

The Board of Directors has reserved its authorization over certain matters so as to protect the highest interests of the Company and its shareholders, including:

- Strategic directions, strategic action and annual budget
- Capital expenditure and expense which exceeds the approval authority of the relevant board-committee or executives
- Strategic investments in new business and divestments
- Significant policies
- Material contracts
- Material litigation
- Dividend policy

The segregation of duty of the Board of Directors and Management

The Board of Directors has its duty to govern the operations in accordance with the provisions of the law, the Company's objectives, articles of association, the resolutions of the shareholders' meetings, and the Corporate Governance Policy. In governing the Company, the directors must exercise their business judgment and act in what they reasonably believe to be the best interests of the Company and its shareholders. The Management is responsible for implementing the Company's strategy, achieving the planned objectives, and handling the day-to-day administration and affairs of the Company. The Chairman of the Board is an independent director who has not authorizes to sign and bind the Company.

The segregation of duty of Chairman of the Board of Directors and Chief Executive Officer

The Chairman of the Board of Directors and the Chief Executive Officer shall not be held by the same person and both are competent with the appropriate experience and qualifications for their positions.

Roles of Chairman of the Board of Directors	Roles of Chief Executive Officer
<ul style="list-style-type: none"> • To perform leadership roles of the Board of Directors; • To perform chairperson' roles of the Board of Directors' meeting, the Shareholders' meeting and the Non-Executive Directors' meeting; • To collaborate with Chief Executive Officer in setting the Board meeting agenda; • To promote directors' contribution to the company's ethical culture and good corporate governance; • To promote directors to debate important matters thoroughly; • To coordinate with directors and executives for the constructive relations. 	<ul style="list-style-type: none"> • To formulate and identify vision statement, mission, strategies, business plan and annual balance scorecard (BSC) index propose to the Board of Directors for approval. Monitor the progress against budget and plan as well as report the results to the Board of Directors regularly; • To manage and control the business of the company in accordance with the company's vision statement, mission, strategies, and business plan; • To seek for new business opportunities which are consistent with the company's vision, direction and strategies; • To reserve and strengthen the capability of competent management team to achieve the company's goals and strategies. Identify and recruit qualified candidates to succeed senior management; • To coordinate with directors and executives.

The Audit and Risk Committee

1. Review the accuracy of the Company's financial reports in accordance with legally defined Accounting Standards and Financial Reporting Standards, and to ensure there is adequate disclosure;
2. Review the qualifications, independence, and overall performance of the external auditors including rotation of the external auditors and recommend to the Board on the proposal to shareholders on the appointment, reappointment or removal of the external auditors, and the auditor's remuneration, as well as to make a decision in the case where the management and the external auditors cannot agree on financial reports or limitations of audit engagement;
3. Hold a meeting with the external auditor without management in attendance, at least once a year;
4. Review the policy on the engagement of the external audit firm to provide a non-audit service to the Company;
5. Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine the Internal Audit's independence, as well as to approve the appointment, transfer, dismissal, performance appraisal and remuneration of the Chief Audit Executive, and to hold a meeting with the Chief Audit Executive without management in attendance in order to review limitations of internal audit engagement that might impair independence;
6. Review and approve the Internal Audit Charter, annual audit plan and activities of Internal Audit, and coordinate with the external auditor;



7. Oversee that quality of the Internal Audit be reviewed independently by external assessor once every 5 years;

8. Review that the Company has established an appropriate and effective risk management system, and to support the Board of Directors in overseeing enterprise risks, whereby the Committee shall have the following duties and responsibilities:

(a) to consider the Company's enterprise risk management framework which comprises risk appetite, risk capacity, and tolerance, including enterprise risk management, and to review adequacy of the enterprise risk management policy prescribed by Risk Management Committee prior to the proposal to the Board of Directors;

(b) to independently consider and recommend to the Board of Directors the enterprise risk oversight to ensure appropriate risk assessment, monitoring, reporting and control activities;

(c) to assess adequacy and appropriateness of strategic risk management for the business sustainability by overseeing and balancing performance and risk taking, as well as to consider risks impacting all concerned stakeholders and persons;

9. Review that the Company complies with the requirements of The Securities and Exchange Commission, SET and all laws relating to its business;

10. Review all connected transactions and possible conflicts of interest to ensure they are in compliance with the laws and regulations of Regulators to ensure that all transactions are reasonable and beneficial to the Company and all its stakeholders;

11. Review the Company's compliance with Fraud and/or Misconduct Reporting and Whistleblower Protection Policy, consider all concerns of misconduct or fraud and the investigation report quarterly, be one channel to receive the notification of complaints according to such policy, and concur on the preparation and revision of Fraud and/or Misconduct Reporting and Whistleblower Protection Guideline;

12. Oversee the Anti-Bribery and Corruption Policy and its programme to ensure compliance with legal and ethical obligations;

13. Prepare, and to disclose in the Company's annual report, an Audit and Risk Committee's report which must be signed by the Committee's Chairman and consist of at least the following information:

(a) an opinion on the accuracy, completeness and credibility of the Company's financial report;

(b) an opinion on the adequacy of the Company's internal control system and the effectiveness of risk management;

(c) an opinion on the compliance with the law on securities and exchange, SET's regulations, or the laws relating to the Company's business;

(d) an opinion on the suitability of an auditor;

(e) an opinion on the transactions that may lead to conflicts of interests;

(f) the number of the Committee meetings, and the attendance of such meetings by each committee member;

(g) an opinion or overview comment received by the Committee from its performance of duties in accordance with the charter; and

(h) other transactions which, according to the Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors;

14. Continue the inspection when the external auditor informs regarding any suspicious circumstance that the director, manager or any person responsible for the operation of such juristic person commits an offence under the law on the Securities and Exchange and the Audit and Risk Committee shall report the result of preliminary inspection to the Office of the Securities and Exchange Commission and the external auditor within thirty days;

15. Report the discussion and/or decision of the Audit and Risk Committee at its meetings and make recommendation as necessary to the Board of Directors at least four times a year. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts, which may materially affect the Company's



financial condition and operating results, the Audit and Risk Committee shall report it to the Board of Directors for rectification within the period of time that the Audit and Risk Committee thinks fit:

- (1) any transaction which causes any conflict of interest; or
- (2) any fraud, irregularity, or material defect in an internal control system; or
- (3) any infringement of the law on securities and exchange, SET's regulations, or any law relating to the Company's business,

If the Company's Board of Directors or management fails to make a rectification within the period of time under the first paragraph, any Audit and Risk Committee Member may report on the transaction or act under the first paragraph to the Office of the Securities and Exchange Commission or SET;

- 16. Have the authority to invite concerned executives, management and officers of the Company to express opinions, attend meetings or deliver documents as deemed necessary;
- 17. In performing their duties and responsibilities assigned, the Audit and Risk Committee may engage consultants or experts to provide opinions, advice or work, if necessary;
- 18. Conduct the Audit and Risk Committee's individual and group self-performance assessment annually;
- 19. Review this charter annually and propose to the Board of Directors for approval if changes are needed;

20. Perform other duties as assigned by the Board of Directors of the Company with the consent of the Audit and Risk Committee.

The Leadership Development and Compensation Committee

- 1. Fix appropriate annual remuneration in monetary and/or non-monetary form for the Board of Directors, committee members, and high level executives for the benefit of shareholders as a whole;
- 2. Prepare policy and guidelines to designate appropriate remuneration of the Board of Directors and high level executives to be proposed to the Board of Directors and/or the shareholders' meetings for approval;
- 3. Review and approve the Company's performance in order to determine the annual KPI bonus and merit-based salary increase across the Company;
- 4. Consider and approve the Long Term Incentive Plan and related practices;
- 5. Consider and approve the performance evaluation of the Company's Chief Executive Officer and those high-level executives who report directly to the Chief Executive Officer in order to determine their annual bonus, merit-based salary increase and long term incentives;
- 6. Consider and approve the annual bonus allocation of the Board of Directors;
- 7. Disclose policies governing the directors' remuneration in the annual report;
- 8. In consultation with the Chief Executive Officer, identify and evaluate potential successors for the Chief Executive Officer position and those high level executives who report

- directly to the Chief Executive Officer, and report annually to the Board of Directors on executive succession planning;
- 9. In consultation with the Chief Executive Officer, prepare succession planning policies for the Chief Executive Officer position and those high level executives who report directly to the Chief Executive Officer;
- 10. Oversee the process by which the Chief Executive Officer and high level executives;
- 11. Engage consultants or independent persons to provide opinions or advice if necessary, especially on leadership development;
- 12. The Committee is accountable to the Board of Directors and under obligation to explain its decisions at the shareholders' meetings, and answer any questions that may arise;
- 13. Annually review and reassess the adequacy of the charter and proposed any changes to the Board of Directors for approval;
- 14. Report regularly to the Board of Directors on matters within the scope of the Committee, as well as any special issues that merit the Board of Directors' attention;
- 15. Request members of the management or staff to attend the Committee meetings or provide pertinent information on the matters under discussion;
- 16. Perform other tasks requested by the Board of Directors.

**The Nomination and Governance Committee**

1. Draw up criteria and policy with respect to nomination of Board members and committee members of the Company;
2. Supervise implementation of the policy on the good corporate governance of the Company, annually review such policy including recommendation of any revision thereof for further consideration by the Board of Directors;
3. Consider and nominate appropriate persons to become Board members and/or committee members to be proposed to and approved by the Board of Directors and/or at shareholders' meetings, as the case may be; and
4. Perform other tasks as designated by the Board of Directors.

The Sustainable Development Committee

1. Define policy, strategy, operating target and sufficient budget including any other relevant action in connection with sustainability development and propose to the Board of Directors for approval;
2. Propose any material issues of the Company in connection with sustainability development to the Board of Directors for consideration;
3. Ensure that the implementation of sustainability development policy and strategy meets the target;
4. Advise and assist the Chief Executive Officer concerning the sustainability development operations;
5. Report the sustainability development performance to the Board of Directors;

6. Review the sustainability development report and propose to the Board of Directors for approval;
7. Perform other tasks as designated by the Board of Directors.

The Executive Committee

1. Formulate the Company's strategic direction, management structure, and annual business plan and budget for the Board of Directors' approval;
2. Manage the Company's business operations in order to achieve the planned objectives and targets;
3. Monitor the Company's financial and operating results, and keep the Board members informed by monthly report;
4. Identify and evaluate new business opportunities;
5. Review and make recommendations to the Board of Directors regarding the Company's dividend policy;
6. Review and approve all transactions concerning investments and disposal of assets, human resource management, finance and treasury, general administration and any other transaction related to the Company's business within the limits of delegated approval authority granted by the Board of Directors;
7. Review matters that require the Board of Directors' approval and make appropriate recommendations with the exception of activities that have been delegated to other Board sub-committees;
8. The Committee may delegate its authority to any member of the management or staff as it deems

appropriate. However, such authority does not permit the Committee or appointed persons to approve any transaction between them or related persons having mutual benefits or conflicts of interest (as prescribed in the Company's Articles of Association and Notifications of the Securities and Exchange Commission). The approval for transactions shall be in accordance with the policies and principles already determined by the Board of Directors and regulatory bodies;

9. Engage consultants or independent persons to provide opinions or advices if necessary;
10. The Committee may ask members of the management or other persons to attend its meetings or provide pertinent information as necessary;
11. Report to the Board of Directors on a quarterly basis regarding the material actions taken by the Committee under the Chief Executive Officer Report agenda;
12. Annually review its own performance and assess the adequacy of the Charter, which may be done in conjunction with the annual evaluation of the Board of Directors and its other committees, conducted under the oversight of the Nomination and Governance Committee; and
13. Take any other action or assume any other powers and responsibilities that may from time to time be assigned or delegated to the Committee by the Board of Directors.

Management Team



In addition to the Board of Directors and the Board Committees, the Company supports the performance of the Board of Directors with the following management team:

- | | |
|-----------------------------------|-------------------------------------|
| 1. Mr. Somchai Lertsutiwong | Chief Executive Officer |
| 2. Mr. Hui Weng Cheong | President / Chief Operating Officer |
| 3. Mr. Tee Seeumpornroj | Chief Finance Officer |
| 4. Mr. Weerawat Kiattipongthaworn | Chief Corporate Officer |
| 5. Ms. Kantima Lerlertyuttitham | Chief Human Resources Officer |

Nomination of Directors and Management



Criteria and Procedure for Director Nomination

1. The Nomination and Governance Committee (NGC) is responsible for identifying and selecting qualified candidates to be appointed by the Board of Directors or proposed through the Board of Directors for election at the shareholders' meetings in accordance with the Company's Articles of Association.

2. In connection therewith board skill matrix to identify gaps in the board of directors' current composition conducting, the NGC consider overall compositions of skills and qualification of present directors and current profile of new nominated directors, characteristics required of directors' diversity (i.e. gender, age, and experience), illegal records, and the Company's current and future business directions. In conducting annual review of nomination

criteria and procedures, the NGC also consider in term of identifying nominating candidates by the sources of recommendations from current board members and shareholders, professional search firm, or Thai Institute of Directors' director pool, etc.

3. In determining whether to recommend a director for re-election, the director's performance, history of attendance at and participation in meetings, and other contributions to the activities undertaken by the Board of Directors are taken in to consideration. In case of independent directors, their respective independence qualifications shall also be considered. The appointment procedure of the Board members at the shareholders' meeting shall be as follows:

- (1) Each shareholder shall be entitled to one vote for each shareholding;
- (2) Each shareholder shall be entitled to cast all the votes as defined under (1) to elect one or several persons to be

the Company's director(s) but cannot split their votes for any particular person or persons;

(3) Persons who receive the highest number of votes, arranged in order from highest to lowest in a number equal to that of the number of directors to be appointed, are elected to be the Company's directors. In the event of a tie at a lower place, which would make the number of directors more than required, the Chairman of the meeting shall have the casting vote.

In the case of a vacancy in the position of director, for reasons other than the completion of the term, the Board of Directors shall appoint a new director, with the required qualifications, and without any characteristics that would prohibit him/her from acting as director, to serve as a new director in the board meeting, excluding such case where the remaining term is less than two months. Such appointed director shall assume the position for the

remaining term of the vacating director. To approve such new director appointment, a resolution must be passed by not less than three-fourths of the total remaining directors.

The Company provides an opportunity for minority shareholders to nominate qualified candidates for election as the Company's directors in advance, at least three months prior to the fiscal year end date and through SET's disclosure channel. In 2019, no minority shareholder nominated a candidate for director appointment.

Nomination of Chief Executive Officer and Management



The Leadership Development and Compensation Committee shall nominate the suitable person(s) either internally or externally including the preparation of a succession plan relating thereto on the principle of considering the qualified person(s) either internally or externally. The Leadership Development and Compensation Committee may consider hiring professional consultants if required.

In addition, the Company shall prepare the succession plan of the high level head of unit up by identifying the suitable persons to hold such positions, and shall utilize the human resource development and management system to prepare the subordinates for succession.

On 31 October 2019, the Leadership Development and Compensation Committee proposed the top executive

succession plan to the Board of Directors' Meeting including recommendations in relation thereto for further improvement of succession plan.

Term of Directors



Term of Directorship

(1) According to the Public Companies Act B.E. 2535 and the Articles of Association, at the annual general meeting of shareholders, one-third of the directors shall vacate office. If one-third is not a round number, the number closet thereto shall be the applicable number. The directors who have held office the longest shall vacate. The vacating directors may be re-elected.

(2) In the case of a vacancy in the position of director, for reasons other than the completion of the term, the Board of Directors shall appoint a new director, with the required qualifications and without any characteristics that would prohibit him/her from acting as director, according to article 68 of the Public Companies Act B.E. 2535, to serve as a new director in the board meeting, excluding such case where the remaining term is less than two months. Such appointed directors shall assume the position for the remaining term of the vacating director.

Term of Membership of Audit and Risk Committee

(1) A Committee Member shall serve for a term as long as they are serving on the Board of Directors. A retiring member may be re-elected. For a committee member who has completed a total of nine years, or three consecutive

terms, the Board of Directors shall review their respective independent qualifications each year.

(2) A Committee Member who wishes to resign during his or her term of office must give notice to the Chairman of the Board of Directors. The resignation date is effective upon the Company receiving the notice. A new qualified member shall be considered to fill the vacancy for the remaining unexpired term. The Board of Directors must fill the vacancy within 90 days from the date on which such Committee Member resigned.

In the case that all members vacate office except otherwise by reason of disqualification or as prohibited by law, the Audit Committee shall remain in office as necessary until a new Audit Committee is appointed.

Term of Membership of Other Board Committees

(1) Members of the Board Committees may hold their posts for as long as they are serving on the Board of Directors. Any Member who vacates office at the end of their term may be re-elected.

(2) In addition to section (1), membership of the Board-Committees will be automatically cancelled in the following situations: Death, Resignation, being disqualified as sub-committee, Removal from office by resolution of the Board of Directors.

Remuneration for Directors and Management

The Company has specified the remuneration for directors which reflect to their duties and responsibilities and at a rate similar to the industry standards and companies

of similar size. The remuneration is considered to be appropriate to retain quality directors within the Company. The remuneration for the directors and management is in accordance with the Company's operational performance and the performance of the individuals.

The Leadership Development and Compensation Committee will determine necessary and appropriate remuneration in both monetary and non-monetary terms for the Company's directors, members of the board-committees, and the Chief Executive Officer, including senior executives reporting directly to the Chief Executive Officer. Additionally, the Directors' Compensation Survey published by the Stock Exchange of Thailand and the Thai Institute of Directors Association shall be considered annually.

The remuneration policy and budget for directors and members of the board-committees shall be proposed, respectively, to the Board of Directors meeting and the Company's general shareholders' meeting, which is held on an annual basis.

Directors' Remuneration

Total monetary remuneration for the Chairman of the Board of Directors, independent directors, and non-executive directors totaling 6 persons was Baht 27.28 million. The remuneration was paid from the director's individual performance results and approved by the general meeting of shareholders, held on 28 March 2019, in an amount not exceeding than Baht 36 million which comprised of monthly allowances, meeting allowances and bonus payments.

Directors' remuneration policy for the year 2019

Director	Monetary Remuneration (Baht)		
	Monthly Retainer	Meeting Allowance	Bonus
The Board of Directors			
• Chairman	300,000	x	✓
• Member	75,000	25,000	✓
Audit and Risk Committee/Executive Committee			
• Chairman	25,000	25,000	✓
• Member	x	25,000	✓
Other Board-Committees			
• Chairman	10,000	25,000	✓
• Member	x	25,000	✓

Notes:

- 1) Directors who are executives or employees of the Company or its controlling shareholders are not entitled to receive such remuneration.
- 2) Chairman of the Board of Directors is not entitled to receive an additional monthly retainer or meeting allowance when he or she holds any chair or membership of the board-committees.



The remuneration for 6 directors in year 2019 is as follows:

Name	Position	Monthly Retainer (Baht)	Meeting Allowance (Baht)	Bonus (Baht)	Others ²⁾ (Baht)
Mr. Kan Trakulhoon	<ul style="list-style-type: none"> Independent Director Chairman of the Board of Directors Chairman of Leadership Development and Compensation Committee 	3,600,000	-	3,160,000	-
Mr. Somprasong Boonyachai	<ul style="list-style-type: none"> Vice Chairman of the Board of Directors Non-executive Director Member of Sustainable Development Committee 	900,000	375,000	2,253,600	4,030
Mr. Krairit Euchukanonchai	<ul style="list-style-type: none"> Independent Director Chairman of Audit and Risk Committee Member of Nomination and Governance Committee 	1,200,000	800,000	3,160,000	10,075
Mr. Surasak Vajasit	<ul style="list-style-type: none"> Independent Director Chairman of Nomination and Governance Committee Member of Audit and Risk Committee 	1,020,000	800,000	2,299,000	10,075
Mr. Prasan Chuaphanich	<ul style="list-style-type: none"> Independent Director Chairman of Sustainable Development Committee Member of Audit and Risk Committee 	1,020,000	675,000	2,299,000	10,075
Mr. Gerardo C. Ablaza, Jr.	<ul style="list-style-type: none"> Independent Director Member of Executive Committee Member of Leadership Development and Compensation Committee 	900,000	525,000	2,263,600	-
	Total ¹⁾	8,640,000	3,175,000	15,435,200	34,255

Notes:

1) The above payments are the transactions during 2019 period including bonus 2019 paid in February 2020.

2) Other is per diem which paid to directors in performing their duties for the Company by traveling and overseas.

Management's remuneration



The Company's compensation philosophy seeks to recognize and reward the executives' performance in implementing the approved business plans and policies. The Leadership Development and Compensation Committee, as delegated by the Board, annually reviews and approves the Executives' Compensation Policy, which incorporates the following key elements:

Pay for performance

- Variable compensation is tied directly to the achievement of Company's strategic direction.
- Balanced scorecard is used to measure performance, comprising of financial, customer, internal process and learn & growth metrics.

Shareholder alignment

- Appropriate performance metrics are selected for annual and long-term incentive plans that will support business strategies and enhance value for shareholder.
- Ensure that appropriate success index is set for the company's operational capability, goals, and stretch levels of performance.

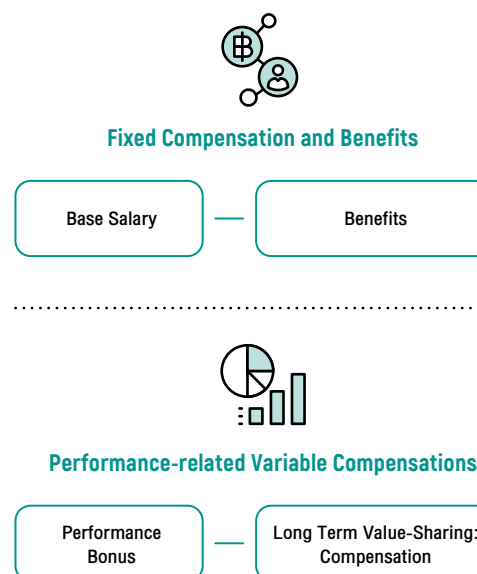
Competitive compensation

- Compensation benchmarking helps the Company attract and retain highly experienced and talented individuals.
- A significant proportion of remuneration is linked to performance, both on an annual and long-term basis.

Compensation structure



The compensation provides to CEO and Executives, as approved by the Board, consists of the following components:



Base Salary

The level of base compensation reflects each associate key responsibilities, job characteristics, experience and skill sets. It is paid in cash, monthly. Base compensation is

reviewed annually, and any increase reflects merit based on performance, as well as market movements.

Benefits

The primary purpose of benefits is to establish a level of security for employees and their dependents with respect to age, health, disability and death. The provident fund, insurance plans, and other welfare provisions are in line with market practices and legislative requirements.

Annual Performance Bonus

Provides a variable level of remuneration dependent on short-term performance against the annual plan, as well as relevant market remuneration benchmarks. The performance bonus is tied to annual Key Performance Indicator (KPI) and weights the various scorecard measures in order to determine overall company and individual performance evaluations and bonus awards.

Long term Value-Sharing Compensation

Long Term Value-Sharing Compensation focuses on a long-term incentive that reinforces the delivery of sustainable growth and increase shareholder value as well as retain key management position. The incentive scheme is intended to drive fundamental performance and business decision that align the interest of shareholders and executives based on the economic profit, absolute total shareholder return, and relative total shareholder return.

The compensation is based on three-year performance period and has three-year vesting period. Such award is also subjected to clawback policy in cases such as misconduct, resignation or termination of employment.

Company's Compensation Structure

	CEO	Executives	All Employees	Awarding	Link to compensation principle
Base Salary	✓	✓	✓	Cash - all employees	Attract and retain high quality employees and provided for ongoing performance and delivery in position
Benefits	✓	✓	✓	Provided fund and insurance	Establishes a level of security for employees
Performance Bonus	✓	✓	✓	cash - all employees	Performance-based compensation that reward employees on annual to individual performance
Long-term Value-Sharing Compensation (Cash /Equity)	✓	✓		<ul style="list-style-type: none"> • Cash - Executive • Warrants to purchase the ordinary shares of the Company 	<ul style="list-style-type: none"> • Performance-based compensation that reward employees on annual to individual performance • Drives fundamental performance that aligns interests of shareholders and the Executives based on total shareholder return and economic profit performance of the Company

In 2019, the total amount of remunerations for four (4) executives of the management team was calculated at Baht 54.39 million comprised of salary, bonus, provident fund and other benefits.



Warrants



The Company has issued warrants as part of the long term performance-base incentive from 2013 to 2017. The top 4 executives, defined by the notification of the Office of Securities and Exchange Commission, were granted the warrants as follows.

		2017	%	2016	%	2015	%	2014	%	2013	%	Total
1. Mr. Somchai Lertsutiwong	Units	88,700	6.3	56,800	6.87	51,600	5.92	29,816	4.38	19,824	4.89	246,740
2. Ms. Sunitaya Shinawatra	Units	35,440	2.5	11,900	1.44	11,890	1.36	11,020	1.62	6,864	1.69	77,114
3. Mr. Weerawat Kiattipongthaworn	Units	44,300	3.1	30,200	3.65	30,174	3.46	27,116	3.99	19,864	4.90	151,654
4. Ms. Kantima Lerlertyuttitham	Units	44,300	3.1	33,200	4.01	0	-	0	-	0	-	77,500

Notes:

1) % of total warrants issued.

2) Khun Sunitaya Shinawatra resigned from the Company effective on 1 October 2018.



Company Secretary

Mr. Chavin Chaivatcharaporn has been assigned to perform duties in accordance with Section 89/15 of the Securities and Exchange Act B.E. 2535 (1992) and to give advice to the Board of Directors in order to comply with relevant rules and regulations pertaining to responsibilities of directors. In this regard, Company Secretary also ensures that the Company acts in accordance with the Board of Directors' resolution as well as ensures that the Board of Directors acts in compliance with related laws and Notifications.

Head of Compliance

As Head of Compliance, Ms. Nattiya Poapongsakorn is responsible for overseeing the Company's operations and transactions to ensure that the company is in compliance with SET/SEC regulations for listed companies and other enforcements related to Public Company Limited Acts.

In this regard, the credentials of the company secretary and head of compliance are provided in profile of the directors and management.

Personnel



In 2019, the total amount of compensation for all employees of the Company and its subsidiaries was Baht 7,023.4 million, comprising salary, bonus and provident fund payments and as of 31 December 2019, the Company and its subsidiaries consisted of 12,701 employees (including temporary staff) as follow

Key Operations	Number of Employees
Regional operations	3,316
Contact center	3,056
Technology and information	2,328
Consumer business	1,940
Enterprise business	580
Fixed broadband business	582
Finance	412
Human resources	227
New Business	100
Other business	160
Total	12,701

The Company and its subsidiaries have a guideline for recruiting and retaining quality personnel by collaborating with both Thai and foreign universities. AIS organizes activities to introduce the Company to allow talented students to work with AIS to push new concepts and businesses. Also, to maintain quality personnel, AIS places a high priority on career growth planning for quality personnel. In which employees are required to receive recommendations from their supervisors and define tools to help develop that group of staff to match the "AIS career framework."

For human resource development, AIS had established AIS Academy to provide online and offline courses with the following strategy; 1. Provide diversified learning programs for developing desirable competencies, 2. Require all employees to adopt the self-development program, 3. Require a leadership development program for key positions, 4. Provide learning programs through various channels 5. Determine the reliable measurement. Detail for "Integrated human resource development" could be explored from Sustainability Report 2019.

Furthermore, to create fairness, especially between executives and employees, the Company and its subsidiaries provide adequate and sufficient internal communication channels for every level of employees such as "CEO Chit Chat" and communication through SMS, E-mail, or people champion of each department. Moreover, the Company and its subsidiaries establish a system where employees can report misconduct and fraud through "Nokweed Hotline" or directly to an internal audit committee. The transparent and definite process of investigating and protecting the informant will encourage good organizational culture and also retain skilled personal. Although, further details of internal communication can be found in the sustainability report 2019.

Corporate Governance

Achievement and Recognition in 2019



- Listed in Dow Jones Sustainability Indices (DJSI) for both DJSI World and DJSI emerging market.
- Received “Excellent CG Scoring” from Corporate Governance Report of Thai Listed Companies 2019 by Thai Institute of Directors Association.
- Received “Best Investor Relation Awards” for 8 consecutive years from SET Awards 2019.
- Received the Perfect score of 100 based on the evaluation of the quality of the Annual General Meeting of Shareholders from the Thai Investors Association.
- ADVANC was selected as one of the Thailand Sustainability Investment for 5 consecutive years by the Stock Exchange of Thailand (SET).

Corporate Governance Policy



Corporate Governance Policy of AIS adheres fundamentally to laws and developed to be transparent, reliable and acceptable in line with best practice of good corporate governance and sustainability growth, both domestic and international standard, which can be divided into 5 sections:

1. Board of Directors
2. Rights and Equitable Treatment of Shareholders, and the Role of Stakeholders
3. Disclosure of Information and Transparency
4. Internal Control and Risk Management Systems
5. Code of Business Ethics

The Corporate Governance Policy was adopted in accordance with the Corporate Governance Code 2017, Corporate Governance Report of Thai Listed Companies (CGR) by Thai Institute of Directors Association, ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) and DJSI indices (Dow Jones Sustainability Indices) with the supervisory process as per the following.

- To monitor by Nomination and Governance Committee
- To approve by the Board of Directors
- To be complied by directors, executives and employees of the Company and subsidiaries.
- To be reviewed at least once every year.

In 12 December 2019, the Nomination and Governance Committee and the Board of Directors has reviewed and revised the CG policy with respect to the following:

1. Apart from approval required for profit driven entities, any executive's board membership in non-profit

organization is nonetheless required written notification to the Company.

2. Integrated the Company's data privacy policy into operation data management.

Shareholders may further study all of these policies on “<http://advanc-th.listedcompany.com>” under Corporate Governance section

Performance Report on Corporate Governance for the year 2019



Section 1: The Board of Directors

1. The Board of Directors is the experts who have a strong leadership and vision aiming to lead AIS to be the most admirable digital service provider. The Board has set up vision and mission of the Company so as to lead the management in formulating strategies and long-term goals and reviews and monitors this matter annually. The Board of Directors monitors and supervises the implementation of the Company's strategies. The performance and the operating results of the company especially in terms of financial goals and plans are required to report to the Board of Directors' meeting in every quarter in order to

ensure that they are in line with the stipulated strategy. In addition, in 2019, the Board of Directors has reviewed the vision, mission and strategy of the company (Strategic direction) in to be consistent with the changing circumstances and current business operations of the Company.

2. Composition of the Board of Directors is diversifying from experiences, education, gender, race, country of origin and nationality. Additionally, more than half of the Board of Directors is composed of independent directors and non-executive directors. As such the board would be able to make decisions independently as a representative of all shareholders and balance the power of management.

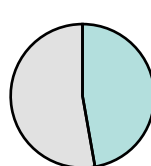
The Board of Directors

Finance	Laws	Human Resources	Startup and innovation
4	1	1	3
Auditing	Logistics and Supply Chain	Transformation	Corporate Governance
2	1	3	5
Capital Market	Information Technology	Marketing	Telecommunication
1	2	3	9
Risk Management	Environment	Sustainability	Public Policy
7	1	3	4

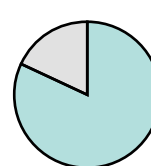
Female Directors



1 person



Independent directors



Non-executive director

3. In term of power separation, the Chairman of the Board of Directors: Khun Kan Trakulhoon, an independent director, and Chief Executive Officer are not the same person nor have any genetic or personal business relationship. The Board of Directors has mandated the segregation of the roles and responsibilities of the Chairman of the Board and Chief Executive Officer explicitly in Corporate Governance Policy. Nonetheless, apart from such segregation, AIS has set the separation of roles and responsibilities between the Board of Directors and management as per details shown in page 57.

In any case, the Board of Directors encourages the directors and management forming a good relationship on the culture of respect for each other's roles and responsibilities in coordination under good governance principle.

4. Independent Director qualification has been defined stricter than criteria stipulated by laws such as holding shares not exceeding 0.5 percent, of the total number of voting right of the Company, its parent company, subsidiary, and juristic person which may have conflicts of interest, including the shares held by related persons of the independent director. Shareholders may further study AIS's independent director eligible qualification at <http://advanc-th.listedcompany.com> on Corporate Governance section: "Governance Policy".

5. The Board meeting was scheduled in advance. The Company Secretary will circulate notice and the supplement documentation to the Board at least seven (7) days before each meeting so that each director shall have sufficient time to analyze the information in advance. The Chairman of the Board of Directors presides over the meetings and ensures that sufficient time is allocated for directors



to discuss and express their opinions freely on each agenda item. At every Board meeting, high level managements are encouraged to attend the meeting to receive suggestion from the Board. In connected therewith decision-making in the board meeting, the meeting quorum is required at least 2/3 of the directors attending the meeting when passing a resolution and to prevent any conflict of interests, directors who may have conflict in any agenda, shall not be part of consideration and abstain from voting therein.

AIS has set up a video conference system and developed the channel to submit meeting documents via the Board Portal which is a secure electronic channel to enhance the efficiency of the meeting and to facilitate directors to attend the conference. In case of there being no Board's meeting in any particular month, the Company Secretary will provide the Board with the monthly operating report for their acknowledgement.

6. On 12 December 2019, a non-executive board of directors' meeting was held without presence of executive directors and management. There were discussions on issues related to long-term strategic direction as well as the development of executives' succession plan. After the meeting, the results of the meeting were reported to the executive directors and top executives for acknowledgement and further action.

7. Directors and executives shall submit report declaring any potential conflict of interests related to the Company and/or its subsidiaries when they take the position as directors or managements and subsequently regularly updating whenever there is any change in circumstance. Hence, the Company

shall have sufficient information to identify any potential connected transaction pursuant to the rules and regulation of the competent authorities in relation thereto. The Company Secretary shall update the report of conflict of interest including any change in holding of securities issued by the Company by the Board of Director and the management on a quarterly basis.

8. The Board of Directors has developed a succession plan with respect to the Chief Executive Officer and other senior executives in order to ensure that the Company's business operations shall continue without interruption when these positions become vacant. The Board of Directors has authorized the Leadership Development and Compensation Committee to establish the succession plan which shall be reviewed, updated and reported to the Board of Directors on regular basis. Apart from Chief Executive Officer and other senior executives, our Human Resources Department has formulated the succession plan and strategies for mid-level and junior executives in order to manage our diversified groups of talent and critical roles suitable for the current business composition. The details of the succession plan are listed in the <http://sustainability.ais.co.th/th/sustainability-priorities/human-capital-development> section of the Sustainability Report page 42-43 and 47.

9. The Company Secretary shall act as the coordinator between directors and the management team. While the Internal Audit Office shall act as the coordinator between audit and risk committee and management team. The Company shall not obstruct communication between directors and

management. However, this access and communication shall not interfere with or interrupt the Company's normal business operations.

10. The Leadership Development and Compensation Committee (LDCC) has been authorized by the Board of Directors to consider and review a policy and structure of director's remuneration. The LDCC has considered remuneration policy by taking into consideration of directors' roles and responsibilities, remuneration payment by comparing to industry standards, companies of a similar size, the Company's strategic direction and individual performance of each director. The details of the directors' remunerations are listed in the "Management Structure" section on part 2 page 4.

11. A newly appointed director will be provided with all necessary business information about the Company required to perform their fiduciary duties. In this regard, in organizing the director orientation, the management has been invited to present a summarized roles and responsibilities of each business unit, practices in compliance with relevant laws and regulations such as roles and responsibilities of the board of directors of listed company, trading AIS securities procedures of directors, executives. In 2019, the Company did not recruit any new directors.

12. AIS also places a great emphasis on continuing training and development provided to all director, executives, and company secretary, paid for by the Company. In 2019, the training programs and activities are listed below:



Training & Seminar Program/Activities	Objectives	Participants
Workshop on collaboration of 5G Technology and devices trends organized by business partners in China	To provide an opportunity for the board to update on innovations and technology particularly in 5G including the trend of mobile phone market and industry	Directors and Management: <ul style="list-style-type: none"> • Khun Kan Trakulhoon • Khun Somprasong Boonyachai • Khun Krairit Euchukanonchai • Khun Surasak Vajasit • Khun Prasan Chuaphanich • Khun Allen Lew Yoong Keong • Khun Anek Pana-aphichon • Khun Somchai Lertsutiwong • Khun Hui Weng Cheong
Showcases of Innovfest Unbound 2019, Advanced Security Operation Centre and FutureNow Innovation Centre in Singapore	To provide opportunities for the board to update the current trend on data privacy and cyber security	Directors: <ul style="list-style-type: none"> • Khun Kan Trakulhoon • Khun Somprasong Boonyachai • Khun Jeann Low Ngiap Jong • Khun Anek Pana-aphichon
Advanced Corporate Governance Training by Institute of the Philippines Directors	To provide an opportunity for the board to gain knowledge and understanding regarding principles of good corporate, rules and regulations in relation thereto including roles and duties of the board on good corporate governance implementation	Directors: <ul style="list-style-type: none"> • Khun Gerardo C. Ablaza Jr.
Deloitte Forum 2019: TFRS Version 2019 and 2020 Practical Implication by Deloitte Touche Tohmatus Jaiyos Advisory Co., Ltd. (CDP hour: 7 hours)	To provide opportunities for the Company's executive to understand the difference of the new adopted Thai Financial Reporting Standard (TFRS) compared with the previous version	Chief finance officer and Head of Accounting department: <ul style="list-style-type: none"> • Khun Tee Seeumpornroj • Khun Tachahat Hemakul
Deloitte Forum 2019: Future Account, Are you ready? by Deloitte Touche Tohmatus Jaiyos Advisory Co., Ltd. (CDP hour: 3.30 hours)	To provide opportunities for the Company's executives to update the newly adopted roles and responsibilities of accountant and other financial principles	Head of Accounting department: <ul style="list-style-type: none"> • Khun Tachahat Hemakul
Workshop on Thai Financial Reporting Standard No. TFRS9 (TFRS9) (CDP hour: 7 hours)	To provide opportunities for the Company's executives to deeply understand the newly adopted principles and implication of Thai Financial Reporting Standard (TFRS)	Head of Accounting department: <ul style="list-style-type: none"> • Khun Tachahat Hemakul

13. The Board of Directors and all board committees determine that there will be their performance evaluation on both individual and as a group on an annual basis. Presently, the board committees comprise of Audit and Risk Committee, Leadership Development and Compensation Committee, Nomination and Governance Committee, Sustainable Development Committee and Executive Committee. In 2019, the Board has engaged an external professional performance evaluator to do the assessment, the scope of work covered the board's composition, its roles and responsibilities, the data management, the stakeholder commitment, the achievement of the Company's strategic directions, the development of executives' succession plan, the senior executives' performance evaluation process, the risk management, etc.

Procedures of Board Performance Evaluation

- 1) Questionnaires session
- 2) One-on-one interview session including top executive participation
- 3) Board performance evaluation and result based on questionnaires score and one-on-one interview results including recommendation and improvement session

In this regard, the professional assessor viewed that the board of directors has materially completed its roles and responsibilities in accordance with the laws and the company's corporate governance policy. Nonetheless, the assessor has suggested the board of directors to consider adjust their approach in certain minor areas and issues which could further improve their performance in the future. In this regard, the board of directors and the management have taken the assessor's advice into consideration and adjusted the processes as recommended.

Section 2: Rights and Equitable Treatment of Shareholders

AIS respects the shareholders' rights and treats to all shareholders equally, including the right to approve and receive dividend at the same rate per share, right to purchase, sell, and transfer of their own securities independently not being intervened in market transactions,

right to nominate, appoint and dismiss directors, right to appoint independent auditors and fix annual audit fee, right to express opinion in the shareholder's meeting independently, right to participate in deciding and approving concerning major corporate action which affect AIS's financial statement and operating result. In addition, apart from aforementioned right, AIS also arranged various activities to support its shareholders. Key actions are being summarized as follows:

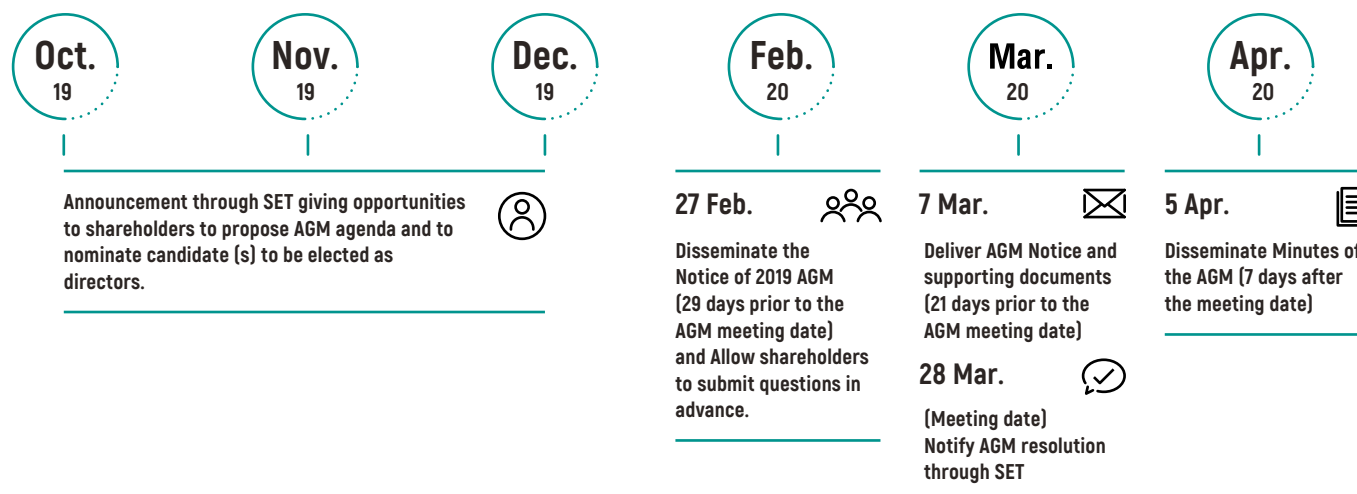
1. Disclosing important information related to operations, execution of transactions, quarterly and annual financial result through website of the Company and SET so as to facilitate shareholders to access the Company's performance data in a variety of channels and a timely manner.
2. Establishing the investor relation department to be function as the center of communication between shareholders and the Company, to provide an opportunity for minor and institutional shareholders to raise questions and to recommend matters deemed as beneficial to the management as well as suggest useful information for investment decisions, participate in Opportunity Day organized by SET on the quarterly basis in order to meet with investors and to present the Company's performance

result and engage in Road Show to meet up with domestic and foreign institutional investors.

3. Announcing the «Securities Trading Policy for Directors, Executives and Employees» to prescribe rules and guidelines related to securities trading for directors, executives, and employees, and to prevent the use of inside information that has not been publicly disclosed for their own interest and/or related persons. In this regard, the policy encompasses the securities of AIS and Intouch Holdings PCL., a listed company and a major shareholder of AIS.

Further, the Company also identifies persons, who are in the position or duty that have access to or possess inside information (Designated Person). This group of persons is prohibited to trade or accepts transfer AIS and Intouch's securities during the thirty (30) days period prior to the disclosure of quarterly and annual financial statements including any other period occasionally announced. Directors, Executives, and Designated Person are obliged to file report on their securities holding including those held by their spouse and minor children and any changes thereto with Capital Market Compliance Department within three (3) working days as from the date of such changes.

4. Practicing in relation to Annual General Meeting of Shareholders.



4.1 Preparing the notice of AGM and supporting documents both in Thai and English version. In this regard, shareholders could acknowledge and understand information thereto that will be presented to shareholders accurately and equally. The Company has provided clarification relating to documents and evidence that shareholders shall bring to attend and vote at the Meeting including those for attaching to the proxy. The description was prepared in a manner there is easy to understand by classifying the participation into categories such as attending in person or by proxy, as well as individual or juristic person. In this regard, the requirement is applicable to the law for identifying shareholders and proxy but not to restrict the shareholders' right or to create unnecessary burden.

4.2 Appointing three (3) independent directors presented as proxies namely Khun Krairit Euchukanonchai, Khun Surasak Vajasit and Khun Prasarn Chuaphanich for shareholders inconvenient to attend the meeting in person.

4.3 Establishing procedure of examination of the details of shareholding and submission of the proxy form in advance to facilitate institutional shareholders and custodians as they were taking care of a large number of shareholders. In case institutional shareholders and custodian, who grant a proxy to the independent directors, the Company will send a copy of proxy form having a signature of independent director to the institutional shareholders and custodian after the meeting in order to use as evidence.

4.4 Utilizing the barcode system to quickly and accurately facilitate the registration and vote counting. The registration counters were set up and segregated for minority shareholders and institutional shareholders. In addition, the Company assigned adequate staffs and other amenities to facilitate shareholders (i.e. copy machine, duty stamp, and signage for registration process). In this regard, the Company conducted a survey on the satisfaction of shareholders with regard to the quality of the AGM to gain feedback on how to improve in the following year.

4.5 The Board had scheduled the AGM on March 28, 2019 which is not a holiday or a weekend and the meeting time was appropriate. The venue of AGM was at Centara Grand Central Plaza Ladprao which is convenient in terms of transportation and access and is appropriate to accommodate large numbers of shareholders.

4.6 The Chairman of the Board of Directors and the Chairman of all board committees including Chief Finance Officer and Senior Executives attended the meeting so as to address and clarify any queries or concerns of the shareholders.

4.7 The Chairman presided over the meeting in sequence in accordance with the meeting agenda stated in the meeting notice without adding any additional matters and allocated sufficient time for shareholders to make any queries on each item in the agenda. Prior to the onset of the meeting, a company representative explained the meeting procedure and voting method to the shareholders.



4.8 Company Secretary, the moderator, has notified to the shareholders, who participated in the meeting in person and or with proxies, the amount of participants, procedure of the meeting, casting votes and vote counting.

4.9 The Company issued voting cards for each item on the agenda. For the director appointment item, the voting related thereto was organized on an individual basis. Independent legal counsel was also engaged to examine vote counting process in order to ensure accuracy and reliability of vote counting process.

4.10 Chairman of the meeting regarding the voting results for each agenda item and there was no objection in relation thereto from shareholders.

4.11 The Company Secretary prepares the minutes of the meeting and posts them on the Company's website within seven (7) days after the meeting date. The minutes cover all material facts in compliance with the good corporate governance of the Stock Exchange of Thailand such as list of director and management who participated in the meeting, resolution of the meeting, issues, queries and recommendations of shareholders and clarification of director/management.

5. AIS provides channels for stakeholders to inquire, suggest, or file any complaints to the Board of Directors through:

Department	Address
Office of Company Secretary and Corporate Compliance	Advanced Info Service Public Company Limited 414, 28th Floor, AIS 1 Tower, Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400 Tel: (66) 2029 5352 Fax: (66) 2029 5108 E-mail: companysecretary@ais.co.th

The Company Secretary will forward all suggestions, complaints or reports to the related departments and all actions taken with respect to the abovementioned shall be reported to the management and the Board of Directors including notify the results to relevant stakeholders. In case of fraud and breaches against the Code of Business Ethics, the Company shall conduct the investigation of such misconduct or fraud in compliance with reporting and investigation of misconduct and or fraud and whistleblower protection policy.

For other matters, stakeholders may directly contact responsible departments such as Community Relation who is the intermediate responsible for listening to suggestions and promoting relationship between the Company and communities as well as non-profit organization while Business Relation who acts as the intermediate and spokesperson between the company and telecommunication regulatory agency.

6. AIS is aware of the rights of every group of stakeholders, irrespective of whether they are customers, partners, communities, society, or the environment. As a result, the Company has established guidelines on how to treat for all stakeholders according to the law and the sustainable co-existence principle pursuant to the Company's sustainability development strategy, Code of

Business Ethics, human resource management policy and other relevant policies of the Company. Additionally, the Company also designates appropriate guidelines, internal control systems and anti-bribery and corruption policy to prevent corruption in the organization and fulfill fair benefit to every stakeholder. In this respect, the shareholders can study the guidelines from Section 5: Code of Business Ethics and the sustainability development report 2019.

Section 3 Disclosure of Information and Transparency

1. The Company discloses the Company's financial and non-financial information, such as article of association, memorandum of association, risk management policy, financial statements, and analysis and performance report, in accordance with the relevant laws and regulations accurately, completely, punctually, and transparently to all shareholders and investors. As such, the investors can have confidence in the Company's reliability and integrity. "Disclosing information policy" of AIS applicable to changes in the social context, AIS adheres strictly to three (3) principles as follows:

- 1.1 Compliance with all legal and regulatory requirement;
- 1.2 Transparency and accountability;
- 1.3 Fair and equitable access to information.

2. The Company set up an Investor Relations Department to be responsible for communicating material information to shareholders, investors, analysts and other stakeholders. In addition, the Company set up a Compliance Unit to ensure that all material information of the Company is properly disclosed through various channels in accordance

with disclosing information policy to disclose information accurately, sufficiently, in a timely manner and regularly as well as not to disclose or inform confidential or insider information to any persons prior to the public disclosure through SET channel. The details are listed in the "Investor Relation" section page 94-97.

3. The Company has specified a period of non-communication with analysts and investors (silent periods) with respect to financial results, including not holding press conferences or disclosing financial information publicly by executive and/or investor relation officers, at least thirty (30) days prior to the specified announcement date. The Board of Directors and executives of AIS shall report their shareholding of the Company including those held by their minor child and spouse including unmarried spouse as well as submit report of the change in securities holding sending to Compliance within 3 working days.

4. The Board stipulated the rules and procedures for reporting the declaration of directors and executives' interests since 2008 so as to provide AIS with necessary information in order to monitor interests and transactions that may cause conflict of interests of directors and executives. This policy encourages the Company's directors and executives to exercise their duties of care, integrity and honesty and to avoid any conflict of interests by disclosing their interests, including those of their related persons when entering into any transaction with the Company and its subsidiaries and abstain from expressing any comment and casting vote considering such transaction.

5. The Board of Directors and executives of AIS shall report their shareholding of the Company including those held by their minor child and spouse in the annual report.

6. When executing connected transaction, AIS abides to Notification of Capital Market Advisory Board, and discloses the information in accordance with SET's regulations and Thai Accounting Standards so as to execute such transaction accurately and transparently with the best interest for the Company as if the Company executes transaction with other third parties (Arm's length basis) and is in compliance with the good corporate governance principles. The Board of Directors has approved "Connected Transaction Policy" and assigned Compliance Department to be responsible for communicating, supervising and disclosing the information when executing transactions to the Stock Exchange of Thailand and in the annual report. Such details are demonstrated on part 2 page 57.

Section 4 Internal Control and Risk Management Systems

As the Board considers the internal control, audit and risk management systems crucial for protecting the shareholders' investment capital and the Company's assets, it has therefore set up relevant policies, measures and supervising departments. In 2019, the Board approved the expansion of Audit Committee's scope of work so as to cover the risk governance and approved the name change of Audit Committee to Audit and Risk Committee. The details of which are listed in the "Internal control, internal audit and risk management" section on part 2 page 42

Monitoring the Business Operations of Subsidiaries and Associated Companies

The Board of Directors has monitoring each Subsidiary and Associated Company's business operations for the best interest of shareholders as follows:

1. Support the subsidiaries and associate companies to perform their duties in compliance with good corporate governance policy;
2. The Board of Directors selects the representative of the Company to be appointed as directors of the Subsidiaries and Associated Companies in order to monitor and control business performance in proportion to its shareholding percentage;
3. Monitor through representative directors, executives, and policies which were issued at the parent company level;
4. Consider any significant matter including strategic, business plan, capital increase/decrease, dissolution, and any other important policies;
5. Follow up the performance result through the Company's executives, Executive Committee, and the Board of Directors;
6. Monitor the Subsidiaries and Associated Company to operate business under the rules and regulation of competent authorities including connected transaction, asset acquisition and deposition, information disclosure, and accounting and financial statement report;
7. All transactions in any subsidiary, which may significantly affect the business operation or financial status of the



Company, must be reviewed and approved by the Board of Directors of the parent company;

8. Being audited by the Company's Internal Audit Department to ensure that there is sufficient and effective internal control system;

9. In order to disclose the financial information and operating results of the subsidiaries, the Company has engaged auditors from the same auditing firm that provides auditing services for the Company to perform audits and disclose the financial and non-financial information of the Subsidiaries in the consolidated financial statements of the Company.

10. Communicate code of business ethics and anti-corruption policy further to AIS's subsidiaries and joint ventures.

The information of positions held by directors and executives in the subsidiaries are shown in Appendix 2

Section 5 Code of Business Ethics

Further, in order to ensure that AIS's operation and the performance of employees in the organization are honestly and ethically in accordance with laws and regulation which is the heart of sustainable business, the Board of Directors established "Code of Business Ethics" comprises of 12 chapters ranging from responsibility to stakeholders, prevention on conflict of interest, respect for human right as well as compliance with the laws and regulations. The Ethic Committee has been formed and comprising of Chief Executive Officer (CEO) as chairperson and other executives. This Committee acts as a driving force and

integrates the ethics into corporate culture. Shareholders may further study the Code of Business Ethic on the company's website: http://advanc-th.listedcompany.com/governance_policy.html

AIS provides confidential channels for staff and outsiders to inform any suspicion or concerns on unethical actions to the Board of Directors which includes investigation procedure and whistleblower protection measure under "The Reporting and Investigation of Misconduct and/or Fraud and Whistleblower Protection Policy". The Board of Directors assigned Ethic Committee to communicate the policy to everyone through channels and activities such as email, intranet, billboards, announcements and internal campaigns.

In 2019, operation to promote business ethics can be summarized as follows.

1. Amendment to the guidelines on asset acceptance from business partners or other business-related parties with respect to guest speaker events and New Year gifts. A summary of the guidelines with easy explanation was communicated to the Company's executives and employees via all internal communication channels (i.e. social intranet, email, AIS LearnDi, AIS Doodi, poster and desktop).

2. Raising awareness and organizing training for employees to improve understanding of the Code of Business Ethics and encourage every employee to adhere to and comply therewith;

• Create Self Awareness

AIS continues to place a great emphasis on the idea of creating a mindset at work which consists of 3 questions that employees should always ask themselves whether they should or should not do prior to making any decisions: (a) If this is done, will it cause damages to the company? (b) Does this make me look bad? (c) If I do this, will it distress me or will I be worried later? If the employee is unsure with any of these questions, they shall refrain from taking such action.

In 2019, AIS has been continued promoting in public awareness in the workplace using different channels such as Social Intranet / E-mail / AIS LearnDi / Poster/Desktop / SMS / People Champion. In connection therewith, there are 5 matters that have been emphasized and communicated throughout the year as follow;

1. Engaging business with the Company
2. Using of inside information and trading the Company's securities
3. Assets acceptance for executive and employees from business partners or other related business parties
4. Safeguard of the Company's asset
5. Responsivity to Business partners

• Business Ethics Workshop and Nokweed

The committee has initiated and conducted business ethics workshops for the Company's executives and employees. The workshop objectives are to comprehend and improve the understand of the code of business ethics and anti-corruption policy as well as to adapt the principles thereof

into day-to-day operation. In connection therewith, the facilitators provided explanations and examples regarding violent actions which occurred and against the Company's business ethics, shared feedbacks and recommendations so as to improve code of business ethics, related policies and guidelines in the future. In summary, there was a total of 483 executives and employees participated.

• [An Assessment of Employee and Business Partners' Level of Understanding regarding the Code of Business Ethics](#)

In 2019, all employees have undergone an assessment of their understanding of the Code of Business Ethics and Anti-Bribery and Corruption Policy. The assessment was conducted via various channels, especially electronic online "LearnDi and Doodi", mobile application, to facilitate to access in anywhere and anytime.

In 2019, the assessment results of employees, business partners, subsidiaries, and affiliates on level of understanding regarding code of business ethics as below;

	Number of Employees/Companie Being Communicated or Engaging Seminar (%)		
	Communicating through letters or public relation medias	Online and offline seminar	Communicating through other channels such as notification through agents who contact with business partners
AIS employees	100	98.95	-
Business partners	100	81.31	Communicate through sales agents
Subsidiaries	100	98.95	-
Affiliates	100	90.57	-

The Business Ethics Committee has provided opportunities for employees to address and clarify any queries concerning the business ethics of the Company. The employees can contact the committee by e-mail at ethicclinic@ais.co.th. In 2019, there are two breached situations/circumstances against code of business ethics, as follow:

Unethical Conduct	Company Action
Wrongdoing concerning fraud by exercising the authorities for self-benefits	After investigation by the Business Ethics Committee, Internal Auditor, Legal and Human Resources Management, disciplinary punishment was imposed in accordance with the Company's regulations by verbal and written warning, termination of employment without pay as the case may be.
Wrongdoing concerning conflict of interest	After investigation by the Business Ethics Committee, Internal Auditor, Legal and Human Resources Management, disciplinary punishment was imposed in accordance with the Company's regulations by written warning and termination of employment without pay as the case may be.

Human Rights Policy



AIS recognizes the importance and respect for the rights, freedom and equality of all people which is the basic virtue of working and living together in society. In the previous year, the Board of director has issued a policy on human rights to be the operational guideline of AIS's business partners and all stakeholders throughout the business value chain ranging from duties and responsibilities of person in each group, employee treatment, lawful labour, and not participating in any actions violating to human rights, determining guidelines for monitoring operational activities and assessing human rights risk from business operation.

Human rights policy of the Company is in conformity with United Nations Universal Declaration of Human Rights (UNDHR) and The International Labor Organization (ILO). The policy can be found at <http://sustainability.ais.co.th/en/respect-to-human-rights>

In 2019, the Company engaged and implemented in promoting human rights as follow;

- Amendment to Human Rights Policy by assigning the Business Ethics Committee to implement and drive policies and guidelines in relation thereto as well as communicating and promoting human rights issues among the Company's employees, supplies and business partners.

- The Business Ethics Committee established its new working team to implement and integrate Human Rights policy into day-to-day operation, analyse significant working procedure and identify issues regarding human rights as well as to create a communication plan with a view to promoting best practice in relation thereto to the Company's supply chains (i.e. representatives, suppliers, business partners).

- The Company integrated sustainability principles on Environmental, Social, and Governance into day-to-day operation and encouraged its related business parties for promoting best practice by conducting assessment of level of understanding on code of business ethics and anti-bribery corruption policy which included in annual business assessment. The business partners have harmoniously cooperated to take the ethic test which is accounted for 81.31 percent of total business partners. In addition, the Company analyzed the ethics test results and recommendation in order to identify issues regarding contractors' management, plan and establish preventive mechanism against violation to human right which may have impact to the Company's business operation.

Anti-Bribery and Corruption Policy



The Company intends to operate its business with a sense of honesty, transparency and is in accordance with good corporate governance principles. The Company is also against any types of giving, bribing and corruption by recognizing that giving or bribing and corruption is a serious threat that destroys free and fair competition including causes damages to the economic and social development. In this regard, the Board of Directors recognizes the importance and consideration of Anti-bribery and Corruption Policy in order to use as the guideline for performing duties of directors, executives and employees and to comply with the rules and guidelines as well as to prevent the company and directors, executives, employees and other stakeholders from violating the law concerning anti-bribery and corruption. The policy can be found at http://advanc-th.listedcompany.com/anti_bribery.html

AIS received the renew certification from the Thai's Private Sector Collective Action Against Corruption (CAC). The existing certification period is still valid. This certificate confirms that AIS and AIS Group of Company's personnel do not undertake or engage in any form of corruption either directly or indirectly provided that AIS and AIS Group of Company's personnel shall strictly comply with the Anti-Bribery and Corruption guidelines which encompasses several operations such as charitable donation and sponsorship, human resource management, etc.

In addition, AIS has communicated its Anti-Bribery and Corruption Policy to AIS's subsidiaries, joint venture and other controlling companies, business partners and stakeholders including the public via various communication channels such as email, website, social intranet, exhibitions or inclusion in the Board' meeting agenda, etc., in this regard, in order to ensure that all stakeholders acknowledged and comply with the guidelines as specified by the Company.

Furthermore, AIS has continuously communicated and offering training to its personnel in order to offer knowledge and to gain an understanding related to Anti-corruption measures, Company's expectations and penalties for failing to comply with such measures such as offering training related to Anti-Bribery and Corruption to new employees as part of the orientation program, organizing training related to Code of Business Ethics via Information technology (LearnDi) as well as initiate an assessment related to business partners, executives, employees' level of understanding concerning the Code of Business Ethics and Anti-Bribery and Corruption annually. AIS has made an announcement related to the implementation of "No Gift Guideline" during New Year including amended and promulgated Anti-Bribery and Corruption policy, Guideline related to Accepting Gifts of Executives and Employees in order to inform business partners and other stakeholders, who are involved in the business, and to promote a good standard among employees at all levels to implement provided that the

Company expects employees at all level shall perform his/her duties without illicit compensation. This will reinforce the Company's compliance with the good corporate governance principles.

To establish requirements and guidelines related to complaints and fraudulent clues. (Whistleblowing) to be more appropriate and is in the same direction throughout the organization. The measures to protect and to treat complainants fairly has been put in place provided that Whistleblowing shall be used as a tool as an advance warning signal and as a channel to counter frauds because it permits the Company to solve the problem promptly before the problem is enlarged and may cause serious impact to the image and financial status of the organization thereafter.

In 2019, in order to emphasize the company's mission under the "Zero Tolerance Policy Against Corruption" concept, our executives and employees more than 100 joined held by state agencies; Office of National Anti-Corruption Commission and Anti Organization of Thailand, sharing the same value on 6 September and 9 December 2019.

Market Disclosure Policy



As a listed company in the Stock Exchange of Thailand, AIS aims at disclosing material information both financial and non-financial information to shareholders accurately, sufficiently, in timely manner, equitably and in compliance to relevant laws to promote confidence in shareholders and investors on the company's reliability and honesty.

The market disclosure policy is based on 3 principles which are practices in compliance with applicable laws and regulations, transparency and information disclosure responsibility, and equality to access to information. The essential part of this policy includes roles and responsibilities of executives as authorized spokespersons, guideline on disclosure material information, keeping confidential information, responding to rumors or unusual market activity, announcing temporary halt, determining the period of time to prohibit the dissemination of information before the performance announcement and prohibiting the communication with investors in various aspects as well as penalty for breach of the policy.

Connected Transaction Policy



In order that the business transaction between the company or its subsidiaries and its connected persons shall comply with the laws, announcements, regulation and other relevant notifications from the authorized agency based on transparency and for the maximized benefit of

the company, AIS announced the Connected Transaction Policy for the business transaction between the company or its subsidiaries and its connected persons shall be in accordance with the company's policy, procurement procedure, and business code of business ethics.

Role and responsibility of the Board of Directors, the Audit and Risk Committee, and Capital Market Compliance Section are set to consider the reasonable of the transaction and to oversee the compliance with laws and all departments involving in or acknowledging the occurrence of the connected transactions are required to notify such information to the Capital Market Compliance Department before executing the transaction.

The essential part of this policy is the business transactions between the company or its subsidiaries and its connected persons shall be done for the ultimate benefit of the company similar to those transacted with external parties under arm's length basis. There is the procedure on considering before engaging to the connected transactions which Board of Directors and the executives who are interested parties or have conflict of interest concern shall not participate in the consideration and approval process nor vote in any agenda relating thereto.

Board of directors and executives are required to report their conflict of interest in accordance with rules and guidelines both an existing and when there is any change. Securities Trading Policy for Directors, Executives and Employees

The Board of Directors has considered and approved the Securities Trading Policy for directors, executives and employees with the objective of maintaining the sense of confidence among shareholders and investors who invest in the Company and Intouch Holdings Plc's securities. (INTUCH is the Company's major shareholder.) The essential part of this policy is to prohibit the Company's personnels from using inside information to gain the benefit of trading AIS and INTUCH securities, whether directly or indirectly. This is in line with the Securities and Exchange Act (as amended) including other related announcements.

In this regard, the requirements and guidelines have encompassed several groups of people such as directors, executives, and employees. Furthermore, the requirements also spelled out special duties for designated persons namely directors, executives and employees, whose roles and responsibilities entitled them to assess the insider information that they shall disclose to Capital Market Compliance Department any securities holding in AIS and INTOUCH HOLDINGS PUBLIC COMPANY LIMITED. This also includes filing a report for any changes in securities holding for the benefit of good corporate governance and transparency. In addition, the designated persons are prohibited from trading securities for a period of thirty (30) days prior to the date of disclosure of the quarterly and annual financial statements (Blackout Period). The policy can be found at http://advanc-th.listedcompany.com/governance_policy.html



Online and Social Media Guideline



Technological development has changed the way people communicate. As such, the Business Ethics Committee has endorsed the appropriate guideline – which is in compliance with applicable laws – with the purpose of guiding Company's employees when using the Internet and social media. The essence of the guideline is to recognize the impacts that may arise as a result of using the Internet and social media inappropriately, especially when the employees use the Internet and social media with lack of care. This also includes avoiding any violation related to the computer law, for instance, employees shall use the Internet and social media in compliance the intellectual property might not belongs to Company, etc.

Audit fee and non-audit fee



In 2019, audit fee and non-audit fee of the Company and its subsidiaries are as follows:

The Company's audit fee

The Company's Annual audit fee for the consolidated financial statements, and quarterly review fee for the consolidated financial statements of the Company (Baht)	2,426,000
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The aforementioned audit fee for the year 2019 excluded non-audit fee paid for the valuation assurance of the Company's the fourth warrants to purchase ordinary share granted to executives in the amount of Baht 30,000 and the out of pocket expense in the amount of Baht 131,875.

The Company's subsidiaries audit fee

Subsidiaries: Audit fee and quarterly review fee (Baht)	8,873,900
Number of Subsidiaries (companies)	17

The above audit fees for the year 2019 excluded non-audit fees paid by subsidiaries for the auditing fee relating ledger account in telecommunication industry and others in the amount of Baht 792,000 and out of pocket expense in the amount of Baht 314,396 to audit firm and persons or business related to the auditors and the audit firm.

Good Corporate Governance Guidelines in other aspects



The company considered to apply the Corporate Governance Code 2017 (CG Code) issued by the Securities and Exchange Commission, Thailand with AIS's business operations. However, in 2019 there are certain matters that the company opts for other suitable mechanism and record in the minutes of the meeting for a regular review annually as follows:

- One of the company's independent director's tenure is over 9 years continuously, the Board considered that the independent director is qualified, able to give opinion independently in accordance with relevant regulations including being a director who brings experience, knowledge and expertise to provide suggestions useful in determining the company's strategy and business operations.

Relationship with Investors

The Investor Relations Department is the center for the publication of company information to allow investors and analysts to make informed decisions on investing in AIS. It is the aim of the Investor Relations Department to build trust and understanding of the Company's direction, strategies and operations to reflect the Company's fair value. Committed to transparency, fairness, and trustworthiness, Investor Relations adheres to the disclosure policy and IR code of conduct, the key points of which are as follows.

Disclosure Policy & IR Code of Conduct



Transparent and fair disclosure

1. Disclosure of information shall be in compliance with applicable legal and regulatory requirements.
2. Disclosure of information shall be accurate, adequate, timely and consistent.
3. Disclosure of information shall ensure fair and equitable access by all investors and analysts.

Prevention of use of inside information

1. The Company must not publicly disclose material price-sensitive information until it has announced such information publicly through the Stock Exchange of Thailand (SET).
2. The Company observes a 30-day silent period prior to its planned earnings release to the SET.
3. The Company's designated persons privy to relevant internal information must refrain from trading or transferring the Company's securities for a 30-day period prior to the quarterly financial statements.
4. The Company's designated persons privy to relevant internal information are required to report their Company securities holdings, including the holdings of their spouse, minors, and unmarried partners. Upon any changes being made to such holdings, a subsequent report shall be submitted within 3 days.

AIS releases all relevant company information in both Thai and English, including annual reports, quarterly results reports, as well as investment newsletters and other

public relations news. For the convenience of the investor, various channels for communication and disclosure are provided. These include, for example, on the website at <http://investor.ais.co.th>, via e-mail and LINE application, as well as through quarterly results meetings including attendance at SET's Opportunity Day joined by press and through domestic and international roadshows attended by executives.

Additionally, the Investor Relations Department has established a system for collecting investor satisfaction data on an annual basis, in order for such data to be analysed and the results used to improve the working methods of the Investor Relations Department to be more effective.

Investors and analysts can contact our staff in the Investor Relations Department by phone on 02 029 3112/4443, by email at investor@ais.co.th or on LINE at @ais_ir or by using the QR code to the right.



The Audit and Risk Committee Report 2019

To the Shareholders of Advanced Info Service Public Company Limited

The Audit and Risk Committee of Advanced Info Service Public Company Limited is composed of three (3) independent directors with combined skills and expertise in finance, accounting, laws, and business administration. All members possess adequate qualifications as required by the Audit and Risk Committee Charter and the regulations of the Securities and Exchange Commission, Thailand (SEC) and the Stock Exchange of Thailand (SET). Its members include:

1. Mr. Krairit Euchukanonchai
Chairman of the Audit and Risk Committee
2. Mr. Surasak Vajasit
Member of the Audit and Risk Committee
3. Mr. Prasan Chuaphanich
Member of the Audit and Risk Committee

The Audit and Risk Committee held sixteen (16) meetings in 2019. All members of the Audit and Risk Committee attended every meeting. Mrs. Suvimon Kulalert, the Company's Chief Audit Executive, acts as Secretary of the Audit and Risk

Committee. The summary of meeting attendance of the members in 2019 is shown in "Management Structure".

The Audit and Risk Committee has performed duties independently and with objectivity according to the Audit and Risk Committee Charter and the regulations of the SET, and has reviewed such matters in accordance with current situations and approval by the Company's Board of Directors every year. The Audit and Risk Committee has performed its responsibilities in auditing and reviewing to assure good corporate governance, accurate and reliable financial reports, and adequate internal control; and to assure that the Management executes its duties with integrity, accountability, and in accordance with the Company's policies. The Audit and Risk Committee's duties in the year 2019 are summarized below:

1. Financial Report: The Audit and Risk Committee has reviewed accuracy, completeness and reliability of the quarterly and annual separate and consolidate financial statements of the Company and its subsidiaries for 2019, conducted in accordance with Thai Financial Reporting Standards and the International Financial Reporting Standards. The Audit and Risk Committee discussed

significant matters, important accounting policies, estimates, and judgements applied in the preparation of these financial statements with the external auditor. The Audit and Risk Committee also discussed the disclosure in the notes to the financial statements with prudence to assure that the preparation of these financial statements and the disclosure in the notes to the financial statements are reliable, transparent, and in accordance with Thai Accounting Standards and the Financial Reporting Standards.

In addition, The Audit and Risk Committee held a private meeting with the external auditor without the Management's participation for and independent discussion on important issues concerning independence in operations, significant information in the preparation of financial statements, and recommendations for the internal control over financial reporting. For the year 2019, the external auditor did not have any significant remark.

The Audit and Risk Committee concluded that the Company's accounting and financial reports were prepared in accordance with the appropriate internal control system. The external auditor performed auditing duties



independently without limitation of any audit scope. This reasonably assures that the financial reports reflect the Company's financial status and operation performance accurately including adequate disclosure according to Thai Accounting Standards and the Financial Reporting Standards.

2. Connected Transactions or Any Transactions that Potentially Conflicted with the Company's Interests:

The Audit and Risk Committee has quarterly reviewed, overseen, and provided opinions concerning the connected transactions or any transactions that potentially conflicted with the Company's interests based on reasonability, transparency, adequate disclosure, business normality and the best interest of the Company. The Audit and Risk Committee concluded that the Management has conducted these transactions in the interest of the Company and at arm's length basis, with general business trading conditions and reasonable prices compared to the general market price in a similar industry.

3. Legality: The Audit and Risk Committee has reviewed the Company's compliance with the Securities and Exchange Act, the regulations and requirements of the SEC, SET, National Broadcasting and Telecommunications Commission (NBTC), and other relevant laws related to the Company's business operations as well as business obligations with third party agreements.

The Audit and Risk Committee concluded that the Company could demonstrate compliance with the aforementioned regulatory requirements in material respects. The Audit and Risk Committee and the external auditor jointly reviewed that relevant material issues under disputes, which the Management believes that such issues shall turn out to be in the Company's favor, were disclosed in the notes to the financial statements adequately.

4. Internal Control System and Internal Audit: The Audit and Risk Committee has reviewed the effectiveness and adequacy of the internal control system from the internal audit reports presented in 2019. The Audit and Risk Committee has consistently considered and monitored results pertaining to the recommendations in the internal audit and external audit reports to acknowledge root causes and provide guidelines for the Management to prevent from future potential loss. The Audit and Risk Committee has monitored and reviewed the results to ascertain that the Management performs duties in accordance with the recommended internal control system guidelines to prevent from recurrence. The Audit and Risk Committee concluded that the Company's internal control system is effective and the Company does not have any material internal control deficiency.

The Audit and Risk Committee has encouraged Internal Audit Department to enhance an advisory role to be

Trusted Advisor. For example, several workshops on high-risk areas and significant processes were conducted to create a better understanding of the internal control principle according to the Three Lines of Defense, and recommendations on preventive control were given to safeguard the Company from risks potentially arising. The Management has been tasked with the role of the Second Line of Defense to enhance the internal control effectiveness and mitigate risks to the acceptable level in a timely manner. Furthermore, the Audit and Risk Committee has encouraged Internal Audit Department to apply Robotic Process Automation (RPA) principle in auditing; and implement data analytics tools as well as Automated Audit Platform (AAP) to conduct audit activities in an agile and precise manner. The Risk Center system has been implemented as a supporting tool for the risk-based audit approach that could identify emerging risks and improve internal control system to prevent risks in a timely manner. Also, several workshops have been conducted for the Company's executives and employees to boost the understanding level of the Code of Business Ethics and the Fraud Risk Awareness. Relevant knowledge and information have been shared throughout the organization via the e-learning system so as to ensure that all employees could learn and perform duties in compliance with the Code of Business Ethics and the Fraud and or Misconduct Reporting and Whistleblower Protection Policy.



The Audit and Risk Committee has also overseen Internal Audit function and independently held a formal exclusive meeting with Chief Audit Executive to ensure that all assurance and advisory activities concerning internal control system, risk management systems, and corporate governance systems were performed effectively and efficiently, and achieved objectives in comparison with the efficiency indicators.

The Audit and Risk Committee has approved the 2020 annual internal audit plan, conducted in accordance with the Company's strategies and risk-based principles, emphasizing the effectiveness of the preventive key control function. The preventive control over fraud and the Management's self-assessment of control had been conducted and reviewed. Operation scope, responsibilities, adequate number of personnel, and competence of personnel were all taken into consideration accordingly.

The Audit and Risk Committee concluded that the Company's internal audit system is appropriate, effective, independent, and in conformity with the Company's goals and key risk areas, and Internal Audit Department thus achieved its performance targets.

5. Review and Oversight of Risk Management: The Audit and Risk Committee reviewed the appropriateness and effectiveness of the Company's risk management in four (4) meetings with participation of executives from the

Risk Management Committee in 2019 in order to review the appropriateness of risk assessment, risk control, risk monitoring and risk reporting. In addition, the Audit and Risk Committee has overseen risks and reviewed the adequacy of the Risk Management Policy and Enterprise Risk Management Framework in accordance with COSO ERM 2017: Enterprise Risk Management Integrating with Strategy and Performance, including risk capacity, and tolerance.

The Audit and Risk Committee concluded that the Company has the appropriate risk management system facilitating the efficient and effective business operations. The Audit and Risk Committee also suggested that new potential risks including significant changes concerning the Company and the telecommunications industry should be identified and data analytics should be applied for both internal and external matters so as to respond to risks and new challenges affecting the Company in an agile, efficient, and effective manner.

6. Review of Fraud Investigation: The Audit and Risk Committee has reviewed and overseen the Company's adherence to the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy. Eleven (11) meetings with the Company's Investigation Committee were conducted in 2019 to review complaints and investigation results according to the Company's processes, including the efficiency of the whistle-blowing channels. The Audit and

Risk Committee also considered and concurred on the preparation and revision of the Fraud and/or Misconduct Reporting and Whistleblower Protection Guideline, and concluded that complaints were managed with appropriate actions and fair treatments, and in compliance with the Company's Corporate Governance Policy and Fraud Risk Management Policy. Most complaints were due to non-compliance with the Company's Code of Business Ethics and regulations, but with no material loss. Complaints submitted were taken into consideration for future preventive measures.

7. Oversight of the Anti-Bribery and Corruption Policy and Measures: The Audit and Risk Committee has reviewed the Company's practices in terms of the anti-bribery and corruption.

The Audit and Risk Committee conclude that the Company complies with the Anti-Bribery and Corruption Policy and Measures.

8. Nomination and Appointment of the External Auditor and the Annual Audit Fee: The Audit and Risk Committee took into consideration the nomination and appointment of the external auditor and the annual audit fee for 2020 based on the assessment of qualification, competency, experience in auditing, independence in auditing according to the Code of Ethics for Professional Accountants and requirements of the SEC, auditing quality in the past year,

and the audit fee, After careful consideration, the Audit and Risk Committee therefore proposed to the Board of Directors to seek approval to appoint the external auditor from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. As the external auditor for the year 2020 at the Shareholder Meeting. In addition, the Audit and Risk Committee has reviewed non-audit services in terms of independence provided by the said audit firm.

9. Performance Assessment: The Audit and Risk Committee's self-performance assessment has been conducted annually, as an individual and group assessment, according to the SET guidelines. The result showed that the Audit and Risk Committee has performed its duties and responsibilities, according to the Audit and Risk Committee Charter, with a commitment to accuracy, prudence, transparency, and independence. The Audit and Risk Committee has full access to all pertinent information from management, employees and associated parties. The Audit and Risk Committee has given beneficial and practical comments and recommendations benefiting all stakeholders.

10. Revision of the Audit and Risk Committee Charter: The Audit and Risk Committee has reviewed the revision of the Audit and Risk Committee Charter annually by taking into consideration best practice in accordance with the SEC's regulations and international standards.

In summary, the Audit and Risk Committee concluded that the Board of Directors, Management, and Executive Directors could perform their duties with integrity and diligence in pursuit of the Company's goals and in preparation for new challenges, and that the company could demonstrate commitment to effective, transparent Corporate Governance including prudent risk management and internal control system.

Mr. Krairit Euchukanonchai
Chairman of the Audit
and Risk Committee

-

Mr. Surasak Vajasit
Member of Audit and Risk
Committee

-

Mr. Prasan Chuaphanich
Member of Audit and Risk
Committee

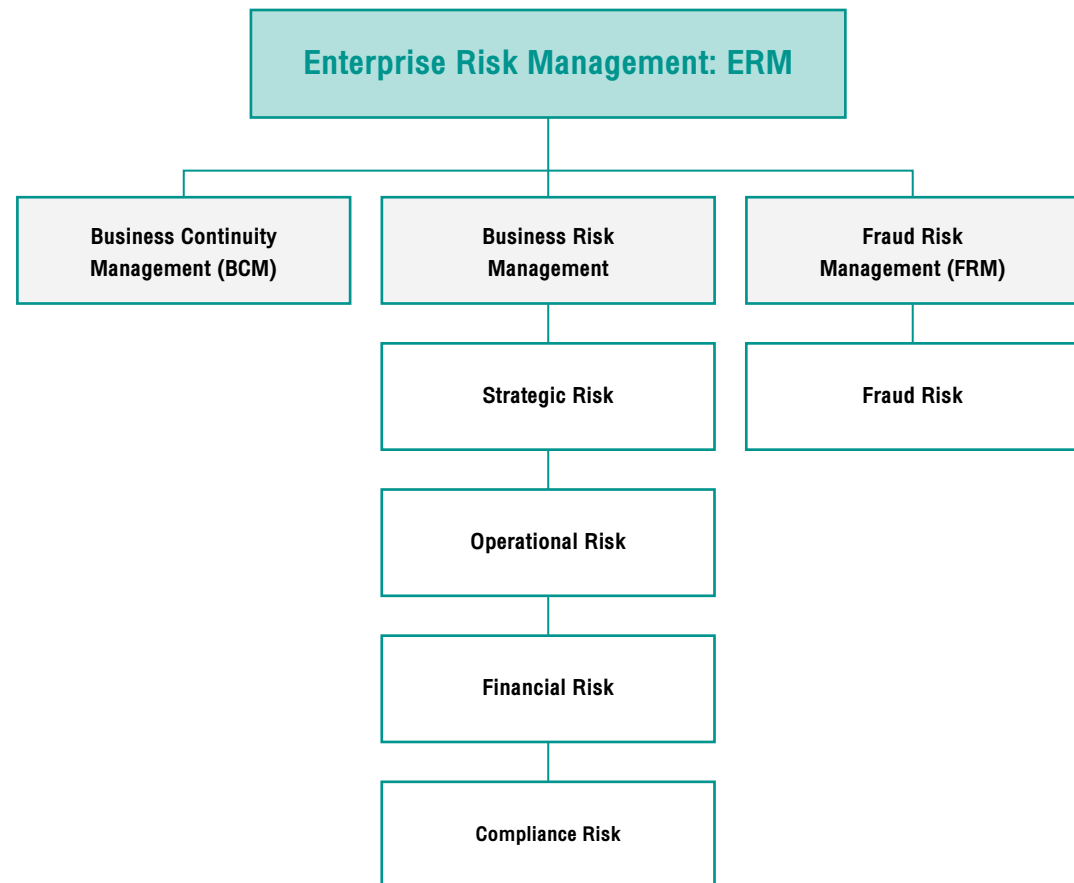
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Risk Management, Internal Control, and Internal Audit

Enterprise risk management

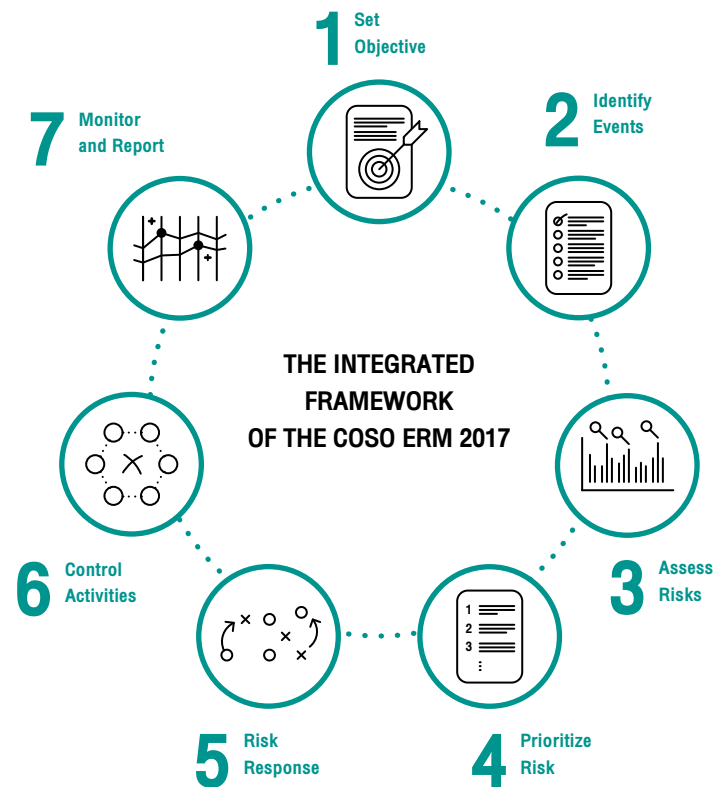


Risk management is an important process that helps AIS and its group companies (AIS) achieve the company's objectives and goals as well as respond to the expectations of various stakeholders properly. AIS has established an Enterprise Risk Management Policy and Framework which applicable to the corporate level and operational level in order to manage and maintain risks at an acceptable level (Risk Appetite). The Enterprise Risk Management framework of AIS is consists of the following components,



AIS Enterprise Risk Management Framework & Processes

The AIS Enterprise Risk Management framework and process are aligned with the integrated framework of the COSO ERM 2017: Enterprise Risk Management Integrating with Strategy and Performance and applied to business risk management and fraud risk management. The 7 steps in the risk management process are



1. Set objectives at both corporate and functional levels, which are aligned with AIS's corporate strategy and are within its risk appetite levels as approved by the Board of Directors and reviewed annually.

2. Identify the events that could have a negative impact (risks) on AIS's ability to achieve its goals and its targets from both internal factors, for example, operational processes and human resources, and external factors, for example, customers, the economy, politics, and regulations.

3. Assess the identified risks by considering the likelihood of the risk occurring and the potential impact if the risk occurred; in addition, the correlation between the impact of any risk and how it could affect another risk must also be assessed.

4. Prioritize Risk with consideration of prioritizes risks as a basis for selecting responses to risks and impact to the organization then prioritizes risks as a basis for selecting risk response

5. Plan risk response measures with consideration given to the level of risk involved and the corresponding cost and benefit.

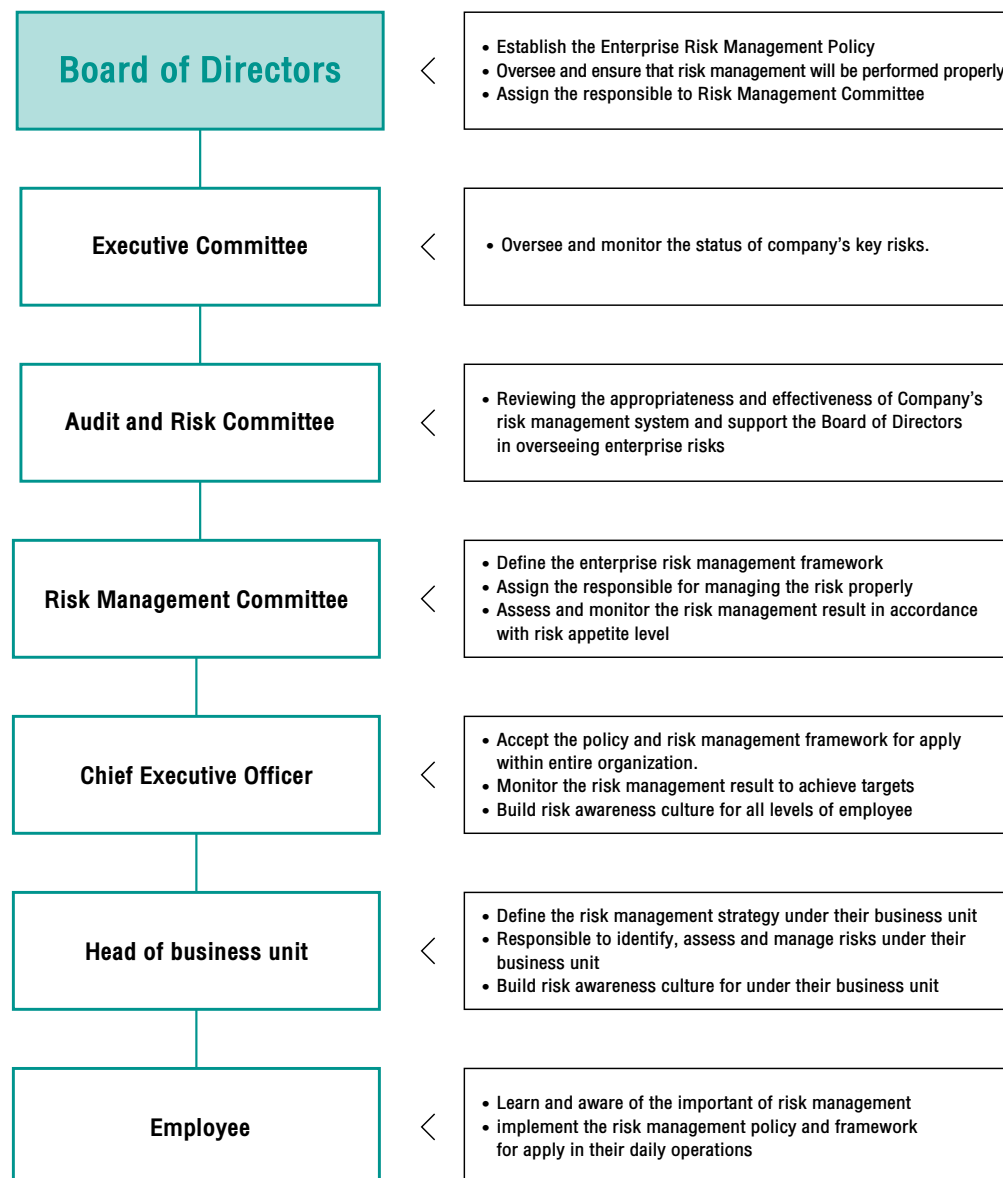
6. Establish control activities to help ensure that the desired risk responses are implemented as intended and are carried out effectively.

7. Monitor and report the status of the risks and the effectiveness of the risk management processes. The report shall be made and informed to the Audit and Risk Committee, the Executive Committee, and the Board of Directors regularly.

Roles and responsibilities of AIS Risk Management

The Risk Management Committee consist of Chief Executive Officer as the Chairman and heads of business units. The Risk Management Committee held quarterly meetings in order to identify and assess both new risk and correlation with other identified risks as well as to review and follow up on the accomplishments of its risk management strategy. This was achieved by comparing the management action plans against the reliable measured results of the plans. At each meeting, the responsible management representative reported the results of the risk management approach identified in the previous meeting to the Risk Management Committee.

The Risk Management Committee submits its report on risk management to the Audit and Risk Committee, the Executive Committee, and the Board of Directors on a quarterly basis for close monitoring to ensure that its risk appetite is acceptable and that is able to accomplish its goals and objectives. In 2020, AIS plans to develop risk analysis and assessment in business operation together with process of developing of company business strategy for multi-layers of management and employee in order to create awareness and better understanding for risk management





Fraud Risk Management



AIS announced the Fraud Risk Management policy to prevent, investigate, report, and manage the fraud matters which established 3 practical guideline namely:

1. Prevention – to proactively identify, assess, review and respond to all possible frauds in the organization and communicate them to the employees in all levels to build awareness and importance of fraud reporting, corruption and misconducts.

2. Detection – to check or investigate any misconduct or fraud or case where there is a reasonable suspicion of such activity.

3. Response – to perform investigation processes and through it to punishment process

1. Prevention – to proactively identify, assess, review and respond to all possible frauds in the organization and communicate them to the employees in all levels to build awareness and importance of fraud reporting, corruption and misconducts.

2. Detection – to check or investigate any misconduct or fraud or case where there is a reasonable suspicion of such activity.

3. Response – to perform investigation processes and through it to punishment process

The company anticipates that directors, executives and employees are aware of the essence of fraud risk and shall notify the Company of any action possibly leading to fraud immediately as well as cooperate fully in any investigation relating thereto. In this regard, the Company has appointed Fraud Risk Management Committee (FRMC) to oversee the policy and fraud risk management process. Also to support other functions to develop fraud risk management including self-manage and systematically control risk.

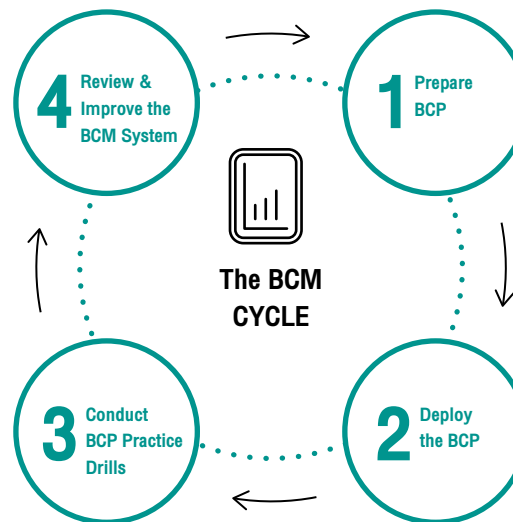
Business Continuity Management



The Company has set in place a business continuity management system in accordance with international standards. The objective is to continue operations in the event of natural disasters or any other situations that are beyond the Company's control and which have the potential for causing an interruption to the core operating system and a loss of company property and personnel at both central and regional levels, including AIS group and subsidiary companies.

To support this system, the Company has established the Business Continuity Management policy and manual, also appointed the Business Continuity Management Committee, comprised of top executives from each business unit and chaired by the Chief Executive Officer, to oversee the effectiveness and sustainability of the Company's business continuity management.

The business continuity management (BCM) process comprises 4 main steps



1. Prepare business continuity plan:

Prepare a business continuity plan to cope in the event of a disaster in accordance with the objectives of the business continuity management of the core business processes. This will be based on consideration of both business impact analysis and risk assessment to determine the critical business process of each unit, as well as to define the period of time after which outages of the business process become unacceptable.

2. Deploy business continuity plan:

Distribute and communicate the approved business continuity plan to all related parties and ensure its understanding. This also includes the preparation of the resources, both internal and external, that are necessary and sufficient to implement the business continuity plan.

3. Conduct business continuity plan practice drills:

Arrange to conduct the business continuity plan practice drills, according to the defined schedule and targets; update the plan to make it current and report the results of the practice drills to the commander accountable for the business continuity plan; gain acknowledgment from the Business Continuity Management Committee.

4. Review & improve business continuity management system:

Review and improve the business continuity management system to ensure its effectiveness and alignment with the risk level currently faced by the organization.

Overall of Business Continuity Management framework



- **Put in place enterprise and departmental BCP:** AIS has in place a Business Continuity Management System that is comprised of an Enterprise Business Continuity Plan (Enterprise BCP), Departmental Business Continuity Plan (Departmental BCP) and significant functions of AIS. Risk assessment of any threat to the Company must assess both the likelihood of that threat occurring and its impact in order to prepare the Enterprise BCP for coping with the crisis or any emergencies which adversely affect or damage the working facilities or staff.
- **Based on the findings of the business impact analysis,** Departmental BCPs are also in place to manage the situation in the event that any department is not able to perform any process that could directly impact the company's products or services.
- **A Disaster Recovery Plan (DRP)** of IT systems has also been established to provide the strategy and working process in order to recover all information technology systems that support critical processes. This includes all of the resources required to ensure our business continuity within acceptable recovery time and at an acceptable operational level.
- **BCP for critical business process:** AIS's Business Continuity Management Committee has assigned senior executives and the heads of related parties to prepare the business continuity plan to ensure continuation of the critical business processes which have a direct impact on AIS's ability to deliver its Critical Services. It is the responsibility of all management and staff to support the activities related to business continuity management, such as the preparation of the business continuity plan; the allocation of resources according to the business continuity plan, especially in the practice drills; and the review of the plan to ensure the effectiveness of the business continuity management.

Building an organizational culture in Enterprise Risk Management



In addition to the determination of Risk Management framework and roles and responsibilities of all level employees, AIS has also promoted and cultivate Risk Management culture to build awareness and understanding about the Risks conformed to achieving the organization's objectives and goals. AIS performed to create an organizational culture in Risk Management as follows:

- Establish the Risk Management policy, manual and procedures, publish on a social intranet for employees can read and understand.
- Develop the Risk Management plans in both the corporate level and functional level covers efficiency internal control process and internal audit.
- Communicate through the semi-annual performance review event to ensure that employees at all levels have the same understanding and acknowledge the direction and obstacles/challenges of the company's business operations in the short-term and long-term.
- Provide knowledge of Risk Management principles to employees via presentation documents and publish on social intranet.



Performance result of 2019 and goal in 2020



In 2019, AIS achieved ISO 22301:2012 Business Continuity Management System certifications are Cloud service and Co-Location service as a company that developed a complete business continuity management system to cope with crisis or disaster. This lead to the sustainability development of the Company. In addition, AIS continues to conduct the business continuity plan practice drills on the continuation of critical business processes, in 2019 a simulation exercise; cyber threat attacked at main data center which caused an interruption to our network and services was carried out to test responsiveness of company's business continuity plan to ensure the continuity of our service. In 2020, The company proposes of applied ISO 22301: 2012 framework to all business processes and ensure that AIS is ready and able to respond to and manage a variety of situations in times of crisis.

Internal Control



AIS has established internal control systems prudently under COSO Internal Control – Integrated Framework 2013 (COSO 2013) of the Committee of Sponsoring Organizations of the Treadway Commission which comprises 5 components and 17 principles in order to achieve significant objectives relating to operations, financial reports and compliance with relevant regulations. It also supports and enhances performance, and safeguards the Shareholders' investment and the Company's assets.

During the Board of Directors Meeting No. 1/2020, on 23 January 2020, the Board of Directors assessed the adequacy of internal control systems according to the assessment form prepared by Securities and Exchange Commission (SEC). Five (5) independent directors attended the said meeting and three (3) of them are the Audit and Risk Committee members. The Board of Directors concluded that the Company has effective and adequate internal control systems to oversee operations to achieve goals and objectives; comply with applicable laws; and safeguard and optimally utilize assets for the Company's interest, as well as to ensure accurate and reliable financial reports.

In addition, AIS and its subsidiaries' consolidated and separate financial statements ended 31 December 2019 have been audited by the independent certified public accountants in conformance with Thai Standards on Auditing ("TSAs"). The external auditors exercise professional judgment; maintain professional skepticism;

and address concerns throughout the audit. The external auditors also identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Furthermore, the external auditors obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AIS and its subsidiaries' internal control. After auditing, the external auditors express unmodified opinions for the consolidated and separate financial statements of AIS and its subsidiaries.

Internal control activities in 2019 can be summarized as follows:

Control Environment

- AIS is committed to integrity and ethical values.

The Board of Directors and the Management have established the Corporate Governance Policy, the Code of Business Ethics and the Anti-Bribery and Corruption Policy to have directors, executives and employees embrace integrity, ethical values, honesty, accountability, transparency and legal compliance. Interests of business

partners, communities and environment are taken into consideration. In addition, Audit and Risk Committee is responsible for the oversight of the Anti-Bribery and Corruption Policy and measures. The Business Ethics Committee, including Chief Executive Officer (CEO) as the Chairman, was appointed with responsibility to promote integrity and ethical values of AIS executives, personnel, and any related parties including outsourced staff and business partners. The evaluations of understanding levels of the Code of Business Ethics and the Anti-Bribery and Corruption Policy have been conducted annually for eight (8) and four (4) years consecutively.

Furthermore, since 2013, the Board of Directors has approved the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy (previously known as "Reporting and Investigation of Misconduct and/or Fraud and Whistleblower Protection Policy"). In 2019, the said policy has been revised and approved to be more appropriate. Apart from that, the Fraud and/or Misconduct Reporting and Whistleblower Protection Guideline has been revised and enforced as a part of the said policy, and has been concurred by the Audit and Risk Committee in order to provide whistle-blowing channels and guideline on receiving reports on complaints, confidentiality, whistle-blower protection, investigation and penalties on perpetrators.

- [The Board of Directors has overseen the Management diligently](#); is independent from the Management; and maintains relevant expertise. Chairman of the Board of Directors was independent and one-third or 45.5% of board

members were independent. For more details, please see the Structure of the Committee, page 57. Moreover, authority and duties of each board's sub-committee were defined in regard to internal audit, risk management, sustainability, good governance, development and remuneration for the committee. Results of each committee are reported to the Board of Directors every quarter. For more details, please see the Structure of Committee, page 57.

- [AIS structures and authorities are defined in accordance with business goals and objectives](#) under the oversight of the Board of Directors by emphasizing on balance, prudence, flexible operation, and disruptive innovation. Authorities and responsibilities have been delegated to employees based on demonstrated competence of each person. Segregation of duties was applied to ensure check and balance. All personnel are responsible and accountable for internal controls and Internal Audit Department can perform duties independently.

- [Personnel are valuable assets to AIS and are included in the mission, aiming to build the corporate culture of "FIT, FUN, FAIR"](#) which encourages personnel to possess competencies, perform duties professionally with a sense of business owner, and create innovative and state-of-the-art work procedures. The said mission and corporate culture also aim to balance work life, motivate personnel to have a sense of AIS's family, retain high caliber personnel with proven commitment to their duties. AIS has also created a culture of innovation for employees to achieve the goal of being the Innovation Organization through communications, activities, management support. For more

details, please see "Innovation Management and Innovation Organization" section in the Sustainability Report, page 43 and 47. AIS Academy is responsible for developing competencies regarding management and leadership; and encourages employees to enhance their knowledge and skills through various approaches such as on-the-job trainings, internal and external trainings, and e-learning.

- [The Board of Directors has established a clear succession plan](#) to ensure the business continuity, and such succession plan covers successors from Senior Management, such as Chief Executive Officer, through Head of core business units. In this matter, the succession plan, training, and advice have been developed to equip the potential successors with necessary competencies. In addition, the Company identified key function to set the plan to facilitate business continuity. For example, the system development process relating to engineering and IT systems operated by service providers will be included in the knowledge sharing program for IT and engineer teams periodically. Moreover, related working papers and other documents have been stored systematically to facilitate workflow.

- [In each year, the Board of Directors and Senior Management have established Balanced Scorecard](#) and key performance indicators to evaluate actual performance in comparison to goals in order to ensure proper practice and direction. Such performance measurements were conducted at all levels including the Board of Directors, executives, permanent and temporary employees and outsourced staff. In every performance evaluation comprising objective appraisals and behavioral appraisals

according to the corporate culture, supervisors provided positive and negative feedback to their subordinates in order to encourage them to improve their performances efficiently.

Risk Assessment

- AIS risk management has been in corporate and functional levels to ensure the achievement of the Company's objectives, under oversight of the Risk Management Committee and coordination of the Enterprise Risk Management Department. For more details, please see Risk Management, page 92. From 1st of January 2019 onwards, the Board of Directors has assigned the Audit and Risk Committee to oversee enterprise risk management framework which comprises relevant policies, risk appetite, risk capacity, and tolerance, as well as review enterprise risk management and adequacy of such risk management policy stipulated by Risk Management Committee prior to proposal to the Board of Directors. The Audit and Risk Committee is also responsible for considering and providing advice on enterprise risk oversight to the Board of Directors, and assessing adequacy and appropriateness of strategic risk management.

Control Activities

- AIS has selected and developed written internal control activities, in response to specific risk needed to be controlled regarding environment, complexity, operation manner and scope, and unique corporate features. For example, clear policies, procedures and approval

authority levels concerning finance, purchase, connected transactions, securities trading by AIS's Board of Directors, Management and Employees have been in place and regularly reviewed. For significant matters, there will be a mix of control between manual control and automated control, which are preventive and detective controls. In addition, AIS segregates duties performed regarding record, approval and assets management to ensure check and balance. AIS's policies and practices have been reviewed regularly to ensure appropriateness.

- AIS has selected and developed proper general controls over technology to ensure integrity, continuity, security, proper acquisition, development and maintenance of information technology systems. AIS has also assigned certain departments to be responsible for technology infrastructures and software. In addition, Managing Personal Data and Cyber Security Committee has been appointed to establish the policy, direction, principles, and framework with respect to cybersecurity management and personal data protection. The said Committee is also tasked to educate personnel to ensure compliance with the policies, standards, framework, and work instructions; and to provide recommendations and legal advice to ensure accurate and appropriate practice. The established foundation will secure computer and information systems of AIS and its subsidiaries from any intrusions, thefts, destruction, interruptions, or stealth, that may cause damage to the business operations of AIS and its subsidiaries; and will protect the customer data to

ensure data security as required by applicable laws. For more details, please see "Protection of IT Security and Data Privacy" section in the Sustainability Report, page 28-37. Moreover, AIS has managed internal and external threats by configuring access to critical information systems, such as mobile network, computer network and database. Authorizations of different logical and physical access levels have been set for using data on network operation systems. In case of piracy or intrusion, it will be automatically and consistently monitored by security tools. Then, the relevant team will be notified to take actions accordingly.

- Board of Directors, Management and Supervisors shall clarify purposes and internal control activities to all relevant personnel to ensure proper practice. Furthermore, the Management as the Second Line of Defense and Internal Audit Department as the Third Line of Defense against risks shall provide advice on designing efficient and effective internal control systems.

Information & Communication

- AIS emphasizes on quality of information underpinning internal control activities. AIS information systems are efficient, updated, and improved continuously to enable processing huge amount of data into managerial information (big data analysis) in a timely manner to remain competitive in consideration of costs and benefits.



- AIS regularly ensures adequacy of material reports presented to the Board of Directors for making decision prior to the board meeting as required by applicable law, as well as preparing minutes of the board meeting with adequate details and storing such documents by Company Secretary Office for reviewing or reference.
- AIS maintains several efficient internal communication channels through the Company's website social intranet, Microsoft Teams application, SMS, email, People Champions of each department, From the Desk of CEO, and Half-Year Business Plan Kick-Off. Certain departments have been assigned to share necessary information within the organization. In addition, the Company provides communication channels via Board Portal and the Company Secretary Office for the Board of Directors, Executive Committee and Sub-Committee.
- Any employee can safely report actual and suspicious cases of misconduct or fraud via available channels prescribed in the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy or directly to Audit and Risk Committee at AuditandRiskCommittee@ais.co.th. Under the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy, employees who provide such information shall be protected. To build more awareness of results from misconduct or fraud, AIS has been communicating of such matters with penalties through cartoon without disclosing any names.

- AIS assigns Company Secretary Office and Investor Relations to be responsible for communication and interaction with external parties according to types of stakeholders. Processes are in place to track troubleshooting and complaints from all parties. For more details, please see page 77. Apart from that, any external parties could report actual and suspicious cases of misconduct or fraud relating to the Company directly to the Audit and Risk Committee at AuditandRiskCommittee@ais.co.th, or directly to the Chief Audit Executive at nokweed@ais.co.th, or to Chief Human Resources Officer at HR-Nokweed@ais.co.th, or via ethics hotline at 02029333. Protection shall be provided under the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy.

Monitoring Activities

- AIS Management and Supervisors have established processes to monitor effectiveness of the internal control systems by means of follow-up meeting, unusual activity investigation, as well as control self-assessment, whereby Internal Audit Department is tasked with assessing effectiveness of internal control systems independently, and reports results to Audit and Risk Committee on a monthly basis. After that, Audit and Risk Committee will present such results to the Board of Directors and hold meetings with External Auditors to assess adequacy and effectiveness of internal control systems on a quarterly basis.

- When significant internal control deficiency was detected, the Management analyzed its root cause and assigned employees responsible for remediation in a timely manner. The Board of Directors has established level of deficiency that requires the Management or the Internal Audit Department to report to the Board of Directors promptly; for example, the matters with high financial impact, damage to the reputation, non-compliance to the laws and regulations, violation of key control system, or possible case of fraud. Internal Audit Department and other assigned departments are responsible for following up on the Management's corrective actions and reporting to the Audit and Risk Committee until such matter is completely remediated.

Internal Audit



Mrs. Suvimon Kulalert was appointed as Chief Audit Executive on 1st of January 1999. Her expertise in the field and adequate understanding in the Company's functions and operations support her roles and responsibilities appropriately. Approval, appointment, dismissal or transfer of the Chief Audit Executive must be concurred by Audit and Risk Committee.

For Chief Audit Executive's portfolio, please see page 46.



Roles and Responsibilities of Chief Audit Executive and Internal Audit Department

1. Chief Audit Executive (CAE) reports directly to Audit and Risk Committee who oversees to ensure that Internal Audit Department (IAD) performs internal auditing with independence, objectivity, integrity, and expertise, in adherence to the internal audit standards. CAE reports administratively to the Chief Executive Officer.

2. IAD operates independently under the internal audit charter which clearly specifies the internal audit mission, scope, authority, duties, responsibilities and procedures. The charter is revised for its appropriateness periodically.

3. IAD's duties include provision of assurance and consulting services through the evaluation of effectiveness and efficiency of internal control systems, risk management systems, and good governance in order to support the Company's business objectives and targets.

4. IAD prepares its annual audit plan aligning with AIS and its subsidiaries' strategic direction, change in the risk level, and Audit and Risk Committee's directives. The plan is conducted based on severity of risks focusing on critical risks to AIS's operations, objectives, and strategies. In 2019, IAD plan focused on effectiveness of operations critical to preventive control, prevention of fraud, and advisory services by means of value-added workshops. The plan is approved by Audit and Risk Committee. Audit reports and

following up on the Management's corrective actions are reported for Audit and Risk Committee's consideration on a monthly basis.

5. Additionally, IAD acts as Secretary to Audit and Risk Committee, supporting their oversight responsibilities as assigned by the Board of Directors. IAD also acts as a channel for internal or external parties to file complaints on possible misconduct and fraudulent actions. After receiving such complaints, IAD will find facts and investigate in accordance with the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy, and report the case results to the Audit and Risk Committee on a monthly basis.

6. Apart from the internal audit activities, CAE gives advice on internal controls, risk management, business ethics, information security, etc. The Audit and Risk Committee also oversees CAE's other roles other than internal auditing to prevent from the independence impairments of IAD.

7. IAD regularly coordinates with external auditors to ensure that audit scopes appropriately cover all critical risks.

8. IAD adheres to the International Professional Practices Framework, and revises the internal audit charter and the internal audit manual as well as conducts internal audit quality self-assessment on an annual basis. IAD also receives a Quality Assessment Review (QAR) by external, independent assessors every five years to ensure that

IAD adds values to its stakeholders and promotes the sustainable development of the Company's internal control systems, risk management and good governance. Latest external, independent assessment suggests that IAD generally conforms to the international standards and is ranked "Standard" when benchmarking against other internal audit functions globally.

9.

Internal Audit Activities in 2019 and Future Plans

1. Encouraging the Management to implement internal control systems and self-business assurance effectively

Since 2018, Internal Audit Department has been supporting AIS and its subsidiaries in enhancing more understanding level and implementation of good internal control systems in accordance with COSO's 2013 framework and the model of Three Lines of Defense. Several workshops with the Management were held to remediate several internal control issues. In addition, IAD has been promoting self-business audit concepts and developed tools, such as the Second Line of Defense Website, to facilitate the Management in Control Self-Assessment (CSA).

2. Promoting awareness of the Code of Business Ethics and Fraud Risks among company employees

In 2019, IAD has built the awareness and the understanding of the Code of Business Ethics and fraud risks among the company employees in order to ensure compliance with the Code of Business Ethics and the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy.

Several workshops have been conducted for executives and employees, resulting in better understanding of the Code of Business Ethics and the fraud risk awareness.

3. Creating Risk Center to enhance the efficiency of audit activities

IAD has emphasized building awareness of risk management among internal auditors. The proactive Risk Center has been established to gather and analyze risk issues in order to design audit programs for high risk areas including operational risks and fraud risks. The integrated risk management has been implemented according to COSO's Enterprise Risk Management - Integrating with Strategy and Performance and Fraud Risk Management Policy. All internal auditors are encouraged to propose ideas relating to preventive controls.

4. Aligning internal audit activities with digital era

IAD has developed and started deploying Robotic Process Automation (RPA) since 2017 as a tool to automatically analyze data from multiple databases. Data analytics tools have also been adopted and applied to internal audit activities to boost agility and accuracy, as well as giving an early warning of potential risks to the Company when any risk identification or internal control deficiency is found. In other respects, the Automated Audit Program (AAP) has been developed in 2019 to facilitate internal audit activities in the digital era. For example:

- Supporting systems have been developed to identify and assess risks in the Risk Center platform; design audit programs; and utilize RPA in analyzing data.
- Audit Knowledge Sharing Center has been developed to serve as the search engine for obtaining internal and external information and knowledge necessary for audit in an easy, convenient, and agile manner.
- E-report system has been implemented to save paper and environment, and this system allows having audit reports reviewed by relevant internal audit management before soliciting approval and e-signature from the CAE in order to automatically submit audit reports to executives and auditees.
- Online Customer Satisfaction Index Survey has been implemented to get feedbacks from the Audit and Risk Committee, executives, and auditees, in a convenient, agile, accurate, and precise manner.

5. Transforming into Trusted Advisor

Since 2018, IAD has enhanced an advisory role including the review of all functions which cover revenue assurance, expenditure, and compliance to regulators' requirements and acts, such as sales and marketing processes, billing and collection, and engineering. RPA has been adopted as a tool to analyze data and strengthen the Second Line of Defense to transform into the Trusted Advisor according to the Internal Audit Roadmap.

Internal Audit Training and Competency Development

1. Pursuit of knowledge and updated international professional practices standard

To enhance effectiveness of AIS's internal audit and stay updated, IAD regularly reviews and moves towards updated domestic and international professional practices and standards relating to internal control systems, risk management, good governance and other fields relating to AIS's business.

2. Integrated and innovative audit

IAD encourages all internal auditors to acquire more skills and enhance competencies in order to perform multi-functions or integrated audit. All internal auditors are also encouraged to be innovative in developing more effective and efficient audit techniques.

3. Competency development roadmap under global internal audit competency framework

Internal auditors are encouraged to continuously improve their competencies by acquiring multiple knowledge and skills critical to AIS's business operation. Therefore, IAD has developed the "Development Roadmap" according to roles and responsibilities of IAD under global internal audit competency framework of The Institute of Internal Auditors (The IIA) as follows:

- Core Competency
- Essential Competency



Each internal auditor shall attend trainings for at least 11 days per year according to the established strategy.

4. Acquiring related professional certificates to promote internal audit profession.

All internal auditors are encouraged for self-development to build internal audit expertise by acquiring professional auditor certification or other relevant qualifications. In 2019, IAD has set a target that 50% of the total number of IAD staff should acquire professional certificates. At present, 15 out of 52 IAD staff, or 31%, obtain following certificates.

Certificates	Details	Number of IA Staff with Certificates (persons)
Certified Internal Auditor (CIA), USA	This internal audit certificate requires competency of internal audit, risk management and related matters.	7
Certified Information System Auditor (CISA), USA	This certificate relates to control activity and information system security uplifting international professional standard.	5
Certified Information Systems Security Professional (CISSP), USA	This certificate requires competency in 10 aspects of information security called "Common Body of Knowledge" (CBK) – that is access control, telecom & network security, application & system development security, security management, cryptography, security management, operation security, business continuity planning & disaster recovery planning, law investigation & ethic and physical security.	1
Certification in Risk Management Assurance (CRMA), USA	This certificate is designed for internal auditors or risk management officers whose responsibilities and expertise could provide risk management assurance, good governance, quality assurance or control self-assurance with respect to business environment assessment and enterprise risk management, as well as provide advice and assurance on such matters.	9
Certified Professional Internal Audit of Thailand (CPIAT), Thailand	This certificate is for Professional Internal Audit of Thailand, aiming at enhancing internal audit competencies.	1
Certified Public Accountant (CPA), Thailand	Certified Public Accountant has competency of accounting practice and standard, auditing, related laws, information system, computer literacy and accounting report.	4
Tax Auditor (TA), Thailand	Tax Auditor has competency of accounting practice and standard, auditing, Revenue Code, and Civil and Commercial Code.	1
Information Security Management Systems Auditor/Lead Auditor: ISO/IEC 27001:2013	This certificate requires competency of information security management systems and the principle of assessments regarding to ISO/IEC 27001:2013 standard to perform auditing as standard defined.	3
Business Continuity Management System Auditor/Lead Auditor : ISO 22301:2012	This certificate requires competency of internal and external threat management for business continuity to perform auditing according to the international standard ISO 22301:2012.	2
CQI and IRCA Certified ISO 14001:2015 Lead Auditor	This certifies competencies and specialization for providing advice on protecting environment, preventing pollution, and compliance with relevant matters to ensure sustainable development according to ISO 14001:2015.	1

A number of internal auditors are studying to acquire CIA, CISA, and CFE [Certified Fraud Examiners] in order to support internal audit tasks as professionals and to meet international audit control standards.

Sustainable Development Committee Report

The Sustainable Development Committee (SDC) consists of three (3) members namely: Mr. Prasan Chuapanich as Chairman, Mr. Somprasong Boonyachai and Mr. Somchai Lertsuthiwong as members.

In 2019, the Sustainable Development Committee held a total of 4 meetings. Significant actions taken by the committee in 2019 are as follow:

The committee approved and oversaw operations for sustainable development based on 7 strategies; digital innovation, data privacy&cyber security, cyber wellness and online security, human capital development, social inclusion, emission and waste management. The committee implemented a policy for the strategies to be integrated into the work processes, policies and guidelines of relevant departments with the intent to drive the organization towards being a leading digital life services provider and commissioned studies into work processes and short, medium and long term goals as well as management approaches to achieve such goals, calling for clear assessment metrics with details of all these actions as set out in the Sustainable Development Report 2019.

The committee approved the flagship projects according to the sustainable development strategy, comprising 2 projects, namely; Aun Jai Cyber, a project satisfying the strategy on cyber wellness and online security designed to support and protect the Thai people against cyber threats using digital tools while bolstering confidence in AIS in terms of protection and internet service provision, and E-waste with AIS, a project satisfying the strategy on waste management and proper disposal designed to reduce and recycle waste generated by business operations and to promote proper E-waste disposal by the Thai people. Both projects were carried out with clear metrics focused on social benefit.

The committee acknowledged AIS being selected for inclusion on the Dow Jones Sustainability Index's World Index and Emerging Market Index for 2019 in the Telecommunications Industry category and set policy to apply sustainable development practices to all operations of the company, spurring a sustainable development drive across the organization in accordance with international standards.



(Mr. Prasan Chuapanich)
Chairman of the Sustainability
Development Committee

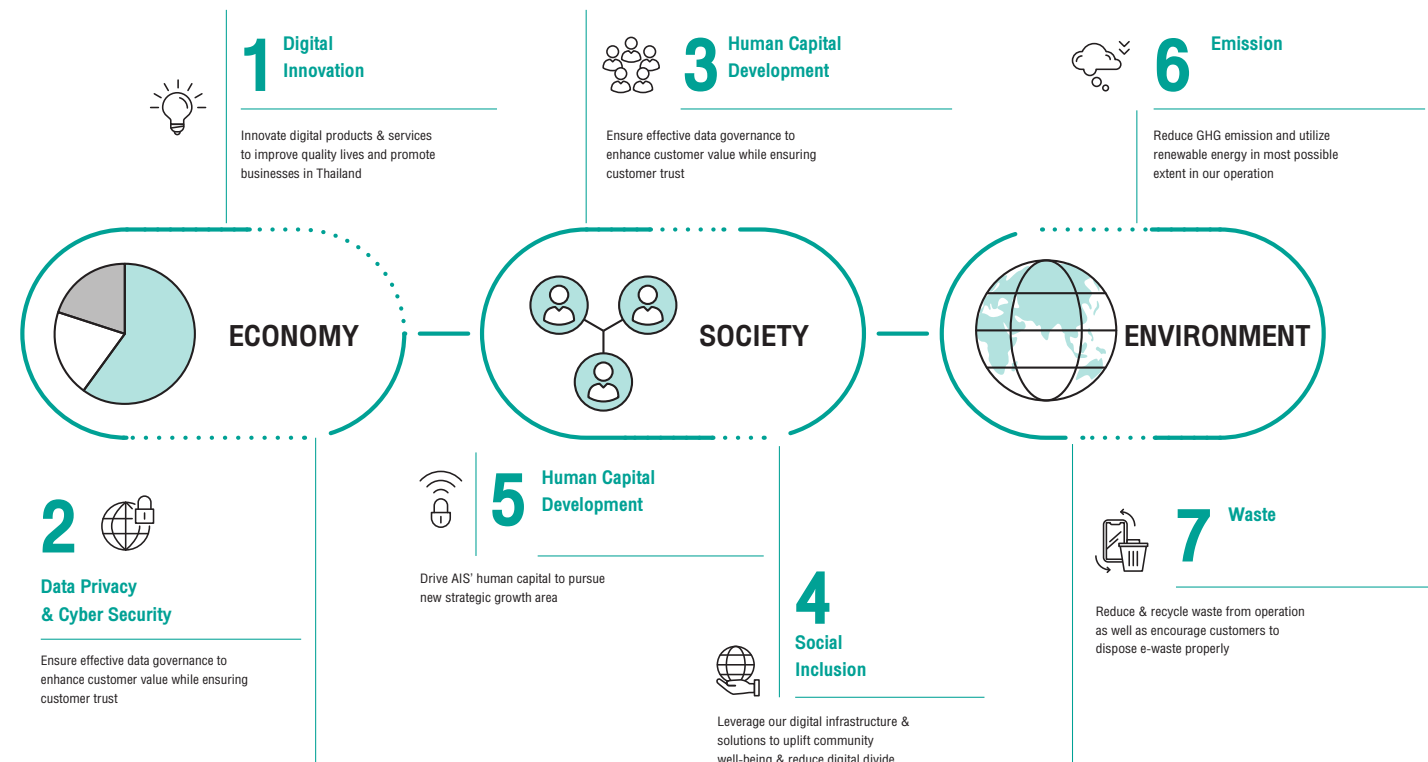
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Sustainable Development

With our vision as Digital Life Service Provider, AIS defines our sustainable business strategy leveraging upon our expertise in technology, customer relationship management and telecommunication infrastructure. AIS also devotes great importance to being ready to take on the significant challenges and opportunities that may arise so that it may create positive economic, social and environmental impacts. The seven strategies for sustainable business development AIS implements are as follows:

AIS has embedded its 7 sustainability strategies into day-to-day business operations; defining the Company's business direction, product and service development, innovation, and human resource management. In doing this, we set a clear performance measurement as well as short-term and long-term targets. For further information, please refer to the Sustainability Report 2019 (<http://sustainability.ais.co.th/en/report/sustainability-report>).

The 7 strategic focuses



Connected Transactions

The Company and its subsidiaries have entered into transactions with connected persons in the ordinary course of business and based on general trading conditions.

In alignment with the Security and Exchange Act (No. 4) B.E. 2551, Article 89/12 (1), the Company's Board of Directors has approved in principle, on 13 August 2008, that the management shall have the authority to undertake the connected transactions which are carried out based on general trading conditions and arm's length basis. The approval of the above transactions shall not constitute such authority to allow the director, an executive, or a related person to approve with a conflict of interest.

For approval process, the connected transactions shall be processed in the same practice as other general trading transactions with outside parties with the authorized executives designated and empowered to endorse up to a certain limit of budget according to their respective rank and position. The Audit and Risk Committee of the Company and its subsidiaries is responsible for reviewing the connected transactions every quarter to ensure no conflict of interest and maximize the overall company's benefits.

Policy and future trend of connected transactions will continue to be based on normal business transactions and will follow the policy of the market determining prices in negotiated transactions, as in the past. No special benefit will accrue either to companies or relevant individuals from connected transactions.

For the period year ended 31 December 2019, the Company and its subsidiaries had the connected transactions which the auditors disclosed in the notes to audited financial statements and reviewed by the Audit and Risk Committee. The Audit and Risk Committee had an opinion that Management conducted such transaction for the benefit of the company at an arm's length basis with general trading conditions and reasonable price that compared with the general market price in such industry. The connected transactions in 2019 are as follow.



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
1. Intouch Holding Public Company Limited (INTOUCH)/ INTOUCH is a major shareholder, holds 40.45% - Co-directors: 1. Mr. Somprasong Boonyachai 2. Ms. Jeann Low Ngiap Jong 3. Mr. Kan Trakulhoon	The subsidiaries pay service fee and interest expense from long-term debentures to Intouch. While the subsidiaries provide mobile services and handset sales to INTOUCH. Sales and services 1. Service income 2. Other income 3. Trade and other accounts receivable Purchase of goods and services 1. Rental and Other service expenses 2. Trade and other accounts payable 3. Interest expenses 4. Debenture							The subsidiaries charge mobile services and handset sales at the same rate as external customers. The subsidiaries pay service fee and interest expense to INTOUCH at the same rate as others parties.
		-	0.91	1.20	3.09	1.20	7.01	
		1.11	1.50	0.01	0.13	0.38	0.38	
		0.48	1.54	0.11	0.60	0.44	3.86	
		-	1.13	1.37	1.49	4.41	4.53	
		-	-	1.63	9.51	1.20	1.55	
		-	1.10	-	1.71	-	1.76	
		-	21.00	-	62.50	-	51.50	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
2. Thaicom Public Company Limited (THAICOM)/ INTOUCH is a major shareholder, holds 41.13% - Co-directors: Mr. Somprasong Boonyachai	The subsidiaries pay US\$ 1,400,000 per year for leases satellite transponder (Thaicom7) from THAICOM. The contract has effective to 19 November 2020 Moreover Thaicom has provides satellite downlink equipment and space for transponder equipment installation. While the subsidiaries provide domestic and international phone services and handset sales to THAICOM.							Thaicom is the only satellite operator in Thailand.
	Sales and services							
	1. Service income	-	140	-	4.27	-	6.63	The subsidiaries charge
	2. Other income	-	0.48	-	0.33	0.19	0.96	mobile services and handset
	3. Trade and other accounts receivable	-	0.13	-	1.92	0.17	2.56	sales at the same rate as
								external customers.
	Purchase of goods and services							
	1. Rental and Other service expenses	-	59.93	-	47.12	-	55.81	The subsidiaries pay service
	2. Trade and other accounts payable	-	6.38	-	9.00	-	4.92	fee (transponder) to
	3. Interest expenses	-	-	-	0.11	-	0.08	THAICOM at the same rate
	4. Debenture	-	-	-	5.90	-	0.90	as external customer.
	5. Purchases of property and other assets	-	0.02	-	2.90	-	2.14	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
3. I.T. Applications and Services Company Limited (ITAS)/ INTOUCH is a major shareholders, holds 100%.	The subsidiaries hire ITAS to provide SAP solution and application development. While the subsidiaries provide mobile services to ITAS. Sales and services 1. Service income 2. Other income 3. Trade and other accounts receivable Purchase of goods and services 1. Rental and other service expenses 2. Purchases of property and other assets 3. Trade and other accounts payable							ITAS provides SAP application development and improvement, including maintenance services. The services are timely and rapidly while the service fee is reasonable. The subsidiaries charge mobile services at the same rate as external customers. The subsidiaries pay consultant fee depend on the type of work and the level of consultant and develops application to ITAS with the same rate as other SAP consultant.
		-	0.75	-	1.51	-	1.61	
		-	0.08	-	0.17	0.04	0.15	
		-	0.01	-	0.21	0.04	0.55	
		-	81.86	-	109.90	-	142.84	
		-	24.46	-	10.21	-	66.43	
		-	14.50	-	23.08	-	55.32	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
4. Group of SingTel Strategic Investments Private Limited (SingTel)/ SingTel is a major shareholder of the Company, holds 23.32%.	The subsidiaries enter into an agreement with companies of SingTel group: <ul style="list-style-type: none"> - The joint International Roaming operation services (IR) - Network telecom service operator i.e. International Private Leased Circuit (IPLC) and content services. 							The agreement is under the ordinary course of business and both parties charge each other at the accepted price by deduct profit margin from their customers at the same rate as other operators. The subsidiaries charge IR at the same rate as other operators and content services at the same rate as other content providers. The subsidiaries pay IPLC, IR fee at the same rate with other operators and pay service fee (content) at the same rate as other content providers.
	Sales and services							
	1. Service income	-	41.80	-	191.91	-	125.17	
	2. Other income	-	-	-	0.67	-	3.83	
	3. Trade and other accounts receivable	-	25.98	0.42	151.46	0.42	40.62	
	Purchase of goods and services							
	1. Rental and other service expenses	-	139.26	-	268.53	-	280.92	
	2. Trade and other accounts payable	-	20.96	19.69	60.79	8.82	33.11	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
5. Thai Advance Innovation Company Limited (TAI)/ INTOUCH is an indirect major shareholder.	The subsidiaries hire TAI to advertising on satellite television. While the subsidiaries provide mobile services and handset sales to TAI. Sales and services 1. Service income 2. Other income 3. Trade and other accounts receivable Purchase of goods and services 1. Rental and other service expenses 2. Trade and other accounts payable	-	0.06	-	0.04	-	0.04	TAI has a specialization in media service, content services on satellite television and satellite dish distributor. The subsidiaries charge mobile services and handset sales to TAI at the same rate as external customers.
		-	0.04	-	-	-	0.03	
		-	0.04	-	0.01	-	0.03	
		-	-	-	-	-	2.31	
		-	-	-	-	-	2.60	
6. Lao Telecommunications Company Limited (LTC)/ INTOUCH is an indirect major shareholder.	The subsidiaries have cooperated with LTC to provide international roaming (IR). Sales and services 1. Service income 2. Trade and other accounts receivable Purchase of goods and services 1. Rental and other service expenses 2. Trade and other accounts payable	-	14.32	-	26.81	-	26.71	LTC, the telecommunications service provider in Laos, provides fixed line, mobile phone, internet, and international roaming services. Roaming price is based on market rate. The subsidiaries charge IR services at the same rate as external customers. The subsidiaries pay roaming fee to LTC at the same rate as other parties.
		-	26.69	-	2.23	-	2.91	
		-	5.91	-	3.73	-	5.04	
		-	0.39	-	0.37	-	0.52	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
7. Ookbee Company Limited (OOKB)/ INTOUCH is a direct shareholder, holds 20.94%.	The subsidiaries hire Ookbee to provide E-booking application on smartphones and tablets by charging per monthly. While the subsidiaries provide mobile services to Ookbee. Sales and services 1. Service income 2. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable							Ookbee is a provider digital publication and E-Booking company such as books, magazines or newspaper on smartphones, tablets and computers. The subsidiaries charge mobile services at the same rate as external customers. The subsidiaries pay service fee (Content on mobile) by the percentage of revenue at the same rate as other content providers.
		-	1.80	-	1.29	-	0.93	
		-	0.22	-	0.19	-	0.12	
		-	23.71	-	4.27	-	0.43	
		-	6.47	-	1.17	-	1.72	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
8. Information Highway Company Limited (IH)/ AIS is an indirect major shareholder.	IH provides facilities services under financial lease and transmission network to the subsidiaries. While the subsidiaries provide mobile services to IH.							IH provides facilities services under financial lease and transmission network.
	Sales and services 1. Service income	-	0.04	-	0.04	-	0.05	The subsidiaries charge mobile services at the same rate as external customers.
	Purchase of goods and services 1. Rental and service expenses	-	241.14	-	88.61	-	82.31	The subsidiaries pay transmission network fee to IH at the comparison rate as other providers.
	2. Trade and other accounts payable	-	22.15	-	33.95	-	10.22	
	3. Interest expense	-	6.37	-	4.63	-	2.77	
	4. Financial lease liabilities	-	76.70	-	53.58	-	29.41	
	5. Purchases of property and other assets	-	14.48	-	-	-	-	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
9. Krung Thai Bank Public Company Limited (KTB)/ - Co-directors: Mr. Krairit Euchukanonchai.	KTB provides financial services to the subsidiaries. While the subsidiaries provide mobile services to KTB.							KTB is a provider of full financial services such as bank deposit, arranging loan, merchant services and other services.
	Sales and services							The subsidiaries charge mobile services and handset sales at the same rate as external customers.
	1. Service income	-	86.47	-	17.50	-	24.26	
	2. Other income	-	-	-	1.75	-	-	
	3. Trade and other accounts receivable	-	0.47	-	3.39	-	1.13	The subsidiaries receive interest income from bank deposit and pays interest expense from borrowing at the same rate as other commercial bank.
	Purchase of goods and services							
	1. Bank deposits and Interest income	0.49	101.30	0.87	167.37	0.88	177.87	
	2. Rental and service expenses	-	0.14	-	0.10	-	0.11	
	3. Trade and other accounts payable	-	0.08	-	27.18	-	40.39	
	4. Debenture	-	29.00	-	-	-	20.00	
	5. Long-term loan and Interest expense	-	11.85	-	3,040.68	-	3,188.81	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
10. High Shopping Company Limited (High Shopping)/ INTOUCH is an indirect major shareholder.	The subsidiaries provide mobile services to High Shopping. Sales and services 1. Service income 2. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses	-	0.73	-	3.33	-	6.20	High Shopping is a provider of digital content services to customer through TV, mobile devices, the internet and other advertising channels. The subsidiaries charge mobile services and handset sales at the same rate as external customers.
		-	0.08	-	0.88	-	0.31	
		-	-	-	0.03	-	-	
		-	-	-	-	-	-	
11. TC Broadcasting Company Limited (TCB)/ INTOUCH is an indirect major shareholder.	TCB provides equipment system and television signal service to the subsidiaries. Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable	-	5.65	-	12.01	-	5.58	The subsidiaries pay services fee (transmission) to TCB at the same rate as other providers.
		-	0.36	-	0.49	-	0.50	
		-	-	-	-	-	-	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
12. Golfdigg Company Limited (Golfdigg)/ INTOUCH is a direct shareholder, holds 25.00%.	The subsidiaries provide mobile services to Golfdigg. Sales and services 1. Service income 2. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable							Golfdigg is a provider of the golf-course booking application on smartphone. The subsidiaries charge mobile services at the same rate as external customers.
		-	0.08	-	0.09	-	0.12	
		-	0.01	-	0.02	-	-	
		-	0.02	-	-	-	0.17	
		-	0.35	-	0.42	-	0.26	
13. Amata Network Company Limited (AN)/ AIS is an indirect major shareholder.	AN provides transportation rental to the subsidiaries. While the subsidiaries provide of management service and mobile services to AN. Sales and services 1. Service income 2. Other income 3. Trade and other accounts receivable 4. Sale of property and other assets Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable							AN is a provider of transmission network in Amata industrial estate. The subsidiaries charge mobile services at the same rate as external customers and management fee on mutual agreement. The subsidiaries pay services fee (transportation rental) to AN at the same rate as other providers.
		-	0.04	-	0.29	-	1.81	
		-	1.78	-	6.00	-	5.95	
		-	7.55	-	0.56	-	1.14	
		-	6.60	-	-	-	-	
		-	0.26	-	16.11	-	26.38	
		-	0.88	-	1.96	-	8.11	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
14. Wongnai Media Company Limited (WONGNAI)/ INTOUCH is a direct shareholder, holds 9.54%.	The subsidiaries hire Wongnai to design website and media on smartphone. While the subsidiaries provide mobile services to Wongnai. Sales and services 1. Service income 2. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable							Wongnai is a provider of the application on smartphone to discover and review about restaurants, beauty and spas across Thailand. The subsidiaries charge mobile services at the same rate as external customers. The subsidiaries pay services fee (media and advertising) to Wongnai at the same rate as other providers.
		-	0.01	-	0.02	-	0.28	
		-	-	-	-	-	0.09	
		-	2.41	-	3.36	-	4.71	
		-	-	-	-	-	0.27	
15. Digio (Thailand) Company Limited (DIGIO)/ INTOUCH is a direct shareholder, holds 8.05%.	The subsidiaries provide mobile services to Digio. Sales and services 1. Service income 2. Trade and other accounts receivable	-	0.06	-	1.41	-	5.88	Digio is a provider of the mobile Point of Sale (mPOS) application on smartphone. The subsidiaries charge mobile services at the same rate as external customers.
		-	0.01	-	0.81	-	0.58	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
16. BEC World Public Company Limited and its subsidiaries (BEC)/ - Co-directors: Mr. Somprasong Boonyachai	The subsidiaries hire BEC to provide content on smartphone. While the subsidiaries provide mobile services to BEC. Sales and services 1. Service income 2. Other income 3. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable	-	0.56	-	8.56	-	6.26	The subsidiaries of BEC World provide content services such as television program and entertainment content on mobile application. The subsidiaries charge mobile services at the same rate as external customers. The subsidiaries pay service fee (Content) by the percentage of revenue to BEC at the same rate as other content providers.
		-	-	-	-	-	0.07	
		-	0.07	-	1.65	-	0.49	
		-	12.66	-	9.35	-	6.52	
		-	0.40	-	0.98	-	1.02	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
17. Mass Rapid Transit Authority of Thailand and its subsidiaries (MRTA)/ - Co-directors: Mr. Krairit Euchukanonchai	MRTA provides rental services to the subsidiaries. While the subsidiaries provide mobile services to MRTA. Sales and services 1. Service income 2. Other income 3. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable							MRTA group is a leading organization in providing efficient and complete mass rapid transit service to enhance people's quality of life. The subsidiaries charge mobile services and handset sales at the same rate as external customers. The subsidiaries pay rental fee (base station and electricity) to MRTA at the same rate as other lessor.
		-	0.10	-	0.37	-	149	
		-	-	-	0.26	-	0.24	
		-	0.05	-	0.03	-	0.16	
		-	9.00	-	54.09	-	60.12	
		-	0.32	-	0.51	-	9.65	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
18. The Siam Cement Public Company Limited and its subsidiaries (SCG)/ - Co-directors: Mr. Kan Trakulhoon	SCG provides rental services to the subsidiaries. While the subsidiaries provide mobile services and handset sales to SCG.							SCG group is the largest cement and building material company in Thailand and Southeast Asia.
	Sales and services							The subsidiaries charge mobile services and handset sales at the same rate as external customers. The subsidiaries pay rental fee (base station and electricity) to SCG at the same rate as other lessor.
	1. Service income	-	42.85	-	50.81	-	51.43	
	2. Other income	-	0.46	-	-	-	0.03	
	3. Trade and other accounts receivable	-	4.47	-	6.37	-	6.17	
	Purchase of goods and services							
	1. Rental and service expenses	-	1.01	-	0.09	-	0.03	
	2. Interest expenses	-	-	-	7.96	-	2.91	
	3. Trade and other accounts payable	-	-	-	2.39	-	-	
	4. Debenture	-	-	-	255.00	-	-	



Related parties/ Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2017 (Million Baht)		Related transactions for the period 31 December 2018 (Million Baht)		Related transactions for the period 31 December 2019 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
19. Rabbit - Line Pay Company Limited (RLP)/ AIS is an indirect major shareholder. * On March 5, 2018, Advanced Mpay Co., Ltd., a subsidiary, has invested in Rabbit Line Pay Co.Ltd which is 33.33% of ownership.	RLP provides e-money and e-payment service to the subsidiaries. While the subsidiaries provide mobile services to RLP. Sales and services 1. Service income 2. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses 2. Trade and other accounts payable	-	-	-	1.55	-	3.75	RLP provides e-money and e-payment service to serve customers in the digital economy. The subsidiaries charge mobile services at the same rate as external customers. The subsidiaries pay service fee (e-money and e-payment) to RLP at the same rate as other providers.
		-	-	-	1.45	-	0.86	
		-	-	-	18.30	-	24.69	
		-	-	-	17.79	-	4.54	
20. Osotspa Public Company Limited (OSP)/ - Co-directors: Mr. Somprasong Boonyachai	The subsidiaries provide mobile services to OSP. Sales and services 1. Service income 2. Trade and other accounts receivable Purchase of goods and services 1. Rental and service expenses 2. Interest expenses	-	0.19	-	5.07	-	9.35	OSP is a Thailand-based consumer products company, with a focus on non-alcoholic beverages and selected personal care products. The subsidiaries charge mobile services at the same rate as external customers. The subsidiaries pay rental fee (base station and electricity) to OSP at the same rate as other lessor.
		-	0.07	-	0.68	-	2.44	
		-	0.10	-	0.20	-	0.16	
		-	-	-	-	-	0.03	